



OHIO AUDITOR OF STATE  
**KEITH FABER**





**CITY OF DEER PARK  
HAMILTON COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report .....	1
Prepared by Management:	
Management's Discussion and Analysis .....	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position .....	11
Statement of Activities.....	12
Fund Financial Statements:	
Balance Sheet	
Governmental Funds .....	13
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities .....	14
Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds.....	15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	16
Statement of Fund Net Position	
Proprietary Fund.....	17
Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Fund.....	18
Statement of Cash Flows	
Proprietary Fund.....	19
Statement of Fiduciary Net Position	
Fiduciary Fund.....	20
Notes to the Basic Financial Statements.....	21
Required Supplementary Information:	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual General Fund.....	61
Road Levy Fund .....	62
Schedule of the City's Proportionate Share of the Net Pension Liability (Ohio Public Employees Retirement System).....	63

**CITY OF DEER PARK  
HAMILTON COUNTY**

**TABLE OF CONTENTS  
(Continued)**

<b>TITLE</b>	<b>PAGE</b>
Schedule of the City's Proportionate Share of the Net Pension Liability (Ohio Police and Fire Pension Fund) .....	64
Schedule of the City Contributions (Ohio Public Employees Retirement System) .....	65
Schedule of the City Contributions (Ohio Police and Fire Pension Fund) .....	66
Schedule of the City's Proportionate Share of the Net OPEB Liability (Ohio Public Employees Retirement System) .....	67
Schedule of the City's Proportionate Share of the Net OPEB Liability (Ohio Police and Fire Pension Fund) .....	68
Schedule of the City Contributions - OPEB (Ohio Public Employees Retirement System) .....	69
Schedule of the City Contributions - OPEB (Ohio Police and Fire Pension Fund) .....	70
Notes to Required Supplementary Information .....	71
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	73

# OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash  
11117 Kenwood Road  
Blue Ash, Ohio 45242-1817  
(513) 361-8550 or (800) 368-7419  
SouthwestRegion@ohioauditor.gov

## INDEPENDENT AUDITOR'S REPORT

City of Deer Park  
Hamilton County  
7777 Blue Ash Road  
Cincinnati, Ohio 45236

To the Mayor and City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Deer Park, Hamilton County, Ohio, (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for 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 City'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 City'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 City of Deer Park, Hamilton County, Ohio, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 18 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding this matter.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis* and *required budgetary comparison schedules* and schedules of 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.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 3, 2020, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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 City's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State

Columbus, Ohio

August 3, 2020

City of Deer Park  
Hamilton County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2019

---

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Deer Park's *Management's Discussion and Analysis* of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2019.

**FINANCIAL HIGHLIGHTS**

- The City's total net position increased \$1,551,603. Net position of governmental activities increased \$1,560,849, while net position of business-type activities decreased by \$9,246.
- The General Fund reported an increase in fund balance of \$60,503.
- Business-type operations reflected an operating loss of \$9,246.

**USING THIS ANNUAL FINANCIAL REPORT**

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

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

**REPORTING THE CITY AS A WHOLE**

*Government-Wide Financial Statements-  
Statement of Net Position and the Statement of Activities*

The analysis of the City as a whole begins with the Statement of Net Position and the Statement of Activities.

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2019?" The Statement of Net Position and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the change in net position. This change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, nonfinancial information such as changes in the City's tax base, the condition of the City's capital assets and the reputation of the public schools will also need to be evaluated.

City of Deer Park  
Hamilton County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2019

---

In the Statement of Net Position and the Statement of Activities, the City presents both governmental activities and business-type activities and divides the activities between the two.

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

## REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

### *Fund Financial Statements*

Fund financial statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and other funds may be established by the City, with approval of the Council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds include the General Fund and Road Levy Fund.

**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 current sources and uses 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 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 fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation.

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



City of Deer Park  
Hamilton County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2019

**Fiduciary Funds:** The City is the fiscal agent for one agency fund. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

*Notes to the Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the Statement of Net Position, Statement of Activities, and fund financial statements.

**THE CITY AS A WHOLE**

As stated previously, the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2019 compared to 2018.

TABLE 1 - NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Assets</b>						
Current and Other Assets	\$ 4,227,829	\$ 4,088,097	\$ 177,767	\$ 171,711	\$ 4,405,596	\$ 4,259,808
Capital Assets, Net	<u>5,477,080</u>	<u>5,332,296</u>	<u>36,204</u>	<u>40,592</u>	<u>5,513,284</u>	<u>5,372,888</u>
Total Assets	<u>9,704,909</u>	<u>9,420,393</u>	<u>213,971</u>	<u>212,303</u>	<u>9,918,880</u>	<u>9,632,696</u>
Deferred Outflows of Resources	<u>1,409,487</u>	<u>830,588</u>	<u>23,662</u>	<u>11,635</u>	<u>1,433,149</u>	<u>842,223</u>
<b>Liabilities</b>						
Current and Other Liabilities	157,381	292,213	33,472	34,138	190,853	326,351
Long-Term Liabilities	<u>6,717,531</u>	<u>7,025,433</u>	<u>97,644</u>	<u>63,188</u>	<u>6,815,175</u>	<u>7,088,621</u>
Total Liabilities	<u>6,874,912</u>	<u>7,317,646</u>	<u>131,116</u>	<u>97,326</u>	<u>7,006,028</u>	<u>7,414,972</u>
Deferred Inflows of Resources	<u>1,371,758</u>	<u>1,626,458</u>	<u>2,567</u>	<u>13,416</u>	<u>1,374,325</u>	<u>1,639,874</u>
<b>Net Position</b>						
Net Investment in Capital						
Assets	4,099,697	3,911,781	36,204	40,592	4,135,901	3,952,373
Restricted	970,151	817,315	-	-	970,151	817,315
Unrestricted	<u>(2,202,122)</u>	<u>(3,422,219)</u>	<u>67,746</u>	<u>72,604</u>	<u>(2,134,376)</u>	<u>(3,349,615)</u>
Total Net Position	<u>\$ 2,867,726</u>	<u>\$ 1,306,877</u>	<u>\$ 103,950</u>	<u>\$ 113,196</u>	<u>\$ 2,971,676</u>	<u>\$ 1,420,073</u>

City of Deer Park  
Hamilton County, Ohio  
Management's Discussion and Analysis  
*(Unaudited)*  
For the Year Ended December 31, 2019

---

Total net position, of the City as a whole, increased \$1,551,603. Net position of the City's governmental activities increased \$1,560,849 and the net position of the City's business-type activities decreased \$9,246. The City had a deficit unrestricted net position balance of \$2,134,376 which was the result of the City recording its share of the net pension and OPEB liabilities as required by GASB's 68 and 75. Current and other assets stayed relatively comparable from 2018 to 2019 due to stable property and income taxes receivable as well as intergovernmental receivables due to the City. Capital Assets, Net, increased in 2019 as the City completed the O'Leary Avenue project in 2019 and continued to work on other roadway projects including improvements to Blue Ash and Clifford Roads.

**Governmental Activities**

Property taxes and the 1.5% income tax are the largest sources of revenue for the City. Revenues generated by these taxes represent approximately 78% of the City's governmental activities general revenues. The balance of general revenues is mostly comprised of other intergovernmental revenue sources such as the State of Ohio's Local Government Fund distribution and other taxes collected by the State and distributed to the City.

City of Deer Park  
Hamilton County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2019

The change in net position for 2019 and 2018 is outlined in Table 2.

