

**VILLAGE OF OBETZ
FRANKLIN COUNTY, OHIO**

SUPPLEMENTAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2018

OHIO AUDITOR OF STATE
KEITH FABER



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

Village Council
Village of Obetz
4175 Alum Creek Drive
Obetz, Ohio 43207

We have reviewed the *Independent Auditor's Report* of the Village of Obetz, Franklin County, prepared by Julian & Grube, 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 Village of Obetz is responsible for compliance with these laws and regulations

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

Keith Faber
Auditor of State
Columbus, Ohio

September 5, 2019

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**VILLAGE OF OBETZ
FRANKLIN COUNTY, OHIO**

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

Village of Obetz
Franklin County
4175 Alum Creek Drive
Obetz, Ohio 43207

To the Members of Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Obetz, Franklin County, Ohio, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Village of Obetz's basic financial statements and have issued our report thereon dated June 27, 2019, wherein we noted as discussed in Note 3, the Village of Obetz adopted Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Village of Obetz's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Village of Obetz's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village of Obetz's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Village of Obetz's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Village of Obetz's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Village of Obetz's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Julian & Grube, Inc.
June 27, 2019

VILLAGE OF OBETZ, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018



VILLAGE OF OBETZ, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018

ISSUED BY:

DEPARTMENT OF FINANCE
M. MATTHEW CRAMBLIT, FINANCE DIRECTOR
MARK E. DAUBENMIER, ASSISTANT FINANCE DIRECTOR

4175 ALUM CREEK DRIVE
OBETZ, OHIO 43207

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VILLAGE OF OBETZ, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018

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INTRODUCTORY SECTION



June 27, 2019

Office of the Administrator
E. ROD DAVISSON, ESQ.
4175 Alum Creek Dr.
Obetz, Ohio 43207-5140
rdavisson@obetz.oh.us
(614) 491-1080 FAX (614) 491-7507

To Members of the Obetz Village Council and the Citizens of Obetz, Ohio:

We are pleased to present our Comprehensive Annual Financial Report (CAFR) of the Village of Obetz finances (the “Village”) for the year ended December 31, 2018. This CAFR includes financial statements and other financial and statistical data conforming to generally accepted accounting principles (GAAP)—as applicable to government entities. We intend that this report will provide the Village’s stakeholders comprehensive financial data in a format that enables a true understanding of the Village’s financial affairs, while providing management information for making decisions.

Ohio law requires that every Village file its unaudited financial statements with the Auditor of State and publish their availability within five months of the close of each year. The Village met this requirement by filing its Basic Financial Statements for 2018 with the Auditor of State. The law does not require Ohio Villages to create CAFRs; however, Obetz chooses to do this for its citizens and staff.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls established for this purpose. Since sound financial management dictates that the cost of internal controls should not exceed the expected benefits from the controls, the objective of this report is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Julian and Grube, Inc. issued an unmodified (“clean”) opinion on the Village’s financial statements for the year ended December 31, 2018. The Independent Auditor’s Report is located at the front of the Financial Section of this report.

Management’s Discussion and Analysis immediately follows the Independent Auditor’s Report. This discussion provides a narrative introduction, overview, and analysis to accompany the Basic Financial Statements. Management’s Discussion and Analysis complements this Letter of Transmittal and should be read in conjunction with it.

FORM OF GOVERNMENT AND REPORTING ENTITY

The Village operates under, and is governed by, its Charter. The Obetz voters adopted the Village’s original Charter in 2009. The Charter, by its own terms, is slated for review every 10 years and, may be amended by the voters through the Charter review process. The Village’s Charter provides for a Mayor-Council form of government.

The Charter vests the legislative authority in a six-member Council with overlapping four-year terms. The citizens elect all members of council at-large in non-partisan races. The Village Council fixes compensation of Village officials and employees; enacts ordinances relating to Village services; levies taxes; appropriates and borrows money; licenses and regulates businesses and trades; and, attends to other municipal needs. The presiding officer of Council is the Mayor, who is a member of Village Council—only voting in the case of a tie—and is elected by the citizens of Obetz for a four-year term. The Mayor is the chief executive, administrative, and law enforcement officer of the Village and is charged with the ultimate responsibility for the administration of all municipal affairs as empowered by the Charter. The Village Administrator is responsible for the day-to-day operations of the Village and stands in the Mayor’s stead as chief executive, administrative, and law enforcement officer of the Village as authorized.



Component units are legally separate organizations for which the Village is financially accountable. The Village is financially accountable for an organization if the Village appoints a voting majority of the organization's Governing Board; and, (1) the Village is able to significantly influence the programs or services performed or provided by the organization; or (2) the Village is legally entitled to or can otherwise access the organization's resources; or (3) the Village is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provides financial support to, the organization; or (4) the Village is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Village in that the Village approves the budget, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the Village and the organization is such that exclusion by the Village would render the Village's financial statements incomplete or misleading. Based upon the application of these criteria, the Village has no component units.

Certain organizations, although sharing some degree of name similarity with the Village, are separate and distinct entities from each other and from the Village. The Village is not financially accountable for these entities. Due to their independent nature, the financial activities of the Big Walnut Area Community Improvement Corporation, the Obetz Convention and Visitor's Bureau, and the Prairie-Obetz Joint Economic Development Zone are excluded from the Village's CAFR. We have disclosed these entities as jointly governed organizations in the Village's CAFR.

ECONOMIC CONDITION AND OUTLOOK

The Village is entirely within Franklin County in central Ohio. The Village experienced tremendous growth, both residential and nonresidential, over the past 15 years. The Village's growth is attributable to several factors including a pro-business electorate, its business-friendly regulations, a strong economic development team, and an excellent location—with access to Interstate 270 and proximity to the Rickenbacker Inland Port. Obetz also enjoys easy access to downtown Columbus and the Port Columbus International Airport; high quality logistics and e-commerce centers; affordable, quality housing; award winning public education; and, a reputation as a regional leader in attracting and retaining jobs.

The Village's positive economic condition reflects its strong and diversified nonresidential tax base. The Village is home to more than 300 companies. Village Council recognizes the need to maintain a highly diversified tax base. In light of the Village's reliance on income tax revenues, nonresidential development is critical to funding the services and facilities required by its citizens and visitors; and, is an integral part of the Village's quality of life for all residents—both residential and nonresidential alike.

The Village maintains a sensible mix of residential and nonresidential development. This is essential because of the positive fiscal impact nonresidential development has on the Village. The assessed valuation of real estate in the Village for tax year 2017 (collection year 2018), including the value of property located in Tax Increment Financing (TIF) districts is \$163,508,520. Residential property comprises 37% of the total and nonresidential property comprises the remaining 63%.

The Village's income tax collections, its most significant revenue source, are a good barometer of the strength of the local economy. In 2018, the Village levied a 2.5% tax on income earned by individuals working within the Village, and on the net income of for-profit organizations conducting business within the Village. The 2009 net tax receipts were \$4,107,933 and the 2018 net tax receipts were \$9,861,706 for an aggregate growth of 140.06% over the 10 year period.



The financial health of the Village is linked to the success of the Village's corporate residents as the employee withholding taxes represented 87.96% of the total income tax receipts for 2018. That tax base continues to grow aggressively and in 2018, withholding taxes increased \$567,050 or 6.79% more than 2017. Corporate net profit income tax receipts were 10.89% of the total, putting it more in line with the historical average. Maintaining the Village's conservative approach to estimating revenue, the 2018 original budgeted income tax revenue was 6.34% below actual income tax revenues.

The Village's current economic development strategy is multi-faceted. The Village developed a strong economic development department comprising a multidisciplinary team focused on attracting and retaining quality companies. The economic development team engages in a formal Business Retention and Expansion Program. The Village recognizes it has an excellent economic development resource in its existing employment base. Existing businesses are a critical aspect of Obetz' continued economic development success. Major public and private companies such as Amazon (AMZN), Zulily, Inc.(ZU), Tech Data (TECD), Cardinal Health, Inc.(CAH), Shiseido (SSDOF), Columbus Fair Auto Auction, Inc., United Parcel Service, Inc. (UPS), Art.com, Inc., Red Envelope (REDE), and Luxottica Retail North America, Inc. (LUX) continue to be a sound foundation of the Village's tax base.

In 2014, Obetz launched the ongoing Obetz Jobs Initiative. The goals of the program are to: 1) provide our employers with quality candidates for employment; 2) connect our residents and other qualified employees to good jobs; and, 3) foster and grow educational programming to produce highly qualified employees from the area. To accomplish these goals, the Village partnered with InnoSource, a private company, which specializes in employee recruitment and fulfillment. With our partner, we launched the website Obetzjobs.com where only Obetz employers can post openings and view the résumés of candidates looking for work. From there, employers are free to choose from any qualified applicant in which they have an interest. A subset of the Obetz Jobs Initiative is embodied in the Obetz Jobs Council. Here, a select group of employers meets with local high schools and career schools with the aim being to create curricula, training programs, and internships to ensure a steady stream of job-ready applicants. Since its inception, the Obetz Jobs Initiative has matched hundreds of qualified Obetz residents with Obetz employers.

The Village uses a full complement of Ohio's most advanced economic development tools to attract new business and to assist existing business expansions. The Village has employed Community Reinvestment Areas, Tax Increment Financing, Income Tax Rebates, Public Private Partnerships, and various and sundry state economic programs to create a competitive business environment. The Village's continued economic vitality is the result of quality development, planning, and the Village's ongoing efforts to attract and retain cutting edge logistic and e-commerce nonresidential development. The Village remains competitive in attracting new businesses while retaining current business customers. The Village's economic base is diverse, and no single company dominates its tax base resulting in a strong, well-balanced, corporate climate.

The Village also benefits from its location in central Ohio. The Village is approximately six miles southeast of the central business district of the City of Columbus, the State's capital and largest city. The unemployment rate in Franklin County has been consistently lower than the unemployment rates for the State of Ohio and is roughly equal to that of the nation. This trend continued in 2018 with unemployment rates of 3.9% for Franklin County, 4.8% for the State of Ohio, and 3.7% for the United States.

Adding to the attractiveness of the Village, part of Obetz lies within the boundaries of the Rickenbacker Inland Port. The Port is a global, multi-modal, logistics hub with an unmatched location for distribution to U.S. and Canadian consumers. Serving as the gateway for the Ohio Valley, Rickenbacker Inland Port is home to a base of air, road, and rail transport companies supported by a mix of freight forwarders, consolidators, customs brokers, and third-party logistics providers. The Columbus Regional Airport Authority oversees the operation of Port Columbus International Airport (Passenger Focused); Bolton Field (General Aviation); and manages the Cargo-dedicated Rickenbacker International Airport and the Rickenbacker Global Logistics Park.



The Mayor, Village Council, and management continue to closely monitor the regional and local economy for opportunities to further improve Obetz' financial position. The existing tax base, along with continued proactive development efforts, will not only allow the Village to remain financially strong, but will strengthen its future financial position.

MAJOR INITIATIVES

Current Year

The Village works to maintain and enhance the community's character, providing excellent Village services and maintaining strong financial standing. Under the leadership of the Village Mayor and Council, the Village develops innovative programs to meet these goals, leading the way in local government and forging a reputation as a pioneering community. In 2018, Obetz acquired another 67 acres of parkland as the first phase of a larger acquisition.

CAPITAL IMPROVEMENTS

In the Village, much effort is directed toward planning and managing the growth and development of the community. Building and maintaining public infrastructure is a critical component in providing a high quality of life to the residents and providing for the long-term fiscal health of the Village. In 2018, the Village continued revising a five-year Capital Improvements Program (CIP) that is revised and adopted annually. The CIP is the blueprint for Village investments in its capital infrastructure and defines the financial guidelines for completing as many capital projects as possible while maintaining the ability to adapt to change as it occurs.

In 2018, the Village completed Phase 2 Improvements at Fortress Obetz. The Village purchased an aging race track and converted it to Fortress Obetz. Fortress Obetz is a 72-acre, multi-modal, entertainment facility hosting concerts, festivals, and regional, national, and international sporting events. The Village constructed Fortress Obetz from used shipping containers and was awarded the Modular Building Institute's Project of the Year Award. "To create Fortress Obetz, **the largest shipping container structure in the United States to date**, all ground level units were perfectly level to ensure all the second and third story units would be lined-up and balanced. Wherever four module corners met, a small section of the floor in the final container was prepared to be removed for welder access and then replaced. Securely erecting and anchoring the upright containers is a breakthrough in container structure design and execution. Fortress Obetz will serve as a road map and a testament to the potential for large shipping container structures."¹

TRANSPORTATION

The Village capitalizes on a sound, extraterritorial, road network by investing heavily in local transportation projects—both independently and with regional government partners. In addition to its constant, road-network improvements, the Village recognized that employers need qualified employees and that those employees need to be able to get to work safely, economically, and with a high degree of reliability. To that end, the Village has joined forces with our regional partner—the Central Ohio Transit Authority (COTA)—to increase the frequency of bus route stops along the main employment corridor on Alum Creek Drive from hourly to every 15 minutes.

To ensure maximum efficiency and rider safety, Obetz and COTA constructed two new bus stops at the corner of Toy Road and Alum Creek Drive in the heart of the e-commerce district. Considering the distance from the bus stops to the employers' doors, in 2015 the Village collaborated with COTA and our neighboring City of Groveport to create a circulator whereby we operate buses that collect riders from the primary bus stops and deliver them to our employers. The GREAT bus service, as it is called, began operations in 2015 and, in 2018 the Obetz Red Line transported thousands of employees to their jobs in the Village at no cost to the employees or employers.

¹ Modular Building Institute: <http://www.modular.org/Awards/AwardEntryDetail.aspx?awardentryid=1633>, accessed June 29, 2018, Emphasis Added.



UTILITY INFRASTRUCTURE

Obetz is unique among Ohio villages in that it operates its own Water, Gas, Sewer (both Storm and Sanitary Sewer), and Electric utilities. The Village employs these resources to make it competitive in attracting and retaining quality businesses. The Village will incentivize these utilities occasionally and conservatively to attract large businesses. Even in the absence of an incentive, the Village's utility rates are still highly competitive and attract business—most of the time with no price break. It is important to note that the gas and electric utilities are limited to a specific geographic area with only commercial customers.

The Village spent a considerable amount of time and resources improving utility services to account for the dramatic growth. In 2015, Obetz replaced all its water meters, and installed a new network web between the meters. The completed project allows for real time monitoring of the water flow at each metered location. The meters “talk” to one another in a chain from place to place until they reach the central office. The upgraded capability allows the Village to notify a resident immediately if there is a serious leak; or, even something as innocuous as leaving a hose running. Additionally, with the advanced technology, the Village can now accurately—and in real time—track consumption throughout the village allowing for the identification and conservation of precious resources.

As an analogue to the new Meter Network, Obetz continued implementing a program to completely rebuild its computer software and add a new server. In 2018 the Village continued to invest heavily in its Graphical Information System interface, visual mapping, and surveying technology. Obetz employs drones and 3D mapping to inspect, maintain, and plan for critical infrastructure. The Village also continues adding and implementing the latest management and statistical analysis software striving to achieve nearly paperless management of Village operations.

PROSPECTS FOR THE FUTURE

The Village developed substantially in the last 15 years. It added millions of square feet of e-commerce and logistics space, manufacturing, and various other industries. The Village has roughly 10 square miles of annexable land available to it. Of that, there is nearly seven square miles of undeveloped farmland positioning the Village for a very bright future. The Village has recently purchased 152 acres of that land for a project that is not yet publicly announced. The Village has more than 1,000 new residential structures platted in five separate developments under various stages of construction.

The continued success of the Village is not without risk. Obetz' tremendous e-commerce growth will begin to level off as the Village only has about three developable parcels of that nature remaining. Our future in that regard lies in maximizing the density of employees in the millions of square feet currently under roof. Obetz is confident that its strategy for attracting and retaining the right kind of companies will allow for continued growth in the same space. Obetz' commercial development opportunities are the highest they have ever been and our successful economy is attracting many commercial and institutional investors.

The Village continues to closely monitor the activities of the Ohio Legislature about municipal power and taxation. If there is an insurmountable threat to Ohio's future, it lies there.

The Village is mindful of the fiscal impact of projected future growth of the Village over the next several years. If the Village is successful in its efforts to increase its presence as a regional employment center, its existing revenue structure will be sufficient to provide current levels of service to both existing and new development and, unlike most communities, the projected new growth will generate net revenue surpluses in the Village's operating budget. This is the result of land-use planning which maintains a balance between residential and nonresidential development and considers its effect on the Village's 2.5% income tax. Income tax revenues comprise approximately 58.5% of the Village's total annual governmental activities revenues, and future growth is expected to be heavily weighted towards



nonresidential, rather than residential, development. The future development of the remaining nonresidential acreage will have a positive impact on the Village's income tax base, and on its financial ability to provide services to citizens.

This diverse and healthy economic base provides the foundation for the future of the Obetz community. The employment tax base allows the Village to provide quality services and funding for an aggressive capital improvements program. Continuing to attract new nonresidential development while retaining our current business customers will provide for a strong financial future. Village Council and management closely monitor the Village's revenues and expenditures as we move forward.

The continued planning provides the basis for well-managed growth and development. The planning serves as the primary basis for decision making in public policy areas such as land use, density of land uses, annexation, and capital programming for identified public infrastructure needs. The Village is currently planning for the development to come and focusing on expanding business growth options for office-flex, research, lab and tech space, and clean manufacturing to help diversify the Village's economic base.

The Village continues to make tremendous strides in establishing a thriving community for residents and corporate citizens. As we set our priorities for the coming years, the Village Mayor, Council, and management strive toward achieving superior results in our services, residential and nonresidential development, fiscal health, and corporate community. As the Village flourishes as a community, we believe our best years are yet to come.

FISCAL POLICIES AND PROCEDURES

Internal Control Structure

Management of the Village is responsible for establishing and maintaining an adequate internal control structure. Internal accounting controls are designed to ensure that the assets of the Village are protected from loss, theft, or misuse and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. 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 control should not exceed the benefits likely derived; and (2) the valuation of costs and benefits require estimates and judgment by management.

We believe the Village's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions. Because of inherent limitations in any internal control structure, errors or irregularities nevertheless may occur and not be detected. Projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or the degree of compliance with the procedures may deteriorate.

Budgetary Controls

In addition to internal accounting controls, the Village maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation ordinance approved by Village Council. Activities of all funds, with the exception of advances, are included in the annual appropriations ordinance. All funds except Agency Funds are legally required to be budgeted. Upon adoption of the annual appropriations ordinance by Village Council, it becomes the formal budget for Village operations. The appropriations ordinance is Village Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Village Council. The legal level of control has been established by Village Council at the object level within each department within each fund for all funds. Appropriations may be amended or supplemented by Council during the year as required. Appropriations within a department may be transferred within the same object level with approval of the Village Administrator so long as the transfer is within the same fund.



Debt Administration

As of December 31, 2018, the Village had \$42,452,449 in long-term obligations outstanding, excluding net pension liability, net OPEB liability, and compensated absences. Of the total, \$4,330,000 will be retired using service payments received in lieu of property taxes and developer contributions. The remaining \$38,122,449 will be retired with income tax revenue.

Under current state statutes, the Village's general obligation debt issuances are subject to a legal limitation based on the total assessed value of real and personal property. Total general obligation debt of the Village, exclusive of certain exempt debt, shall never exceed 10.5% of the total assessed valuation. The unvoted general obligation debt of the Village cannot exceed 5.5% of the total assessed valuation. As of December 31, 2018, the Village had a legal debt margin for total debt of \$17,168,395 and a legal debt margin for unvoted debt of \$8,992,969.

When the Village issued bonds and bond anticipation notes (BANs) in 2018, it received a reaffirmation of its AA-rating from Standard & Poor's. The rating is excellent for an Ohio Village and is better than many large cities, enabling the Village's debt to be issued at lower interest rates, resulting in substantial reductions in future debt service payments. The Village's diverse and growing economic base, strong regional and local economies, history of operating surpluses and the continued use of that surplus to fund capital projects, and continued long-term planning efforts will help maintain high credit ratings.

OTHER INFORMATION

Independent Audit

The financial records of the Village were audited by Julian and Grube, Inc., Certified Public Accountants, under contract with the Village and the Auditor of State of Ohio. The independent auditor's report on the Basic Financial Statements is included on pages 17-18 in the Financial Section of this report.

Use of This Report

This CAFR is published to provide to Village Council, as well as to our residents and other interested persons, detailed information concerning the financial condition of the Village. We believe the information, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial activity of our funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Village's financial activity have been included. Copies of this CAFR are available on the Obetz website at www.obetz.oh.us for use by the public.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Obetz for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2017. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

To be awarded a Certificate of Achievement a government must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The 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.

Acknowledgements

This CAFR was made possible by the dedicated efforts of the entire Department of Finance staff. Our sincere appreciation is extended to each of them, and the others throughout the Village, whose efforts have made this report possible.

Sincerely,

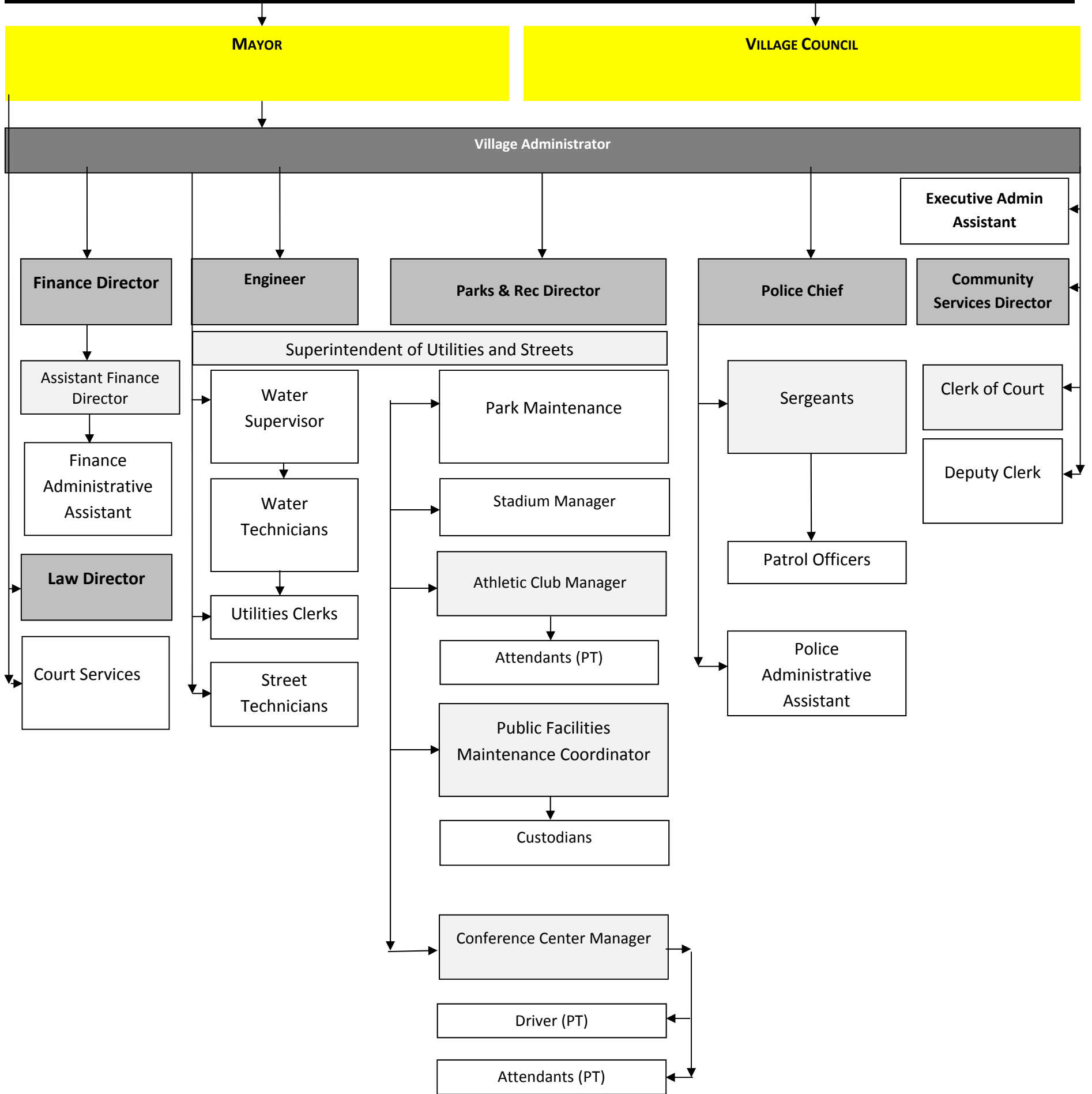


E. Rod Davisson, Esq. (LEED-AP)
Village Administrator



M. Matthew Cramblit
Finance Director

VILLAGE OF OBETZ CITIZENS



PT = Part-time Employee



Organizational Chart

VILLAGE OF OBETZ, OHIO

VILLAGE OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2018

Mayor

D. Greg Scott

Council Members

Michael Flaherty, President

Angie Kirk

Robert Kramer

Guiles Richardson

Bonnie Wiley

James Wiley

Administrator

E. Rod Davisson, Esq.

Police Chief

Chief J. Michael Confer

Community Services Director

Stacey E. Boumis, AICP

Village Engineer

Michael F. Corbitt, P.E.

Interim Parks and Recreation Director

Kerri A. Duffy

Facilities Manager

Timothy H. Ross

Assistant Director of Development

Stacie L. Garvine

Law Director

Frost Brown Todd LLC

Finance Director

M. Matthew Cramblit

Assistant Finance Director

Mark E. Daubenmier

Service Director

Kevin M. Hall



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Village of Obetz
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Village of Obetz
Franklin County
4175 Alum Creek Drive
Obetz, Ohio 43207

To the Members of Council and Mayor:

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 Village of Obetz, Franklin County, Ohio, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Village of Obetz's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Village of Obetz's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Village of Obetz's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

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 Village of Obetz, Franklin County, Ohio, 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 thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during 2018, the Village of Obetz adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis*, and schedules of net pension asset, net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Village of Obetz's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other 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 Village of Obetz's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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 Village of Obetz's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
June 27, 2019

VILLAGE OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2018 (UNAUDITED)

The management's discussion and analysis of the Village of Obetz' (the "Village") financial performance provides an overall review of the Village's financial activities for the year ended December 31, 2018. The intent of this discussion and analysis is to look at the Village's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Village's financial performance.

Financial Highlights

Key financial highlights for 2018 are as follows:

- The total net position of the Village increased \$627,372 as restated in Note 3.A. Net position of governmental activities decreased \$930,504 or 1.40% from 2017's restated net position and net position of business-type activities increased \$1,557,876 or 5.29% from 2017's restated net position.
- General revenues accounted for \$15,229,322 or 85.03% of total governmental activities revenue. Program specific revenues accounted for \$2,681,671 or 14.97% of total governmental activities revenue.
- The Village had \$18,841,497 in expenses related to governmental activities; \$2,681,671 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues were not adequate to offset the remaining expenses of \$16,159,826.
- The General Fund had revenues and other financing sources of \$12,562,965 in 2018. This represents a decrease of \$5,594,505 from 2017 due primarily to a one-time tax payment received in 2017. The expenditures of the General Fund, which totaled \$13,816,858 in 2018, decreased \$4,182,928 from 2017 expenditures. During 2018, fund balance decreased \$1,253,893 from \$9,984,633 at December 31, 2017 to \$8,730,740 at December 31, 2018.
- The General Obligation Debt Service Fund had revenues and other financing sources of \$1,105,812 in 2018. The expenditures and other financing sources of the General Obligation Debt Service Fund totaled \$1,681,067 in 2018. During 2018, fund balance decreased \$575,255 from \$2,453,528 at December 31, 2017 to \$1,878,273 at December 31, 2018.
- The Williams Road Capital Improvement Fund had other financing sources of \$500,000 in 2018. The expenditures of the Williams Road Capital Improvement Fund totaled \$33,669 in 2018. Fund balance increased \$466,331 from a deficit of \$1,582,325 at December 31, 2017 to a deficit balance of \$1,115,994 at December 31, 2018. The deficit balance is due to the reporting of \$1,500,000 short-term notes payable as a fund liability rather than as an other financing source.
- The Parks Capital Improvements Fund was a new fund in 2018. During 2018, this fund had other financing sources of \$7,865,000 and expenditures of \$3,853,535. Fund balance at December 31, 2018 was \$4,011,465.
- The Streets Capital Improvements Fund was a new fund in 2018. During 2018, this fund had other financing sources of \$7,135,000 and expenditures of \$831,087. Fund balance at December 31, 2018 was \$6,303,913.
- The Walnut Creek Improvement Fund had other financing sources of \$2,400,000 in 2018. The expenditures of the Walnut Creek Improvement Fund totaled \$3,346,350. Fund balance decreased \$946,350 from \$685,867 at December 31, 2017 to a deficit of \$260,483 at December 31, 2018. The deficit balance is due to a \$500,000 note payable.
- Net position for the business-type activities, which are made up of the Water, Sewer, Electric, Gas, and Refuse operations, increased in 2018 by \$1,557,876. During 2018, charges for services and sales supporting these operations totaled \$11,009,401 while expenses of these operations totaled \$10,151,385. In addition, these operations received \$699,860 in capital grants and contributions.
- In the General Fund, the actual revenues and other financing sources came in \$2,228,069 higher than they were in the final budget and actual expenditures and other financing uses were \$2,022,705 less than the amount in the final budget. Budgeted expenditures and other financing uses increased \$956,589 from the original to the final budget. Budgeted revenues remained the same from the original to the final budget.

VILLAGE OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2018 (UNAUDITED)

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the Village as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

Reporting the Village as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the Village to provide programs and activities, the view of the Village as a whole looks at all financial transactions and asks the question, "How did we do financially during 2018?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows, liabilities and deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

Governmental activities - Most of the Village's programs and services are reported here including police, street maintenance, capital improvements and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The Village's water, sewer, electric, gas, and refuse operations are reported here.

The Village's Statement of Net Position and Statement of Activities can be found on pages 37-39 of this report.

Reporting the Village's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

VILLAGE OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2018 (UNAUDITED)

Fund financial reports provide detailed information about the Village's major funds. The Village uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Village's most significant funds. The analysis of the Village's major governmental and proprietary funds begins on page 29.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains a multitude of individual governmental funds. The Village has segregated these funds into major funds and nonmajor funds. The Village's major governmental funds are the General Fund, the General Obligation Debt Service Fund, the Williams Road Capital Improvement Fund, the Parks Capital Improvements Fund, the Streets Capital Improvements Fund, and the Walnut Creek Improvement Fund. Information for major funds is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 40-47 of this report.

Enterprise Funds

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water, sewer, electric, gas, and refuse management functions. Each of the enterprise funds are considered major funds. The basic proprietary fund financial statements can be found on pages 48-55 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Agency funds are the Village's only fiduciary fund type. The Statement of Assets and Liabilities can be found on page 56 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 57-110 of this report.

Required Supplementary Information (RSI)

The RSI contains information regarding the Village's proportionate share of the Ohio Public Employees Retirement System's (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund's net pension liability and the Village's schedule of contributions to OPERS and OP&F. The RSI can be found on pages 112-124 of this report.

VILLAGE OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)

Government-Wide Financial Analysis

The table below provides a summary of the Village's net position at December 31, 2018 and 2017. The net position at December 31, 2017 has been restated as described in Note 3.