TABLE 2 - CHANGES IN NET POSTION

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Charges for Services	\$ 208,619	\$ 265,991	\$ 433,679	\$ 473,974	\$ 642,298	\$ 739,965
Operating Grants and Contributions	69,866	45,620	-	-	69,866	45,620
Capital Grants and Contributions	301,510	575,438	-	-	301,510	575,438
Total Program Revenues	579,995	887,049	433,679	473,974	1,013,674	1,361,023
General Revenues						
Income Taxes	1,345,957	1,267,220	-	-	1,345,957	1,267,220
Property Taxes	1,173,080	1,167,630	-	-	1,173,080	1,167,630
Unrestricted Contributions	671,674	572,568	-	-	671,674	572,568
Investment Earnings	41,932	33,628	-	-	41,932	33,628
Total General Revenues	3,232,643	3,041,046	-	-	3,232,643	3,041,046
Total Revenues	3,812,638	3,928,095	433,679	473,974	4,246,317	4,402,069
Program Expenses						
General Government	1,311,010	1,182,833	-	-	1,311,010	1,182,833
Public Safety	142,057	1,528,500	-	-	142,057	1,528,500
Public Works	564,733	545,685	-	-	564,733	545,685
Leisure Time Activities	128,978	108,555	-	-	128,978	108,555
Community Development	13,945	13,554	-	-	13,945	13,554
Interest and Fiscal Charges	91,066	82,190	-	-	91,066	82,190
Waste Collection and Disposal	-	-	442,925	441,863	442,925	441,863
Total Expenses	2,251,789	3,461,317	442,925	441,863	2,694,714	3,903,180
Increase in Net Position	1,560,849	466,778	(9,246)	32,111	1,551,603	498,889
Net Position Beginning of Year	1,306,877	840,099	113,196	81,085	1,420,073	921,184
Net Position End of Year	\$ 2,867,726	\$ 1,306,877	\$ 103,950	\$ 113,196	\$ 2,971,676	\$ 1,420,073

When looking at the sources of income to support operations, it should be noted that charges for services are only 5% of revenue, while 66% of revenue is derived from income and property taxes. The City substantially relies on these taxes to fund the services it provides to businesses and citizens.

Capital grants and contributions were significant in 2019, although decreased from 2018 levels, as several roadway improvements (Blue Ash Road and O'Leary Avenue) were ongoing in both years and were significantly funded in part, through capital grants.

City of Deer Park  
Hamilton County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2019

---

Public safety expense decreased significantly in 2019 compared to 2018 primarily related to negative OPEB expense recognized that was related to the Ohio Police and Fire Pension Fund. See Note 10 for more information.

**Business-Type Activities**

The City's business-type activity includes waste collection and disposal. This program had operating revenues of \$433,679 and operating expenses of \$442,928 for 2019. Business activities receive no support from tax revenues. The business activities net position at the end of the year was \$103,950 which decreased \$9,246 during 2019 as charges for services were slightly outpaced by operating expenses. The City had one business-type (enterprise) fund that was a major fund – the Waste Collection and Disposal fund.

**THE CITY'S FUNDS**

Information about the City's major governmental funds begins with the Balance Sheet – Governmental Funds and Statement of Revenues Expenditures and Changes in Fund Balances – Governmental Funds. These funds are reported using the modified accrual basis of accounting.

All governmental funds had revenues of \$3,767,850 and expenditures of \$3,519,774.

Total fund balance increased for 2019 compared to 2018 by \$248,076 as a result of the City's continuing efforts to maintain structurally balanced budgets across all funds.

The City has two major governmental funds – the General Fund and Road Levy Fund. Assets of the two major funds comprised 83% of governmental fund total assets.

*Budgetary Activity and Actual Results*

The City adopts annual appropriated budgets for its funds. The schedule comparing the City's original and final budget and actual results is included in the Required Supplementary Information for the General Fund and the Road Levy Fund.

During 2019, there were no major revisions to the General fund budget. Actual revenues were 5% over the final budget and actual expenditures plus encumbrances were 4% under final budget amounts.

City of Deer Park  
Hamilton County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2019

---

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*Capital Assets*

TABLE 3 - Net Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 286,445	\$ 286,445	\$ -	\$ -	\$ 286,445	\$ 286,445
Buildings and Improvements	1,661,055	1,729,253	-	-	1,661,055	1,729,253
Equipment	250,777	296,555	36,204	40,592	286,981	337,147
Infrastructure	2,438,171	1,904,183	-	-	2,438,171	1,904,183
Construction in process	840,632	1,115,860	-	-	840,632	1,115,860
<b>Total Net Capital Assets</b>	<b>\$ 5,477,080</b>	<b>\$ 5,332,296</b>	<b>\$ 36,204</b>	<b>\$ 40,592</b>	<b>\$ 5,513,284</b>	<b>\$ 5,372,888</b>

Additional information regarding capital assets can be found in the Notes to the Basic Financial Statements.

*Debt*

At December 31, 2019, the City had \$1,418,149 in un-voted general obligation bonds.

Table 4 - Outstanding Debt at Year End

	2019	2018
Governmental Activities		
Current Interest Bonds		
Municipal Building	\$ 1,345,000	\$ 1,345,000
Capital Appreciation Bonds		
Municipal Building	73,149	120,000
<b>Total Debt</b>	<b>\$ 1,418,149</b>	<b>\$ 1,465,000</b>

Additional information regarding debt can be found in the Notes to the Basic Financial Statements.

City of Deer Park  
Hamilton County, Ohio  
Management's Discussion and Analysis  
*(Unaudited)*  
For the Year Ended December 31, 2019

---

**FINANCIAL POSITION**

The City continues to seek ways to improve the quality and quantity of services we provide to our residents. Furthermore, we are committed to providing our residents with full disclosure of the financial position of the City.

While we are currently in stable financial condition, we are not immune to the tough economic conditions that are facing our economy as a whole. We are carefully watching the activity in the General and Waste Collection Funds and will take actions necessary to keep our funds, and City as a whole, on stable financial ground.

**CONTACTING THE CITY'S FINANCE DEPARTMENT**

This financial report is designed to provide our residents, taxpayers, creditors and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the City of Deer Park, 7777 Blue Ash Road, Deer Park, Ohio 45236.

City of Deer Park  
Hamilton County, Ohio  
Statement of Net Position  
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 2,234,624	\$ 142,687	\$ 2,377,311
Receivables (net of allowance for doubtful accounts)			
Taxes-Real & Personal Property	1,179,367	-	1,179,367
Taxes-Income	505,000	-	505,000
Accounts	19,431	35,080	54,511
Intergovernmental	289,407	-	289,407
Nondepreciable Capital Assets	1,127,077	-	1,127,077
Depreciable Capital Assets, Net	4,350,003	36,204	4,386,207
<b>Total Assets</b>	<b>9,704,909</b>	<b>213,971</b>	<b>9,918,880</b>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding	108,815	-	108,815
Pension	1,084,273	21,031	1,105,304
OPEB	216,399	2,631	219,030
<b>Total Deferred Outflows of Resources</b>	<b>1,409,487</b>	<b>23,662</b>	<b>1,433,149</b>
<b>Liabilities</b>			
Accounts Payable	27,229	32,119	59,348
Accrued Wages and Benefits	97,621	1,353	98,974
Accrued Interest Payable	32,531	-	32,531
Long-Term Liabilities Due Within One Year	267,648	-	267,648
Long-Term Liabilities Due in More Than One Year	6,449,883	97,644	6,547,527
<b>Total Liabilities</b>	<b>6,874,912</b>	<b>131,116</b>	<b>7,006,028</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for Next Year	1,129,000	-	1,129,000
Pension	91,325	1,699	93,024
OPEB	151,433	868	152,301
<b>Total Deferred Inflows of Resources</b>	<b>1,371,758</b>	<b>2,567</b>	<b>1,374,325</b>
<b>Net Position</b>			
Net Investment in Capital Assets	4,099,697	36,204	4,135,901
Restricted for			
Public Safety	61,305	-	61,305
Roads	854,602	-	854,602
Recycling	20,132	-	20,132
Storm Water	26,177	-	26,177
Culture and Recreation	7,935	-	7,935
Unrestricted	(2,202,122)	67,746	(2,134,376)
<b>Total Net Position</b>	<b>\$ 2,867,726</b>	<b>\$ 103,950</b>	<b>\$ 2,971,676</b>

See accompanying notes to the basic financial statements

City of Deer Park  
Hamilton County, Ohio  
Statement of Activities  
For the Year Ended December 31, 2019

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Reporting Entity Total
<b>Governmental Activities:</b>							
General Government	\$ 1,311,010	\$ 166,700	\$ -	\$ -	\$ (1,144,310)	\$ -	\$ (1,144,310)
Public Safety	142,057	41,919	13,327	-	(86,811)	-	(86,811)
Leisure Time Activities	128,978	-	56,539	-	(72,439)	-	(72,439)
Community Development	13,945	-	-	-	(13,945)	-	(13,945)
Public Works	564,733	-	-	301,510	(263,223)	-	(263,223)
Interest and Fiscal Charges	91,066	-	-	-	(91,066)	-	(91,066)
<b>Total Governmental Activities</b>	<b>2,251,789</b>	<b>208,619</b>	<b>69,866</b>	<b>301,510</b>	<b>(1,671,794)</b>	<b>-</b>	<b>(1,671,794)</b>
<b>Business Type Activities:</b>							
Waste Collection and Disposal	442,925	433,679	-	-	-	(9,246)	(9,246)
<b>Totals</b>	<b>\$ 2,694,714</b>	<b>\$ 642,298</b>	<b>\$ 69,866</b>	<b>\$ 301,510</b>	<b>\$ (1,671,794)</b>	<b>\$ (9,246)</b>	<b>\$ (1,681,040)</b>

<b>General Revenues</b>			
Income Taxes	\$ 1,345,957	\$ -	\$ 1,345,957
<b>Property Taxes Levied for:</b>			
General Purposes	936,851	-	936,851
Public Works	211,257	-	211,257
Public Safety	24,972	-	24,972
Unrestricted Contributions	671,674	-	671,674
Investment Earnings	41,932	-	41,932
<b>Total General Revenues</b>	<b>3,232,643</b>	<b>-</b>	<b>3,232,643</b>
<b>Change in Net Position</b>	<b>1,560,849</b>	<b>(9,246)</b>	<b>1,551,603</b>
<b>Net Position Beginning of Year</b>	<b>1,306,877</b>	<b>113,196</b>	<b>1,420,073</b>
<b>Net Position End of Year</b>	<b>\$ 2,867,726</b>	<b>\$ 103,950</b>	<b>\$ 2,971,676</b>

See accompanying notes to the basic financial statements



City of Deer Park  
Hamilton County, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2019

	General Fund	Road Levy Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 1,349,739	\$ 364,981	\$ 519,904	\$ 2,234,624
<b>Receivables:</b>				
Due From Other Funds	82,380	-	-	82,380
Taxes - Property	945,165	209,122	25,080	1,179,367
Taxes - Income	505,000	-	-	505,000
Accounts	19,431	-	-	19,431
Intergovernmental	95,151	2,500	191,756	289,407
<b>Total Assets</b>	<b>\$ 2,996,866</b>	<b>\$ 576,603</b>	<b>\$ 736,740</b>	<b>\$ 4,310,209</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Due to Other Funds	\$ -	\$ -	82,380	\$ 82,380
Accounts Payable	19,328	-	7,901	27,229
Accrued Wages and Benefits	90,932	-	6,689	97,621
<b>Total Liabilities</b>	<b>110,260</b>	<b>-</b>	<b>96,970</b>	<b>207,230</b>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for Next Year	905,000	200,000	24,000	1,129,000
Unavailable Property Taxes	40,165	9,122	1,080	50,367
Unavailable Income Taxes	369,000	-	-	369,000
Unavailable Intergovernmental Revenue and Other	85,681	2,500	125,400	213,581
<b>Total Deferred Inflows of Resources</b>	<b>1,399,846</b>	<b>211,622</b>	<b>150,480</b>	<b>1,761,948</b>
<b>Fund Balances</b>				
Nonspendable	82,380	-	-	82,380
Public Safety	-	-	58,725	58,725
Roads	-	364,981	354,099	719,080
Recycling	-	-	20,132	20,132
Recreation	-	-	7,935	7,935
Storm Water	-	-	26,177	26,177
Committed:				
Recreation	-	-	63,701	63,701
Assigned:				
General Government	231,948	-	-	231,948
Unassigned	1,172,432	-	(41,479)	1,130,953
<b>Total Fund Balances</b>	<b>1,486,760</b>	<b>364,981</b>	<b>489,290</b>	<b>2,341,031</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,996,866</b>	<b>\$ 576,603</b>	<b>\$ 736,740</b>	<b>\$ 4,310,209</b>

See accompanying notes to the basic financial statements

City of Deer Park  
Hamilton County, Ohio  
Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
December 31, 2019

Total Governmental Fund Balances		\$ 2,341,031
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:</p>		
Land	286,445	
Construction in Progress	840,632	
Other Capital Assets	6,693,405	
Accumulated depreciation	<u>(2,343,402)</u>	
		5,477,080
<p>Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows in the funds.</p>		
Income Taxes	369,000	
Delinquent Property Taxes	50,367	
Intergovernmental and Other Revenues	<u>213,581</u>	
		632,948
<p>In the statement of net position interest payable is accrued when incurred whereas in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.</p>		
Accrued Interest Payable	(32,531)	
Accreted Interest	<u>(181,490)</u>	
		(214,021)
<p>Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in the governmental funds.</p>		
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:</p>		
Due to Other Governments	(30,728)	
Long-Term Note Payable	(68,049)	
Bonds	(1,418,149)	
Compensated Absences	(122,618)	
Premium on Bonds	<u>(134,661)</u>	
		(1,774,205)
<p>The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the governmental funds:</p>		
Deferred Outflows - Pension	1,084,273	
Deferred Outflows - OPEB	216,399	
Deferred Inflows - Pension	(91,325)	
Deferred Inflows - OPEB	(151,433)	
Net Pension Liability	(3,893,164)	
Net OPEB Liability	<u>(868,672)</u>	
		(3,703,922)
<p>Deferred charges on debt refundings are expensed in the fund level financial statements but are accrued and amortized over the life of the bonds in the government-wide financial statements.</p>		
		<u>108,815</u>
Net Position of Governmental Activities		<u>\$ 2,867,726</u>

See accompanying notes to the basic financial statements

City of Deer Park  
Hamilton County, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2019

	General Fund	Road Levy Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$ 2,274,808	\$ 211,257	\$ 24,972	\$ 2,511,037
Charges for Services	123,565	-	2,075	125,640
Contributions and Donations	-	-	14,701	14,701
Fines, Licenses & Permits	78,431	-	4,510	82,941
Investment Earnings	41,607	-	325	41,932
Intergovernmental	247,400	4,925	684,109	936,434
Other Revenues	-	-	55,165	55,165
<b>Total Revenues</b>	<b>2,765,811</b>	<b>216,182</b>	<b>785,857</b>	<b>3,767,850</b>
<b>Expenditures</b>				
<b>Current:</b>				
General Government	1,114,359	-	-	1,114,359
Public Safety	1,292,847	-	1,482	1,294,329
Leisure Time Activities	57,129	-	47,622	104,751
Community Development	5,256	-	8,689	13,945
Transportation and Street Repair	34,690	2,794	356,679	394,163
Capital Outlay	490	-	397,200	397,690
Debt Service				
Principal Retirement	7,162	-	150,000	157,162
Interest and Fiscal Charges	-	-	43,375	43,375
<b>Total Expenditures</b>	<b>2,511,933</b>	<b>2,794</b>	<b>1,005,047</b>	<b>3,519,774</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	253,878	213,388	(219,190)	248,076
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	320,198	320,198
Transfers Out	(193,375)	(70,000)	(56,823)	(320,198)
<b>Total Other Financing Sources (Uses)</b>	<b>(193,375)</b>	<b>(70,000)</b>	<b>263,375</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>60,503</b>	<b>143,388</b>	<b>44,185</b>	<b>248,076</b>
Fund Balances at Beginning of Year	1,426,257	221,593	445,105	2,092,955
<b>Fund Balances at End of Year</b>	<b>\$ 1,486,760</b>	<b>\$ 364,981</b>	<b>\$ 489,290</b>	<b>\$ 2,341,031</b>

See accompanying notes to the basic financial statements

City of Deer Park  
Hamilton County, 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, 2019

Net Change in Fund Balances - Total Governmental Funds		\$ 248,076
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in the governmental funds. 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 exceeded depreciation expense in the current period.		
	144,784	
Because some revenues will not be collected for several months after the City's year-end, they are not considered "available" revenues and are reported as deferred inflows in the governmental funds.		
Income Taxes	8,000	
Intergovernmental and Other Revenues	36,788	44,788
Governmental funds report premiums, discounts, and bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the statement of activities.		
Amortization of Deferred Charge on Refunding	(10,881)	
Amortization of Bond Premiums	14,493	3,612
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Payments on Obligation to Other Governments	7,679	
Payments on OPWC Note Payable	7,162	
Accreted Interest Retirement	103,149	
Bond Principal Retirement	46,851	164,841
In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.		
		(51,303)
Compensated absences reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		1,177
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	248,197	
OPEB	4,069	252,266
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as expense in the statement of activities.		
Pension	(633,740)	
OPEB	1,386,348	752,608
Change in Net Position of Governmental Activities		\$ 1,560,849