Net Position

	Governmental Activities 2018	Business-type Activities 2018	Restated	Restated	2018 Total	Restated
			Governmental Activities 2017	Business-type Activities 2017		2017 Total
<u>Assets</u>						
Current and other assets	\$ 28,650,846	\$ 10,752,778	\$ 19,638,926	\$ 10,397,790	\$ 39,403,624	\$ 30,036,716
Capital assets, net	<u>92,213,425</u>	<u>22,380,547</u>	<u>87,425,443</u>	<u>21,886,999</u>	<u>114,593,972</u>	<u>109,312,442</u>
Total assets	<u>120,864,271</u>	<u>33,133,325</u>	<u>107,064,369</u>	<u>32,284,789</u>	<u>153,997,596</u>	<u>139,349,158</u>
<u>Deferred outflows of resources</u>						
Pension	1,862,899	148,663	2,598,955	321,675	2,011,562	2,920,630
OPEB	<u>552,094</u>	<u>26,028</u>	<u>30,348</u>	<u>5,932</u>	<u>578,122</u>	<u>36,280</u>
Total deferred outflows of resources	<u>2,414,993</u>	<u>174,691</u>	<u>2,629,303</u>	<u>327,607</u>	<u>2,589,684</u>	<u>2,956,910</u>
<u>Liabilities</u>						
Current and other liabilities	3,374,623	1,320,672	4,127,346	2,123,454	4,695,295	6,250,800
Long-term liabilities	<u>52,763,322</u>	<u>857,874</u>	<u>38,302,311</u>	<u>1,056,270</u>	<u>53,621,196</u>	<u>39,358,581</u>
Total liabilities	<u>56,137,945</u>	<u>2,178,546</u>	<u>42,429,657</u>	<u>3,179,724</u>	<u>58,316,491</u>	<u>45,609,381</u>
<u>Deferred inflows of resources</u>						
Property taxes levied for the next fiscal year	266,970	-	260,870	-	266,970	260,870
Payments in lieu of taxes levied for the next fiscal year	463,294	-	417,144	-	463,294	417,144
Pension	637,264	117,147	24,811	4,265	754,411	29,076
OPEB	<u>143,105</u>	<u>26,040</u>	<u>-</u>	<u>-</u>	<u>169,145</u>	<u>-</u>
Total deferred inflows of resources	<u>1,510,633</u>	<u>143,187</u>	<u>702,825</u>	<u>4,265</u>	<u>1,653,820</u>	<u>707,090</u>
<u>Net Position</u>						
Net investment in capital assets	59,256,000	22,380,547	56,265,624	20,886,999	81,636,547	77,152,623
Restricted	3,618,144	-	4,230,914	-	3,618,144	4,230,914
Unrestricted	<u>2,756,542</u>	<u>8,605,736</u>	<u>6,064,652</u>	<u>8,541,408</u>	<u>11,362,278</u>	<u>14,606,060</u>
Total net position	<u>\$ 65,630,686</u>	<u>\$ 30,986,283</u>	<u>\$ 66,561,190</u>	<u>\$ 29,428,407</u>	<u>\$ 96,616,969</u>	<u>\$ 95,989,597</u>

VILLAGE OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2018 (UNAUDITED)

The net pension liability (NPL) is the largest single liability reported by the Village at December 31, 2018 and is reported pursuant to Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27." For 2018, the Village adopted GASB Statement No. 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 Village'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.

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

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the Village'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 Village 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.

VILLAGE OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2018 (UNAUDITED)

In accordance with GASB 68 and GASB 75, the Village'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 Village 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 \$70,259,151 to \$66,561,190 for governmental activities and \$29,722,402 to \$29,428,407 for business-type activities

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2018, the Village's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$96,616,969. At year-end, net position was \$65,630,686 and \$30,986,283 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the Village's assets. At year-end, capital assets represented 74.41 percent of total assets. Capital assets include land, rights of way, construction in progress, buildings, improvements other than buildings, infrastructure, equipment, and vehicles. Net investment in capital assets at December 31, 2018, was \$59,256,000 and \$22,380,547 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. The Village's investment in capital assets is reported net of related debt; however, the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

Current assets increased due to the issuance of \$15,000,000 in Series 2018 Income Tax Revenue Bonds. Capital assets increased as the Village completed improvements to the Fortress Obetz area during the year. Current liabilities decreased primarily due to the Village retiring the short-term electric note. Long-term liabilities increased due to the Village issuing \$15,000,000 in Series 2018 Income Tax Revenue Bonds during 2018. This increase was partially offset by a decrease in the net pension liability.

A portion of the Village's net position, \$3,618,144, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is \$11,362,278 (\$2,756,542 in the governmental activities and \$8,605,736 in the business-type activities).

VILLAGE OF OBETZ, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)**

The table below shows the changes in net position for 2018 and 2017. The net position at December 31, 2017 has been restated as described in Note 3.

	Changes in Net Position					
			Restated		Restated	
	Governmental Activities 2018	Business-type Activities 2018	Governmental Activities 2017	Business-type Activities 2017	2018 Total	Restated 2017 Total
Revenues						
Program revenues:						
Charges for services and sales	\$ 850,234	\$ 11,009,401	\$ 1,032,376	\$ 11,125,250	\$ 11,859,635	\$ 12,157,626
Operating grants and contributions	491,906	-	823,151	-	491,906	823,151
Capital grants and contributions	<u>1,339,531</u>	<u>699,860</u>	<u>1,021,642</u>	<u>573,515</u>	<u>2,039,391</u>	<u>1,595,157</u>
Total program revenues	<u>2,681,671</u>	<u>11,709,261</u>	<u>2,877,169</u>	<u>11,698,765</u>	<u>14,390,932</u>	<u>14,575,934</u>
General revenues:						
Property taxes	244,552	-	199,013	-	244,552	199,013
Municipal income taxes	10,478,548	-	15,597,909	-	10,478,548	15,597,909
Other local taxes	418,096	-	338,230	-	418,096	338,230
Payments in lieu of taxes	279,221	-	958,367	-	279,221	958,367
Unrestricted grants and entitlements	3,180,035	-	2,557,155	-	3,180,035	2,557,155
Investment earnings	422,113	-	234,977	-	422,113	234,977
Increase in fair value of investments	9,335	-	5,571	-	9,335	5,571
Miscellaneous	<u>197,422</u>	<u>-</u>	<u>211,611</u>	<u>-</u>	<u>197,422</u>	<u>211,611</u>
Total general revenues	<u>15,229,322</u>	<u>-</u>	<u>20,102,833</u>	<u>-</u>	<u>15,229,322</u>	<u>20,102,833</u>
Total revenues	<u>17,910,993</u>	<u>11,709,261</u>	<u>22,980,002</u>	<u>11,698,765</u>	<u>29,620,254</u>	<u>34,678,767</u>
Expenses:						
General government	2,216,755	-	1,660,347	-	2,216,755	1,660,347
Security of persons and property	3,137,206	-	2,731,880	-	3,137,206	2,731,880
Public health	42,156	-	36,840	-	42,156	36,840
Transportation	4,548,019	-	4,105,569	-	4,548,019	4,105,569
Community environment	4,250,033	-	3,478,107	-	4,250,033	3,478,107
Leisure time activity	3,321,300	-	2,179,499	-	3,321,300	2,179,499
Interest and fiscal charges	1,326,028	-	874,920	-	1,326,028	874,920
Water	-	1,429,802	-	1,160,231	1,429,802	1,160,231
Sewer	-	1,801,480	-	2,059,694	1,801,480	2,059,694
Electric	-	5,519,377	-	5,256,793	5,519,377	5,256,793
Gas	-	1,134,212	-	1,013,960	1,134,212	1,013,960
Refuse	<u>-</u>	<u>266,514</u>	<u>-</u>	<u>258,148</u>	<u>266,514</u>	<u>258,148</u>
Total expenses	<u>18,841,497</u>	<u>10,151,385</u>	<u>15,067,162</u>	<u>9,748,826</u>	<u>28,992,882</u>	<u>24,815,988</u>
Excess (deficiency) before transfers	(930,504)	1,557,876	7,912,840	1,949,939	627,372	9,862,779
Transfers	<u>-</u>	<u>-</u>	<u>121,700</u>	<u>(121,700)</u>	<u>-</u>	<u>-</u>
Change in net position	(930,504)	1,557,876	8,034,540	1,828,239	627,372	9,862,779
Net position at beginning of year (restated)	<u>66,561,190</u>	<u>29,428,407</u>	N/A	N/A	<u>95,989,597</u>	N/A
Net position at end of year	<u>\$ 65,630,686</u>	<u>\$ 30,986,283</u>	<u>\$ 66,561,190</u>	<u>\$ 29,428,407</u>	<u>\$ 96,616,969</u>	<u>\$ 95,989,597</u>

VILLAGE OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)

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 \$30,348 and \$5,932 computed under GASB 45 in governmental activities and business-type activities, respectively. GASB 45 required recognizing OPEB expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report OPEB expense of \$420,201 and \$28,094 in governmental activities and business-type activities, respectively.

Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

	Governmental Activities	Business-Type Activities
Total 2018 program expenses under GASB 75	\$ 18,841,497	\$ 10,151,385
OPEB expense under GASB 75	(420,201)	(28,094)
2018 contractually required contributions	7,096	47
Adjusted 2018 program expenses	18,428,392	10,123,338
Total 2017 program expenses under GASB 45	15,067,162	9,748,826
Increase in program expenses not related to OPEB	\$ 3,361,230	\$ 374,512

Governmental Activities

Governmental activities net position decreased \$930,504 in 2018.

Charges for services and sales decreased \$182,142, or 17.64%, primarily in the area supporting general government. The state and federal government contributed to the Village a total of \$491,906 in operating grants and contributions and \$1,339,531 in capital grants and contributions. These revenues are restricted to a particular program or purpose. Operating grants and contributions decreased \$331,245, or 40.24%, from the prior year, primarily due to a decrease in permissive motor vehicle license receipts.

General revenues totaled \$15,229,322 and amounted to 85.87% of total governmental revenues. These revenues primarily consist of property and income tax revenues of \$10,723,100. The other primary sources of general revenues are grants and entitlements not restricted to specific programs, including local government and local government revenue assistance, making up \$3,180,035 and payments in lieu of taxes of \$279,221. Municipal income tax revenue decreased due to the Village receiving a one-time payment of approximately \$4.5 million from a business within the Village limits in 2017.

General government expenses totaled \$2,216,755. General government expenses were partially funded by \$550,657 in direct charges to users of the services. General government expenses increased primarily due to increases of non-capitalized services.

Security of persons and property, which primarily supports the operation of police services, accounted for \$3,137,206 or 16.65% of the total expenses of the Village. Security of persons and property expenses were partially funded by \$11,209 in direct charges to users of the services and \$11,227 in operating grants and contributions. Security of persons and property expenses increased \$405,326 compared to 2017 primarily due to an increase in police enforcement expenses.

Transportation expenses increased \$442,450, due to increased maintenance expenses. Transportation expenses were offset by \$282,697 in operating grants and contributions and \$1,339,531 in capital grants and contributions.

VILLAGE OF OBETZ, OHIO

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)**

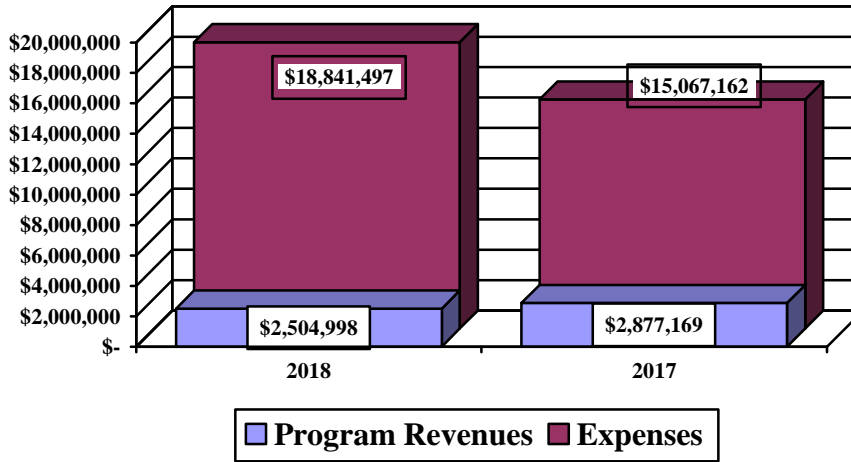
Community environment expenses increased \$771,926 due to the Village’s cooperative agreement with the City of Groveport and COTA to supply new bus routes to the industrial centers. The increase in community environment expenses was also due to increased tax distribution amounts paid to Prairie Township from the JEDZ.

Leisure time activities expenses increased \$1,141,801 due to an increase in parks department capital assets, resulting in an increase to depreciation expense. Leisure time activities expenses were partially offset by \$288,368 in direct charges to users of the services.

Interest and fiscal charges increased \$451,108 from 2017 primarily due to the issuance of the Series 2018 Income Tax Revenue Bonds. Interest and fiscal charges were partially offset by \$197,982 in operating grants and contributions.

The graph below shows program revenues and total expenses for 2018 and 2017:

Governmental Activities - Program Revenues vs. Total Expenses



The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As can be seen in the graph below, the Village is highly dependent upon general revenues (primarily property and income taxes as well as unrestricted grants and entitlements) to support its governmental activities as program revenues are not sufficient to cover total governmental expenses for 2018.

VILLAGE OF OBETZ, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)**

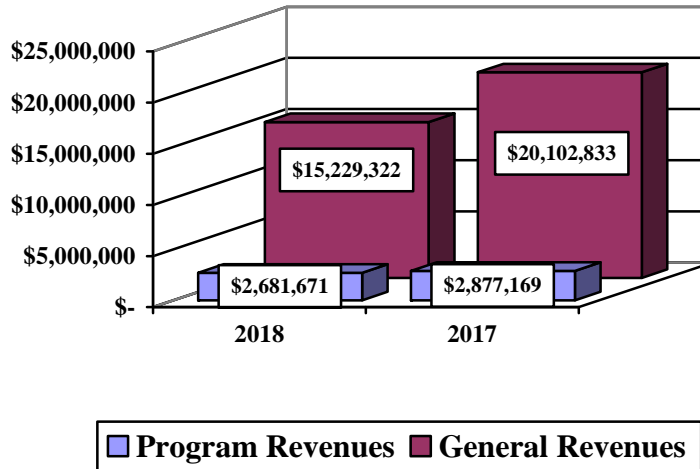
Governmental Activities

	Total Cost of Services 2018	Net Cost of Services 2018	Total Cost of Services 2017	Net Cost of Services 2017
Program expenses:				
General government	\$ 2,216,755	\$ 1,666,098	\$ 1,660,347	\$ 857,767
Security of persons and property	3,137,206	3,114,770	2,731,880	2,709,460
Public health	42,156	42,156	36,840	36,840
Transportation	4,548,019	2,925,791	4,105,569	2,455,857
Community environment	4,250,033	4,250,033	3,478,107	3,478,107
Leisure time activity	3,321,300	3,032,932	2,179,499	1,961,625
Interest and fiscal charges	<u>1,326,028</u>	<u>1,128,046</u>	<u>874,920</u>	<u>690,337</u>
Total	<u>\$ 18,841,497</u>	<u>\$ 16,159,826</u>	<u>\$ 15,067,162</u>	<u>\$ 12,189,993</u>

The dependence upon general revenues for governmental activities is apparent, with 85.77% of expenses supported through taxes and other general revenues.

The graph below illustrates the Village's program revenues versus general revenues for 2018 and 2017.

Governmental Activities - General and Program Revenues



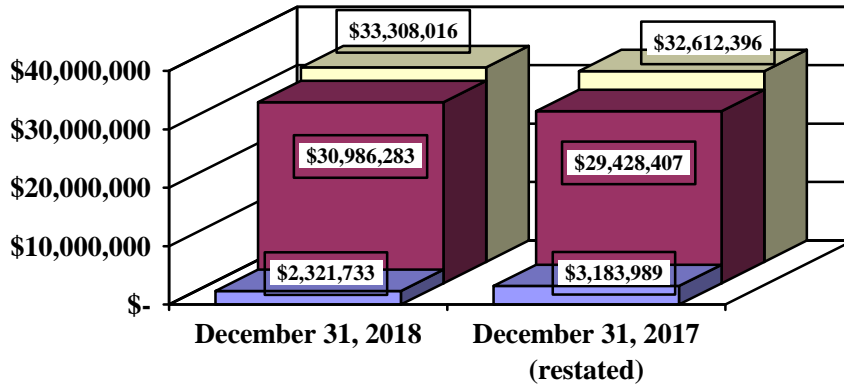
Business-type Activities

Business-type activities include the water, sewer, electric, gas, and refuse operations. These programs had program revenues of \$11,709,261 and expenses of \$10,151,385 in 2018. The graph below shows the business-type activities assets, liabilities and net position at year-end. The net position at December 31, 2017 has been restated as described in Note 3.

VILLAGE OF OBETZ, OHIO

MANAGEMENT’S DISCUSSION AND ANALYSIS
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(UNAUDITED)

Net Position in Business – Type Activities



■ Liabilities and deferred inflows ■ Net Position ■ Assets and deferred outflows

Charges for services and sales for the business-type activities decreased \$115,849 or 1.04%, from the prior year. Charges for services and sales for water, sewer, electric, gas, and refuse operations were sufficient to cover expenses of those operations. Capital grants and contributions increased from the prior year primarily due to capital contributions received by water and sewer operations. Overall expenses of the business-type activities increased \$402,559, or 4.13%, primarily due to water and electric operations.

Financial Analysis of the Government’s Funds

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Village’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Village’s net resources available for spending at year-end.

The Village’s governmental funds (as presented on the balance sheet on pages 40-41) reported a combined fund balance of \$23,514,038, which is \$8,907,982 more than last year’s balance of \$14,606,056.

VILLAGE OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)

The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2018 and 2017 for all major and nonmajor governmental funds.

	Fund Balances <u>12/31/18</u>	Fund Balances <u>12/31/17</u>	Increase (Decrease)
Major Funds:			
General	\$ 8,730,740	\$ 9,984,633	\$ (1,253,893)
General Obligation Debt Service	1,878,273	2,453,528	(575,255)
Williams Road Capital Improvement	(1,115,994)	(1,582,325)	466,331
Parks Capital Improvements	4,011,465	-	4,011,465
Streets Capital Improvements	6,303,913	-	6,303,913
Walnut Creek Improvement	(260,483)	685,867	(946,350)
Nonmajor Governmental Funds	<u>3,966,124</u>	<u>3,064,353</u>	<u>901,771</u>
Total	<u>\$ 23,514,038</u>	<u>\$ 14,606,056</u>	<u>\$ 8,907,982</u>

General Fund

The Village's General Fund balance decreased \$1,253,893. The table that follows assists in illustrating the revenues of the General Fund.

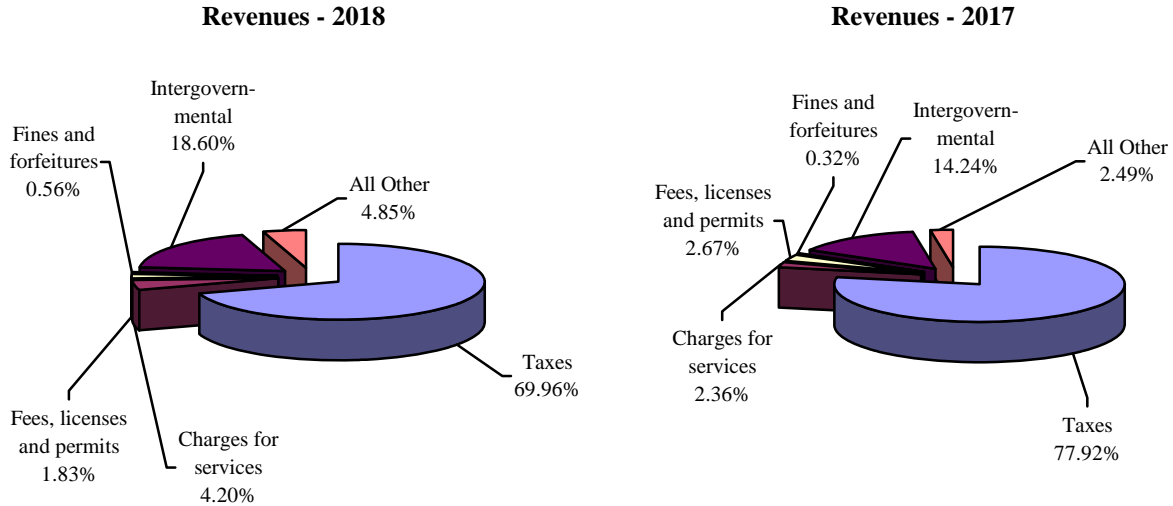
	2018 <u>Amount</u>	2017 <u>Amount</u>	Percentage <u>Change</u>
<u>Revenues</u>			
Taxes	\$ 8,786,110	\$ 14,147,764	(37.90) %
Charges for services	528,057	427,703	23.46 %
Fees, licenses and permits	230,035	485,517	(52.62) %
Fines and forfeitures	69,790	57,889	20.56 %
Intergovernmental	2,336,186	2,586,192	(9.67) %
Investment income	421,400	236,583	78.12 %
Increase in fair value of investments	9,335	5,571	67.56 %
Other	<u>177,952</u>	<u>210,251</u>	(15.36) %
Total	<u>\$ 12,558,865</u>	<u>\$ 18,157,470</u>	(30.83) %

Tax revenue represents 69.96% of all General Fund revenue. Tax revenue includes income taxes, property taxes and other local taxes. Income tax revenue decreased due to the Village receiving a one-time payment of approximately \$4.5 million from a business within the Village limits in 2017. Charges for services increased due to ticket and concession sales at Fortress Obetz. Fees, licenses and permits revenue decreased primarily due to a decrease in building permit revenue. Fines and forfeitures revenue increased due to higher court costs and fines. Intergovernmental revenue decreased due to less local government funds distributed. Investment income increased as there were improved interest rates on Village investments coupled with more money invested in 2018. The \$9,335 represents the difference between the cost of Village investments and the fair value of these investments at December 31, 2018. The Village intends to hold investments to maturity thus eliminating exposure to the fluctuations in the fair value of applicable investments. Other revenues decreased due to a decrease in all miscellaneous revenues not classified elsewhere within the General Fund.

VILLAGE OF OBETZ, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)**

The following graphs show the breakdown of General Fund revenues by category for 2018 and 2017.



The table that follows assists in illustrating the expenditures of the General Fund.

	2018 <u>Amount</u>	2017 <u>Amount</u>	Percentage <u>Change</u>
<u>Expenditures</u>			
General government	\$ 1,576,805	\$ 1,621,201	(2.74) %
Security of persons and property	2,432,789	2,246,005	8.32 %
Public health	42,156	36,840	14.43 %
Transportation	535,102	483,072	10.77 %
Community environment	4,115,986	3,366,363	22.27 %
Leisure time activity	2,178,825	1,878,948	15.96 %
Capital outlay	<u>2,935,195</u>	<u>8,367,357</u>	(64.92) %
Total	<u>\$ 13,816,858</u>	<u>\$ 17,999,786</u>	(23.24) %

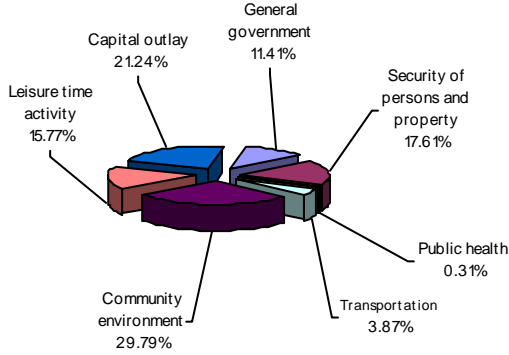
The Village decreased total expenditures by 23.24%. The most significant changes from the prior year were in the areas of transportation, community environment, leisure time activity, and capital outlay. Transportation expenditures increased due to increased maintenance costs. Community environment increased due to increased payments to Prairie Township from the JEDZ. Leisure time activity expenditures increased due to increased expenditures to maintain the Village's parks. Capital outlay decreased as the Village completed the Fortress Obetz project during 2018. Security of persons and property expenditures increased primarily due to increases in wages for police. Public health expenditures increased due to increased fees paid to the County Human Services Program.

VILLAGE OF OBETZ, OHIO

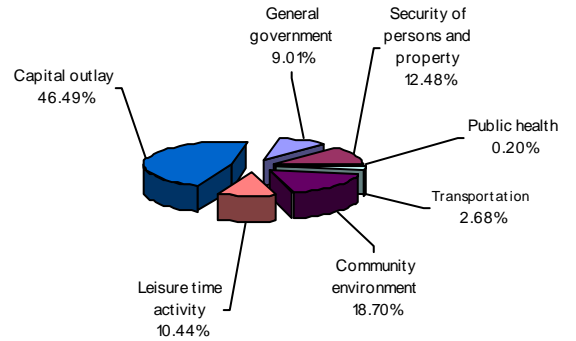
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)**

The following graphs show the breakdown of General Fund expenditures by function for 2018 and 2017.

Expenditures - 2018



Expenditures - 2017



General Obligation Debt Service Fund

The General Obligation Debt Service Fund had revenues and other financing sources of \$1,105,812 in 2018. The expenditures and other financing sources of the General Obligation Debt Service Fund totaled \$1,681,067 in 2018. The net decrease in fund balance for the General Obligation Debt Service Fund was \$575,255, or 23.45%.

Williams Road Capital Improvement Fund

This fund accounts for note proceeds and subsequent capital expenditures related to Williams Road area improvements. The other financing sources totaled \$500,000 in 2018. The expenditures of the Williams Road Improvement Fund totaled \$33,669 in 2018. The net increase in fund balance for the Williams Road Improvement Fund was \$466,331.

Parks Capital Improvements Fund

This fund accounts for \$7,865,000 of the \$15 million Series 2018 Income Tax Revenue Bond issuance and subsequent capital expenditures related to Village park improvements. The other financing sources totaled \$7,865,000 in 2018. The expenditures of the Parks Capital Improvements Fund totaled \$3,853,535 in 2018. The net increase in fund balance for the Parks Capital Improvements Fund was \$4,011,465.

Streets Capital Improvements Fund

This fund accounts for \$7,135,000 of the \$15 million Series 2018 Income Tax Revenue Bond issuance and subsequent capital expenditures related to Village street improvements. The other financing sources totaled \$7,135,000 in 2018. The expenditures of the Streets Capital Improvements Fund totaled \$831,087 in 2018. The net increase in fund balance for the Streets Capital Improvements Fund was \$6,303,913.

Walnut Creek Improvement Fund

This fund accounts for the note proceeds and subsequent capital expenditures related to Walnut Creek area improvements. The Walnut Creek Improvement Fund had other financing sources of \$2,400,000 in 2018. The expenditures of the Walnut Creek Improvement Fund totaled \$3,346,350 in 2018. The net decrease in fund balance for the Walnut Creek Improvement Fund was \$946,350.

VILLAGE OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2018 (UNAUDITED)

Proprietary Funds

The Village's enterprise funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The Village has five major enterprise funds, the Water Fund, Sewer Fund, Electric Fund, Gas Fund, and Refuse Fund.

Water Fund

The Water Fund had operating revenues of \$1,603,789 in 2018. Operating revenues decreased primarily due to a decrease in tap fees received in 2018. The operating expenses of the Water Fund totaled \$1,428,586 in 2018 which represents an increase of \$269,546, primarily in the area of contract services. The Water Fund received \$400,834 in capital contributions. The increase in net position for the Water Fund was \$574,821 or 6.23%.

Sewer Fund

The Sewer Fund had operating revenues of \$1,812,116 in 2018. The operating expenses of the Sewer Fund totaled \$1,799,347 in 2018 which is a decrease of \$258,257 from 2017, primarily due to less contract services expenses. The Sewer Fund received \$246,010 in capital contributions. The net increase in net position for the Sewer Fund was \$256,646 or 2.16%.

Electric Fund

The Electric Fund had operating revenues of \$6,221,092 in 2018 which was \$378,314 more than 2017 due to increased electricity billings. The operating expenses of the Electric Fund totaled \$5,507,186 in 2018 which is an increase of \$277,569 from 2017. The increase in operating expenses was primarily in the area of contract services. The Electric Fund received \$48,812 in capital contributions in 2018. The net increase in net position for the Electric Fund was \$750,527 or 12.50%.

Gas Fund

The Gas Fund had operating revenues of \$1,083,061 in 2018. The operating expenses of the Gas Fund totaled \$1,134,212 in 2018. The Gas Fund received \$4,204 in capital contributions in 2018. The net decrease in net position for the Gas Fund was \$46,947 or 2.20%.

Refuse Fund

The Refuse Fund had operating revenues of \$289,343 in 2018. The operating expenses of the Refuse Fund totaled \$266,514 in 2018. The net increase in net position for the Refuse Fund was \$22,829 or 13.92%.

General Fund Budgeting Highlights

The Village's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the Village's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the Village's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly. Advances in and advances out are not required to be budgeted.

Budgetary information is presented for the General Fund. In the General Fund, the actual revenues came in \$1,635,721 higher than they were in the final budget, primarily due to increased income tax collections. In addition, the Village received \$319,632 more in interest than reported in the final budget. Budgeted revenues remained the same from the original budget to the final budget.

VILLAGE OF OBETZ, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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In the General Fund, actual expenditures and other financing uses were \$2,022,705 less than the amount in the final budget due to conservative budgeting practices. Actual expenditures for capital outlay projects saw the largest variance coming in \$851,337 less than the final budget. Leisure time activity actual expenditures were also less than the final budget by \$589,317. Budgeted expenditures were increased \$956,589 from the original to the final budget. The increase in the budget was in all functional areas of the Village and resulted from the Village's conservative budgeting practices.

Capital Assets and Debt Administration

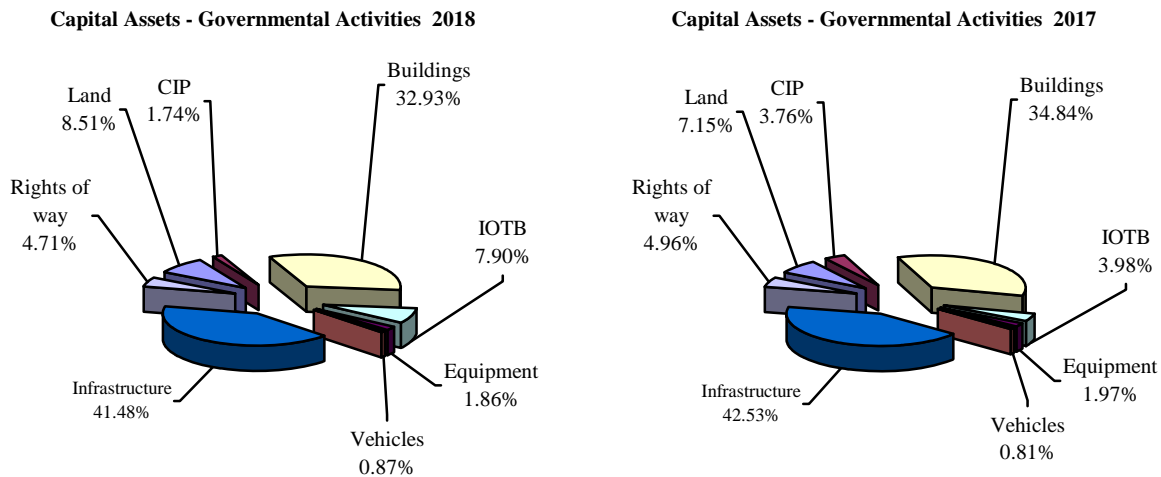
Capital Assets

At the end of 2018, the Village had \$114,593,972 (net of accumulated depreciation) invested in land, rights of way, construction in progress, buildings, improvements other than buildings, infrastructure, equipment, and vehicles. Of this total, \$92,213,425 was reported in governmental activities and \$22,380,547 was reported in business-type activities. See Note 9 for further description of capital assets. The following table shows December 31, 2018 balances compared to December 31, 2017:

**Capital Assets at December 31, 2018
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Land	\$ 7,849,678	\$ 6,247,411	\$ 18,090	\$ 18,090	\$ 7,867,768	\$ 3,900,596
Rights of way	4,339,994	4,339,994	-	-	4,339,994	4,339,994
Construction in progress	1,605,884	3,285,519	-	187,000	1,605,884	4,142,812
Buildings	30,378,191	30,451,267	157,592	162,340	30,535,783	9,226,864
Improvements other than buildings	7,283,268	3,483,317	-	-	7,283,268	2,503,231
Infrastructure	38,246,823	37,184,305	20,120,966	19,448,765	58,367,789	59,154,527
Equipment	1,711,602	1,725,212	2,003,834	2,001,210	3,715,436	3,322,385
Vehicles	797,985	708,418	80,065	69,594	878,050	784,463
Totals	\$ 92,213,425	\$ 87,425,443	\$ 22,380,547	\$ 21,886,999	\$ 114,593,972	\$ 87,374,872

The following graphs show the breakdown of governmental capital assets by category for 2018 and 2017.