See accompanying notes to the basic financial statements

City of Deer Park  
Hamilton County, Ohio  
Statement of Net Position - Proprietary Fund  
December 31, 2019

	Waste Collection and Disposal
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 142,687
Receivables:	
Accounts	35,080
Total Current Assets	177,767
Depreciable Capital Assets, Net	36,204
Total Assets	213,971
Deferred Outflows of Resources:	
Pension	21,031
OPEB	2,631
Total Deferred Outflows of Resources	23,662
Liabilities	
Accounts Payable	32,119
Accrued Wages and Benefits	1,353
Long-Term Liabilities Due Over 1 year	97,644
Total Liabilities	131,116
Deferred Inflows of Resources:	
Pension	1,699
OPEB	868
Total Deferred Inflows of Resources	2,567
Net Position	
Net Investment in Capital Assets	36,204
Unrestricted	67,746
Total Net Position	\$ 103,950

See accompanying notes to the basic financial statements

City of Deer Park  
Hamilton County, Ohio  
Statement of Revenues,  
Expenses and Changes in Fund Net Position - Proprietary Fund  
For the Year Ended December 31, 2019

	Waste Collection and Disposal
Operating Revenues	
Charges for Services	\$ 433,679
Total Operating Revenues	433,679
Operating Expenses	
Contractual Services	438,537
Depreciation	4,388
Total Operating Expenses	442,925
Change in Net Position	(9,246)
Net Position Beginning of Year, Restated	113,196
Net Position End of Year	\$ 103,950

See accompanying notes to the basic financial statements

City of Deer Park  
Hamilton County, Ohio  
Statement of Cash Flows - Proprietary Fund  
For the Year Ended December 31, 2019

	Waste Collection and Disposal
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 434,677
Payments to Employees	(21,136)
Payments to Suppliers	(406,487)
	7,054
Net Cash Provided by Operating Activities	7,054
Net Change in Cash and Cash Equivalents	7,054
Cash and Cash Equivalents Beginning of Year	135,633
Cash and Cash Equivalents End of Year	\$ 142,687
Reconciliation of Operating Income to Net Cash	
Used by Operating Activities	
Operating Income	\$ (9,246)
Adjustments to Reconcile Operating Income to Net Cash	
Used by Operating Activities:	
Depreciation	4,388
Increase in Accounts Receivable	998
Decrease in Deferred Outflows - Pension	(11,126)
Increase in Deferred Outflows - OPEB	(901)
Increase in Accrued Liabilities	(666)
Increase in Deferred Inflows - Pension	(8,453)
Increase in Deferred Inflows - OPEB	(2,396)
Decrease in Net Pension Liability	29,033
Decrease in Net OPEB Liability	5,423
	5,423
Net Cash Provided by Operating Activities	\$ 7,054

See accompanying notes to the basic financial statements

City of Deer Park  
Hamilton County, Ohio  
Statement of Fiduciary Net Position - Fiduciary Fund  
December 31, 2019

	<u>Agency</u>
Assets	
Equity Pooled in Cash and Cash Equivalents	<u>\$ 4,975</u>
Total Assets	<u><u>\$ 4,975</u></u>
Liabilities	
Due to Other Governments	<u>\$ 4,975</u>
Total Liabilities	<u><u>\$ 4,975</u></u>

See accompanying notes to the basic financial statements



City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

**Note 1 - Description of the City and Reporting Entity**

The City of Deer Park, Ohio (the “City”) was incorporated in 1912, and became a city in 1952. The City is a municipal corporation created under the laws of the State of Ohio. The City operates under a Council-Manager form of government.

***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this includes; public services, public safety, recreation and development. The City operates under a seven member council and has direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. The City has one blended component unit – The Park Board. The Park Board is a legally separate, non-profit organization that serves as an agent for the City’s parks. The City’s mayor appoints the five members of the Park Board. The Park Board is presented in the other governmental funds column of the modified accrual financial statements.

The City participates in a jointly governed organization which is defined as a joint venture. A joint venture is a legal entity or other organization that results from a contractual agreement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain: (a) an ongoing financial interest or (b) an ongoing responsibility.

**Note 2 - Summary of Significant Accounting Policies**

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

***A. Basis of Presentation***

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

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

***Government-Wide Financial Statements***

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for the fiduciary fund. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. The effect of interfund activity has been removed from these statements; however, any effects from interfund services provided and used are not eliminated in the process of consolidation.

The statement of net position presents the financial condition of the governmental activities and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities. 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 or grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

***Fund Financial Statements***

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental 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.

***B. Fund Accounting***

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

***Governmental Funds***

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

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

***General Fund***

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

***Road Levy Fund***

The road levy fund accounts for financial resources received from the City's road levy and expended for roadway maintenance and improvements.

***Proprietary Funds***

Proprietary fund reporting focuses on changes in net position, financial position and cash flows.

Proprietary funds are classified as either enterprise or internal service. The City does not have an Internal service fund.

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 is the City's major enterprise fund:

***Waste Collection and Disposal Fund***

This fund accounts for the collection and disposal of waste to the residents and commercial users located within the City.

***Fiduciary Funds***

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. The City has one Agency fund - a Mayor's Court Agency fund (to account for amounts held on behalf of other governments and bonds deposited with the court pending final disposition of various causes). Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City currently has no trust funds.

***C. Measurement Focus***

***Government-Wide Financial Statements***

The government-wide financial statements are prepared using the *economic resources measurement focus*. All assets and all liabilities (and deferred outflows and inflows of resources) associated with the operation of the City are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

***Fund Financial Statements***

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

***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.

***Revenues - Exchange and Non-exchange Transactions***

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

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

***Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the City, these revenues are charges for services for waste services. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

***Deferred outflows/inflows of resources***

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in the pension and OPEB footnotes.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance fiscal year 2020 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes delinquent property taxes, other taxes, special assessments and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balance to net position of governmental activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position.

***Expenses/Expenditures***

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

***E. Equity in Pooled Cash, Cash Equivalents and Investments***

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash, Cash Equivalents and Investments" on the statement of net position and the governmental fund balance sheet. For purposes of the statement of cash flows and for presentation on the statement of net position/balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

Interest is distributed according to Ohio statutes. Interest revenue credited to the general fund during 2019 amounted to \$41,607.

***F. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2019, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

***G. Capital Assets***

Capital assets generally result from expenditures in the governmental funds. These assets are reported in the statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of one thousand dollars. The City's infrastructure consists of curbs, sidewalks, storm sewers and streets. The City is not required to report infrastructure before December 31, 2003 since it is considered a Phase 3 Government. 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.

Capital assets utilized by the proprietary fund are reported both in the business-type column of the government-wide statement of net position and in the respective proprietary fund.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure are estimated based on the City's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20 years
Buildings and Improvements	40 years
Infrastructure	20 to 35 years
Machinery and Equipment	5 to 20 years

***H. Compensated Absences***

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

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

For governmental funds, the current portion of unpaid compensated absences is the amount normally due for payment during the current year.

The entire compensated absence liability is reported on the government-wide statement of net position.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

***I. 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.

***J. Accrued Liabilities and Long-Term Obligations***

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

***K. Classification of Fund Balance***

In accordance with GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," the City's fund balance is divided into five classifications based primarily on the extent to which the City must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable - The City classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

Committed - The City's Council can *commit* amounts via formal action (resolution). The City must adhere to these commitments unless the City's Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by the City's Council or by State Statute.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

***L. Net Position***

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

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

***M. Interfund Activity***

During the course of normal operations, the City has numerous transactions between funds. Interfund transactions are generally classified as follows:

- Transfers are reported as “Other Financing Sources and Uses” in the governmental funds, as “Transfers In” by the recipient fund and “Transfers Out” by the disbursing fund on the fund financial statements. These transfers are consolidated on the government-wide statements.
- Long-term interfund loans are classified as “Due to/From Other Funds” and are equally offset by a nonspendable fund balance account which indicates that they do not constitute available expendable resources. These amounts are eliminated in the governmental activities columns of the statement of net position.

Transactions that would be treated as revenues and expenditures if the transactions involved organizations external to the City are similarly treated when involving other funds of the City.

***N. Estimates***

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



City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

**Note 3 - Deposits and Investments**

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

Active deposits are public deposits determined to be necessary to meet current demands upon the City's Treasury. Active monies must be maintained either as cash in the City's 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 the City has identified as not required for use within the current two year period of designation of depositories. Inactive deposits may be deposited or invested only as certificates of deposit maturing no 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 needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

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

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

The carrying amount of the City's cash and investments totaled \$2,377,311 at December 31, 2019 as summarized below:

Deposits With Financial Institutions	\$ 844,799
STAROhio	<u>1,532,512</u>
Total Cash and Investments	<u>\$ 2,377,311</u>

### ***Deposits***

Custodial credit risk is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$628,707 of the City's bank balance of \$878,707 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all statutory requirements for the deposit of money have been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the Federal Deposit Insurance Corporation.

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

- Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least one hundred five percent of the deposits being secured; or
- Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

### ***Investments***

As of December 31, 2019, the City had \$1,532,512 invested in STAROhio. STAROhio investments mature in 12 months or less.

*Interest Rate Risk:* The City does not have an investment policy other than State statute. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and that investment must be purchased with the expectation that it will be held to maturity.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

*Credit Risk:* The City's investment in STAROhio was rated AAA by Standard & Poor's and Moody's Investor Services. State statute only addresses credit risk by limiting the investments that may be purchased to those offered by specifically identified issuers.

*Concentration of Credit Risk:* The City places no limit on the amount it may be invested in any one issuer. Of the City's total investments, 100% is in STAROhio.

**Note 4 - Receivables**

Receivables at December 31, 2019 consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and accounts receivable.

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

***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the City. Real property taxes collected in 2019 were levied after October 1, 2018, on the assessed value as of January 1, 2018, the lien date. Assessed values are established by State law at 35% of appraised market value.

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

The assessed values of real and personal property upon which 2019 property tax receipts were based are as follows:

Real Property – Residential & Agricultural	\$ 86,622,670
Real Property – Commercial, Industrial & Other	14,844,100
Public Utility (Personal Property)	<u>7,431,420</u>
Total Valuation	<u>\$ 108,898,190</u>

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

The County Treasurer collects property taxes on behalf of all taxing Districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represents real and public utility taxes and outstanding delinquencies which are measurable as of December 31, 2019 and for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, they were not levied to finance 2019 operations. The receivable is therefore offset by deferred inflows of resources.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

**Note 5 – Income Taxes**

The City levies a 1.5% income tax on wages, salaries, commissions and other compensation in addition to net profits of business activity. The tax applies to all income earned within the City plus income earned by residents who earned income outside the City.

Employers within the City withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly based on an annual declaration and file an annual tax return.

**Note 6 - Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City carries commercial general liability insurance against risks and all other risks of loss, including workers' compensation and employee health and accident insurance. More information about the City's partially self-insured health program is detailed in Note 15. For 2019, 2018 and 2017 settlement amounts did not exceed insurance coverage limits.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

**Note 7 - Capital Assets**

Capital asset activity for the year ended December 31, 2019 was as follows:

	Balance 1/1/2019	Additions	Deductions	Balance 12/31/2019
Governmental Activities				
Capital Assets, not Being Depreciated:				
Land	\$ 286,445	\$ -	\$ -	\$ 286,445
Construction in Progress	1,115,860	151,237	426,465	840,632
	<u>1,402,305</u>	<u>151,237</u>	<u>426,465</u>	<u>1,127,077</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	2,718,888	-	-	2,718,888
Machinery and Equipment	837,418	14,345	572	851,191
Infrastructure	2,497,681	625,645	-	3,123,326
	<u>6,053,987</u>	<u>639,990</u>	<u>572</u>	<u>6,693,405</u>
Total Assets at Historical Cost	<u>7,456,292</u>	<u>791,227</u>	<u>427,037</u>	<u>7,820,482</u>
Less Accumulated Depreciation:				
Buildings and Improvements	989,635	68,198	-	1,057,833
Machinery and Equipment	540,863	60,123	572	600,414
Infrastructure	593,498	91,657	-	685,155
	<u>2,123,996</u>	<u>219,978</u>	<u>572</u>	<u>2,343,402</u>
Governmental Activities Capital Assets, Net	<u>\$ 5,332,296</u>	<u>\$ 571,249</u>	<u>\$ 426,465</u>	<u>\$ 5,477,080</u>
Business-Type Activities				
Capital Assets, being depreciated:				
Machinery and Equipment	\$ 152,950	\$ -	\$ -	\$ 152,950
Total Assets at Historical Cost	<u>152,950</u>	<u>-</u>	<u>-</u>	<u>152,950</u>
Less Accumulated Depreciation:				
Machinery and Equipment	112,358	4,388	-	116,746
Total Accumulated Depreciation	<u>112,358</u>	<u>4,388</u>	<u>-</u>	<u>116,746</u>
Business-Type Activities Capital Assets, Net	<u>\$ 40,592</u>	<u>\$ (4,388)</u>	<u>\$ -</u>	<u>\$ 36,204</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 75,374
Public Safety	30,373
Leisure Time Activities	6,258
Public Works	107,973
	<u>\$ 219,978</u>

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

**Note 8 - Long-Term Obligations**

A schedule of changes in bonds and other long-term obligations of the City during 2019 follows:

	Amount Outstanding 1/1/2019	Additions	Deletions	Amount Outstanding 12/31/2019	Amounts Due in One Year
Governmental Activities					
Unvoted General Obligation Bonds					
Current Interest Bonds					
Interest Varies from 2.00%					
Municipal Building	\$ 1,345,000	\$ -	\$ -	\$ 1,345,000	\$ -
Interest Varies from 2.90%					
Municipal Building	120,000	-	46,851	73,149	39,629
Premium	149,154	-	14,493	134,661	-
Total Long-Term Bond - Principal	<u>1,614,154</u>	<u>-</u>	<u>61,344</u>	<u>1,552,810</u>	<u>39,629</u>
Accreted Interest	<u>233,336</u>	<u>51,303</u>	<u>103,149</u>	<u>181,490</u>	<u>110,371</u>
Accreted Interest and Total					
Long-Term Bonds - Principal	1,847,490	51,303	164,493	1,734,300	150,000
Other Long-Term Obligations					
Due to Other Governments	38,407	-	7,679	30,728	7,679
OPWC Note Payable	75,211	-	7,162	68,049	7,162
Compensated Absences	123,795	91,207	92,384	122,618	102,807
Net Pension Liability:					
OPERS	722,752	581,971	-	1,304,723	-
OP&F	1,948,148	640,293	-	2,588,441	-
Total Net Pension Liability:	<u>2,670,900</u>	<u>1,222,264</u>	<u>-</u>	<u>3,893,164</u>	<u>-</u>
Net OPEB Liability:					
OPERS	471,175	108,721	-	579,896	-
OP&F	1,798,455	-	1,509,679	288,776	-
Total Net OPEB Liability:	<u>2,269,630</u>	<u>108,721</u>	<u>1,509,679</u>	<u>868,672</u>	<u>-</u>
Total Other Long-Term Obligations	<u>5,177,943</u>	<u>1,422,192</u>	<u>1,616,904</u>	<u>4,983,231</u>	<u>117,648</u>
Total Governmental Activities	<u>\$ 7,025,433</u>	<u>\$ 1,473,495</u>	<u>\$ 1,781,397</u>	<u>\$ 6,717,531</u>	<u>\$ 267,648</u>
Business-Type Activities					
Other Long-Term Obligations					
Net Pension Liability:					
OPERS	\$ 39,682	\$ 29,033	\$ -	\$ 68,715	\$ -
Net OPEB Liability:					
OPERS	23,506	5,423	-	28,929	-
Total Business-Type Activities	<u>\$ 63,188</u>	<u>\$ 34,456</u>	<u>\$ -</u>	<u>\$ 97,644</u>	<u>\$ -</u>

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

The intergovernmental note is to an adjoining City in conjunction with a fire hydrant replacement program. Under the agreement, The City of Deer Park must make annual payments of \$7,679 through 2023.