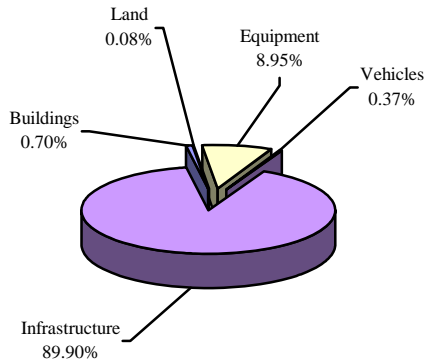
The Village's infrastructure is the largest capital assets category. The net book value of the Village's infrastructure represents approximately 41.48% of the Village's total governmental capital assets.

VILLAGE OF OBETZ, OHIO

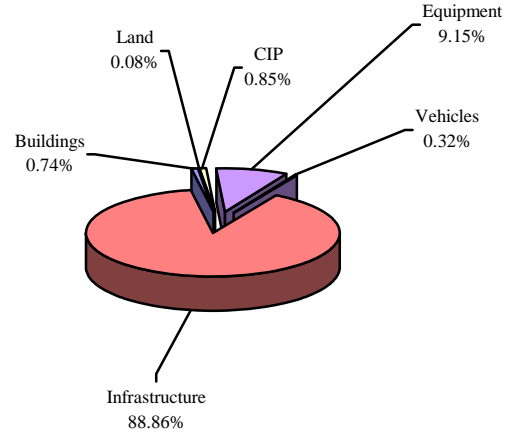
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)

The following graphs show the breakdown of business-type capital assets by category for 2018 and 2017.

Capital Assets - Business-Type Activities 2018



Capital Assets - Business-Type Activities 2017



The Village's largest business-type capital assets category is infrastructure, which includes water, sewer, electric and gas lines. These items play a vital role in the income producing ability of the business-type activities. The net book value of the Village's infrastructure (cost less accumulated depreciation) represents approximately 89.90% of the Village's total business-type capital assets.

Debt Administration

The Village had the following long-term obligations outstanding at December 31, 2018 and 2017. 2017 amounts have been restated as described in Note 3A.

	<u>Governmental Activities</u>	
	2018	Restated 2017
General obligation bonds	\$ 3,420,000	\$ 3,880,000
TIF revenue bonds	4,330,000	4,505,000
Income tax revenue bonds	29,965,000	15,555,000
Unamortized premium	2,563,552	1,460,790
OPWC loans	273,897	297,006
Notes payable	1,900,000	2,400,000
Net pension liability	5,507,547	6,227,535
Net OPEB liability	4,520,055	3,728,309
Compensated absences	283,271	248,671
Total long-term obligations	\$ 52,763,322	\$ 38,302,311
	<u>Business-type Activities</u>	
	2018	Restated 2017
Net pension liability	\$ 485,493	\$ 713,697
Net OPEB liability	322,030	299,927
Compensated absences	50,351	42,646
Total long-term obligations	\$ 857,874	\$ 1,056,270

Further detail on the Village's long-term obligations can be found in Note 14 to the financial statements.

VILLAGE OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2018 (UNAUDITED)

During 2018, the Village issued a \$1,500,000 land acquisition bond anticipation note to refinance a previously issued note for \$2,000,000 issued in 2018. The land acquisition bond anticipation note was issued to purchase land within the Village. The 2018 note was issued on October 10, 2018 and matures October 9, 2019. The note bears an interest rate of 3.00%. See Note 20 for further information of the Village's note payable.

During 2018, the Village issued a \$2,400,000 Walnut Creek improvement note to refinance a previously issued note for \$2,900,000 issued in 2017. Of the \$2,400,000 note, \$500,000 is considered a short-term note and \$1,900,000 has been refinanced as of the date of this report and is considered a long-term note. The Walnut Creek improvement note was issued to finance improvements to the Walnut Creek area. The 2018 note was issued on February 12, 2018 and was refinanced February 11, 2019. The note bears an interest rate of 2.25%. See Note 20 for further information of the Village's note payable.

Economic Conditions and Outlook

The economy of Obetz is strong. The Village of 4,800 people has more than 15,000 resident employees and over 300 employers. Because income taxes are the engine that drive the Village's general fund, Obetz' diverse and growing workforce has significantly enhanced its financial position over the past 20 years. With double digit normalized revenue growth in each of the last four years, Obetz' growth has been robust. The Obetz team continues to work on increasing employment opportunities and improving the economic welfare of the residents of the Village. The Village, when practical for the attraction or retention of appropriate employers, offers economic incentives based on the employer's effect on the community. The Village is developing several major corridors including, but not limited to, its well-known E-commerce parks, Alum Creek Retail Corridor, and the Downtown Expansion project. Obetz realized substantial victories in each of these major efforts in 2018. In the Alum Creek Retail Corridor, OhioHealth constructed a stand-alone emergency medical facility, which includes primary care physician practices. The highly anticipated OhioHealth facility opened in February 2018 as a regional attraction to the 50,000 people who work in the greater Obetz area. The Downtown corridor is growing as Obetz prepares for the addition of several new retail amenities over the next 24 months, including a new Chipotle that opened in early 2018. The growing stable of national and international companies in the Obetz E-commerce and logistics parks make Obetz a prized location for expanding and emerging companies. While the outlook for this area remains strong and Obetz expects new additions in 2018 and beyond, Obetz' current e-commerce parks are nearing capacity, with space for only three major new projects. Forecasts beyond 2020 will likely have to account for the lack of space unless Obetz annexes some of the nearly 1,000 acres in its annexable area. Despite the diminishing room for new buildings in town, opportunities for growth will remain steady in the E-commerce parks for the next several years given Obetz' advantages in location, transportation, jobs programs, utility infrastructure, and experience in attracting and retaining world-class E-commerce centers.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have questions about this report or need additional financial information please contact: M. Matthew Cramblit, Finance Director, 4175 Alum Creek Drive, Obetz, Ohio 43207 or email at mcramblit@obetz.oh.us.

VILLAGE OF OBETZ, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2018

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and investments	\$ 23,298,517	\$ 8,736,390	\$ 32,034,907
Cash with fiscal agent	4,113	-	4,113
Cash with bond trustee	1,327,858	-	1,327,858
Receivables:			
Municipal income taxes	1,880,409	-	1,880,409
Property taxes	276,485	-	276,485
Payments in lieu of taxes	463,294	-	463,294
Other local taxes	4,631	-	4,631
Accounts	35,804	2,008,302	2,044,106
Accrued interest	9,647	-	9,647
Due from other governments	1,299,725	-	1,299,725
Prepayments	35,367	4,733	40,100
Net pension asset	14,996	3,353	18,349
Capital assets:			
Nondepreciable capital assets	13,795,556	18,090	13,813,646
Depreciable capital assets, net	78,417,869	22,362,457	100,780,326
Total assets	<u>120,864,271</u>	<u>33,133,325</u>	<u>153,997,596</u>
Deferred outflows of resources:			
Pension	1,862,899	148,663	2,011,562
OPEB	552,094	26,028	578,122
Total deferred outflows of resources	<u>2,414,993</u>	<u>174,691</u>	<u>2,589,684</u>
Liabilities:			
Accounts payable	165,611	848,838	1,014,449
Accrued wages and benefits payable	139,200	18,033	157,233
Due to other governments	893,552	453,801	1,347,353
Notes payable	2,000,000	-	2,000,000
Accrued interest payable	176,260	-	176,260
Long-term liabilities:			
Due within one year	1,850,412	13,383	1,863,795
Due in more than one year:			
Net pension liability	5,507,547	485,493	5,993,040
Net OPEB liability	4,520,055	322,030	4,842,085
Other amounts due in more than one year	40,885,308	36,968	40,922,276
Total liabilities	<u>56,137,945</u>	<u>2,178,546</u>	<u>58,316,491</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	266,970	-	266,970
Payments in lieu of taxes levied for the next fiscal year	463,294	-	463,294
Pension	637,264	117,147	754,411
OPEB	143,105	26,040	169,145
Total deferred inflows of resources	<u>1,510,633</u>	<u>143,187</u>	<u>1,653,820</u>
Net position:			
Net investment in capital assets	59,256,000	22,380,547	81,636,547
Restricted for:			
Debt service	2,360,892	-	2,360,892
Capital projects	205,047	-	205,047
Street construction, maintenance and repair	872,793	-	872,793
Police operations	27,797	-	27,797
Economic development programs	10,005	-	10,005
Court operations	99,683	-	99,683
Park improvements	6,994	-	6,994
Other purposes	34,933	-	34,933
Unrestricted	2,756,542	8,605,736	11,362,278
Total net position	<u>\$ 65,630,686</u>	<u>\$ 30,986,283</u>	<u>\$ 96,616,969</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

VILLAGE OF OBETZ, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 2,216,755	\$ 550,657	\$ -	\$ -
Security of persons and property	3,137,206	11,209	11,227	-
Public health	42,156	-	-	-
Transportation	4,548,019	-	282,697	1,339,531
Community environment	4,250,033	-	-	-
Leisure time activity	3,321,300	288,368	-	-
Interest and fiscal charges	1,326,028	-	197,982	-
Total governmental activities	<u>18,841,497</u>	<u>850,234</u>	<u>491,906</u>	<u>1,339,531</u>
Business-type activities:				
Water	1,429,802	1,603,789	-	400,834
Sewer	1,801,480	1,812,116	-	246,010
Electric	5,519,377	6,221,092	-	48,812
Gas	1,134,212	1,083,061	-	4,204
Refuse	266,514	289,343	-	-
Total business-type activities	<u>10,151,385</u>	<u>11,009,401</u>	<u>-</u>	<u>699,860</u>
Total primary government	<u>\$ 28,992,882</u>	<u>\$ 11,859,635</u>	<u>\$ 491,906</u>	<u>\$ 2,039,391</u>

General revenues:

- Property taxes levied for:
 - General purposes
- Municipal income taxes levied for:
 - General purposes
 - Police enforcement
 - Debt service
- Other local taxes
- Payments in lieu of taxes
- Grants and entitlements not restricted to specific programs
- Investment earnings
- Increase in fair value of investments
- Miscellaneous

Total general revenues

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
\$ (1,666,098)	\$ -	\$ (1,666,098)
(3,114,770)	-	(3,114,770)
(42,156)	-	(42,156)
(2,925,791)	-	(2,925,791)
(4,250,033)	-	(4,250,033)
(3,032,932)	-	(3,032,932)
(1,128,046)	-	(1,128,046)
(16,159,826)	-	(16,159,826)
-	574,821	574,821
-	256,646	256,646
-	750,527	750,527
-	(46,947)	(46,947)
-	22,829	22,829
-	1,557,876	1,557,876
(16,159,826)	1,557,876	(14,601,950)
244,552	-	244,552
5,919,658	-	5,919,658
2,258,890	-	2,258,890
2,300,000	-	2,300,000
418,096	-	418,096
279,221	-	279,221
3,180,035	-	3,180,035
422,113	-	422,113
9,335	-	9,335
197,422	-	197,422
15,229,322	-	15,229,322
(930,504)	1,557,876	627,372
66,561,190	29,428,407	95,989,597
\$ 65,630,686	\$ 30,986,283	\$ 96,616,969

VILLAGE OF OBETZ, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	General	General Obligation Debt Service	Williams Road Capital Improvement	Parks Capital Improvements
Assets:				
Equity in pooled cash and investments	\$ 8,108,803	\$ 1,788,273	\$ 394,116	\$ 4,011,465
Cash with fiscal agent	-	-	-	-
Receivables:				
Municipal income taxes	1,615,409	90,000	-	-
Property taxes	276,485	-	-	-
Payments in lieu of taxes	-	-	-	-
Other local taxes	4,631	-	-	-
Accounts	33,736	-	-	-
Accrued interest	9,647	-	-	-
Due from other governments	1,160,301	-	-	-
Prepayments	34,933	-	-	-
Restricted assets:				
Equity in pooled cash and cash equivalents	1,502	-	-	-
Cash with bond trustee	-	-	-	-
Total assets	\$ 11,245,447	\$ 1,878,273	\$ 394,116	\$ 4,011,465
Liabilities:				
Accounts payable	\$ 162,910	\$ -	\$ -	\$ -
Accrued wages and benefits payable	137,705	-	-	-
Due to other governments	892,857	-	-	-
Accrued interest payable	-	-	10,110	-
Notes payable	-	-	1,500,000	-
Total liabilities	1,193,472	-	1,510,110	-
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	266,970	-	-	-
Payments in lieu of taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	9,515	-	-	-
Accrued interest not available	2,429	-	-	-
Miscellaneous revenue not available	19,056	-	-	-
Income tax revenue not available	156,280	-	-	-
Fees, licenses and permits revenue not available	6,098	-	-	-
Intergovernmental revenue not available	860,887	-	-	-
Total deferred inflows of resources	1,321,235	-	-	-
Fund balances:				
Nonspendable	34,933	-	-	-
Restricted	-	-	-	4,011,465
Committed	-	1,878,273	-	-
Assigned	4,083,437	-	-	-
Unassigned (deficit)	4,612,370	-	(1,115,994)	-
Total fund balances (deficit)	8,730,740	1,878,273	(1,115,994)	4,011,465
Total liabilities, deferred inflows of resources and fund balances	\$ 11,245,447	\$ 1,878,273	\$ 394,116	\$ 4,011,465

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Streets Capital Improvements	Walnut Creek Improvement	Nonmajor Governmental Funds	Total Governmental Funds
\$ 6,303,913	\$ 249,442	\$ 2,441,003	\$ 23,297,015
-	-	4,113	4,113
-	-	175,000	1,880,409
-	-	-	276,485
-	-	463,294	463,294
-	-	-	4,631
-	-	2,068	35,804
-	-	-	9,647
-	-	139,424	1,299,725
-	-	434	35,367
-	-	-	1,502
-	-	1,327,858	1,327,858
<u>\$ 6,303,913</u>	<u>\$ 249,442</u>	<u>\$ 4,553,194</u>	<u>\$ 28,635,850</u>
\$ -	\$ -	\$ 2,701	\$ 165,611
-	-	1,495	139,200
-	-	695	893,552
-	9,925	-	20,035
-	500,000	-	2,000,000
<u>-</u>	<u>509,925</u>	<u>4,891</u>	<u>3,218,398</u>
-	-	-	266,970
-	-	463,294	463,294
-	-	-	9,515
-	-	-	2,429
-	-	91	19,147
-	-	-	156,280
-	-	-	6,098
-	-	118,794	979,681
<u>-</u>	<u>-</u>	<u>582,179</u>	<u>1,903,414</u>
-	-	434	35,367
6,303,913	-	3,567,951	13,883,329
-	-	397,739	2,276,012
-	-	-	4,083,437
-	(260,483)	-	3,235,893
<u>6,303,913</u>	<u>(260,483)</u>	<u>3,966,124</u>	<u>23,514,038</u>
<u>\$ 6,303,913</u>	<u>\$ 249,442</u>	<u>\$ 4,553,194</u>	<u>\$ 28,635,850</u>

VILLAGE OF OBETZ, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2018

Total governmental fund balances		\$ 23,514,038
<i>Amounts reported for governmental activities on the Statement of Net Position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		92,213,425
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Municipal income taxes receivable	\$ 156,280	
Delinquent property taxes receivable	9,515	
Accounts receivable	25,245	
Intergovernmental receivable	979,681	
Accrued interest receivable	2,429	
Total		1,173,150
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(156,225)
Unamortized premiums on bond issuances are not recognized in the funds.		(2,563,552)
The net pension liability and net pension asset are not due in the current period; therefore, the liability, asset and related deferred inflows/outflows are not reported in the governmental funds:		
Deferred outflows of resources - pension	1,862,899	
Deferred inflows of resources - pension	(637,264)	
Net pension asset	14,996	
Net pension liability	(5,507,547)	
Total		(4,266,916)
The net OPEB liability is not due in the current period; therefore, the liability, asset and related deferred inflows/outflows are not reported in the governmental funds:		
Deferred outflows of resources	552,094	
Deferred inflows of resources	(143,105)	
Net OPEB liability	(4,520,055)	
Total		(4,111,066)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(283,271)	
OPWC loans payable	(273,897)	
Notes payable	(1,900,000)	
General obligation bonds payable	(3,420,000)	
Income tax revenue bonds payable	(29,965,000)	
TIF revenue bonds payable	(4,330,000)	
Total		(40,172,168)
Net position of governmental activities		\$ 65,630,686

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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VILLAGE OF OBETZ, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>General</u>	<u>General Obligation Debt Service</u>	<u>Williams Road Capital Improvement</u>	<u>Parks Capital Improvements</u>
Revenues:				
Municipal income taxes	\$ 8,167,729	\$ 1,080,000	\$ -	\$ -
Property taxes	241,915	-	-	-
Payments in lieu of taxes	-	-	-	-
Other local taxes	376,466	-	-	-
Charges for services	528,057	-	-	-
Fees, licenses and permits	230,035	-	-	-
Fines and forfeitures	69,790	-	-	-
Intergovernmental	2,336,186	-	-	-
Investment income	421,400	-	-	-
Contributions and donations	-	-	-	-
Increase in fair value of investments	9,335	-	-	-
Other	177,952	-	-	-
Total revenues	<u>12,558,865</u>	<u>1,080,000</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
General government	1,576,805	-	-	-
Security of persons and property	2,432,789	-	-	-
Public health	42,156	-	-	-
Transportation	535,102	-	-	-
Community environment	4,115,986	-	-	-
Leisure time activity	2,178,825	-	-	-
Capital outlay	2,935,195	-	32,991	3,853,535
Debt service:				
Principal retirement	-	483,109	-	-
Interest and fiscal charges	-	173,733	678	-
Bond issuance costs	-	-	-	-
Note issuance costs	-	24,225	-	-
Total expenditures	<u>13,816,858</u>	<u>681,067</u>	<u>33,669</u>	<u>3,853,535</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,257,993)</u>	<u>398,933</u>	<u>(33,669)</u>	<u>(3,853,535)</u>
Other financing sources (uses):				
Issuance of revenue bonds	-	-	-	7,865,000
Issuance of notes	-	-	-	-
Premium on bonds issued	-	-	-	-
Sale of capital assets	4,100	-	-	-
Transfers in	-	-	500,000	-
Transfers out	-	(1,000,000)	-	-
Premium on notes issued	-	25,812	-	-
Total other financing sources (uses)	<u>4,100</u>	<u>(974,188)</u>	<u>500,000</u>	<u>7,865,000</u>
Net change in fund balances	(1,253,893)	(575,255)	466,331	4,011,465
Fund balances (deficit) at beginning of year	<u>9,984,633</u>	<u>2,453,528</u>	<u>(1,582,325)</u>	<u>-</u>
Fund balances (deficit) at end of year	<u>\$ 8,730,740</u>	<u>\$ 1,878,273</u>	<u>\$ (1,115,994)</u>	<u>\$ 4,011,465</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Streets Capital Improvements	Walnut Creek Improvement	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 1,220,000	\$ 10,467,729
-	-	-	241,915
-	-	279,221	279,221
-	-	41,630	418,096
-	-	-	528,057
-	-	12,600	242,635
-	-	9,282	79,072
-	-	286,801	2,622,987
-	-	7,438	428,838
-	-	197,982	197,982
-	-	-	9,335
-	-	4,675	182,627
-	-	2,059,629	15,698,494
-	-	205,682	1,782,487
-	-	-	2,432,789
-	-	-	42,156
-	-	216,502	751,604
-	-	-	4,115,986
-	-	-	2,178,825
831,087	937,932	12,057	8,602,797
-	2,400,000	765,000	3,648,109
-	8,418	884,191	1,067,020
-	-	273,732	273,732
-	-	-	24,225
831,087	3,346,350	2,357,164	24,919,730
(831,087)	(3,346,350)	(297,535)	(9,221,236)
7,135,000	-	-	15,000,000
-	1,900,000	-	1,900,000
-	-	1,199,306	1,199,306
-	-	-	4,100
-	500,000	-	1,000,000
-	-	-	(1,000,000)
-	-	-	25,812
7,135,000	2,400,000	1,199,306	18,129,218
6,303,913	(946,350)	901,771	8,907,982
-	685,867	3,064,353	14,606,056
\$ 6,303,913	\$ (260,483)	\$ 3,966,124	\$ 23,514,038

VILLAGE OF OBETZ, 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	\$	8,907,982
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation expense in the current period.		
Capital assets additions	\$ 9,890,335	
Current year depreciation	<u>(5,080,855)</u>	
Total		4,809,480
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		(21,498)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds:		
Municipal income tax revenue	10,819	
Delinquent property tax revenue	2,637	
Intergovernmental revenues	843,534	
Fees, licenses and permits revenue	(3,791)	
Other revenue	19,056	
Interest revenue	<u>713</u>	
Total		872,968
The issuance of bonds and notes are reported as an other financing source in the governmental funds, however, in the Statement of Activities, they are not reported as revenues as they increase liabilities on the Statement of Net Position.		
Bonds	(15,000,000)	
Notes	<u>(1,900,000)</u>	
Total		(16,900,000)
Premiums on bonds issued are reported as an other financing source in the governmental funds, however, in the Statement of Activities, they are not reported as revenues as they increase liabilities on the Statement of Net Position.		
		(1,199,306)
Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the Statement of Net Position.		
General obligation bonds payable	460,000	
TIF revenue bonds payable	175,000	
Income tax revenue bonds payable	590,000	
Notes payable	2,400,000	
OPWC loans payable	<u>23,109</u>	
Total		3,648,109
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
Accrued interest payable	(83,408)	
Amortization of bond premiums	<u>96,544</u>	
Total		13,136
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.		
Pension		605,792
OPEB		7,096
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the Statement of Activities.		
Pension		(1,219,462)
OPEB		(420,201)
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		<u>(34,600)</u>
Change in net position of governmental activities	\$	<u>(930,504)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

VILLAGE OF OBETZ, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income taxes	\$ 8,199,999	\$ 8,199,999	\$ 8,720,191	\$ 520,192
Property taxes	260,870	260,870	241,915	(18,955)
Other local taxes	252,500	252,500	381,011	128,511
Charges for services	308,500	308,500	551,085	242,585
Fees, licenses and permits	327,500	327,500	228,524	(98,976)
Fines and forfeitures	35,000	35,000	68,900	33,900
Intergovernmental	2,595,866	2,595,866	2,816,198	220,332
Investment income	100,000	100,000	419,632	319,632
Other	-	-	306,500	306,500
Total revenues	12,080,235	12,080,235	13,733,956	1,653,721
Expenditures:				
Current:				
General government	2,165,897	2,213,017	1,848,751	364,266
Security of persons and property	2,580,188	2,681,618	2,474,926	206,692
Public health	42,000	47,000	42,156	4,844
Transportation	601,271	671,188	538,039	133,149
Community environment	4,027,125	4,512,166	4,069,568	442,598
Leisure time activity	2,467,934	2,816,326	2,227,009	589,317
Capital outlay	4,959,096	4,858,785	4,007,448	851,337
Debt service:				
Interest and fiscal charges	750	750	-	750
Total expenditures	16,844,261	17,800,850	15,207,897	2,592,953
Excess of revenues over (under) expenditures	(4,764,026)	(5,720,615)	(1,473,941)	4,246,674
Other financing sources (uses):				
Sale of capital assets	-	-	4,100	4,100
Advances in	-	-	570,248	570,248
Advances out	-	-	(570,248)	(570,248)
Total other financing sources (uses)	-	-	4,100	4,100
Net change in fund balance	(4,764,026)	(5,720,615)	(1,469,841)	4,250,774
Fund balance at beginning of year	6,315,866	6,315,866	6,315,866	-
Prior year encumbrances appropriated	1,446,891	1,446,891	1,446,891	-
Fund balance at end of year	\$ 2,998,731	\$ 2,042,142	\$ 6,292,916	\$ 4,250,774

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

VILLAGE OF OBETZ, OHIO

STATEMENT OF FUND NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2018

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Electric
Assets:			
Current assets:			
Equity in pooled cash and investments	\$ 3,507,938	\$ 1,601,338	\$ 2,617,388
Receivables:			
Accounts	267,710	317,537	784,027
Prepayments	1,666	1,051	1,121
Total current assets	<u>3,777,314</u>	<u>1,919,926</u>	<u>3,402,536</u>
Noncurrent assets:			
Net pension asset	1,050	661	939
Capital assets:			
Land	18,090	-	-
Depreciable capital assets, net	6,466,719	10,708,785	3,983,408
Total noncurrent assets	<u>6,485,859</u>	<u>10,709,446</u>	<u>3,984,347</u>
Total assets	<u>10,263,173</u>	<u>12,629,372</u>	<u>7,386,883</u>
Deferred outflows of resources:			
Pension	48,315	29,506	40,964
OPEB	9,148	5,253	6,650
Total deferred outflows of resources	<u>57,463</u>	<u>34,759</u>	<u>47,614</u>
Liabilities:			
Current liabilities:			
Accounts payable	32,309	1,588	406,082
Accrued wages and benefits payable	6,853	4,520	3,839
Due to other governments	147,847	301,272	2,695
Compensated absences payable - current	8,061	5,322	-
Total current liabilities	<u>195,070</u>	<u>312,702</u>	<u>412,616</u>
Long-term liabilities:			
Compensated absences payable	22,212	14,756	-
Net pension liability	152,103	95,661	135,973
Net OPEB liability	100,891	63,453	90,191
Total long-term liabilities	<u>275,206</u>	<u>173,870</u>	<u>226,164</u>
Total liabilities	<u>470,276</u>	<u>486,572</u>	<u>638,780</u>
Deferred inflows of resources:			
Pension	36,130	22,724	32,299
OPEB	7,516	4,727	6,926
Total deferred inflows of resources	<u>43,646</u>	<u>27,451</u>	<u>39,225</u>
Net position:			
Net investment in capital assets	6,484,809	10,708,785	3,983,408
Unrestricted	3,321,905	1,441,323	2,773,084
Total net position	<u>\$ 9,806,714</u>	<u>\$ 12,150,108</u>	<u>\$ 6,756,492</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Gas	Refuse	Total
\$ 869,286	\$ 140,440	\$ 8,736,390
569,897	69,131	2,008,302
895	-	4,733
<u>1,440,078</u>	<u>209,571</u>	<u>10,749,425</u>
703	-	3,353
-	-	18,090
<u>1,203,545</u>	<u>-</u>	<u>22,362,457</u>
<u>1,204,248</u>	<u>-</u>	<u>22,383,900</u>
<u>2,644,326</u>	<u>209,571</u>	<u>33,133,325</u>
29,878	-	148,663
4,977	-	26,028
<u>34,855</u>	<u>-</u>	<u>174,691</u>
386,106	22,753	848,838
2,821	-	18,033
1,987	-	453,801
-	-	13,383
<u>390,914</u>	<u>22,753</u>	<u>1,334,055</u>
-	-	36,968
101,756	-	485,493
67,495	-	322,030
<u>169,251</u>	<u>-</u>	<u>844,491</u>
<u>560,165</u>	<u>22,753</u>	<u>2,178,546</u>
25,994	-	117,147
6,871	-	26,040
<u>32,865</u>	<u>-</u>	<u>143,187</u>
1,203,545	-	22,380,547
882,606	186,818	8,605,736
<u>\$ 2,086,151</u>	<u>\$ 186,818</u>	<u>\$ 30,986,283</u>

VILLAGE OF OBETZ, 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		
	Water	Sewer	Electric
Operating revenues:			
Charges for services	\$ 1,603,789	\$ 1,812,116	\$ 6,221,092
Operating expenses:			
Personal services	286,965	179,244	172,216
Contract services	915,726	1,257,796	5,246,498
Materials and supplies	65,343	3,411	592
Depreciation	160,452	264,532	87,880
Other	100	94,364	-
Total operating expenses	1,428,586	1,799,347	5,507,186
Operating income (loss)	175,203	12,769	713,906
Nonoperating expenses:			
Interest and fiscal charges	(1,216)	(2,133)	(12,191)
Income (loss) before capital contributions	173,987	10,636	701,715
Capital contributions	400,834	246,010	48,812
Change in net position	574,821	256,646	750,527
Net position at beginning of year (restated)	<u>9,231,893</u>	<u>11,893,462</u>	<u>6,005,965</u>
Net position at end of year	<u>\$ 9,806,714</u>	<u>\$ 12,150,108</u>	<u>\$ 6,756,492</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Gas	Refuse	Total
\$ 1,083,061	\$ 289,343	\$ 11,009,401
131,439	-	769,864
981,248	266,514	8,667,782
-	-	69,346
21,525	-	534,389
-	-	94,464
<u>1,134,212</u>	<u>266,514</u>	<u>10,135,845</u>
(51,151)	22,829	873,556
-	-	(15,540)
(51,151)	22,829	858,016
<u>4,204</u>	<u>-</u>	<u>699,860</u>
(46,947)	22,829	1,557,876
<u>2,133,098</u>	<u>163,989</u>	<u>29,428,407</u>
<u>\$ 2,086,151</u>	<u>\$ 186,818</u>	<u>\$ 30,986,283</u>

VILLAGE OF OBETZ, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Electric
Cash flows from operating activities:			
Cash received from customers	\$ 1,615,412	\$ 1,836,947	\$ 6,313,363
Cash payments for personal services	(253,549)	(158,178)	(149,697)
Cash payments for contract services	(872,533)	(1,198,647)	(5,229,442)
Cash payments for materials and supplies	(65,343)	(3,411)	(592)
Cash payments for other expenses	(100)	(94,364)	-
Net cash provided by operating activities	423,887	382,347	933,632
Cash flows from noncapital financing activities:			
Cash received from transfers in	-	-	268,323
Cash used in transfers out	-	-	(268,323)
Cash received from interfund loans	-	-	420,000
Cash payments for repayment of interfund loans	-	-	(420,000)
Net cash used in noncapital financing activities	-	-	-
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(129,180)	(27,373)	(199,543)
Capital contributions	-	-	48,812
Principal paid on notes	-	-	(1,000,000)
Interest paid on notes	-	-	(24,931)
Net cash used in capital and related financing activities	(129,180)	(27,373)	(1,175,662)
Net increase (decrease) in cash and cash equivalents	294,707	354,974	(242,030)
Cash and cash equivalents at beginning of year	3,213,231	1,246,364	2,859,418
Cash and cash equivalents at end of year	\$ 3,507,938	\$ 1,601,338	\$ 2,617,388

Gas	Refuse	Total
\$ 1,284,077	\$ 297,188	\$ 11,346,987
(116,082)	-	(677,506)
(893,492)	(265,761)	(8,459,875)
-	-	(69,346)
-	-	(94,464)
<u>274,503</u>	<u>31,427</u>	<u>2,045,796</u>
-	-	268,323
-	-	(268,323)
-	-	420,000
-	-	(420,000)
-	-	-
(24,997)	-	(381,093)
4,204	-	53,016
-	-	(1,000,000)
-	-	(24,931)
<u>(20,793)</u>	<u>-</u>	<u>(1,353,008)</u>
253,710	31,427	692,788
<u>615,576</u>	<u>109,013</u>	<u>8,043,602</u>
<u>\$ 869,286</u>	<u>\$ 140,440</u>	<u>\$ 8,736,390</u>

(Continued)

VILLAGE OF OBETZ, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Electric
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 175,203	\$ 12,769	\$ 713,906
Adjustments:			
Depreciation	160,452	264,532	87,880
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
Decrease in accounts receivable	11,623	24,831	92,271
(Increase) decrease in prepayments	141	97	(30)
Decrease in deferred outflows - pension	49,338	32,544	50,050
(Increase) in deferred outflows - OPEB	(7,337)	(4,100)	(4,981)
(Increase) in net pension asset	(1,039)	(654)	(929)
Increase in accounts payable	6,194	1,533	17,056
Increase in accrued wages and benefits payable	1,110	875	614
Increase (decrease) in intergovernmental payable	37,666	58,156	(1,148)
Increase in compensated absences payable	4,597	3,108	-
(Decrease) in net pension liability	(65,746)	(43,104)	(64,870)
Increase in net OPEB liability	9,341	5,138	5,788
Increase in deferred inflows - pension	34,828	21,895	31,099
Increase in deferred inflows - OPEB	7,516	4,727	6,926
Net cash provided by operating activities	\$ 423,887	\$ 382,347	\$ 933,632

Non-Cash Transactions:

During 2018, the Water Fund received \$400,834 in contributed capital assets.