The note payable to the Ohio Public Works Commission is due in semi-annual installments of \$3,581. The terms of the note agreement state that it is interest free. The note is due in January 2029.

Compensated absences will be paid from the fund from which the person is paid. Historically, this is the General Fund.

Principal and interest requirements to retire the long-term debt obligations at December 31, 2019, are as follows:

Year Ending December 31	Bonds - 2012		Capital Appreciation Bonds - 2012	
	Principal	Interest	Principal	Interest
2020	\$ -	\$ 43,375	\$ 39,629	\$ 110,371
2021	-	43,375	33,520	116,480
2022	155,000	43,375	-	-
2023	155,000	38,725	-	-
2024	160,000	34,075	-	-
2025-2029	875,000	91,353	-	-
<b>Total</b>	<b>\$ 1,345,000</b>	<b>\$ 294,278</b>	<b>\$ 73,149</b>	<b>\$ 226,851</b>

Year Ending December 31	Total	
	Principal	Interest
2020	\$ 39,629	\$ 153,746
2021	33,520	159,855
2022	155,000	43,375
2023	155,000	38,725
2024	160,000	34,075
2025-2029	875,000	91,353
<b>Total</b>	<b>\$ 1,418,149</b>	<b>\$ 521,129</b>

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

Principal and interest requirements to retire the note payable at December 31, 2019, are as follows:

Year Ending December 31	Principal	Interest
2020	\$ 7,162	\$ -
2021	7,162	-
2022	7,162	-
2023	7,162	-
2024	7,162	-
2025-2029	32,239	-
Total	\$ 68,049	\$ -

**Note 9 - Defined Benefit Pension Plans**

***Net Pension Liability***

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

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

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

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

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



City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

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

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

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

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

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

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

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

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

	State and Local	Public Safety	Law Enforcement
<b>2019 Statutory Maximum Contribution Rates</b>			
Employer	14.0%	18.1%	18.1%
Employee	10.0%	*	**
<b>2019 Actual Contribution Rates</b>			
Employer:			
Pension	14.0%	18.1%	18.1%
Post-employment Health Care Benefits	0.0%	0.0%	0.0%
Total Employer	<u>14.0%</u>	<u>18.1%</u>	<u>18.1%</u>
Employee	<u>10.0%</u>	<u>12.0%</u>	<u>13.0%</u>

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$100,552 for 2019. Of this amount, \$8,379 is reported as accrued wages and benefits payable.

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

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

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

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

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

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:

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

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$152,421 for 2019. Of this amount \$12,702 is reported as accrued wages and benefits payable.

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

The net pension liability for OPERS was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2018, and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$ 1,373,438	\$ 2,588,441	\$ 3,961,879
Proportion of the Net Pension Liability			
Current Measurement Date	0.005015%	0.031711%	
Prior Measurement Date	<u>0.004860%</u>	<u>0.031742%</u>	
Change in Proportionate Share	<u>0.000155%</u>	<u>-0.000031%</u>	
 Pension Expense	 \$ 299,532	 \$ 348,438	 \$ 647,970

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

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

	OPERS	OP&F	Total
<b>Deferred Outflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$ 186,414	\$ 318,620	\$ 505,034
Changes in employer proportion and differences between contributions and proportionate share of contributions	21,760	30,834	52,594
Differences between expected and actual experience	63	106,387	106,450
Change in Assumptions	119,561	68,692	188,253
Entity contributions subsequent to the measurement date	100,552	152,421	252,973
<b>Total Deferred Outflows of Resources</b>	<b>\$ 428,350</b>	<b>\$ 676,954</b>	<b>\$ 1,105,304</b>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$ 18,034	\$ 2,448	\$ 20,482
Changes in employer proportion and differences between contributions and proportionate share of contributions	16,435	56,107	72,542
	<b>\$ 34,469</b>	<b>\$ 58,555</b>	<b>\$ 93,024</b>

The City reported \$252,973 as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2020	\$ 119,083	\$ 151,930	\$ 271,013
2021	70,255	81,324	151,579
2022	17,294	94,559	111,853
2023	86,697	132,917	219,614
2024	-	5,248	5,248
<b>Total</b>	<b>\$ 293,329</b>	<b>\$ 465,978</b>	<b>\$ 759,307</b>

**Actuarial Assumptions - OPERS**

Actuarial valuations of an ongoing plan involve estimates of the value 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.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

Measurement and Valuation Date	December 31, 2018
Experience Study	5-Year Period Ended December 31, 2015
Actuarial Cost Method	Individual Entry Age
Actuarial Assumptions:	
Investment Rate of Return	7.2 percent
Wage Inflation	3.25%
Projected Salary Increases	3.25% to 10.75% (including wage inflation at 3.25%)
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3% simple Post-1/7/2013 Retirees: 3% simple through 2018, then 2.15% simple

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

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

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

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and annuitized accounts of the Member- Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 2.94% for 2018.

**Discount Rate** The discount rate used to measure the total pension liability was 7.2%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.2 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Entity's proportionate share of the net pension liability	\$ 2,029,069	\$ 1,373,438	\$ 828,729

**Actuarial Assumptions – OPF**

OPF’s total pension liability as of December 31, 2018 is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.



City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2018, are presented below:

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	8.00%
Cost of Living Increases (COLA)	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%
Salary Increases	3.75% to 10.50%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.5%

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

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

*Disabled Mortality* – Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the 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%

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2018 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00%	0.80%
Domestic Equity	16.00%	5.50%
Non-US Equity	16.00%	5.90%
Private Markets	8.00%	8.40%
Core Fixed Income*	23.00%	2.60%
High Yield Fixed Income	7.00%	4.80%
Private Credit	5.00%	7.50%
U.S Inflation Linked Bonds*	17.00%	2.30%
Master Limited Partnerships	8.00%	6.40%
Real Assets	8.00%	7.00%
Private Real Estate	12.00%	6.10%
	<u>120.00%</u>	

Note: Assumptions are geometric

\* levered 2X

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

**Discount Rate** The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Entity's proportionate share of the net pension liability	\$ 3,402,346	\$ 2,588,441	\$ 1,908,332

**Note 10 – 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 City’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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

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

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

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

***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.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0 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.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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 Traditional Pension and Combined plans' employer contributions allocated to health care was zero in 2019 and is expected to remain at that level. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.0%.

The City's contractually required contribution was \$0 for 2019. Of this amount, \$0 is reported as accrued wages and benefits payable.

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

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

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://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.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2019, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contractually required contribution to OP&F was \$4,069 for 2019. Of this amount, \$339 is reported as accrued wages and benefits payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, 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, 2018, and was determined by rolling forward the total OPEB liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS	OP&F	Total
Proportionate Share of the Net OPEB Liability:	\$ 608,825	\$ 288,776	\$ 897,601
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.004670%	0.031711%	
Prior Measurement Date	0.004555%	0.031742%	
Change in Proportionate Share	0.000115%	-0.000031%	
 OPEB Expense	 \$ 44,768	 \$ (1,505,610)	 \$ (1,460,842)

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Net difference between projected and actual earnings on OPEB plan investments	\$ 27,911	\$ 9,765	\$ 37,676
Changes in employer proportion and differences between contributions and proportionate share of contributions	7,613	-	7,613
Differences between expected and actual experience	206	-	206
Change in Assumptions	19,629	149,837	169,466
Contributions subsequent to the measurement date	-	4,069	4,069
Total Deferred Outflows of Resources	<u>\$ 55,359</u>	<u>\$ 163,671</u>	<u>\$ 219,030</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$ 1,652	\$ 7,744	\$ 9,396
Change in Assumptions	-	79,947	79,947
Changes in employer proportion and differences between contributions and proportionate share of contributions	16,616	46,342	62,958
	<u>\$ 18,268</u>	<u>\$ 134,033</u>	<u>\$ 152,301</u>

\$4,069 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2020	10,349	4,913	15,262
2021	7,970	4,913	12,883
2022	4,712	4,913	9,625
2023	14,060	7,874	21,934
2024	-	3,212	3,212
Thereafter	-	(256)	(256)
Total	<u>\$ 37,091</u>	<u>\$ 25,569</u>	<u>\$ 62,660</u>

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

***Actuarial Assumptions - OPERS***

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current Measurement Date	3.96 percent
Prior Measurement Date	3.85 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.71 percent
Health Care Cost Trend Rate	10.00 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age

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

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

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed



City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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 was a loss of 5.60 percent for 2018.