During 2018, the Sewer Fund received \$246,010 in contributed capital assets.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Gas</u>	<u>Refuse</u>	<u>Total</u>
\$ (51,151)	\$ 22,829	\$ 873,556
21,525	-	534,389
201,016	7,845	337,586
(26)	-	182
41,080	-	173,012
(3,678)	-	(20,096)
(695)	-	(3,317)
87,756	753	113,292
370	-	2,969
(977)	-	93,697
-	-	7,705
(54,484)	-	(228,204)
1,836	-	22,103
25,060	-	112,882
6,871	-	26,040
\$ 274,503	\$ 31,427	\$ 2,045,796

VILLAGE OF OBETZ, OHIO

STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2018

	<u>Agency</u>
Assets:	
Equity in pooled cash and investments	\$ 452,789
Receivables:	
Municipal income taxes	471,320
Other local taxes	1,544
Accounts	37
	<hr/>
Total assets	<u>\$ 925,690</u>
Liabilities:	
Due to other governments	\$ 833,939
Undistributed assets	91,751
	<hr/>
Total liabilities	<u>\$ 925,690</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - DESCRIPTION OF THE REPORTING ENTITY

A. The Village

The Village of Obetz (the "Village") is a charter municipal corporation founded in 1928, with the charter adopted by the electors on November 3, 2009. The Village may exercise all powers of home rule granted under Article XVIII, Section 3, of the Ohio Constitution not in conflict with applicable general laws in Ohio.

The Village operates under a mayor-council form of government. Legislative power is vested in a six-member council, each elected to four-year terms. The Mayor is elected to a four-year term, serves as the President of the Council, and votes only to break a tie. The Village has a full-time Administrator appointed by the Mayor to assist the mayor in the day-to-day operations of the Village.

The Village is divided into various departments and financial management and control systems. Services provided include police protection, street maintenance and repair, parks and recreation, water, sewer, refuse, gas, and electric utilities, as well as staff support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operation and control of these activities is provided by the Village Council through the budgetary process and by the Mayor and Village Administrator through administrative and managerial requirements and procedures.

B. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading.

The primary government of the Village consists of all funds, departments, boards, and agencies that are not legally separate from the Village. For the Village, this includes all departments and activities that are directly operated by the elected Village officials.

Component units are legally separate organizations for which the Village is financially accountable. The Village is financially accountable for an organization if the Village appoints a voting majority of the organization's Governing Board and (1) the Village is able to significantly influence the programs or services performed or provided by the organization; or (2) the Village is legally entitled to or can otherwise access the organization's resources; or (3) the Village is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the Village is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Village in that the Village approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the Village has no component units.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village participates in three jointly governed organizations and two public entity shared risk pools. These organizations are the Big Walnut Area Community Improvement Corporation, the Obetz Convention and Visitor's Bureau, the Prairie-Obetz Joint Economic Development Zone, the Public Entities Pool of Ohio, and the Central Ohio Health Care Consortium. These organizations are presented in Notes 18 and 19 to the basic financial statements.

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

A. Basis of Presentation

The Village's basic financial statements consist of government-wide financial 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 Village as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the Village that are governmental in nature 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 Village at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the Village's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned 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 Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the Village.

Fund Financial Statements

During the year, the Village segregates transactions related to certain Village 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 Village 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. Fiduciary funds are reported by type.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Fund Accounting

The Village 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. The funds of the Village are reported in three categories: governmental, proprietary, and fiduciary.

Governmental Funds

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

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

General Obligation Debt Service Fund - This fund accounts for resources that are committed for the payment of principal, interest, and fiscal charges on general obligation debt.

Williams Road Capital Improvement Fund - This fund accounts for the resources that are restricted for improvements in the Williams Road area.

Parks Capital Improvements Fund - This fund accounts for the resources that are restricted for improvements to the Village's parks.

Streets Capital Improvements Fund - This fund accounts for the resources that are restricted for improvements to the Village's streets.

Walnut Creek Improvement Fund - This fund accounts for the resources that are restricted for improvements in the Walnut Creek area.

The other governmental funds of the Village account for grants and other resources whose use is restricted, committed, or assigned for a particular purpose.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The Village's reported proprietary funds are enterprise funds.

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 Village's major enterprise funds:

Water Fund - This fund accounts for the provision of water treatment and distribution to residential and commercial users within the Village.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Sewer Fund - This fund accounts for the provision of sanitary sewer service to residential and commercial users within the Village.

Electric Fund - This fund accounts for the provision of electric service to commercial users within the Village.

Gas Fund - This fund accounts for the provision of natural gas service to commercial users within the Village.

Refuse Fund - This fund accounts for the provision of refuse services to residential users within the Village.

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 Village under a trust agreement for individuals, private organizations, or other governments and are not available to support the Village's own programs. The Village did not have any trust funds in 2018. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Village's agency funds account for income tax revenues from the Prairie-Obetz Joint Economic Development Zone, building permit fees, transient fees collected for use by a convention and visitor's bureau, and the activity of the Mayor's Court.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using 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 the Village are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities and deferred inflows of resources are generally included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reflects 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 financial statements and the fund financial statements for governmental funds.

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

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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 funds and fiduciary funds 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 outflows and inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

Revenues 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 the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Measurable means the amount of the transaction can be determined and available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Village, available means expected to be received within 31 days after year-end.

Nonexchange transactions, in which the Village receives value without directly giving equal value in return, include property taxes, payments in lieu of taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes and payments in lieu of taxes are recognized in the year for which the taxes are levied. Revenue from income taxes is recognized in the year in which the income is earned. 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 Village must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Village on a reimbursement basis. On the 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 both measurable and available at year-end: income taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), grants, and interest.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the government-wide Statement of Net Position will 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. See Notes 11 and 12 for deferred outflows of resources related to the Village's net pension liability and net OPEB liability, respectively.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In addition to liabilities, both the government-wide Statement of Net Position and the governmental fund financial statements 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 Village, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance 2019 operations. These amounts have been recorded as a deferred inflow of resources 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 Village, unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

See Notes 11 and 12 for deferred inflows of resources related to the Village's net pension liability and net OPEB liability, respectively. This deferred inflow of resources is only reported on the government-wide Statement of Net Position.

Expenses/Expenditures

On the accrual basis, 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.

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 Village Council may appropriate. The appropriations ordinance is Village Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Village Council. The legal level of control has been established by Village Council at the object level within each department within each fund for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. 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 final appropriations were passed by Village 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 appropriations ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Village Council during the year, including all supplemental appropriations.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. Cash and Investments

To improve cash management, cash received by the Village, except cash held by fiscal agents and bond trustees, is pooled and invested. Individual fund integrity is maintained through Village records. Interest in the pool is presented as "Equity in Pooled Cash and Investments".

Cash resources for use on street construction/improvement projects held for the Village by the Franklin County Engineer are included on the financial statements as "Cash with Fiscal Agent". At December 31, 2018, the amount held by the Franklin County Engineer was a balance of \$4,113.

Cash resources held by Trustee for repayment of the Series 2016A and 2018 income tax revenue bonds are included on the financial statements as "Cash with Bond Trustee".

During 2018, the Village invested in Federal National Mortgage Association (FNMA) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, and U.S. government money market mutual funds. These investments are reported at fair value which is based on quoted market prices.

During 2018, the Village invested in 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 Village measures its 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.

Interest earnings are allocated to Village funds according to State statutes, Village charter, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2018 was \$421,400 which includes \$306,685 assigned from other Village funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Unclaimed monies that have a legal restriction on their use are reported as restricted. The Village also has funds held by Huntington National Bank as Trustee for the 2016A and 2018 income tax revenue bonds which are restricted for debt service payments and a debt service reserve.

H. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the replacement cost back to the year of acquisition) and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value. The Village maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

All capital assets are depreciated, except for land, rights of way, 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 Village's historical records of necessary improvements and replacement. The Village reports all infrastructure, including that acquired prior to 1980. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	50 years	50 years
Improvements Other Than Buildings	20 years	N/A
Streets	20 years	N/A
Water, Sewer, Electric and Gas Lines	N/A	50-75 years
Equipment	10-50 years	10-20 years
Vehicles	3-15 years	10 years

I. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Village will compensate the employees for the benefits through paid time off or some other means. The Village records a liability for accumulated unused vacation time when earned for all employees.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the Village has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in Village policies. The Village records a liability for accumulated unused sick leave for all employees with 10 or more years of governmental service (including service with the Village and prior service years with another governmental organization).

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements.

J. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, and compensated absences, that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long-term notes, bonds, and loans are recognized as liabilities on the fund financial statements when due. 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.

K. Net Position

Net position represents the difference between all other elements on the Statement of Net Position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes unclaimed monies which have legal restrictions on their use. The Village's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

L. Fund Balance

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

Nonspendable - The nonspendable classification 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" includes items that are not expected to be converted to cash.

Restricted - The restricted classification includes amounts 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 or enabling legislation (Village ordinances). Enabling legislation authorizes the Village to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Village can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Committed - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of Village Council. The committed amounts cannot be used for any other purpose unless Village Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Village Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. 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 classification are intended to be used by the Village 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. Assigned amounts represent intended uses established by Village Council. The Village Council has authorized the Village Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. Fund balance is also assigned for any 2018 appropriations in excess of estimated receipts for the General Fund.

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 Village first applies restricted resources when an expenditure is 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 can be used.

M. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the Village, these revenues are charges for services for water, sewer, electric, refuse, and natural gas services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

N. Contributions of Capital

Capital contributions on the proprietary fund financial statements arise from outside contributions of capital assets, grants, or outside contributions of resources restricted to capital acquisition and construction. For the governmental activities, capital contributions are reported as a capital grant and contribution on the Statement of Activities.

O. Estimates

The preparation of the financial statements in conformity with GAAP 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.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

P. 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.

Q. Prepayments

Payments made to vendors for services that benefit future periods are recorded as prepayments in both government-wide and fund financial statements. A current asset for the prepaid amount is recorded at the time of purchase, and the expenditure is reported in the year in which services are consumed. Governmental fund balance has been presented as nonspendable equal to the balance of the prepayments at year-end.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles/Restatement of Net Position

For fiscal year 2018, the Village has implemented GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", GASB Statement No. 85, "Omnibus 2017" and GASB Statement No. 86, "Certain Debt Extinguishments".

GASB Statement No. 75 improves the accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The implementation of GASB Statement No. 75 effected the Village's postemployment benefit plan disclosures, as presented in Note 12 to the basic financial statements, and added required supplementary information which is presented after the notes to the basic financial statements.

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

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

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Electric Fund</u>	<u>Gas Fund</u>
Net position as previously reported	\$ 70,259,151	\$ 29,722,402	\$ 9,321,632	\$ 11,950,624	\$ 6,088,699	\$ 2,197,458
Deferred outflows - payments subsequent to measurement date	30,348	5,932	1,811	1,153	1,669	1,299
Net OPEB liability	<u>(3,728,309)</u>	<u>(299,927)</u>	<u>(91,550)</u>	<u>(58,315)</u>	<u>(84,403)</u>	<u>(65,659)</u>
Restated net position at January 1, 2018	<u>\$ 66,561,190</u>	<u>\$ 29,428,407</u>	<u>\$ 9,231,893</u>	<u>\$ 11,893,462</u>	<u>\$ 6,005,965</u>	<u>\$ 2,133,098</u>

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

B. Deficit Fund Balances

Fund balances at December 31, 2018 included the following individual fund deficits:

<u>Major funds</u>	<u>Deficit</u>
Williams Road Capital Improvements Fund	\$1,115,994
Walnut Creek Improvement Fund	260,483

The General Fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations and changes in fund balances on the basis of GAAP, the budgetary basis as provided by law and described above is based upon accounting for certain transactions on a basis of cash receipts, disbursements, appropriations, and encumbrances (budget basis).

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis); and
3. In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis).

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement for the General Fund (as reported in the fund financial statements) to the budgetary basis statement.

	<u>General Fund</u>
Net Changes in Fund Balance	
Budget basis	\$ (1,469,841)
Net adjustment for revenue accruals	(1,175,091)
Net adjustment for expenditure accruals	93,985
Fund budgeted elsewhere **	(50)
Encumbrances	<u>1,297,104</u>
GAAP basis	<u>\$ (1,253,893)</u>

**Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the Unclaimed Monies Fund.

NOTE 5 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the Village 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 Village 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 that Village Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be 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.

Protection of the Village's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Finance Director by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies held by the Village may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other 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;

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2), above;
7. The State Treasurer's investment pool (STAR Ohio); and,
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days and 270 days, respectively, in an amount not to exceed 25 percent of the interim monies available for investment at any one time if training requirements have been met.

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

A. Cash on Hand

At year-end, the Village had \$1,700 in cash on hand which is included on the financial statements as part of "Equity in Pooled Cash and Investments".

B. Cash with Fiscal Agent

At year-end, the Village had \$4,113 on deposit with the Franklin County Treasurer. The data regarding insurance and collateralization can be obtained from the Franklin County Comprehensive Annual Financial Report for the year ended December 31, 2018. This amount is not included in the Village's depository balance below.

C. Cash with Bond Trustee

At year-end, the Village had \$1,327,858 on deposit with a financial institution for monies set aside for debt service payments and a debt service reserve related to the Series 2016A and 2018 income tax revenue bonds. The amount held by the Trustee is included in the Village's depository balance below.

D. Deposits with Financial Institutions

At December 31, 2018, the carrying amount of all Village deposits was \$6,688,358 and the bank balance of all Village deposits was \$6,949,286. Of the bank balance, \$250,000 was covered by the FDIC and \$6,699,286 was covered by the Ohio Pooled Collateral System (OPCS).

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial credit risk is the risk that, in the event of bank failure, the Village will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Village has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the Village's 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 (2) participation in the 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. For 2018, the Village's financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the Village to a successful claim by the FDIC.

E. Investments

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

Measurement/ Investment Type	Measurement Value	Investment Maturities			Total
		6 months or less	7 to 12 months	Greater than 24 months	
<i>Fair Value:</i>					
FNMA	\$ 492,925	\$ -	\$ -	\$ 492,925	\$ 492,925
FHLMC	1,231,930	-	492,485	739,445	1,231,930
U.S. Government Money Market Mutual Fund	1,337,978	1,337,978	-	-	1,337,978
<i>Amortized Cost:</i>					
STAR Ohio	<u>24,062,663</u>	<u>24,062,663</u>	<u>-</u>	<u>-</u>	<u>24,062,663</u>
Total	<u>\$ 27,125,496</u>	<u>\$ 25,400,641</u>	<u>\$ 492,485</u>	<u>\$ 1,232,370</u>	<u>\$ 27,125,496</u>

The weighted average of maturity of investments is 0.13 years.

Fair Value Measurements: The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Village's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The Village's investments in federal agency securities (FHLMC, FNMA) are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Village from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the Village.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

Credit Risk: The Village's investments in FNMA and FHLMC securities were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned STAR Ohio and U.S. government money market mutual funds an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Village has no investment policy dealing with credit risk beyond the requirements of State statute.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the Village's name. The Village has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Village Finance Director or qualified trustee.

Concentration of Credit Risk: The Village places no limit on the amount that may be invested in any single issuer. The following table includes the percentage of each investment type held by the Village at December 31, 2018:

Measurement/ Investment Type	Measurement Value	% of Total
<i>Fair Value:</i>		
FNMA	\$ 492,925	1.82
FHLMC	1,231,930	4.54
U.S. Government Money Market Mutual Funds	1,337,978	4.93
<i>Amortized Cost:</i>		
STAR Ohio	24,062,663	88.71
Total	\$ 27,125,496	100.00

F. Reconciliation of Cash and Investments to Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the Statement of Net Position as of December 31, 2018:

<u>Cash and Investments per Note</u>	
Carrying amount of deposits	\$ 6,688,358
Cash on hand	1,700
Cash with fiscal agent	4,113
Investments	27,125,496
Total	\$ 33,819,667

<u>Cash and Investments per Statement of Net Position</u>	
Governmental activities	\$ 24,630,488
Business-type activities	8,736,390
Agency funds	452,789
Total	\$ 33,819,667

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 6 - RECEIVABLES

Receivables at December 31, 2018, consisted of municipal income taxes; property taxes; payments in lieu of taxes; other local taxes; accounts (billings for user charged services, including unbilled utility services); accrued interest; and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are considered collectible in full and will be received within one year, except for municipal income taxes and property taxes. Municipal income taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of amounts Due from Other Governments follows:

	Amount
Governmental Activities:	
Major Fund	
General Fund	
Local government	\$ 43,592
Homestead and rollback	16,070
Prairie-Obetz JEDZ	1,099,837
Other	802
Total General Fund	1,160,301
Nonmajor Fund	
Street Construction, Maintenance and Repair Fund	
Gasoline tax	102,957
Motor vehicle license tax	36,467
Total Nonmajor Fund	139,424
Total Governmental Activities	\$ 1,299,725

NOTE 7 - TAXES

A. Municipal Income Taxes

The Village levies a two and one-half percent income tax whose proceeds are placed into the General Fund, the General Obligation Debt Service Fund, the Park Improvement Debt Service Fund, and the Infrastructure Debt Service Fund. Of the two and one-half percent income tax, one-half percent is restricted to support police enforcement operations. The Village levies and collects the tax on all income earned within the Village as well as on incomes of residents earned outside the Village. Employers within the Village are required to withhold income tax on employee earnings and remit the tax to the Village at least quarterly. Individual taxpayers, whose only income is subject to withholding by employers and the employers file a final return annually, are not required to file a final annual return. Corporations and other individual taxpayers are required to pay their estimated tax at least quarterly and file a final return annually.

B. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Village. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, 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.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 7 - TAXES - (Continued)

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2018 public utility property taxes became a lien December 31, 2017, are levied after October 1, 2018, and are collected in 2019 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The Franklin County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Village. The Franklin County Auditor periodically remits to the Village its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2018 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2018 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is considered a deferred inflow of resources.

The full tax rate for all Village operations for the year ended December 31, 2018 was \$1.70 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2018 property tax receipts were based are as follows:

Real property	\$ 159,137,250
Public utility personal property	<u>4,371,270</u>
Total assessed value	<u>\$ 163,508,520</u>

C. Tax Abatements

As of December 31, 2018, the Village provides tax abatements through the Community Reinvestment Area (CRA) program. This program relates to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 7 - TAXES - (Continued)

The Village has entered into agreements to abate property taxes through this program. During 2018, the Village's property tax revenues were reduced as a result of these agreements as follows:

<u>Tax Abatement Program</u>	<u>Village Taxes Abated</u>
CRA	<u>\$ 181,266</u>

During 2018, the Village did not incur a reduction in taxes by agreements entered into by other governments that reduced the Village's taxes.

NOTE 8 - PAYMENTS IN LIEU OF TAXES (PILOT)

According to State law, the Village has entered into agreements with a number of property owners under which the Village has granted property tax exemptions to those property owners. The property owners have agreed to make payments to the Village which reflect all or a portion of the property taxes which the property owners would have paid if the taxes had not been exempted. The property owners contractually promise to make these payments in lieu of taxes until the agreement expires. The Village reports PILOT revenue in the nonmajor governmental funds.

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VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities

Capital assets activity for the year ended December 31, 2018, was as follows:

<u>Governmental Activities:</u>	Balance 12/31/17	Additions	Disposals	Balance 12/31/18
<i>Capital assets, not being depreciated:</i>				
Land	\$ 6,247,411	\$ 1,602,267	\$ -	\$ 7,849,678
Rights of way	4,339,994	-	-	4,339,994
Construction in progress	<u>3,285,519</u>	<u>970,923</u>	<u>(2,650,558)</u>	<u>1,605,884</u>
Total capital assets, not being depreciated	<u>13,872,924</u>	<u>2,573,190</u>	<u>(2,650,558)</u>	<u>13,795,556</u>
<i>Capital assets, being depreciated:</i>				
Buildings	32,750,269	587,807	-	33,338,076
Improvements Other Than Buildings	4,436,302	4,124,382	-	8,560,684
Streets	80,303,125	4,671,315	-	84,974,440
Equipment	2,975,003	261,608	-	3,236,611
Vehicles	<u>1,573,794</u>	<u>322,591</u>	<u>(71,852)</u>	<u>1,824,533</u>
Total capital assets, being depreciated	<u>122,038,493</u>	<u>9,967,703</u>	<u>(71,852)</u>	<u>131,934,344</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(2,299,002)	(660,883)	-	(2,959,885)
Improvements Other Than Buildings	(952,985)	(324,431)	-	(1,277,416)
Streets	(43,118,820)	(3,608,797)	-	(46,727,617)
Equipment	(1,249,791)	(275,218)	-	(1,525,009)
Vehicles	<u>(865,376)</u>	<u>(211,526)</u>	<u>50,354</u>	<u>(1,026,548)</u>
Total accumulated depreciation	<u>(48,485,974)</u>	<u>(5,080,855)</u>	<u>50,354</u>	<u>(53,516,475)</u>
Total capital assets, being depreciated, net	<u>73,552,519</u>	<u>4,886,848</u>	<u>(21,498)</u>	<u>78,417,869</u>
Governmental activities capital assets, net	<u>\$ 87,425,443</u>	<u>\$ 7,460,038</u>	<u>\$ (2,672,056)</u>	<u>\$ 92,213,425</u>

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions/programs of the Village as follows:

Governmental Activities:

General government	\$ 205,304
Security of persons and property	169,161
Transportation	3,676,730
Community environment	11,538
Leisure time activity	<u>1,018,122</u>
Total depreciation expense	<u>\$ 5,080,855</u>

B. Business-Type Activities

Capital assets activity for the year ended December 31, 2018, was as follows:

<u>Business-type Activities:</u>	Balance 12/31/17	Additions	Disposals	Balance 12/31/18
<i>Capital assets, not being depreciated:</i>				
Land	\$ 18,090	\$ -	\$ -	\$ 18,090
Construction in progress	<u>187,000</u>	<u>-</u>	<u>(187,000)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>205,090</u>	<u>-</u>	<u>(187,000)</u>	<u>18,090</u>
<i>Capital assets, being depreciated:</i>				
Buildings	\$ 181,623	\$ -	\$ -	\$ 181,623
Water, Sewer, Electric and Gas Lines	26,864,792	1,108,387	-	27,973,179
Equipment	2,251,372	86,475	-	2,337,847
Vehicles	<u>100,209</u>	<u>20,075</u>	<u>-</u>	<u>120,284</u>
Total capital assets, being depreciated	<u>29,397,996</u>	<u>1,214,937</u>	<u>-</u>	<u>30,612,933</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(19,283)	(4,748)	-	(24,031)
Water, Sewer, Electric and Gas Lines	(7,416,027)	(436,186)	-	(7,852,213)
Equipment	(250,162)	(83,851)	-	(334,013)
Vehicles	<u>(30,615)</u>	<u>(9,604)</u>	<u>-</u>	<u>(40,219)</u>
Total accumulated depreciation	<u>(7,716,087)</u>	<u>(534,389)</u>	<u>-</u>	<u>(8,250,476)</u>
Total capital assets, being depreciated, net	<u>21,681,909</u>	<u>680,548</u>	<u>-</u>	<u>22,362,457</u>
Business-type capital assets, net	<u>\$ 21,886,999</u>	<u>\$ 680,548</u>	<u>\$ (187,000)</u>	<u>\$ 22,380,547</u>

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to enterprise funds of the Village as follows:

Business-type Activities:

Water	\$ 160,452
Sewer	264,532
Electric	87,880
Gas	<u>21,525</u>
Total depreciation expense	<u>\$ 534,389</u>

NOTE 10 - RISK MANAGEMENT

The Village 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 has been no significant reduction in insurance coverage from the previous year and no insurance settlement has exceeded insurance coverage during the last three years.

A. General Liability

The Village participates in the Public Entities Pool of Ohio, a public entity shared risk pool. The Village pays an annual premium to the pool for various types of insurance coverage. Members agree to share in the coverage of losses and pay all premiums necessary for the specified insurance coverage. Upon withdrawal from the Pool, a participant is responsible for the payment of all liabilities accruing as a result of withdrawal. See Note 19.A for more information on the Public Entities Pool of Ohio.

B. Workers' Compensation

The Village participates in the Ohio Municipal League (OML) public entity insurance purchasing pool for workers' compensation. The Group Rating Plan is administered by CareWorksComp. The OML Group Rating Plan is intended to achieve lower workers' compensation premium rates for the participants, and result in the establishment of a safer working environment. There are no additional contributions required by a participant other than their annual fee based on a percentage of the savings.

C. Employee Health, Vision and Dental Insurance

The Village provides employee health, vision, and dental benefits through the Central Ohio Health Care Consortium (the "Consortium"). The Consortium is a public entity shared risk pool and the risk of loss transfers to the Consortium upon payment of the premium by the Village. Employees share the cost of the monthly premium with the Village. See Note 19.B for more information on the Consortium.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability/Asset

The net pension liability/asset reported on the statement of net position represents a liability or asset 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/asset represents the Village'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/asset 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.

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

GASB 68 assumes any net pension liability/asset 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.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - Village employees, other than full-time police, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan and the Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Village employees) may elect the Member-Directed Plan and the Combined Plan, substantially all employee members are in OPERS' Traditional Pension Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the Traditional Pension 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.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (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 Pension 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 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 2.25%.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member's FAS for the first 30 years of service.

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 2.25% COLA adjustment on the defined benefit portion of their benefit.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS’s Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member’s contributions plus or minus the investment gains or losses resulting from the member’s investment selections. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members’ contributions, vested employer contributions and investment gains or losses resulting from the members’ investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. For additional information, see the Plan Statement in the OPERS CAFR.

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	14.0 %
Employee	10.0 %
2018 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0 %
Total Employer	14.0 %
Employee	10.0 %

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

The Village’s contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$421,151 for 2018. Of this amount, \$48,012 is reported as due to other governments.

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

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

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.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit.

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

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

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

	Police
2018 Statutory Maximum Contribution Rates	
Employer	19.50 %
Employee	12.25 %
2018 Actual Contribution Rates	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	0.50 %
Total Employer	19.50 %
Employee	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The Village's contractually required contribution to OP&F was \$261,592 for 2018. Of this amount, \$31,898 is reported as due to other governments.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

The net pension liability and net pension asset for the OPERS Traditional Pension Plan, Combined Plan and Member-Directed Plan, respectively, were measured as of December 31, 2017, and the total pension liability or asset used to calculate the net pension liability or asset 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 Village's proportion of the net pension liability or asset was based on the Village's share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.01570100%	0.00028800%	0.00512000%	0.05329700%	
Proportion of the net pension liability/asset current measurement date	<u>0.01693700%</u>	<u>0.01345000%</u>	<u>0.00109500%</u>	<u>0.05435400%</u>	
Change in proportionate share	<u>0.00123600%</u>	<u>0.01316200%</u>	<u>-0.00402500%</u>	<u>0.00105700%</u>	
Proportionate share of the net pension liability	\$ 2,657,087	\$ -	\$ -	\$ 3,335,953	\$ 5,993,040
Proportionate share of the net pension asset	-	(18,311)	(38)	-	(18,349)
Pension expense	804,475	2,956	(12)	543,367	1,350,786

Of the \$1,350,786 reported as pension expense, \$1,219,462 relates to governmental activities and \$131,324 relates to business-type activities.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ 2,713	\$ -	\$ 73	\$ 50,625	\$ 53,411
Changes of assumptions	317,540	1,601	4	145,365	464,510
Changes in employer's proportionate percentage/difference between employer contributions	283,458	-	-	527,440	810,898
Village contributions subsequent to the measurement date	408,561	11,942	648	261,592	682,743
Total deferred outflows of resources	<u>\$ 1,012,272</u>	<u>\$ 13,543</u>	<u>\$ 725</u>	<u>\$ 985,022</u>	<u>\$ 2,011,562</u>
Deferred inflows of resources					
Differences between expected and actual experience	\$ 52,363	\$ 5,453	\$ -	\$ 6,034	\$ 63,850
Net difference between projected and actual earnings on pension plan investments	570,441	2,890	10	115,397	688,738
Changes in employer's proportionate percentage/difference between employer contributions	1,823	-	-	-	1,823
Total deferred inflows of resources	<u>\$ 624,627</u>	<u>\$ 8,343</u>	<u>\$ 10</u>	<u>\$ 121,431</u>	<u>\$ 754,411</u>

\$682,743 reported as deferred outflows of resources related to pension resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/asset in the year ending December 31, 2019. Of the amount reported as subsequent to the measurement date, \$605,792 is reported in the governmental activities and \$76,951 is reported in the business-type activities.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
2019	\$ 420,803	\$ (919)	\$ 9	\$ 229,815	\$ 649,708
2020	43,875	(998)	9	199,477	242,363
2021	(251,190)	(1,644)	9	79,826	(172,999)
2022	(234,404)	(1,579)	9	29,768	(206,206)
2023	-	(565)	7	51,793	51,235
Thereafter	-	(1,037)	24	11,320	10,307
Total	\$ (20,916)	\$ (6,742)	\$ 67	\$ 601,999	\$ 574,408

Actuarial Assumptions - OPERS

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

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

Wage inflation	3.25%
Future salary increases, including inflation COLA or ad hoc COLA	3.25% to 10.75% including wage inflation Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2018, then 2.15% simple
Investment rate of return	7.50%
Actuarial cost method	Individual entry age

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

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

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 OPERS 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>

Discount Rate - The discount rate used to measure the total pension liability/asset was 7.50%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Sensitivity of the Village's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
- The following table presents the Village's proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 7.50%, as well as what the Village's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.50%) or one-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Village's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 4,718,309	\$ 2,657,087	\$ 938,649
Combined Plan	(9,953)	(18,311)	(24,076)
Member-Directed Plan	(22)	(38)	(55)

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2017 is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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. The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the investment rate of return from 8.25% to 8.00%, (b) projected salary increases decreased from 4.25% - 11.00% to 3.75% - 10.50%, (c) payroll increases decreased from 3.75% to 3.25%, (d) inflation assumptions decreased from 3.25% to 2.75% and (e) Cost of Living Adjustments (COLAs) decreased from 2.60% to 2.20%.

Valuation date	January 1, 2017
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25%
Inflation assumptions	2.75%
Cost of living adjustments	2.20% and 3.00% simple

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

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

The most recent experience study was completed for the five-year period ended December 31, 2016. The recommended assumption changes based on this experience study were adopted by OPF's Board and were effective beginning with the January 1, 2017 actuarial valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy and Guidelines. 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 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 geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2017 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return **	30 Year Expected Real Rate of Return **
Cash and Cash Equivalents	- %		
Domestic Equity	16.00	4.22 %	5.39 %
Non-US Equity	16.00	4.41	5.59
Private Markets	8.00	6.67	8.08
Core Fixed Income *	23.00	1.57	2.71
High Yield Fixed Income	7.00	2.94	4.71
Private Credit	5.00	6.93	7.26
Global Inflation			
Protected Securities *	17.00	0.98	2.52
Master Limited Partnerships	8.00	7.50	7.93
Real Assets	8.00	6.88	7.24
Private Real Estate	12.00	5.58	6.34
Total	120.00 %		

Note: assumptions are geometric.

* levered 2x

** numbers include inflation

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

Discount Rate - The total pension liability was calculated using the discount rate of 8.00%. A discount rate of 8.25% was used in the prior measurement period. 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%. 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.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Sensitivity of the Village'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%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00%), or one percentage point higher (9.00%) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Village's proportionate share of the net pension liability	\$ 4,624,502	\$ 3,335,953	\$ 2,285,019

NOTE 12 - DEFINED BENEFIT OPEB PLANS

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

Ohio Revised Code limits the Village’s obligation for this liability to annually required payments. The Village cannot control benefit terms or the manner in which OPEB are financed; however, the Village 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 net OPEB liability is disclosed as a commitment and not reported on the face of the financial statements as a liability because of the use of the modified cash basis framework.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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.

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

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

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan 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.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

The Village's contractually required contribution was \$259 for 2018. Of this amount, \$30 is reported as due to other governments.