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 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00%	2.42%
Domestic Equities	21.00%	6.21%
Real Estate Investment Trust	6.00%	5.98%
International Equities	22.00%	7.83%
Other investments	17.00%	5.57%
Total	100.00%	5.16%

**Discount Rate** A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. 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 6.0 percent and a municipal bond rate of 3.71 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 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate*** The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.96 percent) or one-percentage-point higher (4.96 percent) than the current rate:

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
Entity's proportionate share of the net OPEB liability	\$ 778,956	\$ 608,825	\$ 473,585

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.0 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 Cost Trend Rate Assumption	1% Increase
Entity's proportionate share of the net OPEB liability	\$ 585,244	\$ 608,825	\$ 636,054

***Actuarial Assumptions – OP&F***

OP&F's total OPEB liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

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

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

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increases rate of 0.5 percent
Single Discount Rate:	
Current Measurement Date	4.66 percent
Prior Measurement Date	3.24 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increase based on the lesser of the increase in CPI and 3 percent

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

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

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

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

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

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

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2018, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00%	0.80%
Domestic Equity	16.00%	5.50%
Non-US Equity	16.00%	5.90%
Private Markets	8.00%	8.40%
Core Fixed Income*	23.00%	2.60%
High Yield Fixed Income	7.00%	4.80%
Private Credit	5.00%	7.50%
U.S Inflation Linked Bonds*	17.00%	2.30%
Master Limited Partnerships	8.00%	6.40%
Real Assets	8.00%	7.00%
Private Real Estate	12.00%	6.10%
	<u>120.00%</u>	

Note: Assumptions are geometric  
\* levered 2X

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

**Discount Rate** Total OPEB liability was calculated using the discount rate of 4.66%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8.0%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, a municipal bond rate of 4.13% at December 31, 2018 and 3.16% at December 31, 2017 was blended with the long-term rate of 8.0%, which resulted in a blended discount rate of 4.66% at December 31, 2018 and 3.24% at December 31, 2017.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate*** Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.66 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 (3.66 percent), or one percentage point higher (5.66 percent) than the current rate.

	1% Decrease (3.66%)	Current Discount Rate (4.66%)	1% Increase (5.66%)
Entity's proportionate share of the net OPEB liability	\$ 351,810	\$ 288,776	\$ 235,867

***Changes Subsequent to the Measurement Date***

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 will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend-based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years.

**Note 11 – Interfund Activity**

During 2019 the following transfers occurred:

- The Municipal Motor Vehicle License Tax Fund transferred \$11,986 to the O’Leary Avenue Fund to provide resources for roadway improvements.
- The Street Maintenance Fund transferred \$44,837 to the O’Leary Avenue Fund to provide resources for roadway improvements.
- The Road Levy Fund transferred \$70,000 to the Clifford Road Fund to provide resources for roadway improvements.
- The General Fund transferred \$193,375 to the Municipal Building Bond Retirement Fund to provide resources to cover schedule debt service payments.

During 2019 the following advance occurred:

- The General Fund advanced \$66,926 to the St. John’s Connector Fund to provide current resources for project expenses.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

**Note 12 – Joint Venture**

The City is a member of the Deer Park-Silverton Joint Fire District, which is a joint venture between the City of Deer Park and the City of Silverton. The joint venture was created to provide fire protection services to the residents of the two cities.

The Fire District Board of Trustees consists of eight trustees, with each City appointing four of the trustees. The City's ability to effect operations is limited to its representation on the Board.

The funding for the operation of the Fire District is provided by tax revenues from a continuing levy approved by the electorate of both cities. There is no explicit and measurable equity interest in the fire District. The City has an ongoing financial responsibility, because the continued existence of the joint venture depends on the City's contributions. The Joint Fire District is not accumulating significant financial resources or experiencing fiscal distress that may cause additional burden to the City.

**Note 13 – Contingent Liabilities**

At times, the City may be a party to legal proceedings seeking damages. The City's management is of the opinion that the ultimate disposition of the various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

**Note 14 – Compliance and Accountability**

At year-end, the City had a modified-accrual-based-deficit balance in the O'Leary Avenue Fund and St. John's Connector Fund. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**Note 15 – Incurred But Not Reported Claims – Health Benefits Program**

Medical coverage is offered to employees through a self-funded insurance plan. Under this program, the Risk Management Agency provides coverage for up to a maximum of \$100,000 per covered person. The plan is offered to local governments state-wide through the Ohio Mid-Eastern Regional Education Service Agency (OME-RESA) in Steubenville, and administered by United Healthcare of Ohio.

The City participates in the program and makes payments to the Risk Management Agency based on actuarial estimates of the amounts needed to pay claims and actual amounts needed to pay fixed costs (premiums for stop-loss coverage and medical conversion and administrative fees and services). The City's independent advisor has actuarially determined that no liability provision for incurred but not reported claims is appropriate as of December 31, 2019. This amount is non-discounted and is based upon historical claims experience. The nonexistence of a claims liability reported at December 31, 2019, is based on an estimate provided by USI Insurance (independent advisor) and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30, "Risk Financing Omnibus," which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling claims.

City of Deer Park  
Hamilton County, Ohio  
Notes To The Basic Financial Statements  
For The Year Ended December 31, 2019

---

**Note 16 – Joint Economic Development Zone**

The City participates in a Joint Economic Development Zone (JEDZ) with Sycamore Township. The purpose of the JEDZ is to facilitate economic development and improve the welfare of people in the area of the JEDZ.

Under the terms of the JEDZ with Sycamore Township, the City of Deer Park receives 10% of the net income tax revenues collected and is entitled to an administrative fee from the JEDZ to cover the cost of collecting the income taxes.

**Note 17 – Tax Abatements**

The City does not have any tax abatements that are required to be disclose in accordance with GASB Statement No. 77.

**Note 18 – Subsequent Events**

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. The extent of the ultimate impact of the pandemic on the government's operational and financial performance will depend on various developments, including the duration and spread of the outbreak on its impact on employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. In addition, it may place additional demands on the government for providing emergency services to its citizens. While management reasonably expects the COVID-19 outbreak to negatively impact the City's financial position, changes in financial position, and, where applicable, the timing and amounts of cash flows, the related financial consequences and duration are highly uncertain.

## **REQUIRED SUPPLEMENTARY INFORMATION**



City of Deer Park  
Hamilton County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Taxes	\$ 2,305,001	\$ 2,323,651	\$ 2,399,607	\$ 75,956
Charges for Services	109,000	109,000	123,667	14,667
Fees, Licenses, and Permits	30,025	30,025	43,097	13,072
Fines and Forfeitures	40,000	40,000	35,378	(4,622)
Intergovernmental	110,000	110,000	123,651	13,651
Interest	30,000	30,000	41,607	11,607
<b>Total Revenues</b>	<u>2,624,026</u>	<u>2,642,676</u>	<u>2,767,007</u>	<u>124,331</u>
<b>Expenditures</b>				
Current:				
General Government	1,167,760	1,189,860	1,139,085	50,775
Public Safety	1,317,200	1,329,900	1,291,949	37,951
Leisure Time Activities	44,300	62,000	57,342	4,658
Transportation and Street Repair	25,100	40,100	32,597	7,503
Economic Development	6,500	4,500	4,079	421
Capital Outlay	1,500	2,000	490	1,510
Debt Service:				
Principal Retirement and Interest	7,163	7,163	7,162	1
<b>Total Expenditures</b>	<u>2,569,523</u>	<u>2,635,523</u>	<u>2,532,704</u>	<u>102,819</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>54,503</u>	<u>7,153</u>	<u>234,303</u>	<u>227,150</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(193,375)	(193,375)	(193,375)	-
Advances Out	(65,000)	(67,000)	(66,926)	74
<b>Total Other Financing Uses</b>	<u>(258,375)</u>	<u>(260,375)</u>	<u>(260,301)</u>	<u>74</u>
<b>Net Change in Fund Balance</b>	(203,872)	(253,222)	(25,998)	227,224
<b>Fund Balance at Beginning of Year</b>	<u>1,375,737</u>	<u>1,375,737</u>	<u>1,375,737</u>	<u>-</u>
<b>Fund Balance at End of Year</b>	<u>\$ 1,171,865</u>	<u>\$ 1,122,515</u>	<u>\$ 1,349,739</u>	<u>\$ 227,224</u>

See accompanying notes to the required supplementary information.