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

Plan Description – The Village 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 postemployment 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.

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.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by 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 Village's net OPEB liability is not known.

The Village's contractually required contribution to OP&F was \$6,884 for 2018. Of this amount, \$839 is reported as due to other governments.

Net OPEB Liabilities, OPEB Expense, and Deferred Outflows or 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 Village's proportion of the net OPEB liability was based on the Village'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>
Proportion of the net OPEB liability prior measurement date	0.01483500%	0.05329700%	
Proportion of the net OPEB liability current measurement date	<u>0.01623000%</u>	<u>0.05435400%</u>	
Change in proportionate share	<u>0.00139500%</u>	<u>0.00105700%</u>	
Proportionate share of the net OPEB liability	\$ 1,762,458	\$ 3,079,627	\$ 4,842,085
OPEB expense	\$ 197,225	\$ 251,070	\$ 448,295

Of the \$448,295 reported as OPEB expense, \$420,201 relates to the governmental activities and \$28,094 relates to the business-type activities.

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VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	OPERS	OP&F	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ 1,373	\$ -	\$ 1,373
Changes of assumptions	128,325	300,505	428,830
Changes in employer's proportionate percentage/difference between employer contributions	100,167	40,609	140,776
Village contributions subsequent to the measurement date	259	6,884	7,143
Total deferred outflows of resources	<u>\$ 230,124</u>	<u>\$ 347,998</u>	<u>\$ 578,122</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 15,532	\$ 15,532
Net difference between projected and actual earnings on pension plan investments	131,292	20,271	151,563
Changes in employer's proportionate percentage/difference between employer contributions	2,050	-	2,050
Total deferred inflows of resources	<u>\$ 133,342</u>	<u>\$ 35,803</u>	<u>\$ 169,145</u>

\$7,143 reported as deferred outflows of resources related to OPEB resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2019. Of the amount reported as contributions subsequent to the measurement date, \$7,096 is reported in the governmental activities and \$47 is reported in the business-type activities.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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	\$ 76,095	\$ 42,532	\$ 118,627
2020	76,095	42,532	118,627
2021	(22,843)	42,532	19,689
2022	(32,824)	42,533	9,709
2023	-	47,600	47,600
Thereafter	-	87,582	87,582
Total	\$ 96,523	\$ 305,311	\$ 401,834

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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

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

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

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

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

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

	1% Decrease (2.85%)	Current Discount Rate (3.85%)	1% Increase (4.85%)
Village's proportionate share of the net OPEB liability	\$ 2,341,502	\$ 1,762,458	\$ 1,294,018

Sensitivity of the Village'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

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.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
Village's proportionate share of the net OPEB liability	\$ 1,686,297	\$ 1,762,458	\$ 1,842,131

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.

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.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and 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.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (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 %
Domestic Equity	16.00	5.21
Non-US Equity	16.00	5.40
Core Fixed Income*	20.00	2.37
Global Inflation Protected Securities*	20.00	2.33
High Yield	15.00	4.48
Real Estate	12.00	5.65
Private Markets	8.00	7.99
Timber	5.00	6.87
Master Limited Partnerships	8.00	7.36
Total	<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 their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate - The total OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, 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.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the Village'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%)
Village's proportionate share of the net OPEB liability	\$ 3,849,564	\$ 3,079,627	\$ 2,487,185

Sensitivity of the Village'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:

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

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

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
Village's proportionate share of the net OPEB liability	\$ 2,392,305	\$ 3,079,627	\$ 4,005,891

NOTE 13 - OTHER EMPLOYEE BENEFITS

A. Healthcare Benefits

The Village offers employee health, vision, and dental benefits through the Central Ohio Health Care Consortium. The Village offers life and disability insurance benefits through the Standard Life Insurance Company. The employees share the cost of the monthly healthcare premium with the Village, while the Village fully pays for vision, dental, life and disability premiums.

VILLAGE OF OBETZ, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 13 - OTHER EMPLOYEE BENEFITS - (Continued)

B. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from Village policies and State laws.

Village employees earn and accumulate vacation at varying rates depending on length of service. Vacation accrual rates change on the employees' anniversary date, when applicable. Employees are paid for up to two years of earned unused vacation leave upon termination.

Sick leave is earned at 4.6 hours per pay period. All employees with 10 or more years of full-time service with the Village (including prior service years with another governmental organization), who elect to retire, are entitled to receive one-fourth of the value of their accumulated unused sick leave up to a maximum of 60 days.

C. Deferred Compensation

Village employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death, or an unforeseen emergency.

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VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 14 - LONG-TERM OBLIGATIONS

A. Governmental Activities

The Village's governmental activities long-term obligations activity for 2018 follows. The long-term obligations at December 31, 2017 have been restated as described in Note 3A.

	Interest Rate	Restated Balance 12/31/17	Additions	Reductions	Balance 12/31/18	Amounts Due in One Year
<u>Governmental Activities:</u>						
General obligation bonds:						
Series 2012 various purpose refunding and improvement bonds (original amount \$6,240,000)	3.00-5.00%	\$ 3,880,000	\$ -	\$ (460,000)	\$ 3,420,000	\$ 465,000
Revenue bonds:						
Series 2007 TIF bonds (original amount \$5,735,000)	3.75%	4,505,000	-	(175,000)	4,330,000	180,000
Series 2016A income tax bonds (original amount \$16,000,000)	2.00-4.00%	15,555,000	-	(590,000)	14,965,000	605,000
Series 2018 income tax bonds (original amount \$15,000,000)	3.625-5.00%	-	15,000,000	-	15,000,000	465,000
Notes Payable:						
Walnut Creek Note	2.00%	2,400,000	1,900,000	(2,400,000)	1,900,000	-
OPWC loans:						
#CC06R (original amount \$242,794)	0.00%	228,787	-	(9,338)	219,449	9,338
#CC909 (original amount \$250,410)	0.00%	56,344	-	(12,521)	43,823	12,521
#CT10H (original amount \$25,000)	0.00%	11,875	-	(1,250)	10,625	1,250
Total OPWC loans		297,006	-	(23,109)	273,897	23,109
Net pension liability		6,227,535	-	(719,988)	5,507,547	-
Net OPEB liability		3,728,309	791,746	-	4,520,055	-
Compensated absences		248,671	125,033	(90,433)	283,271	112,303
Unamortized premium		1,460,790	1,199,306	(96,544)	2,563,552	-
Total governmental activities		<u>\$ 38,302,311</u>	<u>\$ 19,016,085</u>	<u>\$ (4,555,074)</u>	<u>\$ 52,763,322</u>	<u>\$ 1,850,412</u>

Series 2012 Various Purpose Refunding and Improvement Bonds

On November 14, 2012, the Village issued general obligation bonds, in the amount of \$6,240,000: \$2,730,000 to currently refund the remaining balance of the general obligation bonds previously issued in 2001, \$3,045,000 to retire notes previously issued (the Village also paid principal, in the amount of \$840,000), and \$465,000 for various construction projects and to improve Lancaster Park and the Community Center. The bonds were issued for an 18-year period, with final maturity in 2030. The bonds will be retired through the General Obligation Debt Service Fund.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

The bonds maturing on or after December 1, 2018, are subject to optional redemption prior to maturity, commencing December 1, 2017, either in whole or in part, in such order as the Village shall determine, on any date on or after December 1, 2012, at a redemption price equal to the following percentages of principal redeemed plus accrued interest to the date of redemption:

Redemption Dates (Dates Inclusive)	Redemption Prices
December 1, 2018, and thereafter	\$ 100

The bonds maturing on December 1, 2024, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the year and the respective principal amount as follows:

Year	Amount
2023	\$ 165,000

The remaining principal, in the amount of \$170,000, will be paid at stated maturity on December 1, 2024.

The bonds maturing on December 1, 2027, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2025	\$ 170,000
2026	175,000

The remaining principal, in the amount of \$180,000, will be paid at stated maturity on December 1, 2027.

The bonds maturing on December 1, 2030, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2028	\$ 185,000
2029	185,000

The remaining principal, in the amount of \$190,000, will be paid at stated maturity on December 1, 2030.

Series 2007 TIF Revenue Bonds

On October 2, 2007, the Village issued tax increment financing (TIF) revenue bonds, in the amount of \$5,735,000, to construct and widen Toy Road. The joint project was completed by a developer and the Village. The Village's responsibility for the debt is limited to the amount of payments in lieu of taxes collected on the abated property. Any shortage between the amount collected and the amount due to be paid on the debt is paid by the developer. The developer was required to post a letter of credit upon which the developer may draw to satisfy the debt obligation. The letter of credit was issued by Huntington Bank. For the year ended December 31, 2018, the Village collected and remitted to Huntington Bank \$145,266. The amount required to service this debt (both principal and interest) for the year ended December 31, 2018, was \$343,248. The developer paid the difference (\$197,982) from the letter of credit issued by Huntington Bank for 2018. The bonds will be retired through the Toy Road TIF Fund (a nonmajor governmental fund). The bonds mature on December 1, 2034.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Series 2016A Income Tax Revenue Bonds

On August 30, 2016, the Village issued Series 2016A income tax revenue bonds in the amount of \$16,000,000 for the purpose of: (a) financing the costs of expanding and improving the municipal parks located within the Village (the "Parks") and to finance the costs of acquiring, constructing, designing, equipping, improving, and installing capital improvements outside of the Parks, within the boundaries of the Village, including, but not limited to land acquisition, land site work, design, construction and improvements, roads, sidewalks, and paths, water, sewer, stormwater drainage, and all appurtenances and improvements related thereto. The Series 2016A bonds are unvoted special obligations of the Village secured by income tax monies as pledged funds. The Series 2016A bonds are guaranteed by a municipal bond insurance policy provided by AGM to Secure the payment, when due, of the principal of and interest on the Series 2016A bonds. Huntington National Bank acts as Trustee for the Series 2016A bonds. The Village makes payments to the Trustee and the Trustee makes scheduled payments on the bonds. The Series 2016A bonds bear interest rates ranging from 2.0 percent to 4.0 percent and mature on December 1, 2036. The Series 2016A bonds will be retired through the Park Improvement Debt Service Fund (a nonmajor governmental fund).

Series 2018 Income Tax Revenue Bonds

On August 14, 2018, the Village issued Series 2018 income tax revenue bonds in the amount of \$15,000,000 for the purpose of financing the (a) acquisition, construction, designing, equipping, improving, and installation of certain road improvements and related Village facilities, all located within the boundaries of the Village, (b) acquisition, construction, designing, equipping, improving, and installation of the Village's municipal park system and related facilities, all located within the boundaries of the Village. The Series 2018 bonds are unvoted special obligations of the Village secured by income tax monies as pledged funds. The Series 2018 bonds are guaranteed by a municipal bond insurance policy provided by AGM to Secure the payment, when due, of the principal of and interest on the Series 2018 bonds. Huntington National Bank acts as Trustee for the Series 2018 bonds. The Village makes payments to the Trustee and the Trustee makes scheduled payments on the bonds. The Series 2018 bonds bear interest rates ranging from 3.625 percent to 5.0 percent and mature on December 1, 2038. The Series 2018 bonds will be retired through the Infrastructure Debt Service Fund (a nonmajor governmental fund). At December 31, 2018, the bonds had \$10,315,378 in unspent proceeds.

Long-Term Note Payable

On February 12, 2018, the Village issued a \$2,400,000 Series 2018 Municipal Infrastructure Improvement Note. This note matures on February 11, 2019. Of this total, \$500,000 is considered a short-term note payable (see Note 20) and \$1,900,000 is considered a long-term note payable. The long-term note payable represents the portion of the Series 2018 note issue that was refinanced subsequent to year-end with a new maturity date greater than one year from the date of the financial statements (see Note 22). The long-term note payable matures February 6, 2020. The long-term notes are backed by the full faith and credit of the Village.

OPWC Loans

OPWC loans consist of money owed to the Ohio Public Works Commission (OPWC) for engineering costs for the widening of Alum Creek Drive and for Frusta/McGaw Road reconstruction. OPWC loans will be paid from the General Obligation Debt Service Fund. The CC06R loan had an authorized loan amount of \$501,876, however, the project came in under budget and only received borrowings of \$242,794. Loan CC06R matures on July 1, 2042, loan CC909 matures on July 1, 2022, and loan CT10H matures on July 1, 2027.

Net Pension Liability and Net OPEB Liability

The Village pays obligations related to employee compensation from the funds benefitting from their services. See Notes 11 and 12 for further information.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Compensated Absences

The compensated absences liability will be paid from the funds from which the employees' salaries are paid. For governmental activities, compensated absences are paid primarily from the General Fund.

Legal Debt Margin

At December 31, 2018, the Village's overall legal debt margin was \$17,168,395 and the unvoted debt margin was \$8,992,969.

Future Debt Service Requirements

The Village's future annual debt service requirements payable from the governmental activities follows:

Year Ending December 31,	Governmental Activities					
	General Obligation Bonds			TIF Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 465,000	\$ 68,125	\$ 533,125	\$ 180,000	\$ 160,247	\$ 340,247
2020	500,000	61,150	561,150	190,000	153,454	343,454
2021	510,000	53,650	563,650	200,000	146,585	346,585
2022	525,000	44,725	569,725	210,000	139,026	349,026
2023	165,000	36,063	201,063	220,000	131,057	351,057
2024 - 2028	880,000	120,450	1,000,450	1,290,000	520,458	1,810,458
2029 - 2033	375,000	15,537	390,537	1,655,000	249,048	1,904,048
2034	-	-	-	385,000	10,865	395,865
Total	<u>\$ 3,420,000</u>	<u>\$ 399,700</u>	<u>\$ 3,819,700</u>	<u>\$ 4,330,000</u>	<u>\$ 1,510,740</u>	<u>\$ 5,840,740</u>

Year Ending December 31,	Governmental Activities					
	Income Tax Revenue Bonds			OPWC Loans		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 1,070,000	\$ 1,194,338	\$ 2,264,338	\$ 23,109	\$ -	\$ 23,109
2020	1,105,000	1,152,938	2,257,938	23,109	-	23,109
2021	1,150,000	1,110,088	2,260,088	23,109	-	23,109
2022	1,200,000	1,058,988	2,258,988	16,848	-	16,848
2023	1,255,000	1,005,638	2,260,638	10,588	-	10,588
2024 - 2028	7,155,000	4,154,385	11,309,385	51,067	-	51,067
2029 - 2033	8,800,000	2,510,613	11,310,613	46,693	-	46,693
2034 - 2038	8,230,000	799,043	9,029,043	46,691	-	46,691
2039 - 2042	-	-	-	32,683	-	32,683
Total	<u>\$ 29,965,000</u>	<u>\$ 12,986,031</u>	<u>\$ 42,951,031</u>	<u>\$ 273,897</u>	<u>\$ -</u>	<u>\$ 273,897</u>

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

B. Business-Type Activities

The Village's business-type activities long-term obligations activity for 2018 follows. The long-term obligations at December 31, 2017 have been restated as described in Note 3A.

	Restated Balance 12/31/2017	Additions	Reductions	Balance 12/31/2018	Amounts Due in One Year
<u>Business-type Activities:</u>					
Net pension liability	\$ 713,697	\$ -	\$ (228,204)	\$ 485,493	\$ -
Net OPEB liability	299,927	22,103	-	322,030	-
Compensated absences	<u>42,646</u>	<u>19,116</u>	<u>(11,411)</u>	<u>50,351</u>	<u>13,383</u>
Total business-type activities	<u>\$ 1,056,270</u>	<u>\$ 41,219</u>	<u>\$ (239,615)</u>	<u>\$ 857,874</u>	<u>\$ 13,383</u>

Net Pension Liability and Net OPEB Liability

The Village pays obligations related to employee compensation from the funds benefitting from their services. See Notes 11 and 12 for further information.

Compensated Absences

The compensated absences liability will be paid from the funds from which the employees' salaries are paid. For the business-type activities, the compensated absences will be paid from the Water, Sewer, Electric, and Gas enterprise funds.

NOTE 15 - CONTINGENT LIABILITIES

A. Litigation

There are currently no matters in litigation with the Village as defendant.

B. Federal and State Grants

For the period January 1, 2018, to December 31, 2018, the Village received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Village believes such disallowances, if any, would be immaterial.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 16 - OTHER COMMITMENTS

The Village utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year-end, the Village's commitments for encumbrances (not already included in payables) in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General Fund	\$ 1,157,932
Parks Capital Improvements	636,969
Streets Capital Improvements	530,854
Nonmajor Governmental Funds	<u>47,710</u>
Total	<u>\$ 2,373,465</u>

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VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 17 - FUND BALANCE

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

Fund Balance	General	General Obligation Debt Service	Williams Road Capital Improvement	Parks Capital Improvements	Streets Capital Improvements	Walnut Creek Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:								
Prepayments	\$ 34,933	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 434	\$ 35,367
Total nonspendable	<u>34,933</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>434</u>	<u>35,367</u>
Restricted:								
Court operations	-	-	-	-	-	-	99,683	99,683
Debt retirement	-	-	-	-	-	-	2,360,892	2,360,892
Drug enforcement	-	-	-	-	-	-	5,159	5,159
Economic development	-	-	-	-	-	-	10,005	10,005
Park improvements	-	-	-	4,011,465	-	-	53,843	4,065,308
Infrastructure improvements	-	-	-	-	6,303,913	-	193,822	6,497,735
Police operations	-	-	-	-	-	-	22,547	22,547
Street construction and maintenance	-	-	-	-	-	-	822,000	822,000
Total restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,011,465</u>	<u>6,303,913</u>	<u>-</u>	<u>3,567,951</u>	<u>13,883,329</u>
Committed:								
Debt retirement	-	1,878,273	-	-	-	-	-	1,878,273
Park operations	-	-	-	-	-	-	85,779	85,779
Permanent improvements	-	-	-	-	-	-	43,212	43,212
Police operations	-	-	-	-	-	-	43	43
Street construction and maintenance	-	-	-	-	-	-	268,705	268,705
Total committed	<u>-</u>	<u>1,878,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>397,739</u>	<u>2,276,012</u>
Assigned:								
Unpaid obligations	1,157,932	-	-	-	-	-	-	1,157,932
Subsequent year appropriations	2,925,505	-	-	-	-	-	-	2,925,505
Total assigned	<u>4,083,437</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,083,437</u>
Unassigned	4,612,370	-	(1,115,994)	-	-	(260,483)	-	3,235,893
Total fund balances	<u>\$ 8,730,740</u>	<u>\$ 1,878,273</u>	<u>\$ (1,115,994)</u>	<u>\$ 4,011,465</u>	<u>\$ 6,303,913</u>	<u>\$ (260,483)</u>	<u>\$ 3,966,124</u>	<u>\$ 23,514,038</u>

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS

A. Big Walnut Area Community Improvement Corporation

The Big Walnut Area Community Improvement Corporation (the "CIC") is a not-for-profit corporation formed to promote economic development within the Village. The CIC is governed by a seven-member board which includes the Mayor, President Pro Tempore of Village Council, and the Village Administrator. The primary asset of the CIC is a building. The CIC's primary revenue is rent from a lease of the building to the Columbus Crew Soccer Team. Financial information can be obtained from the Village of Obetz, 4175 Alum Creek Drive, Obetz, Ohio 43207.

B. Obetz Convention and Visitor's Bureau

The Obetz Convention and Visitor's Bureau (the "CVB") is governed by a seven-member board which includes the Mayor, President Pro Tempore of Village Council, and the Village Administrator. The CVB receives one-fourth of the lodging tax levied by the Village and it is used for the promotion and marketing of the region in which the Village is located. Financial information can be obtained from the Village of Obetz, 4175 Alum Creek Drive, Obetz, Ohio 43207.

C. Prairie-Obetz Joint Economic Development Zone

The Village participates in the Prairie-Obetz Joint Economic Development Zone (the "JEDZ"), a jointly governed organization created according to the provisions of Ohio Revised Code Section 715.691. The JEDZ is to facilitate new or expanded growth for commercial and economic development within the JEDZ and the State for the benefit of the Village, the Township, the State, and its residents. The board consists of three members representing the Village of Obetz and appointed by the Village Council and three members representing Prairie Township and appointed by the Township Trustees. Financial information can be obtained from the Village of Obetz, 4175 Alum Creek Drive, Obetz, Ohio 43207.

NOTE 19 - PUBLIC ENTITY SHARED RISK POOLS

A. Public Entities Pool of Ohio

The Public Entities Pool of Ohio (the "Pool") is a public entity shared risk pool which provides various risk management services to its members. The Pool is governed by a seven-member board of directors; six are member representatives or elected officials and one is a representative of the Pool administrator, American Risk Pooling Consultants, Inc. Each member has one vote on all issues addressed by the Board of Directors. Participation in the Pool is by written application subject to the terms of the Pool agreement. Members must continue membership for a full year and may withdraw from the Pool by giving a 60-day written notice prior to their annual anniversary. Financial information can be obtained from the Public Entities Pool of Ohio, 6797 North High Street, Suite 131, Worthington, Ohio 43085.

VILLAGE OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 19 - PUBLIC ENTITY SHARED RISK POOLS - (Continued)

B. Central Ohio Health Care Consortium

The Central Ohio Health Care Consortium (the “Consortium”) was established in 1992, as a joint self-insurance program formed by several political subdivisions throughout Central Ohio. The Consortium is a legally separate entity organized under Ohio Revised Code Section 9.833. The purpose of the Consortium is to maximize benefits and reduce the costs of medical and prescription drug coverages for Consortium member employees and eligible dependents. Each Consortium member appoints one individual to be its representative on the Board of Directors. The Board of Directors sets all premiums and other amounts to be paid by the Consortium members.

All Consortium members are required to remit monthly contributions to the Consortium’s administrator, which are used to pay claims and related claim settlement expenses, to purchase excess loss insurance for the plan and to establish and maintain sufficient loss reserves. The monthly contribution is determined for each Consortium member in accordance with the number of covered employees and dependents and the prior loss experience of the respective member group.

Consortium members may withdraw from the Consortium as of the end of the three year trust term by giving written notice no later than September 1 of that year. Non-founding members must remain in the Consortium for a minimum of three years, regardless of the trust term. At and after the effective time of withdrawal, the withdrawing member is wholly and solely responsible for providing healthcare benefits that had been previously provided by the Consortium, including, but not limited to, any and all incurred, but not reported claims related to its prior participation.

NOTE 20 - SHORT-TERM NOTES PAYABLE

The Village has the following short-term note payable activity during 2018:

	Interest Rate	Maturity Date	Balance 12/31/17	Additions	Reductions	Balance 12/31/18
<u>Governmental Funds</u>						
Land acquisition	2.13%	10/10/18	\$ 2,000,000	\$ -	\$ (2,000,000)	\$ -
Land acquisition	3.00%	10/9/19	-	1,500,000	-	1,500,000
Walnut Creek improvements	2.00%	2/13/18	500,000	-	(500,000)	-
Walnut Creek improvements	2.25%	2/11/19	-	500,000	-	500,000
Total governmental funds			<u>\$ 2,500,000</u>	<u>\$ 2,000,000</u>	<u>\$ (2,500,000)</u>	<u>\$ 2,000,000</u>
<u>Enterprise Funds</u>						
Electric expansion/improvements	2.50%	6/28/18	\$ 1,000,000	\$ -	\$ (1,000,000)	\$ -
Total enterprise funds			<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ (1,000,000)</u>	<u>\$ -</u>

On October 10, 2018, the Village issued a \$1,500,000 Series 2018 Land Acquisition Bond Anticipation Note for the purpose of acquiring land and buildings on Williams Road. The note matures on October 9, 2019 and bears an interest rate of 3.00%. The short-term note liability is reflected in the Williams Road Capital Improvement Fund, the fund which received the proceeds.

VILLAGE OF OBETZ, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 20 - SHORT-TERM NOTES PAYABLE - (Continued)

On February 12, 2018, the Village issued a \$2,400,000 Series 2018 Municipal Infrastructure Improvement Note for the purpose of financing infrastructure improvements. Of this total, \$500,000 is considered a short-term note payable and \$1,900,000 is considered a long-term note payable (see Note 14). The short-term note payable represents the portion of the Series 2018 note issue that will be retired when the notes are refinanced on February 7, 2019 (see Note 22 for detail). All short-term notes were backed by the full faith and credit of the Village and mature within one year. The short-term note liability is reflected in the Walnut Creek Improvement Fund, the fund which received the proceeds. The short-term notes were issued in anticipation of long-term bond financing and will be refinanced until such funds are issued.

NOTE 21 - TRANSFERS

During 2018, the General Obligation Debt Service fund transferred a total of \$1,000,000, \$500,000 to the Williams Road Capital Improvement fund and \$500,000 to the Walnut Creek Improvement fund. These transfers were for principal payments to pay the 2017 notes and to transfer the 2018 proceeds to refinance the notes.

NOTE 22 - SIGNIFICANT SUBSEQUENT EVENT

On February 7, 2019, the Village retired the \$2,400,000 Series 2018 Municipal Infrastructure Improvement Note through the issuance of a \$1,900,000 Series 2019 Municipal Infrastructure Refunding Note. The Series 2019 Municipal Infrastructure Refunding Note bears an interest rate of 3.00% and matures February 6, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY/NET PENSION ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST FIVE YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Traditional Plan:</i>					
Village's proportion of the net pension liability	0.016937%	0.015701%	0.014305%	0.012638%	0.012638%
Village's proportionate share of the net pension liability	\$ 2,657,087	\$ 3,565,430	\$ 2,477,806	\$ 1,524,285	\$ 1,489,856
Village's covered payroll	\$ 2,884,654	\$ 2,454,108	\$ 2,330,683	\$ 2,018,733	\$ 1,816,054
Village's proportionate share of the net pension liability as a percentage of its covered payroll	92.11%	145.28%	106.31%	75.51%	82.04%
Plan fiduciary net position as a percentage of the total pension liability	84.66%	77.25%	81.08%	86.45%	86.36%
<i>Combined Plan:</i>					
Village's proportion of the net pension asset	0.013450%	0.000288%			
Village's proportionate share of the net pension asset	\$ 18,311	\$ 160			
Village's covered payroll	\$ 55,085	\$ 1,125			
Village's proportionate share of the net pension asset as a percentage of its covered payroll	33.24%	14.22%			
Plan fiduciary net position as a percentage of the total pension asset	137.28%	116.55%			
<i>Member Directed Plan:</i>					
Village's proportion of the net pension asset	0.001095%	0.005120%	0.033391%		
Village's proportionate share of the net pension asset	\$ 38	\$ 21	\$ 129		
Village's covered payroll	\$ 6,000	\$ 21,042	\$ 185,958		
Village's proportionate share of the net pension asset as a percentage of its covered payroll	0.63%	0.10%	0.07%		
Plan fiduciary net position as a percentage of the total pension asset	124.46%	103.40%	103.91%		

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the Village's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST FIVE YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Village's proportion of the net pension liability	0.05435400%	0.05329700%	0.04809800%	0.03705820%	0.03705820%
Village's proportionate share of the net pension liability	\$ 3,335,953	\$ 3,375,802	\$ 3,094,172	\$ 1,919,769	\$ 1,804,851
Village's covered payroll	\$ 1,328,532	\$ 1,277,505	\$ 1,054,153	\$ 821,726	\$ 1,116,266
Village's proportionate share of the net pension liability as a percentage of its covered payroll	251.10%	264.25%	293.52%	233.63%	161.69%
Plan fiduciary net position as a percentage of the total pension liability	70.91%	68.36%	66.77%	72.20%	73.00%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the Village's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF VILLAGE PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	2018	2017	2016	2015
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 408,561	\$ 375,005	\$ 294,493	\$ 279,682
Contributions in relation to the contractually required contribution	(408,561)	(375,005)	(294,493)	(279,682)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 2,918,293	\$ 2,884,654	\$ 2,454,108	\$ 2,330,683
Contributions as a percentage of covered payroll	14.00%	13.00%	12.00%	12.00%
 <i>Combined Plan:</i>				
Contractually required contribution	\$ 11,942	\$ 7,161	\$ 135	
Contributions in relation to the contractually required contribution	(11,942)	(7,161)	(135)	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	
Village's covered payroll	\$ 85,300	\$ 55,085	\$ 1,125	
Contributions as a percentage of covered payroll	14.00%	13.00%	12.00%	
 <i>Member Directed Plan:</i>				
Contractually required contribution	\$ 648	\$ 600	\$ 2,525	\$ 22,315
Contributions in relation to the contractually required contribution	(648)	(600)	(2,525)	(22,315)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 6,480	\$ 6,000	\$ 21,042	\$ 185,958
Contributions as a percentage of covered payroll	10.00%	10.00%	12.00%	12.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 242,248	\$ 236,087	\$ 160,440	\$ 153,284	\$ 191,984	\$ 182,535
<u>(242,248)</u>	<u>(236,087)</u>	<u>(160,440)</u>	<u>(153,284)</u>	<u>(191,984)</u>	<u>(182,535)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,018,733	\$ 1,816,054	\$ 1,604,400	\$ 1,532,840	\$ 2,152,287	\$ 2,245,203
12.00%	13.00%	10.00%	10.00%	8.92%	8.13%

VILLAGE OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF VILLAGE PENSION CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	2018	2017	2016	2015
<i>Police:</i>				
Contractually required contribution	\$ 261,592	\$ 252,421	\$ 242,726	\$ 200,289
Contributions in relation to the contractually required contribution	(261,592)	(252,421)	(242,726)	(200,289)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 1,376,800	\$ 1,328,532	\$ 1,277,505	\$ 1,054,153
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 156,128	\$ 177,263	\$ 119,920	\$ 109,067	\$ 161,167	\$ 189,922
<u>(156,128)</u>	<u>(177,263)</u>	<u>(119,920)</u>	<u>(109,067)</u>	<u>(161,167)</u>	<u>(189,922)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 821,726	\$ 1,116,031	\$ 940,549	\$ 855,427	\$ 1,264,055	\$ 1,489,584
19.00%	15.88%	12.75%	12.75%	12.75%	12.75%

VILLAGE OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TWO YEARS

	<u>2018</u>	<u>2017</u>
Village's proportion of the net OPEB liability	0.016230%	0.014835%
Village's proportionate share of the net OPEB liability	\$ 1,762,458	\$ 1,498,347
Village's covered payroll	\$ 2,945,739	\$ 2,476,275
Village's proportionate share of the net OPEB liability as a percentage of its covered payroll	59.83%	60.51%
Plan fiduciary net position as a percentage of the total OPEB liability	54.14%	54.05%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the Village's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TWO YEARS

	<u>2018</u>	<u>2017</u>
Village's proportion of the net OPEB liability	0.05435400%	0.05329700%
Village's proportionate share of the net OPEB liability	\$ 3,079,627	\$ 2,529,889
Village's covered payroll	\$ 1,328,532	\$ 1,277,505
Village's proportionate share of the net OPEB liability as a percentage of its covered payroll	231.81%	198.03%
Plan fiduciary net position as a percentage of the total OPEB liability	14.13%	15.96%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the Village's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF VILLAGE OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST EIGHT YEARS

	2018	2017	2016	2015
Contractually required contribution	\$ 259	\$ 29,637	\$ 50,300	\$ 46,614
Contributions in relation to the contractually required contribution	(259)	(29,637)	(50,300)	(46,614)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 3,010,073	\$ 2,945,739	\$ 2,476,275	\$ 2,516,641
Contributions as a percentage of covered payroll	0.01%	1.01%	2.03%	1.85%

Note: Information prior to 2011 for the Village was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 48,799	\$ 18,161	\$ 54,991	\$ 50,847
<u>(48,799)</u>	<u>(18,161)</u>	<u>(54,991)</u>	<u>(50,847)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,018,733	\$ 1,816,054	\$ 1,604,400	\$ 1,532,840
2.42%	1.00%	3.43%	3.32%

VILLAGE OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF VILLAGE OPEB CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST EIGHT YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<i>Police:</i>				
Contractually required contribution	\$ 6,884	\$ 6,643	\$ 6,288	\$ 5,413
Contributions in relation to the contractually required contribution	<u>(6,884)</u>	<u>(6,643)</u>	<u>(6,288)</u>	<u>(5,413)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	\$ 1,376,800	\$ 1,328,532	\$ 1,277,505	\$ 1,054,153
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

Note: Information prior to 2011 for the Village was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 4,071	\$ 40,363	\$ 63,487	\$ 57,742
<u>(4,071)</u>	<u>(40,363)</u>	<u>(63,487)</u>	<u>(57,742)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 821,726	\$ 1,116,031	\$ 940,549	\$ 855,427
0.50%	3.62%	6.75%	6.75%

VILLAGE OF OBETZ, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018

PENSION

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 were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%. There were no changes in assumptions for 2018.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

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 2014-2017. For 2018, the following were the most significant changes of assumptions that affected the total pension since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.50% to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% to 3.25%, (d) reduction in inflation assumptions from 3.25% to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2017-2018.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% to 3.85%.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2017-2018.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25%, (e) payroll growth was reduced from 3.75% to 3.25%, and (f) the discount rate (interest rate) was reduced from 3.79% to 3.24%.

**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

VILLAGE OF OBETZ, OHIO

FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

The special revenue funds are used to account for specific revenue sources that are restricted or committed to expenditure for specified expenditure purposes, other than debt service or capital projects. The following are the nonmajor special revenue funds which the Village operates:

Street Construction, Maintenance and Repair Fund

This fund is used to account for state gasoline tax and motor vehicle registration fees and restricted for maintenance of streets within the Village.

Parks and Recreation Fund

This fund is used to account for a fee charged to developers in accordance with Village planning and zoning codes.

Drug Law Enforcement Fund

This fund accounts for fines resulting from drug-related arrests and restricted for the benefit of the Police Department.

Permissive Motor Vehicle License Tax Fund

This fund accounts for permissive motor vehicle registration fees levied by the Village and restricted for maintenance of streets within the Village.

DUI Education Fund

This fund accounts for monies generated from DUI fines which are restricted to DUI education.

Mayor's Court Computer "A" Fund

This fund accounts for the collection of Mayor's Court fees that are restricted to subsidize computers operated by the court.

Keith Evans Memorial Fields Fund

This fund accounts for donations to purchase playground equipment at Memorial Park.

Police Improvement Fund

This fund accounts for fines collected from traffic tickets and other Mayor's Court costs which are restricted for purchasing uniforms or other equipment for the Police Department.

Mayor's Court Computer "B" Fund

This fund accounts for the collection of Mayor's Court fees that are restricted to subsidize computers operated by the Clerk of the Mayor's Court.

Continuing Education for Police Fund

This fund accounts for funds received from the Ohio Attorney General's office restricted for mandatory police training.

Goodyear TIF Fund

This fund accounts for the distributions to the Village of tax increment financing service payments made from properties in the TIF area and expenditures for school compensation payments to the Hamilton Local School District and for the cost of public infrastructure improvements directly benefitting the TIF area.

CRA Fund

This fund accounts for fees charged in accordance with Ohio Revised Code 3735 which are restricted for the Village to comply with 3735.672 of the ORC.

Law Enforcement Trust Fund

This fund accounts for forfeited properties from police investigations that are restricted for the benefit of the Police Department.

Stambaugh TIF Fund

This fund accounts for the distributions to the Village of tax increment financing service payments made from properties in the TIF area and expenditures for the cost of public infrastructure improvements directly benefitting the TIF area.

VILLAGE OF OBETZ, OHIO

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS - (Continued)

Unclaimed Monies Fund

This fund accounts for monies which have yet to be claimed by their rightful owners. After five years, any money still within the fund is credited to the General Fund. Even though this fund is restricted by ORC, the fund balance will be shown as nonspendable. This fund is included in the General Fund (GAAP basis), but has a legally separate adopted budget (budget basis). This fund is not included in the combining statements for the nonmajor special revenue funds since it is reported in the General Fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

NONMAJOR DEBT SERVICE FUNDS

To account for the resources that are restricted, committed, or assigned to expenditure for debt principal, interest, and related costs. Following is a description of the Village's nonmajor debt service funds:

Toy Road TIF Fund

This fund accounts for TIF monies restricted for the payment of principal, interest and fiscal charges on the TIF Revenue Bonds.

Park Improvement Debt Service Fund

This fund accounts for income tax monies restricted for the payment of principal and interest related to the Series 2016A income tax revenue bonds issued for park improvements.

Park Improvement Debt Service Reserve Fund

This fund accounts for a debt service reserve required by a Trust Agreement related to the Series 2016A income tax revenue bonds issued for park improvements.

Infrastructure Debt Service Reserve Fund

This fund accounts for a debt service reserve required by a Trust Agreement related to the Series 2018 income tax revenue bonds issued for infrastructure improvements.

NONMAJOR CAPITAL PROJECTS FUNDS

To account for resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities and other capital assets. Following are descriptions of the Village's nonmajor capital projects funds:

Permanent Improvement Fund

This fund accounts for resources received to purchase permanent improvements.

Parks Improvements Fund

This fund accounts for resources for improvements for the Village's parks and to purchase capital assets.

West Side Storm Sewer & Road Fund

This fund accounts for resources for improvements along the West Side of the Village and to purchase capital assets.

Creekside South TIF Fund

This fund accounts for monies restricted for public infrastructure improvements in the Creekside South area.

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VILLAGE OF OBETZ, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS AND OTHER DEBITS				
Assets:				
Equity in pooled cash and investments	\$ 1,010,949	\$ 858,034	\$ 572,020	\$ 2,441,003
Cash with fiscal agent	4,113	-	-	4,113
Receivables:				
Municipal income taxes	-	175,000	-	175,000
Payments in lieu of taxes	28,846	209,614	224,834	463,294
Accounts	2,068	-	-	2,068
Due from other governments	139,424	-	-	139,424
Prepayments	434	-	-	434
Restricted assets:				
Cash with bond trustee	-	1,327,858	-	1,327,858
Total assets	<u>\$ 1,185,834</u>	<u>\$ 2,570,506</u>	<u>\$ 796,854</u>	<u>\$ 4,553,194</u>
Liabilities:				
Accounts payable	\$ 2,701	\$ -	\$ -	\$ 2,701
Accrued wages and benefits payable	1,495	-	-	1,495
Due to other governments	695	-	-	695
Total liabilities	<u>4,891</u>	<u>-</u>	<u>-</u>	<u>4,891</u>
Deferred inflows of resources:				
Payments in lieu of taxes levied for the next fiscal year	28,846	209,614	224,834	463,294
Miscellaneous revenue not available	91	-	-	91
Intergovernmental revenue not available	118,794	-	-	118,794
Total deferred inflows of resources	<u>147,731</u>	<u>209,614</u>	<u>224,834</u>	<u>582,179</u>
Fund balances:				
Nonspendable	434	-	-	434
Restricted	946,956	2,360,892	260,103	3,567,951
Committed	85,822	-	311,917	397,739
Total fund balances	<u>1,033,212</u>	<u>2,360,892</u>	<u>572,020</u>	<u>3,966,124</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,185,834</u>	<u>\$ 2,570,506</u>	<u>\$ 796,854</u>	<u>\$ 4,553,194</u>

VILLAGE OF OBETZ, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2018

	Street Construction, Maintenance and Repair	Parks and Recreation	Drug Law Enforcement	Permissive Motor Vehicle License Tax
Assets:				
Equity in pooled cash and investments	\$ 537,703	\$ 84,579	\$ 150	\$ 22,005
Cash with fiscal agent	-	-	-	4,113
Receivables:				
Payments in lieu of taxes	-	-	-	-
Accounts	-	1,200	-	-
Due from other governments	139,424	-	-	-
Prepayments	434	-	-	-
Total assets	<u>\$ 677,561</u>	<u>\$ 85,779</u>	<u>\$ 150</u>	<u>\$ 26,118</u>
Liabilities:				
Accounts payable	\$ 2,701	\$ -	\$ -	\$ -
Accrued wages and benefits payable	1,495	-	-	-
Due to other governments	695	-	-	-
Total liabilities	<u>4,891</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Payments in lieu of taxes levied for the next fiscal year	-	-	-	-
Miscellaneous revenue not available	-	-	-	-
Intergovernmental revenue not available	118,794	-	-	-
Total deferred inflows of resources	<u>118,794</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	434	-	-	-
Restricted	553,442	-	150	26,118
Committed	-	85,779	-	-
Total fund balances	<u>553,876</u>	<u>85,779</u>	<u>150</u>	<u>26,118</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 677,561</u>	<u>\$ 85,779</u>	<u>\$ 150</u>	<u>\$ 26,118</u>

<u>DUI Education</u>	<u>Mayor's Court Computer "A"</u>	<u>Keith Evans Memorial Fields</u>	<u>Police Improvement</u>	<u>Mayor's Court Computer "B"</u>	<u>Continuing Education for Police</u>
\$ 5,000	\$ 72,872	\$ 6,994	\$ 43	\$ 26,043	\$ 15,448
-	-	-	-	-	-
-	-	-	-	-	-
100	591	-	-	177	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 5,100</u>	<u>\$ 73,463</u>	<u>\$ 6,994</u>	<u>\$ 43</u>	<u>\$ 26,220</u>	<u>\$ 15,448</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
91	-	-	-	-	-
-	-	-	-	-	-
<u>91</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
5,009	73,463	6,994	-	26,220	15,448
-	-	-	43	-	-
<u>5,009</u>	<u>73,463</u>	<u>6,994</u>	<u>43</u>	<u>26,220</u>	<u>15,448</u>
<u>\$ 5,100</u>	<u>\$ 73,463</u>	<u>\$ 6,994</u>	<u>\$ 43</u>	<u>\$ 26,220</u>	<u>\$ 15,448</u>

(Continued)

VILLAGE OF OBETZ, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2018

	<u>Goodyear TIF</u>	<u>CRA</u>	<u>Law Enforcement Trust</u>	<u>Stambaugh TIF</u>
Assets:				
Equity in pooled cash and investments	\$ 193,822	\$ 10,005	\$ 7,099	\$ 29,186
Cash with fiscal agent	-	-	-	-
Receivables:				
Payments in lieu of taxes	-	-	-	28,846
Accounts	-	-	-	-
Due from other governments	-	-	-	-
Prepayments	-	-	-	-
Total assets	<u>\$ 193,822</u>	<u>\$ 10,005</u>	<u>\$ 7,099</u>	<u>\$ 58,032</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits payable	-	-	-	-
Due to other governments	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Payments in lieu of taxes levied for the next fiscal year	-	-	-	28,846
Miscellaneous revenue not available	-	-	-	-
Intergovernmental revenue not available	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,846</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	193,822	10,005	7,099	29,186
Committed	-	-	-	-
Total fund balances	<u>193,822</u>	<u>10,005</u>	<u>7,099</u>	<u>29,186</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 193,822</u>	<u>\$ 10,005</u>	<u>\$ 7,099</u>	<u>\$ 58,032</u>

**Total
Nonmajor
Special Revenue
Funds**

\$ 1,010,949
4,113

28,846
2,068
139,424
434

\$ 1,185,834

\$ 2,701
1,495
695

4,891

28,846
91
118,794

147,731

434
946,956
85,822

1,033,212

\$ 1,185,834

VILLAGE OF OBETZ, OHIO

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2018

	<u>Toy Road TIF</u>	<u>Park Improvement Debt Service</u>	<u>Park Improvement Debt Service Reserve</u>	<u>Infrastructure Debt Service Reserve</u>
Assets:				
Equity in pooled cash and investments	\$ -	\$ 192,963	\$ -	\$ 665,071
Receivables:				
Municipal income taxes	-	95,000	-	80,000
Payments in lieu of taxes	209,614	-	-	-
Restricted assets:				
Cash with bond trustee	-	94,866	1,139,164	93,828
Total assets	<u>\$ 209,614</u>	<u>\$ 382,829</u>	<u>\$ 1,139,164</u>	<u>\$ 838,899</u>
Deferred inflows of resources:				
Payments in lieu of taxes levied for the next fiscal year	\$ 209,614	\$ -	\$ -	\$ -
Fund balances:				
Restricted	-	382,829	1,139,164	838,899
Total deferred inflows of resources and fund balances	<u>\$ 209,614</u>	<u>\$ 382,829</u>	<u>\$ 1,139,164</u>	<u>\$ 838,899</u>

**Total
Nonmajor
Debt Service
Funds**

\$	858,034
	175,000
	209,614
	<u>1,327,858</u>
\$	<u><u>2,570,506</u></u>

\$	209,614
	<u>2,360,892</u>
\$	<u><u>2,570,506</u></u>

VILLAGE OF OBETZ, OHIO

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2018

	<u>Permanent Improvement</u>	<u>Parks Improvements Fund</u>	<u>West Side Storm Sewer & Road</u>	<u>Creekside South TIF</u>
Assets:				
Equity in pooled cash and investments	\$ 43,212	\$ 46,849	\$ 268,705	\$ 213,254
Receivables:				
Payments in lieu of taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>224,834</u>
Total assets	<u>\$ 43,212</u>	<u>\$ 46,849</u>	<u>\$ 268,705</u>	<u>\$ 438,088</u>
Deferred inflows of resources:				
Payments in lieu of taxes levied for the next fiscal year	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 224,834</u>
Fund balances:				
Restricted	-	46,849	-	213,254
Committed	<u>43,212</u>	<u>-</u>	<u>268,705</u>	<u>-</u>
Total fund balances	<u>43,212</u>	<u>46,849</u>	<u>268,705</u>	<u>213,254</u>
Total deferred inflows of resources and fund balances	<u>\$ 43,212</u>	<u>\$ 46,849</u>	<u>\$ 268,705</u>	<u>\$ 438,088</u>

**Total
Nonmajor
Capital Projects
Funds**

\$ 572,020

224,834

\$ 796,854

\$ 224,834

260,103

311,917

572,020

\$ 796,854

VILLAGE OF OBETZ, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Municipal income taxes	\$ -	\$ 1,220,000	\$ -	\$ 1,220,000
Payments in lieu of taxes	28,937	146,565	103,719	279,221
Other local taxes	41,630	-	-	41,630
Fees, licenses and permits	12,600	-	-	12,600
Fines and forfeitures	9,282	-	-	9,282
Intergovernmental	286,801	-	-	286,801
Investment income	7,438	-	-	7,438
Contributions and donations	-	197,982	-	197,982
Other	249	4,426	-	4,675
Total revenues	<u>386,937</u>	<u>1,568,973</u>	<u>103,719</u>	<u>2,059,629</u>
Expenditures:				
Current:				
General government	202,851	1,658	1,173	205,682
Transportation	216,502	-	-	216,502
Capital outlay	9,541	-	2,516	12,057
Debt service:				
Principal retirement	-	765,000	-	765,000
Interest and fiscal charges	-	884,191	-	884,191
Bond issuance costs	-	273,732	-	273,732
Total expenditures	<u>428,894</u>	<u>1,924,581</u>	<u>3,689</u>	<u>2,357,164</u>
Excess (deficiency) of revenues over (under) expenditures	(41,957)	(355,608)	100,030	(297,535)
Other financing sources:				
Premium on bonds issued	-	1,199,306	-	1,199,306
Net change in fund balances	(41,957)	843,698	100,030	901,771
Fund balances at beginning of year	<u>1,075,169</u>	<u>1,517,194</u>	<u>471,990</u>	<u>3,064,353</u>
Fund balances at end of year	<u>\$ 1,033,212</u>	<u>\$ 2,360,892</u>	<u>\$ 572,020</u>	<u>\$ 3,966,124</u>

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VILLAGE OF OBETZ, OHIO

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

	Street Construction, Maintenance and Repair	Parks and Recreation	Drug Law Enforcement	Permissive Motor Vehicle License Tax
Revenues:				
Payments in lieu of taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	41,630
Fees, licenses and permits	-	12,600	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	275,342	-	-	232
Investment income	7,438	-	-	-
Other	-	-	-	-
Total revenues	<u>282,780</u>	<u>12,600</u>	<u>-</u>	<u>41,862</u>
Expenditures:				
Current:				
General government	-	-	-	-
Transportation	216,502	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>216,502</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	66,278	12,600	-	41,862
Fund balances (deficit) at beginning of year	<u>487,598</u>	<u>73,179</u>	<u>150</u>	<u>(15,744)</u>
Fund balances at end of year	<u>\$ 553,876</u>	<u>\$ 85,779</u>	<u>\$ 150</u>	<u>\$ 26,118</u>

DUI Education	Mayor's Court Computer "A"	Keith Evans Memorial Fields	Police Improvement	Mayor's Court Computer "B"	Continuing Education for Police
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
234	6,942	-	5	2,101	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>234</u>	<u>6,942</u>	<u>-</u>	<u>5</u>	<u>2,101</u>	<u>-</u>
-	2,851	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>2,851</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
234	4,091	-	5	2,101	-
<u>4,775</u>	<u>69,372</u>	<u>6,994</u>	<u>38</u>	<u>24,119</u>	<u>15,448</u>
<u>\$ 5,009</u>	<u>\$ 73,463</u>	<u>\$ 6,994</u>	<u>\$ 43</u>	<u>\$ 26,220</u>	<u>\$ 15,448</u>

(Continued)

VILLAGE OF OBETZ, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Goodyear TIF	CRA	Law Enforcement Trust	Stambaugh TIF
Revenues:				
Payments in lieu of taxes	\$ -	\$ -	\$ -	\$ 28,937
Other local taxes	-	-	-	-
Fees, licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	11,227	-
Investment income	-	-	-	-
Other	-	-	-	249
Total revenues	-	-	11,227	29,186
Expenditures:				
Current:				
General government	200,000	-	-	-
Transportation	-	-	-	-
Capital outlay	-	-	9,541	-
Total expenditures	200,000	-	9,541	-
Net change in fund balances	(200,000)	-	1,686	29,186
Fund balances (deficit) at beginning of year	393,822	10,005	5,413	-
Fund balances at end of year	\$ 193,822	\$ 10,005	\$ 7,099	\$ 29,186

**Total
Nonmajor
Special Revenue
Funds**

\$	28,937
	41,630
	12,600
	9,282
	286,801
	7,438
	249
	<hr/>
	386,937
	<hr/>
	202,851
	216,502
	9,541
	<hr/>
	428,894
	<hr/>
	(41,957)
	<hr/>
	1,075,169
	<hr/>
\$	<u>1,033,212</u>

VILLAGE OF OBETZ, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Toy Road TIF	Park Improvement Debt Service	Park Improvement Debt Service Reserve	Infrastructure Debt Service Reserve
Revenues:				
Municipal income taxes	\$ -	\$ 1,140,000	\$ -	\$ 80,000
Payments in lieu of taxes	146,565	-	-	-
Contributions and donations	197,982	-	-	-
Other	359	-	-	4,067
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	344,906	1,140,000	-	84,067
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures:				
Current:				
General government:	1,658	-	-	-
Debt service:				
Principal retirement	175,000	590,000	-	-
Interest and fiscal charges	168,248	545,201	-	170,742
Bond issuance costs	-	-	-	273,732
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	344,906	1,135,201	-	444,474
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	-	4,799	-	(360,407)
	<hr/>	<hr/>	<hr/>	<hr/>
Other financing sources:				
Premium on bonds issued	-	-	-	1,199,306
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances	-	4,799	-	838,899
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at beginning of year	-	378,030	1,139,164	-
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 382,829</u>	<u>\$ 1,139,164</u>	<u>\$ 838,899</u>

**Total
Nonmajor
Debt Service
Funds**

\$ 1,220,000
146,565
197,982
4,426

1,568,973

1,658

765,000
884,191
273,732

1,924,581

(355,608)

1,199,306

843,698

1,517,194

\$ 2,360,892

VILLAGE OF OBETZ, OHIO

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

	<u>Permanent Improvement</u>	<u>Parks Improvements Fund</u>	<u>West Side Storm Sewer & Road</u>	<u>Creekside South TIF</u>
Revenues:				
Payments in lieu of taxes	\$ -	\$ -	\$ -	\$ 103,719
Expenditures:				
Current:				
General government	-	-	-	1,173
Capital outlay	-	2,516	-	-
Total expenditures	-	2,516	-	1,173
Net change in fund balances	-	(2,516)	-	102,546
Fund balances at beginning of year	43,212	49,365	268,705	110,708
Fund balances at end of year	<u>\$ 43,212</u>	<u>\$ 46,849</u>	<u>\$ 268,705</u>	<u>\$ 213,254</u>

**Total
Nonmajor
Capital
Projects
Funds**

\$ 103,719

1,173

2,516

3,689

100,030

471,990

\$ 572,020

VILLAGE OF OBETZ, OHIO

FUND DESCRIPTIONS - AGENCY FUNDS

AGENCY FUNDS

Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

JEDZ Income Tax Fund

This fund accounts for the proceeds of the JEDZ income tax and distributed to the designated recipients.

State Building Permit Fund

This fund accounts for building standards fee assessments collected by the Village and remitted to the State.

Convention and Visitors Bureau Fund

This fund accounts for fees received from hotels/motels to benefit visitors to the Village of Obetz.

Mayor's Court Agency Fund

This fund accounts for Mayor's Court activity.

VILLAGE OF OBETZ, 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
JEDZ Income Tax				
Assets:				
Equity in pooled cash and investments	\$ 322,035	\$ 4,622,049	\$ 4,581,465	\$ 362,619
Receivables:				
Municipal income taxes	286,465	471,320	286,465	471,320
Total assets	<u>\$ 608,500</u>	<u>\$ 5,093,369</u>	<u>\$ 4,867,930</u>	<u>\$ 833,939</u>
Liabilities:				
Due to other governments	<u>\$ 608,500</u>	<u>\$ 5,093,369</u>	<u>\$ 4,867,930</u>	<u>\$ 833,939</u>
 State Building Permit				
Assets:				
Equity in pooled cash and investments	\$ 8,932	\$ 2,485	\$ 2,694	\$ 8,723
Receivables:				
Accounts	-	37	-	37
Total assets	<u>\$ 8,932</u>	<u>\$ 2,522</u>	<u>\$ 2,694</u>	<u>\$ 8,760</u>
Liabilities:				
Undistributed assets	<u>\$ 8,932</u>	<u>\$ 2,522</u>	<u>\$ 2,694</u>	<u>\$ 8,760</u>
 Convention and Visitors Bureau				
Assets:				
Equity in pooled cash and investments	\$ 34,295	\$ 38,164	\$ -	\$ 72,459
Receivables:				
Other local taxes	1,660	1,544	1,660	1,544
Total assets	<u>\$ 35,955</u>	<u>\$ 39,708</u>	<u>\$ 1,660</u>	<u>\$ 74,003</u>
Liabilities:				
Undistributed assets	<u>\$ 35,955</u>	<u>\$ 39,708</u>	<u>\$ 1,660</u>	<u>\$ 74,003</u>
 Mayor's Court Agency				
Assets:				
Equity in pooled cash and investments	<u>\$ 7,615</u>	<u>\$ 104,957</u>	<u>\$ 103,584</u>	<u>\$ 8,988</u>
Liabilities:				
Undistributed assets	<u>\$ 7,615</u>	<u>\$ 104,957</u>	<u>\$ 103,584</u>	<u>\$ 8,988</u>

(Continued)

VILLAGE OF OBETZ, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Beginning Balance 12/31/2017	Additions	Reductions	Ending Balance 12/31/2018
Total Agency Funds				
Assets:				
Equity in pooled cash and investments	\$ 372,877	\$ 4,767,655	\$ 4,687,743	\$ 452,789
Receivables:				
Municipal income taxes	286,465	471,320	286,465	471,320
Other local taxes	1,660	1,544	1,660	1,544
Accounts	-	37	-	37
Total assets	<u>\$ 661,002</u>	<u>\$ 5,240,556</u>	<u>\$ 4,975,868</u>	<u>\$ 925,690</u>
Liabilities:				
Due to other governments	\$ 608,500	\$ 5,093,369	\$ 4,867,930	\$ 833,939
Undistributed assets	52,502	147,187	107,938	91,751
Total liabilities	<u>\$ 661,002</u>	<u>\$ 5,240,556</u>	<u>\$ 4,975,868</u>	<u>\$ 925,690</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Municipal income taxes	\$ 8,199,999	\$ 8,199,999	\$ 8,720,191	\$ 520,192
Property taxes	260,870	260,870	241,915	(18,955)
Other local taxes	252,500	252,500	381,011	128,511
Charges for services	308,500	308,500	551,085	242,585
Fees, licenses and permits	327,500	327,500	228,524	(98,976)
Fines and forfeitures	35,000	35,000	68,900	33,900
Intergovernmental	2,595,866	2,595,866	2,816,198	220,332
Investment income	100,000	100,000	419,632	319,632
Other	-	-	306,500	306,500
Total revenues	<u>12,080,235</u>	<u>12,080,235</u>	<u>13,733,956</u>	<u>1,653,721</u>
Expenditures:				
Current:				
General government				
Mayor and administrator				
Personal services	283,806	306,674	217,780	88,894
Contract services	54,890	54,890	38,936	15,954
Materials and supplies	22,343	22,343	15,394	6,949
Village council				
Personal services	50,829	50,891	50,285	606
Contract services	122,711	121,859	73,763	48,096
Materials and supplies	5,130	5,130	4,487	643
Mayor's court				
Personal services	45,837	47,137	45,322	1,815
Contract services	24,201	24,201	19,449	4,752
Finance department				
Personal services	335,682	350,381	323,538	26,843
Contract services	49,133	49,134	36,949	12,185
Materials and supplies	34,174	34,174	23,159	11,015
Land and Buildings				
Personal services	277,202	294,956	260,904	34,052
Contract services	92,781	87,782	75,944	11,838
Materials and supplies	62,453	67,453	59,948	7,505
Tax collection fees				
Contract services	10,000	10,000	5,785	4,215
Accounting/Legal				
Contract services	489,425	425,032	382,477	42,555
Payment to another political subdivision				
Other	190,300	260,980	214,631	46,349
Compensation and damages				
Other	15,000	-	-	-
Total general government	<u>\$ 2,165,897</u>	<u>\$ 2,213,017</u>	<u>\$ 1,848,751</u>	<u>\$ 364,266</u>

Continued

VILLAGE OF OBETZ, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2018*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Security of persons and property				
Police				
Personal services	\$ 2,219,103	\$ 2,260,879	\$ 2,115,686	\$ 145,193
Contract services	139,302	139,229	116,003	23,226
Materials and supplies	142,671	142,398	126,718	15,680
Other	55,612	55,612	36,026	19,586
Street lighting				
Materials and supplies	15,000	75,000	72,723	2,277
Emergency management				
Contract services	8,500	8,500	7,770	730
Total security of persons and property	<u>2,580,188</u>	<u>2,681,618</u>	<u>2,474,926</u>	<u>206,692</u>
Public health				
Other	<u>42,000</u>	<u>47,000</u>	<u>42,156</u>	<u>4,844</u>
Transportation				
Street maintenance				
Personal services	509,334	579,251	478,060	101,191
Contract services	91,937	91,937	59,979	31,958
Total transportation	<u>601,271</u>	<u>671,188</u>	<u>538,039</u>	<u>133,149</u>
Community environment				
Community planning and zoning				
Personal services	358,758	384,117	364,665	19,452
Contract services	149,793	149,793	76,776	73,017
Materials and supplies	5,207	5,207	2,524	2,683
Other	25,000	25,000	25,000	-
Economic development				
Personal services	116,335	116,942	109,789	7,153
Contract services	685,626	616,000	619,178	(3,178)
Materials and supplies	20,000	20,000	8,844	11,156
Other	2,202,523	2,701,223	2,525,195	176,028
Building department				
Personal services	207,610	207,610	185,147	22,463
Contract services	229,681	259,682	140,008	119,674
Materials and supplies	2,016	2,016	1,360	656
Other	24,576	24,576	11,082	13,494
Total community environment	<u>\$ 4,027,125</u>	<u>\$ 4,512,166</u>	<u>\$ 4,069,568</u>	<u>\$ 442,598</u>

Continued

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Leisure time activities				
Athletic				
Personal services	\$ 562,180	\$ 591,857	\$ 386,742	\$ 205,115
Contract services	61,509	61,509	60,054	1,455
Materials and supplies	95,817	95,817	70,302	25,515
Provide and maintain parks				
Personal services	175,695	225,945	172,206	53,739
Contract services	273,995	273,995	246,542	27,453
Materials and supplies	231,658	241,658	232,520	9,138
Cultural programs				
Personal services	388,093	501,696	366,907	134,789
Contract services	147,002	162,002	110,808	51,194
Materials and supplies	80,583	130,445	108,779	21,666
Other	10,000	10,000	4,950	5,050
Zfest				
Personal services	50,180	50,180	40,780	9,400
Contract services	275,052	340,052	330,780	9,272
Materials and supplies	90,000	105,000	76,682	28,318
Community activities				
Contract services	7,000	7,000	4,814	2,186
Materials and supplies	19,170	19,170	14,143	5,027
Total leisure time activity	<u>2,467,934</u>	<u>2,816,326</u>	<u>2,227,009</u>	<u>589,317</u>
Capital outlay:				
Capital outlay	<u>4,959,096</u>	<u>4,858,785</u>	<u>4,007,448</u>	<u>851,337</u>
Debt service:				
Interest and fiscal charges	<u>750</u>	<u>750</u>	<u>-</u>	<u>750</u>
Total expenditures	<u>16,844,261</u>	<u>17,800,850</u>	<u>15,207,897</u>	<u>2,592,953</u>
Excess of revenues under expenditures	<u>(4,764,026)</u>	<u>(5,720,615)</u>	<u>(1,473,941)</u>	<u>4,246,674</u>
Other financing sources (uses):				
Sale of capital assets	-	-	4,100	4,100
Advances in	-	-	570,248	570,248
Advances out	-	-	(570,248)	(570,248)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,100</u>	<u>4,100</u>
Net change in fund balance	(4,764,026)	(5,720,615)	(1,469,841)	4,250,774
Fund balance at beginning of year	6,315,866	6,315,866	6,315,866	-
Prior year encumbrances appropriated	<u>1,446,891</u>	<u>1,446,891</u>	<u>1,446,891</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,998,731</u>	<u>\$ 2,042,142</u>	<u>\$ 6,292,916</u>	<u>\$ 4,250,774</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OBLIGATION DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Municipal income taxes	\$ 1,201,446	\$ 1,080,000	\$ 1,080,000	\$ -
Expenditures:				
Current:				
General government				
Contract services	9,500	9,500	-	9,500
Debt service:				
Principal retirement	499,205	499,205	483,309	15,896
Interest and fiscal charges	173,733	173,733	173,733	-
Note issuance costs	24,225	24,225	24,225	-
Total expenditures	706,663	706,663	681,267	25,396
Excess of revenues over expenditures	494,783	373,337	398,733	25,396
Other financing sources (uses):				
Transfers out	(1,000,000)	(1,000,000)	(1,000,000)	-
Note issuance	438,554	-	-	-
Premium on note issuance	-	-	26,012	26,012
Total other financing sources (uses)	(561,446)	(1,000,000)	(973,988)	26,012
Net change in fund balance	(66,663)	(626,663)	(575,255)	51,408
Fund balance at beginning of year	2,363,528	2,363,528	2,363,528	-
Fund balance at end of year	\$ 2,296,865	\$ 1,736,865	\$ 1,788,273	\$ 51,408

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WILLIAMS ROAD CAPITAL IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	427,107	425,695	32,991	392,704
Debt service:				
Principal retirement	2,000,000	2,000,000	2,000,000	-
Total expenditures	<u>2,427,107</u>	<u>2,425,695</u>	<u>2,032,991</u>	<u>392,704</u>
Excess of revenues under expenditures	<u>(2,427,107)</u>	<u>(2,425,695)</u>	<u>(2,032,991)</u>	<u>392,704</u>
Other financing sources:				
Note issuance	1,500,000	1,500,000	1,500,000	-
Transfer in	500,000	500,000	500,000	-
Total other financing sources	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>
Net change in fund balance	(427,107)	(425,695)	(32,991)	392,704
Fund balance at beginning of year	398,262	398,262	398,262	-
Prior year encumbrances appropriated	<u>28,845</u>	<u>28,845</u>	<u>28,845</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 1,412</u>	<u>\$ 394,116</u>	<u>\$ 392,704</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS CAPITAL IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	-	7,865,000	4,490,504	3,374,496
Excess of revenues under expenditures	-	(7,865,000)	(4,490,504)	3,374,496
Other financing sources (uses):				
Bond issuance	-	7,865,000	7,865,000	-
Advances in	-	-	387	387
Advances out	-	-	(387)	(387)
Total other financing sources (uses)	-	7,865,000	7,865,000	-
Net change in fund balance	-	-	3,374,496	3,374,496
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,374,496</u>	<u>\$ 3,374,496</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREETS CAPITAL IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	-	7,135,000	1,361,941	5,773,059
Excess of revenues under expenditures	-	(7,135,000)	(1,361,941)	5,773,059
Other financing sources (uses):				
Bond issuance	-	7,135,000	7,135,000	-
Advances in	-	-	149,861	149,861
Advances out	-	-	(149,861)	(149,861)
Total other financing sources (uses)	-	7,135,000	7,135,000	-
Net change in fund balance	-	-	5,773,059	5,773,059
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,773,059</u>	<u>\$ 5,773,059</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WALNUT CREEK IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	1,412,436	1,162,994	1,162,994	-
Debt service:				
Principal retirement	2,900,000	2,900,000	2,900,000	-
Total expenditures	<u>4,312,436</u>	<u>4,062,994</u>	<u>4,062,994</u>	<u>-</u>
Excess of expenditures over revenues	<u>(4,312,436)</u>	<u>(4,062,994)</u>	<u>(4,062,994)</u>	<u>-</u>
Other financing sources:				
Note issuance	2,400,000	2,400,000	2,400,000	-
Transfer in	500,000	500,000	500,000	-
Total other financing sources	<u>2,900,000</u>	<u>2,900,000</u>	<u>2,900,000</u>	<u>-</u>
Net change in fund balance	(1,412,436)	(1,162,994)	(1,162,994)	-
Fund balance at beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>1,412,436</u>	<u>1,412,436</u>	<u>1,412,436</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 249,442</u>	<u>\$ 249,442</u>	<u>\$ -</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 231,810	\$ 231,810	\$ 271,294	\$ 39,484
Investment income	1,000	1,000	7,438	6,438
Total revenues	<u>232,810</u>	<u>232,810</u>	<u>278,732</u>	<u>45,922</u>
Expenditures:				
Current:				
Security of persons and property				
Traffic light				
Contract services	5,000	5,000	-	5,000
Transportation				
Street Construction				
Personal services	59,735	61,458	49,938	11,520
Contract services	28,431	28,431	25,429	3,002
Materials and supplies	170,335	200,335	172,197	28,138
Total expenditures	<u>263,501</u>	<u>295,224</u>	<u>247,564</u>	<u>47,660</u>
Net change in fund balance	(30,691)	(62,414)	31,168	93,582
Fund balance at beginning of year	455,416	455,416	455,416	-
Prior year encumbrances appropriated	<u>22,894</u>	<u>22,894</u>	<u>22,894</u>	<u>-</u>
Fund balance at end of year	<u>\$ 447,619</u>	<u>\$ 415,896</u>	<u>\$ 509,478</u>	<u>\$ 93,582</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS AND RECREATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees, licenses and permits	\$ 6,000	\$ 6,000	\$ 12,300	\$ 6,300
Expenditures:				
Capital outlay:				
Capital outlay	72,000	72,000	-	72,000
Net change in fund balance	(66,000)	(66,000)	12,300	78,300
Fund balance at beginning of year	<u>72,279</u>	<u>72,279</u>	<u>72,279</u>	<u>-</u>
Fund balance at end of year	<u>\$ 6,279</u>	<u>\$ 6,279</u>	<u>\$ 84,579</u>	<u>\$ 78,300</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DRUG LAW ENFORCEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	\$ 150	\$ 150	\$ 150	\$ -
Fund balance at end of year	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ -</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMISSIVE MOTOR VEHICLE LICENSE TAX FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other local taxes	\$ -	\$ -	\$ 15,368	\$ 15,368
Investment income	-	-	232	232
Total revenues	-	-	15,600	15,600
Expenditures:	-	-	-	-
Net change in fund balance	-	-	15,600	15,600
Fund balance at beginning of year	<u>6,405</u>	<u>6,405</u>	<u>6,405</u>	<u>-</u>
Fund balance at end of year	<u>\$ 6,405</u>	<u>\$ 6,405</u>	<u>\$ 22,005</u>	<u>\$ 15,600</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DUI EDUCATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 225	\$ 225
Expenditures:				
Current:				
Security of persons and property				
Personal services	4,775	4,775	-	4,775
Net change in fund balance	(4,775)	(4,775)	225	5,000
Fund balance at beginning of year	4,775	4,775	4,775	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MAYOR'S COURT COMPUTER "A" FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 6,400	\$ 6,400	\$ 6,876	\$ 476
Expenditures:				
Current:				
General government				
Contract services	2,500	2,500	2,411	89
Materials and supplies	7,000	7,000	440	6,560
Capital outlay:				
Capital outlay	7,500	7,500	-	7,500
Total expenditures	17,000	17,000	2,851	14,149
Net change in fund balance	(10,600)	(10,600)	4,025	14,625
Fund balance at beginning of year	68,847	68,847	68,847	-
Fund balance at end of year	\$ 58,247	\$ 58,247	\$ 72,872	\$ 14,625

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
KEITH EVANS MEMORIAL FIELDS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	6,994	6,994	-	6,994
Net change in fund balance	(6,994)	(6,994)	-	6,994
Fund balance at beginning of year	6,994	6,994	6,994	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,994</u>	<u>\$ 6,994</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees, licenses and permits	\$ -	\$ -	\$ 5	\$ 5
Expenditures:	-	-	-	-
Net change in fund balance	-	-	5	5
Fund balance at beginning of year	<u>38</u>	<u>38</u>	<u>38</u>	<u>-</u>
Fund balance at end of year	<u>\$ 38</u>	<u>\$ 38</u>	<u>\$ 43</u>	<u>\$ 5</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MAYOR'S COURT COMPUTER "B" FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 1,500	\$ 1,500	\$ 2,078	\$ 578
Expenditures:				
Capital outlay:				
Capital outlay	5,000	5,000	-	5,000
Net change in fund balance	(3,500)	(3,500)	2,078	5,578
Fund balance at beginning of year	<u>23,965</u>	<u>23,965</u>	<u>23,965</u>	<u>-</u>
Fund balance at end of year	<u>\$ 20,465</u>	<u>\$ 20,465</u>	<u>\$ 26,043</u>	<u>\$ 5,578</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CONTINUING EDUCATION FOR POLICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Security of persons and property				
Contract services	<u>2,908</u>	<u>2,908</u>	<u>-</u>	<u>2,908</u>
Net change in fund balance	(2,908)	(2,908)	-	2,908
Fund balance at beginning of year	<u>15,448</u>	<u>15,448</u>	<u>15,448</u>	<u>-</u>
Fund balance at end of year	<u>\$ 12,540</u>	<u>\$ 12,540</u>	<u>\$ 15,448</u>	<u>\$ 2,908</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GOODYEAR TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Payments in lieu of taxes	\$ 709,000	\$ -	\$ -	\$ -
Expenditures:				
Current:				
General government				
Other	412,500	200,000	200,000	-
Net change in fund balance	296,500	(200,000)	(200,000)	-
Fund balance at beginning of year	<u>393,822</u>	<u>393,822</u>	<u>393,822</u>	<u>-</u>
Fund balance at end of year	<u>\$ 690,322</u>	<u>\$ 193,822</u>	<u>\$ 193,822</u>	<u>\$ -</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CRA FUND

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
General government				
Contract services	\$ 2,500	\$ 2,500	\$ -	\$ 2,500
Net change in fund balance	(2,500)	(2,500)	-	2,500
Fund balance at beginning of year	<u>10,005</u>	<u>10,005</u>	<u>10,005</u>	<u>-</u>
Fund balance at end of year	<u>\$ 7,505</u>	<u>\$ 7,505</u>	<u>\$ 10,005</u>	<u>\$ 2,500</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 8,500	\$ 11,533	\$ 3,033
Expenditures:				
Capital outlay:				
Capital outlay	-	10,000	9,541	459
Net change in fund balance	-	(1,500)	1,992	3,492
Fund balance at beginning of year	<u>5,107</u>	<u>5,107</u>	<u>5,107</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,107</u>	<u>\$ 3,607</u>	<u>\$ 7,099</u>	<u>\$ 3,492</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STAMBAUGH TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Payments in lieu of taxes	\$ -	\$ -	\$ 28,937	\$ 28,937
Other	-	-	249	249
Total revenues	-	-	29,186	29,186
Expenditures:	-	-	-	-
Net change in fund balance	-	-	29,186	29,186
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,186</u>	<u>\$ 29,186</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNCLAIMED MONIES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Other				
Other	-	-	50	(50)
Net change in fund balance	-	-	(50)	(50)
Fund balance at beginning of year	<u>1,552</u>	<u>1,552</u>	<u>1,552</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,552</u>	<u>\$ 1,552</u>	<u>\$ 1,502</u>	<u>\$ (50)</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TOY ROAD TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Payments in lieu of taxes	\$ 162,500	\$ 146,924	\$ 146,565	\$ (359)
Other	-	-	359	359
Total revenues	<u>162,500</u>	<u>146,924</u>	<u>146,924</u>	<u>-</u>
Expenditures:				
Current:				
General government				
Contract services	2,500	1,658	1,658	-
Debt service:				
Principal retirement	<u>160,000</u>	<u>145,266</u>	<u>145,266</u>	<u>-</u>
Total expenditures	<u>162,500</u>	<u>146,924</u>	<u>146,924</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK IMPROVEMENT DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Income taxes	\$ 1,140,000	\$ 1,140,000	\$ 1,140,000	\$ -
Expenditures:				
Debt service:				
Principal retirement	594,618	594,618	591,250	3,368
Interest and fiscal charges	544,217	544,217	544,217	-
Total expenditures	<u>1,138,835</u>	<u>1,138,835</u>	<u>1,135,467</u>	<u>3,368</u>
Net change in fund balance	1,165	1,165	4,533	3,368
Fund balance at beginning of year	<u>188,430</u>	<u>188,430</u>	<u>188,430</u>	<u>-</u>
Fund balance at end of year	<u>\$ 189,595</u>	<u>\$ 189,595</u>	<u>\$ 192,963</u>	<u>\$ 3,368</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK IMPROVEMENT DEBT SERVICE RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	<u>\$ 1,139,164</u>	<u>\$ 1,139,164</u>	<u>\$ 1,139,164</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ 1,139,164</u>	<u>\$ 1,139,164</u>	<u>\$ 1,139,164</u>	<u>\$ -</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INFRASTRUCTURE DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Income taxes	\$ -	\$ 38,750	\$ -	\$ (38,750)
Expenditures:				
Debt service:				
Principal retirement	-	38,750	38,750	-
Interest and fiscal charges	-	225,821	225,820	1
Other	-	273,732	273,732	-
Total expenditures	-	538,303	538,302	1
Excess of revenues under expenditures	-	(499,553)	(538,302)	(38,749)
Other financing sources:				
Premium on bond issuance	-	499,553	1,203,373	703,820
Net change in fund balance	-	-	665,071	665,071
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 665,071</u>	<u>\$ 665,071</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	<u>\$ 43,212</u>	<u>\$ 43,212</u>	<u>\$ 43,212</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ 43,212</u>	<u>\$ 43,212</u>	<u>\$ 43,212</u>	<u>\$ -</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay				
Capital outlay	24,800	49,364	24,800	24,564
Net change in fund balance	(24,800)	(49,364)	(24,800)	24,564
Fund balance at beginning of year	24,565	24,565	24,565	-
Prior year encumbrances appropriated	24,800	24,800	24,800	-
Fund balance at end of year	<u>\$ 24,565</u>	<u>\$ 1</u>	<u>\$ 24,565</u>	<u>\$ 24,564</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WEST SIDE STORM SEWER & ROAD FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	18,705	18,705	-	18,705
Net change in fund balance	(18,705)	(18,705)	-	18,705
Fund balance at beginning of year	268,705	268,705	268,705	-
Fund balance at end of year	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 268,705</u>	<u>\$ 18,705</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CREEKSIDE SOUTH TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Payments in lieu of taxes	\$ 7,000	\$ 7,000	\$ 103,719	\$ 96,719
Expenditures:				
Current:				
General government				
Contract services	250	2,750	1,173	1,577
Capital outlay:				
Capital outlay	40,000	40,000	-	40,000
Total expenditures	40,250	42,750	1,173	41,577
Net change in fund balance	(33,250)	(35,750)	102,546	138,296
Fund balance at beginning of year	110,708	110,708	110,708	-
Fund balance at end of year	<u>\$ 77,458</u>	<u>\$ 74,958</u>	<u>\$ 213,254</u>	<u>\$ 138,296</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,551,000	\$ 1,481,000	\$ 1,615,412	\$ 134,412
Expenses:				
Personal services	274,271	296,099	255,971	40,128
Contractual services	899,335	1,141,835	994,945	146,890
Materials and supplies	97,738	99,238	79,566	19,672
Other	10,000	10,000	100	9,900
Capital outlay	1,000,000	1,011,148	225,195	785,953
Total expenses	<u>2,281,344</u>	<u>2,558,320</u>	<u>1,555,777</u>	<u>1,002,543</u>
Net change in fund equity	(730,344)	(1,077,320)	59,635	1,136,955
Fund equity at beginning of year	2,932,471	2,932,471	2,932,471	-
Prior year encumbrances appropriated	<u>280,760</u>	<u>280,760</u>	<u>280,760</u>	<u>-</u>
Fund equity at end of year	<u>\$ 2,482,887</u>	<u>\$ 2,135,911</u>	<u>\$ 3,272,866</u>	<u>\$ 1,136,955</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY- BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,610,000	\$ 1,610,000	\$ 1,836,947	\$ 226,947
Expenses:				
Personal services	173,204	186,269	159,620	26,649
Contractual services	1,523,367	1,540,867	1,506,785	34,082
Materials and supplies	5,500	5,500	3,598	1,902
Other	203,044	203,044	127,848	75,196
Capital outlay	100,000	100,000	36,244	63,756
Total expenses	<u>2,005,115</u>	<u>2,035,680</u>	<u>1,834,095</u>	<u>201,585</u>
Net change in fund equity	(395,115)	(425,680)	2,852	428,532
Fund equity at beginning of year	1,000,771	1,000,771	1,000,771	-
Prior year encumbrances appropriated	<u>245,593</u>	<u>245,593</u>	<u>245,593</u>	<u>-</u>
Fund equity at end of year	<u>\$ 851,249</u>	<u>\$ 820,684</u>	<u>\$ 1,249,216</u>	<u>\$ 428,532</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ELECTRIC FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 7,287,400	\$ 6,227,400	\$ 6,313,363	\$ 85,963
Expenses:				
Personal services	162,618	187,980	151,057	36,923
Contractual services	5,895,615	5,913,115	5,733,675	179,440
Materials and supplies	1,000	1,000	592	408
Capital outlay	865,868	1,138,868	483,332	655,536
Total expenses	6,925,101	7,240,963	6,368,656	872,307
Excess of revenues over (under) expenses	362,299	(1,013,563)	(55,293)	958,270
Nonoperating revenues (expenses):				
Note issuance	-	500,000	-	(500,000)
Advances in	-	-	420,000	420,000
Advances out	-	-	(420,000)	(420,000)
Debt service:				
Principal retirement	(1,000,000)	(1,000,000)	(1,000,000)	-
Interest and fiscal charges	(39,931)	(39,931)	(24,931)	15,000
Total nonoperating revenues (expenses)	(1,039,931)	(539,931)	(1,024,931)	(485,000)
Net loss before transfers and capital contributions	(677,632)	(1,553,494)	(1,080,224)	473,270
Transfer in	-	-	268,323	268,323
Transfer out	-	-	(268,323)	(268,323)
Capital contributions	-	50,000	48,812	(1,188)
Net change in fund equity	(677,632)	(1,503,494)	(1,031,412)	472,082
Fund equity at beginning of year	2,097,292	2,097,292	2,097,292	-
Prior year encumbrances appropriated	762,125	762,125	762,125	-
Fund equity at end of year	\$ 2,181,785	\$ 1,355,923	\$ 1,828,005	\$ 472,082

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GAS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 750,000	\$ 750,000	\$ 1,284,077	\$ 534,077
Expenses:				
Personal services	130,904	150,703	117,081	33,622
Contractual services	868,305	1,065,805	1,028,667	37,138
Capital outlay	332,025	332,025	197,275	134,750
Total expenses	<u>1,331,234</u>	<u>1,548,533</u>	<u>1,343,023</u>	<u>205,510</u>
Excess of revenues under expenses	(581,234)	(798,533)	(58,946)	739,587
Capital contributions	<u>200,000</u>	<u>200,000</u>	<u>4,204</u>	<u>(195,796)</u>
Net change in fund equity	(381,234)	(598,533)	(54,742)	543,791
Fund equity at beginning of year	510,020	510,020	510,020	-
Prior year encumbrances appropriated	<u>105,556</u>	<u>105,556</u>	<u>105,556</u>	<u>-</u>
Fund equity at end of year	<u>\$ 234,342</u>	<u>\$ 17,043</u>	<u>\$ 560,834</u>	<u>\$ 543,791</u>

VILLAGE OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

REFUSE FUND

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 295,000	\$ 294,000	\$ 297,188	\$ 3,188
Expenses:				
Contractual services	<u>302,000</u>	<u>302,000</u>	<u>302,000</u>	<u>-</u>
Net change in fund equity	(7,000)	(8,000)	(4,812)	3,188
Fund equity at beginning of year	87,013	87,013	87,013	-
Prior year encumbrances appropriated	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>-</u>
Fund equity at end of year	<u>\$ 102,013</u>	<u>\$ 101,013</u>	<u>\$ 104,201</u>	<u>\$ 3,188</u>

STATISTICAL SECTION

VILLAGE OF OBETZ, OHIO

**STATISTICAL SECTION
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This part of the Village of Obetz' 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 Village's overall financial health.

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Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

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Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources, the municipal income tax.

200-202

Debt Capacity

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

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Demographic and Economic Information

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

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Operating Information

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

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VILLAGE OF OBETZ, OHIO

NET POSITION BY COMPONENT
LAST SEVEN YEARS ⁽¹⁾
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Governmental Activities				
Net investment in capital assets	\$ 59,256,000	\$ 56,265,624	\$ 50,757,006	\$ 49,768,028
Restricted for:				
Debt service	2,360,892	1,911,016	1,419,938	-
Capital projects	205,047	845,940	43,806	94,134
Street construction, maintenance and repair	872,793	581,220	720,538	598,799
Police operations	27,797	745,545	15,103	8,417
Economic development programs	10,005	10,005	10,005	10,005
Court operations	99,683	93,491	95,758	89,598
Park improvements	6,994	6,994	6,994	6,994
Other purposes	34,933	36,703	60,879	1,367
Unrestricted	<u>2,756,542</u>	<u>9,762,613</u>	<u>9,094,584</u>	<u>6,442,925</u>
Total governmental activities net position	<u>\$ 65,630,686</u>	<u>\$ 70,259,151</u>	<u>\$ 62,224,611</u>	<u>\$ 57,020,267</u>
Business-type Activities				
Net investment in capital assets	\$ 22,380,547	\$ 20,886,999	\$ 19,680,703	\$ 16,374,423
Unrestricted	<u>8,605,736</u>	<u>8,835,403</u>	<u>8,213,460</u>	<u>5,982,855</u>
Total business-type activities net position	<u>\$ 30,986,283</u>	<u>\$ 29,722,402</u>	<u>\$ 27,894,163</u>	<u>\$ 22,357,278</u>
Total Primary Government				
Net investment in capital assets	\$ 81,636,547	\$ 77,152,623	\$ 70,437,709	\$ 66,142,451
Restricted	3,618,144	4,230,914	2,373,021	809,314
Unrestricted	<u>11,362,278</u>	<u>18,598,016</u>	<u>17,308,044</u>	<u>12,425,780</u>
Total primary government net position	<u>\$ 96,616,969</u>	<u>\$ 99,981,553</u>	<u>\$ 90,118,774</u>	<u>\$ 79,377,545</u>

⁽¹⁾ The Village presented GAAP starting in 2012.

Source: Village Finance Department.

<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 50,395,488	\$ 51,573,697	\$ 48,312,169
-	-	-
89,292	64,348	458,364
810,091	897,377	-
13,110	13,336	-
10,005	10,005	-
84,894	73,364	-
6,994	6,994	-
2,879	2,879	899,697
5,654,909	6,021,728	4,172,585
<u>\$ 57,067,662</u>	<u>\$ 58,663,728</u>	<u>\$ 53,842,815</u>
\$ 15,691,591	\$ 15,164,188	\$ 14,936,950
4,835,611	5,263,989	3,914,868
<u>\$ 20,527,202</u>	<u>\$ 20,428,177</u>	<u>\$ 18,851,818</u>
\$ 66,087,079	\$ 66,737,885	\$ 63,249,119
1,017,265	1,068,303	1,358,061
10,490,520	11,285,717	8,087,453
<u>\$ 77,594,864</u>	<u>\$ 79,091,905</u>	<u>\$ 72,694,633</u>

VILLAGE OF OBETZ, OHIO

CHANGES IN NET POSITION
LAST SEVEN YEARS ⁽¹⁾
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Program Revenues:				
Governmental activities:				
Charges for services and sales:				
General government	\$ 550,657	\$ 802,580	\$ 712,243	\$ 607,768
Security of persons and property	11,209	11,922	12,028	6,543
Transportation	-	-	-	26,138
Leisure time activity	288,368	217,874	163,479	194,598
Subtotal - charges for services	<u>850,234</u>	<u>1,032,376</u>	<u>887,750</u>	<u>835,047</u>
Operating grants and contributions:				
General government	-	-	-	-
Security of persons and property	11,227	10,498	6,546	-
Transportation	282,697	628,070	252,995	236,340
Leisure time activity	-	-	7,450	-
Interest and fiscal charges	197,982	184,583	200,192	226,193
Subtotal - operating grants and contributions	<u>491,906</u>	<u>823,151</u>	<u>467,183</u>	<u>462,533</u>
Capital grants and contributions:				
Transportation	1,339,531	1,021,642	3,994,053	328,531
Leisure time activity	-	-	-	-
Subtotal - capital grants and contributions	<u>1,339,531</u>	<u>1,021,642</u>	<u>3,994,053</u>	<u>328,531</u>
Total governmental activities program revenues	<u>2,681,671</u>	<u>2,877,169</u>	<u>5,348,986</u>	<u>1,626,111</u>
Business-type activities:				
Charges for services and sales:				
Water	1,603,789	2,017,617	1,634,004	1,745,510
Sewer	1,812,116	1,900,908	1,872,809	1,680,017
Electric	6,221,092	5,842,778	5,927,664	5,485,518
Gas	1,083,061	1,068,001	987,841	814,159
Refuse	289,343	295,946	334,031	296,094
Subtotal - charges for services	<u>11,009,401</u>	<u>11,125,250</u>	<u>10,756,349</u>	<u>10,021,298</u>
Capital grants and contributions:				
Water	400,834	-	531,821	301,747
Sewer	246,010	-	1,682,998	5,600
Electric	48,812	280,396	607,406	39,708
Gas	4,204	293,119	146,554	90,100
Subtotal - capital grants and contributions	<u>699,860</u>	<u>573,515</u>	<u>2,968,779</u>	<u>437,155</u>
Total business-type activities program revenues	<u>11,709,261</u>	<u>11,698,765</u>	<u>13,725,128</u>	<u>10,458,453</u>
Total primary government	<u>\$ 14,390,932</u>	<u>\$ 14,575,934</u>	<u>\$ 19,074,114</u>	<u>\$ 12,084,564</u>

<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 527,264	\$ 579,965	\$ 319,419
3,604	5,687	5,606
5,155	7,692	12,088
161,926	257,990	188,271
<u>697,949</u>	<u>851,334</u>	<u>525,384</u>
-	-	80,000
-	-	-
235,213	266,560	284,444
-	-	-
141,118	18,629	-
<u>376,331</u>	<u>285,189</u>	<u>364,444</u>
1,120,078	3,777,111	7,102,187
-	1,017,150	16,460
<u>1,120,078</u>	<u>4,794,261</u>	<u>7,118,647</u>
<u>2,194,358</u>	<u>5,930,784</u>	<u>8,008,475</u>
1,341,881	1,796,456	1,239,286
1,570,741	1,500,315	1,218,599
3,762,431	3,986,694	3,942,728
1,224,385	1,047,483	843,257
280,543	277,920	242,988
<u>8,179,981</u>	<u>8,608,868</u>	<u>7,486,858</u>
93,597	91,415	-
16,550	175,640	-
485,168	-	-
58,530	46,555	-
<u>653,845</u>	<u>313,610</u>	<u>-</u>
<u>8,833,826</u>	<u>8,922,478</u>	<u>7,486,858</u>
\$ 11,028,184	\$ 14,853,262	\$ 15,495,333

(Continued)

VILLAGE OF OBETZ, OHIO

CHANGES IN NET POSITION (CONTINUED)
 LAST SEVEN YEARS ⁽¹⁾
 (ACCRUAL BASIS OF ACCOUNTING)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenses:				
Governmental Activities:				
General government	\$ 2,216,755	\$ 1,660,347	\$ 1,551,273	\$ 1,540,466
Security of persons and property	3,137,206	2,731,880	2,539,515	1,976,222
Public health	42,156	36,840	31,395	28,245
Transportation	4,548,019	4,105,569	4,040,003	5,152,756
Community environment	4,250,033	3,478,107	3,225,397	2,791,350
Leisure time activity	3,321,300	2,179,499	1,697,055	1,489,719
Other	-	-	-	1,512
Interest and fiscal charges	1,326,028	874,920	647,561	295,593
Total governmental activities expenses	<u>18,841,497</u>	<u>15,067,162</u>	<u>13,732,199</u>	<u>13,275,863</u>
Business-type activities:				
Water	1,429,802	1,160,231	1,029,056	1,143,253
Sewer	1,801,480	2,059,694	1,482,944	1,661,148
Electric	5,519,377	5,256,793	4,612,841	4,715,324
Gas	1,134,212	1,013,960	820,682	824,879
Refuse	266,514	258,148	251,775	289,234
Total business-type activities expenses	<u>10,151,385</u>	<u>9,748,826</u>	<u>8,197,298</u>	<u>8,633,838</u>
Total primary government program expenses	<u>28,992,882</u>	<u>24,815,988</u>	<u>21,929,497</u>	<u>21,909,701</u>
Net (Expense) Revenue				
Governmental activities	(16,159,826)	(12,189,993)	(8,383,213)	(11,649,752)
Business-type activities	<u>1,557,876</u>	<u>1,949,939</u>	<u>5,527,830</u>	<u>1,824,615</u>
Total primary government net expense	<u>\$ (14,601,950)</u>	<u>\$ (10,240,054)</u>	<u>\$ (2,855,383)</u>	<u>\$ (9,825,137)</u>

<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 1,355,977	\$ 1,410,120	\$ 1,564,295
1,643,779	1,680,829	1,594,516
23,373	23,200	22,121
4,184,179	3,514,602	3,010,245
1,833,880	1,744,525	1,427,328
1,478,732	1,272,339	1,068,583
-	-	-
311,035	326,341	536,225
<u>10,830,955</u>	<u>9,971,956</u>	<u>9,223,313</u>
1,190,149	923,159	981,650
1,361,163	1,627,769	1,212,641
4,263,768	3,587,150	3,427,118
1,351,598	955,546	717,357
309,851	255,296	311,499
<u>8,476,529</u>	<u>7,348,920</u>	<u>6,650,265</u>
<u>19,307,484</u>	<u>17,320,876</u>	<u>15,873,578</u>
(8,636,597)	(4,041,172)	(1,214,838)
<u>357,297</u>	<u>1,573,558</u>	<u>836,593</u>
<u>\$ (8,279,300)</u>	<u>\$ (2,467,614)</u>	<u>\$ (378,245)</u>

(Continued)

VILLAGE OF OBETZ, OHIO

CHANGES IN NET POSITION (CONTINUED)
 LAST SEVEN YEARS ⁽¹⁾
 (ACCRUAL BASIS OF ACCOUNTING)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes levied for:				
General purposes	\$ 244,552	\$ 199,013	\$ 179,584	\$ 159,783
Municipal income taxes levied for:				
General purposes	5,919,658	10,748,462	6,545,464	5,388,225
Police enforcement ⁽²⁾	2,258,890	2,939,447	1,763,568	1,455,575
Debt service	2,300,000	1,910,000	730,000	540,000
Other local taxes	418,096	338,230	354,113	332,966
Payments in lieu of taxes	279,221	958,367	925,111	945,217
Grants and entitlements not restricted to specific programs	3,180,035	2,557,155	2,762,892	2,749,231
Franchise taxes	-	-	-	-
Investment earnings	422,113	234,977	67,185	26,400
Increase (decrease) in fair value of investments	9,335	5,571	(34,179)	(7,580)
Gain on sale of capital assets	-	1,100	-	-
Miscellaneous	197,422	210,511	293,819	12,540
Transfers	-	121,700	-	-
Total governmental activities	<u>15,229,322</u>	<u>20,224,533</u>	<u>13,587,557</u>	<u>11,602,357</u>
Business-type activities:				
Investment earnings	-	-	5,652	5,461
Gain on sale of capital assets	-	-	-	-
Miscellaneous	-	-	3,403	-
Transfers	-	(121,700)	-	-
Total business-type activities	<u>-</u>	<u>(121,700)</u>	<u>9,055</u>	<u>5,461</u>
Total primary government	<u>15,229,322</u>	<u>20,102,833</u>	<u>13,596,612</u>	<u>11,607,818</u>
Change in Net Position				
Governmental activities	(930,504)	8,034,540	5,204,344	(47,395)
Business-type activities	1,557,876	1,828,239	5,536,885	1,830,076
Total primary government	<u>\$ 627,372</u>	<u>\$ 9,862,779</u>	<u>\$ 10,741,229</u>	<u>\$ 1,782,681</u>

⁽¹⁾ The Village presented GAAP starting in 2012.

⁽²⁾ Revenue collections for a voter approved 0.5% income tax increase for police enforcement services began in 2015.

Source: Village Finance Department.

<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 168,938	\$ 153,982	\$ 167,396
5,190,459	4,851,419	4,429,012
-	-	-
540,000	585,000	-
423,323	185,686	36,300
431,106	355,330	545,085
2,227,625	2,366,558	1,588,440
-	-	29,744
44,102	31,218	27,208
44,257	(40,462)	-
7,171	-	-
94,287	205,692	592,401
-	-	-
<u>9,171,268</u>	<u>8,694,423</u>	<u>7,415,586</u>
2,863	-	-
841	-	-
1,742	2,801	350
-	-	-
<u>5,446</u>	<u>2,801</u>	<u>350</u>
<u>9,176,714</u>	<u>8,697,224</u>	<u>7,415,936</u>
534,671	4,653,251	6,200,748
362,743	1,576,359	836,943
<u>\$ 897,414</u>	<u>\$ 6,229,610</u>	<u>\$ 7,037,691</u>

VILLAGE OF OBETZ, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST SEVEN YEARS ⁽¹⁾
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund				
Nonspendable	\$ 34,933	\$ 36,703	\$ 60,879	\$ 1,367
Restricted	-	719,759	-	-
Assigned	4,083,437	958,549	6,414,014	2,566,234
Unassigned	<u>4,612,370</u>	<u>8,269,622</u>	<u>3,352,056</u>	<u>4,851,097</u>
Total General Fund	<u>8,730,740</u>	<u>9,984,633</u>	<u>9,826,949</u>	<u>7,418,698</u>
All Other Governmental Funds				
Nonspendable	434	412	1,028	-
Restricted	13,883,329	3,380,418	14,190,751	711,582
Committed	2,276,012	2,838,662	2,283,481	1,608,434
Assigned	-	-	-	-
Unassigned (deficit)	<u>(1,376,477)</u>	<u>(1,598,069)</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>14,783,298</u>	<u>4,621,423</u>	<u>16,475,260</u>	<u>2,320,016</u>
Total governmental funds	<u>\$ 23,514,038</u>	<u>\$ 14,606,056</u>	<u>\$ 26,302,209</u>	<u>\$ 9,738,714</u>

⁽¹⁾ The Village presented GAAP starting in 2012.

Source: Village Finance Department.

<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 2,879	\$ 2,879	\$ 2,879
-	-	-
1,575,653	868,484	758,680
<u>5,341,562</u>	<u>4,398,079</u>	<u>3,213,291</u>
<u>6,920,094</u>	<u>5,269,442</u>	<u>3,974,850</u>
-	-	-
921,965	974,951	2,961,621
817,644	741,971	625,617
-	-	15,090
<u>(124,512)</u>	<u>-</u>	<u>(844,359)</u>
<u>1,615,097</u>	<u>1,716,922</u>	<u>2,757,969</u>
<u>\$ 8,535,191</u>	<u>\$ 6,986,364</u>	<u>\$ 6,732,819</u>

VILLAGE OF OBETZ, OHIO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST SEVEN YEARS ⁽¹⁾
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenues				
Municipal income taxes	\$ 10,467,729	\$ 15,557,199	\$ 9,073,901	\$ 7,520,090
Property taxes	241,915	200,077	178,679	168,906
Payments in lieu of taxes	279,221	564,545	925,111	945,217
Other local taxes	418,096	732,052	354,113	332,966
Charges for services	528,057	427,703	389,487	338,858
Fees, licenses and permits	242,635	538,271	431,509	378,265
Fines and forfeitures	79,072	66,319	67,291	93,977
Intergovernmental	2,622,987	4,204,759	3,027,537	3,321,570
Special assessments	-	-	-	26,138
Investment income	428,838	241,750	76,265	24,579
Contributions and donations	197,982	184,583	200,192	226,193
Increase (decrease) in fair value of investments	9,335	5,571	(34,179)	(7,580)
Other	182,627	209,151	290,918	12,540
Total revenues	<u>15,698,494</u>	<u>22,931,980</u>	<u>14,980,824</u>	<u>13,381,719</u>
Expenditures				
Current:				
General government	1,782,487	1,638,819	1,410,880	1,413,109
Security of persons and property	2,432,789	2,246,005	2,118,978	1,838,473
Public health	42,156	36,840	31,395	28,245
Transportation	751,604	653,126	475,960	516,223
Community environment	4,115,986	3,366,363	3,168,324	2,796,684
Leisure time activity	2,178,825	1,878,948	1,348,872	1,108,212
Other	-	-	-	1,512
Capital outlay	8,602,797	25,162,463	6,162,012	3,787,901
Debt service:				
Principal retirement	3,648,109	1,088,108	658,439	643,770
Interest and fiscal charges	1,067,020	964,769	283,707	296,866
Bond issuance costs	273,732	-	333,364	-
Note issuance cost	24,225	31,355	-	-
Total expenditures	<u>24,919,730</u>	<u>37,066,796</u>	<u>15,991,931</u>	<u>12,430,995</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,221,236)</u>	<u>(14,134,816)</u>	<u>(1,011,107)</u>	<u>950,724</u>
Other Financing Sources (Uses)				
Issuance of revenue bonds	15,000,000	-	16,000,000	-
Issuance of notes	1,900,000	2,400,000	-	-
Premium on bonds issued	1,199,306	-	1,563,302	-
Sale of capital assets	4,100	1,100	11,300	10,005
Transfers in	1,000,000	-	11,000	-
Transfers out	(1,000,000)	-	(11,000)	-
Premium of notes issued	25,812	37,563	-	-
Issuance of loans	-	-	-	242,794
Total other financing sources (uses)	<u>18,129,218</u>	<u>2,438,663</u>	<u>17,574,602</u>	<u>252,799</u>
Net change in fund balances	<u>\$ 8,907,982</u>	<u>\$ (11,696,153)</u>	<u>\$ 16,563,495</u>	<u>\$ 1,203,523</u>
Capital expenditures	<u>\$ 9,890,335</u>	<u>\$ 26,073,043</u>	<u>\$ 6,561,131</u>	<u>\$ 2,650,771</u>
Debt service as a percentage of noncapital expenditures	31.37%	18.67%	9.99%	9.62%

⁽¹⁾ The Village presented GAAP starting in 2012.

Source: Village Finance Department.

	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$	5,748,322	\$ 5,230,061	\$ 4,679,392
	164,466	162,041	166,616
	383,386	355,330	545,085
	423,323	213,201	48,388
	291,071	332,337	347,925
	304,720	436,442	118,490
	96,057	74,988	72,051
	3,281,202	7,242,300	8,269,340
	5,155	7,692	-
	50,104	40,887	20,511
	188,838	186,291	-
	44,257	(40,462)	-
	94,287	205,692	670,501
	<u>11,075,188</u>	<u>14,446,800</u>	<u>14,938,299</u>
	1,251,071	1,203,277	1,213,600
	1,503,565	1,562,032	1,591,447
	23,373	23,200	22,121
	617,799	317,562	319,287
	1,816,161	1,736,831	1,416,840
	1,181,404	1,063,804	1,076,944
	-	-	-
	2,515,178	7,054,215	8,295,036
	820,394	903,919	7,401,658
	312,228	328,415	542,128
	-	-	-
	-	-	-
	<u>10,041,173</u>	<u>14,193,255</u>	<u>21,879,061</u>
	<u>1,034,015</u>	<u>253,545</u>	<u>(6,940,762)</u>
	-	-	-
	-	-	2,500,000
	-	-	6,240,000
	7,171	-	8,500
	11,000	184	-
	(11,000)	(184)	-
	-	-	-
	-	-	-
	<u>7,171</u>	<u>-</u>	<u>8,748,500</u>
\$	<u>1,041,186</u>	<u>\$ 253,545</u>	<u>\$ 1,807,738</u>
\$	<u>2,427,953</u>	<u>\$ 6,915,391</u>	<u>\$ 8,414,653</u>
	14.88%	16.93%	59.00%

VILLAGE OF OBETZ, OHIO

**INCOME TAX REVENUE BASE AND COLLECTIONS (CASH BASIS)
LAST TEN YEARS**

Tax Year	Tax Rate	Taxes from Withholding	Percentage of Taxes from Withholdings	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes from Individuals
2018	2.50%	\$ 8,916,690	87.96%	\$ 1,103,586	10.89%	\$ 116,764
2017 (1)	2.50%	8,349,640	54.11%	6,999,032	45.36%	81,938
2016	2.50%	7,639,436	82.92%	1,487,006	16.14%	86,177
2015	2.50%	6,645,853	89.14%	736,568	9.88%	73,211
2014	2.00%	4,991,756	88.31%	592,861	10.49%	68,151
2013	2.00%	4,258,343	85.21%	679,294	13.59%	60,087
2012	2.00%	3,848,301	85.04%	622,882	13.76%	53,989
2011	2.00%	3,548,649	87.65%	445,376	11.00%	54,587
2010	2.00%	3,242,524	78.23%	848,273	20.47%	53,933
2009	2.00%	3,246,332	76.52%	930,687	21.94%	65,359

(1) In 2017, the Village received a one time tax receipt of \$4,500,000 from a local business

Source: Village Finance Department.

Percentage of Taxes from Individuals	Total Gross Tax Collected	Refunds	Total Net Tax Collected
1.15%	\$ 10,137,040	\$ (275,334)	\$ 9,861,706
0.53%	15,430,610	(282,700)	15,147,910
0.94%	9,212,619	(112,946)	9,099,673
0.98%	7,455,632	(110,485)	7,345,147
1.21%	5,652,768	(59,635)	5,593,133
1.20%	4,997,724	(216,624)	4,781,100
1.19%	4,525,172	(46,285)	4,478,887
1.35%	4,048,612	(56,616)	3,991,996
1.30%	4,144,730	(155,450)	3,989,280
1.54%	4,242,378	(134,445)	4,107,933

VILLAGE OF OBETZ, OHIO

PRINCIPAL INCOME TAXPAYERS - WITHHOLDING ACCOUNTS
CURRENT YEAR AND NINE YEARS AGO

<u>Range of Withholding Amount</u>	<u>2018</u>			<u>2009</u>		
	Number of Withholding Accounts	Income Tax Withheld	Percentage of Total Withholding Revenue	Number of Withholding Accounts	Income Tax Withheld	Percentage of Total Withholding Revenue
\$500,001 and higher	4	\$ 2,855,555	32.02%	-	\$ -	0.00%
\$400,001 - \$500,000	2	847,968	9.51%	1	413,711	12.74%
\$300,001 - \$400,000	1	393,736	4.42%	-	-	0.00%
\$200,001 - \$300,000	4	983,972	11.04%	2	555,748	17.12%
\$100,001 - \$200,000	9	1,067,194	11.97%	6	878,563	27.07%
\$50,001 - \$100,000	18	1,282,627	14.38%	7	469,823	14.47%
\$50,000 and lower	297	1,485,638	16.66%	197	928,487	28.60%
Total	<u>335</u>	<u>\$8,916,690</u>	<u>100.00%</u>	<u>213</u>	<u>\$3,246,332</u>	<u>100.00%</u>

Note: Due to confidentiality issues, the names of the 10 largest income tax payers are not available. The categories presented are included to provide alternative information regarding the sources of the Village's income tax revenues.

Source: City of Columbus, Division of Income Tax.

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VILLAGE OF OBETZ, OHIO

**LEGAL DEBT MARGIN
LAST TEN YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016⁽¹⁾</u>	<u>2015</u>
Total Assessed Property Value	<u>\$ 163,508,520</u>	<u>\$ 133,878,410</u>	<u>\$ 114,783,710</u>	<u>\$ 110,860,440</u>
Overall Legal Debt Limit (10 1/2 % of assessed valuation)	17,168,395	14,057,233	12,052,290	11,640,346
Debt Subject to Limitation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin within 10 1/2 % limitation	<u>\$ 17,168,395</u>	<u>\$ 14,057,233</u>	<u>\$ 12,052,290</u>	<u>\$ 11,640,346</u>
Legal debt margin as a percentage of the debt limit	100.00%	100.00%	100.00%	100.00%
<hr/>				
Unvoted Debt Limitation (5 1/2 % of assessed valuation)	\$ 8,992,969	\$ 7,363,313	\$ 6,313,104	\$ 6,097,324
Debt Subject to Limitation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted legal debt margin within 5 1/2 % limitations	<u>\$ 8,992,969</u>	<u>\$ 7,363,313</u>	<u>\$ 6,313,104</u>	<u>\$ 6,097,324</u>
Unvoted legal debt margin as a percentage of the unvoted debt limitation	100.00%	100.00%	100.00%	100.00%

⁽¹⁾ Assessed value of property revised based upon new information available.

Notes: The Village's bonds are supported by income taxes or tax increment financing (TIF) revenues.
None of the Village's bonds are general obligations of the Village.

Source: Village Finance Department.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>\$ 106,124,200</u>	<u>\$ 108,594,260</u>	<u>\$ 108,352,290</u>	<u>\$ 112,016,960</u>	<u>\$ 113,807,253</u>	<u>\$ 122,531,687</u>
11,143,041	11,402,398	11,376,991	11,761,782	11,949,763	12,865,828
-	-	-	-	-	-
<u>\$ 11,143,041</u>	<u>\$ 11,402,398</u>	<u>\$ 11,376,991</u>	<u>\$ 11,761,782</u>	<u>\$ 11,949,763</u>	<u>\$ 12,865,828</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<u>\$ 5,836,831</u>	<u>\$ 5,972,684</u>	<u>\$ 5,959,376</u>	<u>\$ 6,160,933</u>	<u>\$ 6,259,399</u>	<u>\$ 6,739,243</u>
-	-	-	-	-	-
<u>\$ 5,836,831</u>	<u>\$ 5,972,684</u>	<u>\$ 5,959,376</u>	<u>\$ 6,160,933</u>	<u>\$ 6,259,399</u>	<u>\$ 6,739,243</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

VILLAGE OF OBETZ, OHIO

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS ⁽¹⁾**

Year	Governmental Activities				Business-Type Activities	
	Notes Payable	Bonds Payable	Judgments	OPWC Loans	Total Governmental Activities	OWDA Loans
2018	\$ 1,900,000	\$ 40,278,552	\$ -	\$ 273,897	\$ 42,452,449	\$ -
2017	2,400,000	25,400,790	-	297,006	28,097,796	-
2016	-	26,542,674	-	320,114	26,862,788	81,302
2015	-	9,645,000	-	338,553	9,983,553	239,272
2014	-	10,275,000	-	109,529	10,384,529	388,132
2013	-	10,890,000	191,624	123,299	11,204,923	528,407
2012	-	11,495,000	476,773	137,069	12,108,842	660,592
2011	-	8,565,000	669,661	150,839	9,385,500	785,154
2010	-	8,895,000	859,802	164,610	9,919,412	902,534
2009	-	9,220,000	1,037,309	185,266	10,442,575	1,013,143

⁽¹⁾ Some information unavailable prior to 2009.

⁽²⁾ See notes to the financial statements regarding the Village's outstanding debt information. Includes unamortized bond premiums.

Note: Population and personal income data are presented on the Demographic and Economic Statistics statistical table.

Source: Village Finance Department.

	Total Primary Government ⁽²⁾	Percentage of Personal Income		Per Capita
\$	42,452,449	38.87%	\$	8,385
	28,097,796	32.11%		6,023
	26,944,090	29.23%		5,852
	10,222,825	10.88%		2,227
	10,772,661	11.64%		2,383
	11,733,330	12.65%		2,647
	12,769,434	13.25%		2,808
	10,170,654	10.84%		2,240
	10,821,946	13.33%		2,546
	11,455,718	13.58%		2,569

VILLAGE OF OBETZ, OHIO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2018

<u>Jurisdiction</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Estimated Amount Applicable to Village</u>
Direct - Village of Obetz			
Bonds and Loans	\$ 42,452,449	100.00%	\$ 42,452,449
Overlapping Debt:			
Franklin County	195,735,000	0.54%	1,056,969
Groveport-Madison Local School District	36,425,736	5.49%	1,999,773
Hamilton Local School District	15,754,566	42.40%	6,679,936
Eastland-Fairfield Career and Technical Center	1,050,000	1.95%	20,475
Madison Township	2,070,000	4.37%	90,459
Solid Waste Authority of Central Ohio	48,140,000	0.52%	250,328
Total Overlapping Debt	<u>299,175,302</u>		<u>10,097,940</u>
Total Direct and Overlapping Debt	<u>\$ 341,627,751</u>		<u>\$ 52,550,389</u>

⁽¹⁾ Percentages were determined by dividing each overlapping subdivision's assessed valuation within the Village by its total valuation.

Source: Franklin County Auditor's Office.

VILLAGE OF OBETZ, OHIO

**PLEDGED REVENUE COVERAGE - TIF REVENUE BONDS
LAST NINE YEARS ⁽¹⁾**

Year	Payments in Lieu of Taxes ⁽²⁾	Contributions from Developer	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2018	\$ 145,266	\$ 197,982	\$ 343,248	\$ 175,000	\$ 168,248	1.00
2017	153,997	184,583	338,580	165,000	173,580	1.00
2016	139,475	200,192	339,667	160,000	179,667	1.00
2015	109,147	226,193	335,340	150,000	185,340	1.00
2014	141,327	188,838	330,165	140,000	190,165	1.00
2013	143,973	186,291	330,264	135,000	195,264	1.00
2012	341,056	-	341,056	130,000	190,676	1.06
2011	48,503	276,806	325,309	120,000	205,309	1.00
2010	71,802	183,046	254,848	120,000	134,848	1.00

⁽¹⁾ Information prior to 2010 is unavailable.

⁽²⁾ Revenue bonds are supported by TIF revenues. To the extent the TIF revenues are not sufficient to support the debt service, the shortfall is supported by a line-of-credit maintained at Huntington National Bank by the developer.

Notes: Revenues and expenses for 2012-2018 prepared on a GAAP basis.
For years 2010-2011, information prepared on the cash basis.

Source: Village Finance Department.

VILLAGE OF OBETZ, OHIO

PLEDGED REVENUE COVERAGE - INCOME TAX REVENUE BONDS
LAST THREE YEARS ⁽¹⁾

Year	Income Taxes ⁽²⁾	Debt Service		Coverage
		Principal	Interest	
2018	\$ 8,219,658	\$ 590,000	\$ 715,942	6.29
2017	12,658,462	445,000	694,164	11.11
2016	7,275,464	-	-	-

⁽¹⁾ The income tax revenue bonds were issued in 2016.

⁽²⁾ Revenue bonds are supported by municipal income tax revenues exclusive of the 0.5% income tax which is restricted to support police operations. Amount reflects municipal income tax revenues reported on the Statement of Activities.

Source: Village Finance Department.

VILLAGE OF OBETZ, OHIO

**PLEDGED REVENUE COVERAGE - WATER FUND OWDA LOANS
LAST TEN YEARS**

Year	Operating Revenues	Direct Operating Expenses ⁽¹⁾	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2018	\$ 1,603,789	\$ 1,268,134	\$ 335,655	\$ -	\$ -	-
2017	2,017,617	1,008,712	1,008,905	29,516	1,191	32.86
2016	1,637,407	886,062	751,345	57,349	2,259	12.60
2015	1,745,510	985,977	759,533	54,042	8,624	12.12
2014	1,343,623	1,059,467	284,156	50,925	11,740	4.53
2013	1,799,257	811,993	987,264	47,988	14,677	15.75
2012	1,239,286	872,110	367,176	45,221	17,445	5.86
2011	839,604	888,599	(48,995)	42,613	20,052	(0.78)
2010	844,445	706,529	137,916	40,156	22,510	2.20
2009	802,432	978,782	(176,350)	37,840	66,391	(1.69)

⁽¹⁾ Operating expenses do not include depreciation.

Notes: Revenues and expenses for 2012-2018 prepared on a GAAP basis. For years 2009-2011, information prepared on the cash basis.

Source: Village Finance Department.

VILLAGE OF OBETZ, OHIO

**PLEDGED REVENUE COVERAGE - SEWER FUND OWDA LOANS
LAST TEN YEARS**

Year	Operating Revenues	Direct Operating Expenses ⁽¹⁾	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2018	\$ 1,812,116	\$ 1,534,815	\$ 277,301	\$ -	\$ -	-
2017	1,900,908	1,797,038	103,870	51,786	2,090	1.93
2016	1,872,809	1,232,123	640,686	100,621	3,963	6.13
2015	1,680,017	1,409,107	270,910	94,818	15,130	2.46
2014	1,570,741	1,111,295	459,446	89,350	20,598	4.18
2013	1,500,315	1,374,115	126,200	84,197	25,751	1.15
2012	1,218,599	955,949	262,650	79,341	30,607	2.39
2011	849,885	930,396	(80,511)	74,766	35,182	(0.73)
2010	828,092	1,060,318	(232,226)	70,454	39,494	(2.11)
2009	788,366	827,886	(39,520)	66,391	43,557	(0.36)

⁽¹⁾ Operating expenses do not include depreciation.

Notes: Revenues and expenses for 2012-2018 prepared on a GAAP basis. For years 2009-2011, information prepared on the cash basis.

Source: Village Finance Department.

VILLAGE OF OBETZ, OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Population ⁽¹⁾	Total Personal Income ⁽²⁾	Per Capita Income ⁽¹⁾	Unemployment Rate ⁽³⁾		
				Federal	State	Franklin County
2018	5,063	\$ 109,219,036	\$ 21,572	3.7%	4.8%	3.9%
2017	4,665	87,496,740	18,756	4.4%	4.9%	3.7%
2016	4,604	92,176,684	20,021	4.9%	4.9%	4.0%
2015	4,591	93,950,224	20,464	5.3%	4.9%	4.1%
2014	4,521	92,517,744	20,464	6.2%	5.8%	4.8%
2013	4,432	92,761,760	20,930	7.4%	7.5%	6.4%
2012	4,548	96,403,956	21,197	8.3%	8.7%	6.7%
2011	4,540	93,846,340	20,671	9.0%	8.6%	7.6%
2010	4,250	81,196,250	19,105	9.6%	10.0%	8.6%
2009	4,459	84,368,739	18,921	9.3%	10.1%	8.3%

⁽¹⁾ **Source:** U.S. Census, American Community Survey.

Years 2009 - 2014 Federal Census Bureau and Years 2015 - 2018 Estimated by the Mid-Ohio Regional Planning Commission

⁽²⁾ Computation of per capita personal income multiplied by population.

⁽³⁾ **Source:** Ohio Job & Family Services, Office of Workforce Development.

VILLAGE OF OBETZ, OHIO

**PRINCIPAL EMPLOYERS
BY NUMBER OF EMPLOYEES**

CURRENT YEAR AND NINE YEARS AGO ⁽¹⁾

		2018		
Employer	Nature of Business	Estimated Number of Employees	Percentage of Total Village Employment	Rank
Company A	Withheld	1,184	10.12%	1
Company B	Withheld	928	7.94%	2
Company C	Withheld	839	7.17%	3
Company D	Withheld	690	5.90%	4
Company E	Withheld	557	4.76%	5
Company F	Withheld	524	4.48%	6
Company G	Withheld	502	4.29%	7
Company H	Withheld	378	3.23%	8
Company I	Withheld	331	2.83%	9
Company J	Withheld	289	2.47%	10
Total		6,222	53.21%	
All Other Employers		5,472	46.79%	
Total		11,694	100.00%	

		2009		
Employer	Nature of Business	Estimated Number of Employees	Percentage of Total Village Employment	Rank
Company A	Withheld	866	13.00%	1
Company B	Withheld	598	8.97%	2
Company C	Withheld	565	8.48%	3
Company D	Withheld	336	5.04%	4
Company E	Withheld	334	5.01%	5
Company F	Withheld	329	4.94%	6
Company G	Withheld	316	4.74%	7
Company H	Withheld	268	4.02%	8
Company I	Withheld	255	3.83%	9
Company J	Withheld	178	2.67%	10
Total		4,045	60.71%	
All Other Employers		2,618	39.29%	
Total		6,663	100.00%	

Note: Since many companies consider this data confidential, employee counts are estimated and are derived from income tax withholdings.

Source: Village of Obetz Finance Department.

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VILLAGE OF OBETZ, OHIO

EMPLOYEES BY FUNCTION/PROGRAM ⁽¹⁾
LAST TEN YEARS

Function/Program	2018		2017		2016		2015	
	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
General Government								
Council	-	6	-	6	-	6	-	6
Mayor's Office	-	1	-	1	-	1	-	1
Law	-	1	-	1	-	-	1	2
Finance	3	3	3	3	3	3	2	2
Administration	3	3	4	4	5	6	3	3
Lands and Buildings	2	3	3	6	1	2	1	2
Engineer	1	1	1	1	2	2	1	1
Building	2	2	2	2	1	1	1	1
Security of Persons and Property								
Police - Administration	2	2	2	2	2	2	2	2
Police - Officers	19	19	18	18	18	18	16	16
Leisure Time Activity								
Community Center	3	5	1	6	2	6	2	6
Recreation	7	27	5	21	2	15	1	10
Park Maintenance	1	1	1	2	1	2	1	2
Community Development								
Economic Development	1	1	1	1	1	1	1	1
Transportation								
Street Maintenance	10	10	8	8	5	5	4	4
Basic Utility Services								
Utilities Office	2	2	2	2	2	2	1	1
Utilities Service Department	3	3	3	3	3	3	3	3
Total	<u>59</u>	<u>90</u>	<u>54</u>	<u>87</u>	<u>48</u>	<u>75</u>	<u>40</u>	<u>63</u>

⁽¹⁾ Employed as of December 31.

Source: Village Finance Department.

2014		2013		2012		2011		2010		2009	
Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
-	6	-	6	-	6	-	6	-	6	-	6
-	1	1	2	1	2	1	2	1	2	1	2
1	2	1	2	-	1	-	1	-	1	-	1
2	3	2	3	2	2	2	2	2	2	2	2
3	3	3	3	3	4	3	3	3	3	2	2
1	1	1	1	2	2	1	2	2	2	2	2
1	1	1	1	1	1	-	-	-	-	-	-
2	2	-	-	-	-	1	1	1	1	1	1
2	2	2	2	2	2	2	2	2	2	2	2
14	14	14	14	14	14	15	15	16	16	17	17
2	6	2	5	2	6	3	5	2	4	2	4
1	14	1	10	1	6	1	7	2	9	2	3
2	3	2	4	3	4	2	4	2	5	2	3
1	1	-	-	-	-	-	-	-	-	-	-
4	4	3	3	3	3	2	2	2	2	3	3
2	2	2	2	1	1	1	1	1	1	1	1
3	3	3	3	3	3	3	3	4	4	4	4
41	68	38	61	38	57	37	56	40	60	41	53

VILLAGE OF OBETZ, OHIO

**CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2018	2017	2016	2015
General Government				
General government centers	1	1	1	1
Vehicles	9	8	6	6
Security of Persons and Property				
Police stations	1	1	1	1
Vehicles	18	17	16	13
Motorcycles	2	2	2	2
Leisure Time Activity				
Number of parks	12	10	10	7
Parks area (acres)	371	304	287	150
Number of community centers	1	1	1	1
Number of athletic centers	1	1	1	1
Number of playground sites	4	5	5	5
Number of basketball courts	6	4	5	5
Number of football/soccer fields	11	6	4	4
Number of baseball fields	4	4	4	4
Number of tennis courts	1	1	1	1
Number of volleyball courts	-	1	1	1
Number of archery ranges	1	1	1	1
Number of bocce ball courts	2	2	2	2
Number of splash pads/ice rinks	1	1	1	1
Number of shelter houses	6	4	4	4
Number of concession stands	5	3	3	3
Vehicles	3	4	3	3
Public Service Department				
Streets (miles)	34.19	33.38	33.38	32.60
Number of buildings	15	15	7	5
Vehicles	13	13	11	12
Utilities Department				
Water lines (miles)	30.33	29.53	29.28	28.03
Sanitary sewers (miles)	25.70	25.27	24.93	24.10
Electric distribution lines (miles)	15.94	15.94	13.15	10.20
Natural gas lines (miles)	4.85	4.85	4.60	4.21
Number of buildings	3	3	3	3
Vehicles	3	3	3	3

Source: Village of Obetz departments.

2014	2013	2012	2011	2010	2009
1	1	1	1	1	1
5	3	3	3	3	2
1	1	1	1	1	1
11	10	10	10	10	10
2	1	1	1	1	1
7	6	6	6	6	6
136	97	97	97	97	97
1	1	1	1	1	1
1	1	1	1	-	-
5	5	5	5	5	5
5	5	5	5	5	5
3	3	3	3	3	3
4	4	4	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
1	-	-	-	-	-
2	2	2	2	2	2
1	1	-	-	-	-
3	3	3	3	3	3
3	3	3	3	3	3
4	4	4	4	4	4
32.60	32.40	32.20	32.20	32.20	32.20
5	5	4	4	4	4
10	10	10	10	10	10
27.70	27.50	27.20	27.20	27.20	27.20
24.10	23.90	23.90	23.90	23.90	23.70
10.20	9.20	8.88	8.88	8.88	8.88
4.04	3.66	3.66	3.66	3.66	3.66
3	3	3	3	3	3
3	3	3	3	3	3

VILLAGE OF OBETZ, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS⁽¹⁾

Function/Program	2018	2017	2016	2015
General Government				
Number of ordinances passed	62	65	87	93
Number of checks/vouchers issued	4,956	5,093	4,438	4,075
Building Department				
Construction permits issued	190	187	136	137
Estimated value of construction	\$ 39,817,303	\$ 59,840,622	\$ 14,876,540	\$ 70,756,018
Security of Persons & Property				
Police				
Total calls for services	6,531	6,368	5,736	5,454
Traffic violations	1,645	1,347	1,137	2,945
Motor vehicle accidents	175	172	205	186
Total criminal arrests	341	282	283	320
Leisure Time Activity				
Recreation				
Obetz Athletic Club Check-ins	39,766	35,763	47,258	46,469
Obetz Athletic Club Receipts	\$60,412	\$58,877	\$94,138	\$82,758
Baseball/Softball Program Participants	88	76	91	89
Baseball/Softball Program Receipts	\$4,520	\$3,686	\$4,690	\$5,190
Football Program Participants	101	132	106	114
Football Program Receipts	\$8,095	\$10,235	\$7,950	\$10,980
Cheerleading Program Participants	48	55	40	47
Cheerleading Program Receipts	\$4,325	\$3,785	\$3,000	\$2,650
Splash Pad/Ice Rink Receipts ⁽²⁾	\$5,569	\$5,491	\$8,759	-
Community Center				
Meals Served in House	1,342	1,214	1,070	1,826
Meals Delivered to Shut-ins	172	280	426	506
Senior Meal Donations	\$2,149	\$3,045	\$3,451	\$3,959
Senior Transportation Trips - Doctor Appointments/Grocery Shopping	90	85	108	102
Senior Transportation Leisure Trips	10	13	12	14
Community Center Rentals	\$15,200	\$10,031	\$4,757	\$3,735
Dixon Quarry Rentals	\$18,550	\$18,100	\$10,000	-
Utilities Department				
Water				
Average daily gallons sold per consumer	310	277	339	310
Number of customers (per year)	22,309	22,817	21,638	21,240
Average number of customers per month	1,859	1,901	1,803	1,770
Annual water collections	\$1,524,281	\$1,414,882	\$1,361,249	\$1,327,075
Gallons of water treated (thousands of gallons)	243,488	215,349	222,823	231,758
Sewer				
Residential sewer rate (flat monthly rate)	\$23.86	\$23.86	\$23.86	\$23.86
Average number of customers per month	1,759	1,808	1,670	1,766
Refuse				
Refuse collection rate (flat monthly rate)	\$14.77	\$14.77	\$14.77	\$14.77
Average number of customers per month	1,633	1,663	1,670	1,638
Electric				
Commercial electric billings (per year in millions)	\$6.77	\$6.03	\$5.89	\$6.24
Number of customers	94	94	80	71
Gas				
Commercial gas billings (per year in millions)	\$1.35	\$0.83	\$0.75	\$1.00
Number of customers	82	82	73	68

⁽¹⁾ Some information prior to 2011 is unavailable.

⁽²⁾ Splash Pad/Ice Rink Receipts were not tracked separately until 2016

Source: Village of Obetz departments.

2014	2013	2012	2011	2010	2009
76	76	57	58	47	39
4,048	3,944	2,700	2,696	2,301	-
95	124	120	119	143	221
\$ 37,392,735	\$ 37,457,000	\$ 6,155,059	\$ 10,507,606	\$ 5,776,025	\$ 20,802,970
4,797	4,853	5,259	5,020	4,589	-
1,776	1,154	1,112	1,138	1,544	2,623
171	167	149	237	314	294
219	195	247	326	425	688
43,374	50,762	44,945	28,373	-	-
\$97,951	\$122,204	\$99,901	\$58,410	-	-
70	83	87	-	-	-
\$6,285	\$14,559	\$16,785	\$11,925	-	-
128	147	150	130	-	-
\$9,080	\$12,950	\$11,260	\$9,285	-	-
46	49	49	63	-	-
\$3,125	\$3,675	\$5,935	\$4,710	-	-
-	-	-	-	-	-
1,650	1,872	2,100	2,256	-	-
510	460	510	500	-	-
\$4,220	\$5,084	\$5,343	\$5,942	-	-
124	172	209	245	-	-
15	15	14	18	-	-
\$2,723	\$5,597	\$1,836	\$1,665	-	-
-	-	-	-	-	-
261	246	271	238	254	255
20,918	20,860	20,919	20,780	20,632	20,572
1,743	1,738	1,743	1,732	1,719	1,714
\$1,249,781	\$1,191,062	\$1,211,091	\$766,588	\$878,258	\$803,792
166,257	156,332	172,263	150,437	159,260	159,756
\$23.86	\$23.86	\$16.86	\$16.86	\$16.86	\$15.91
1,738	1,734	1,740	1,728	1,716	1,711
\$14.77	\$14.41	\$13.00	\$13.00	\$13.00	\$13.00
1,614	1,607	1,612	1,599	1,581	1,583
\$4.86	\$4.04	\$3.82	\$3.39	\$2.97	\$2.63
66	58	56	55	53	53
\$1.48	\$1.07	\$0.80	\$0.81	\$0.84	\$0.88
70	60	55	54	52	52

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OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF OBETZ

FRANKLIN 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
SEPTEMBER 17, 2019