City of Deer Park  
Hamilton County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Road Levy Fund  
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property and Other Taxes	210,000	216,182	\$ 216,182	\$ -
Total Revenues	210,000	216,182	216,182	-
Expenditures				
Current:				
Transportation and Street Repair	204,000	134,000	2,794	131,206
Total Expenditures	204,000	134,000	2,794	131,206
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,000	82,182	213,388	131,206
Other Financing Sources (Uses)				
Transfers Out	-	(70,000)	(70,000)	-
Total Other Financing Uses	-	(70,000)	(70,000)	-
Net Change in Fund Balance	6,000	12,182	143,388	131,206
Fund Balance at Beginning of Year	221,593	221,593	221,593	-
Fund Balance at End of Year	\$ 227,593	\$ 233,775	\$ 364,981	\$ 131,206

See accompanying notes to the required supplementary information.

City of Deer Park  
Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Ohio Public Employees Retirement System - Traditional Plan  
Last Six Years \*

	2019	2018	2017	2016	2015
Entity's Proportion of the Net Pension Liability	0.0050150%	0.0048600%	0.0052693%	0.0051191%	0.0051970%
Entity's Proportionate Share of the Net Pension Liability	\$ 1,373,438	\$ 762,434	\$ 1,196,577	\$ 886,694	\$ 626,819
Entity's Covered-Employee Payroll	\$ 668,891	\$ 656,953	\$ 694,495	\$ 662,086	\$ 643,063
Entity's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	205.33%	116.06%	172.29%	133.92%	97.47%
Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%
	<hr style="width: 100%; border: 0.5px solid black;"/>				
	2014				
Entity's Proportion of the Net Pension Liability	0.0051970%				
Entity's Proportionate Share of the Net Pension Liability	\$ 612,661				
Entity's Covered-Employee Payroll	\$ 625,764				
Entity's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	97.91%				
Plan Fiduciary Net Position as a Percentage of the Total Net	86.36%				

\* Information prior to 2014 is not available.

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

**Notes to Schedule:**

Change in Assumptions - In 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a reduction of the discount rate from 8.0% to 7.5%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.

In 2019, a reduction of the discount rate was made from 7.5% to 7.2%.

City of Deer Park  
Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Ohio Police and Fire Pension Fund  
Last Six Years \*

	2019	2018	2017	2016	2015
Entity's Proportion of the Net Pension Liability	0.0317110%	0.0317420%	0.0330100%	0.0321079%	0.0320366%
Entity's Proportionate Share of the Net Pension Liability	\$ 2,588,441	\$ 1,948,148	\$ 2,090,822	\$ 2,065,521	\$ 1,659,629
Entity's Covered-Employee Payroll	\$ 806,037	\$ 745,972	\$ 788,602	\$ 814,688	\$ 673,819
Entity's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	321.13%	261.16%	265.13%	253.54%	246.30%
Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	63.07%	70.91%	68.36%	66.77%	72.20%
	<u>2014</u>				
Entity's Proportion of the Net Pension Liability	0.0320366%				
Entity's Proportionate Share of the Net Pension Liability	\$ 1,560,282				
Entity's Covered-Employee Payroll	\$ 691,431				
Entity's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	225.66%				
Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	73.00%				

\* Information prior to 2014 is not available.

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

**Notes to Schedule:**

Change in Assumptions - In 2018, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2016. Significant changes included a reduction of the discount rate from 8.25% to 8.0%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.

In 2019, a reduction of the discount rate was made from 7.5% to 7.2%.

City of Deer Park  
Required Supplementary Information  
Schedule of City Contributions  
Ohio Public Employees Retirement System - Traditional Plan  
Last Seven Years \*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 100,552	\$ 97,425	\$ 73,994	\$ 104,105	\$ 89,470
Contributions in Relation to the Contractually Required Contribution	<u>(100,552)</u>	<u>(97,425)</u>	<u>(73,994)</u>	<u>(104,105)</u>	<u>(89,470)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Entity Covered-Employee Payroll	\$ 700,942	\$ 668,891	\$ 656,953	\$ 694,495	\$ 662,086
Contributions as a Percentage of Covered-Employee Payroll	14.35%	14.57%	11.26%	14.99%	13.51%
Contractually Required Contribution	<u>2014</u>	<u>2013</u>			
Contributions in Relation to the Contractually Required Contribution	\$ 76,459	\$ 89,890			
Contribution Deficiency (Excess)	<u>(76,459)</u>	<u>(89,890)</u>			
Entity Covered-Employee Payroll	<u>\$ -</u>	<u>\$ -</u>			
Contributions as a Percentage of Covered-Employee Payroll	\$ 643,063	\$ 625,764			
	11.89%	14.36%			

\* Information prior to 2013 is not available.

City of Deer Park  
Required Supplementary Information  
Schedule of City Contributions  
Ohio Police and Fire Pension Fund  
Last Ten Years

	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 152,421	\$ 156,790	\$ 146,079	\$ 143,572	\$ 140,360
Contributions in Relation to the Contractually Required Contribution	<u>(152,421)</u>	<u>(156,790)</u>	<u>(146,079)</u>	<u>(143,572)</u>	<u>(140,360)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Entity Covered-Employee Payroll	\$ 802,515	\$ 806,037	\$ 745,972	\$ 788,602	\$ 814,688
Contributions as a Percentage of Covered-Employee Payroll	18.99%	19.45%	19.58%	18.21%	17.23%
	2014	2013	2012	2011	2010
Contractually Required Contribution	\$ 134,071	\$ 154,216	\$ 141,706	\$ 153,356	\$ 141,498
Contributions in Relation to the Contractually Required Contribution	<u>(134,071)</u>	<u>(154,216)</u>	<u>(141,706)</u>	<u>(153,356)</u>	<u>(141,498)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Entity Covered-Employee Payroll	\$ 673,819	\$ 691,431	\$ 709,302	\$ 753,928	\$ 753,637
Contributions as a Percentage of Covered-Employee Payroll	19.90%	22.30%	19.98%	20.34%	18.78%

City of Deer Park  
 Required Supplementary Information  
 Schedule of the City's Proportionate Share of the Net OPEB Liability  
 Ohio Public Employees Retirement System - OPEB Plan  
 Last Three Years \*

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Entity's Proportion of the Net OPEB Liability	0.0046700%	0.0045550%	0.0049510%
Entity's Proportionate Share of the Net OPEB Liability	\$ 608,825	\$ 494,681	\$ 500,038
Entity's Covered Payroll	\$ 668,891	\$ 656,953	\$ 694,495
Entity's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	91.02%	75.30%	72.00%
Plan Fiduciary Net Position as a Percentage of the Total Net OPEB Liability	46.33%	54.14%	54.04%

\* Information prior to 2017 is not available.

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

**Notes to Schedule:**

Change in Assumptions - In 2018, the single discount rate changed from 4.23% to 3.85%.

In 2019, the single discount rate changed from 3.85% to 3.96%. The investment rate of return changed from 6.50% to 6.00%, and the health care cost trend rate changed from 7.5% initial to 10.0% initial.

City of Deer Park  
Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net OPEB Liability  
Ohio Police and Fire Pension Fund  
Last Three Years \*

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Entity's Proportion of the Net OPEB Liability	0.0317110%	0.0317420%	0.0330100%
Entity's Proportionate Share of the Net OPEB Liability	\$ 288,776	\$ 1,798,455	\$ 1,566,912
Entity's Covered Payroll	\$ 806,037	\$ 745,972	\$ 788,602
Entity's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	35.83%	241.09%	198.69%
Plan Fiduciary Net Position as a Percentage of the Total Net OPEB Liability	46.57%	14.13%	15.96%

\* Information prior to 2017 is not available.

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

**Notes to Schedule:**

Change in Assumptions - In 2018, the single discount rate changed from 3.79% to 3.24%.

In 2019, the single discount rate changed from 3.24% to 4.66%.

Change in Benefit Terms - Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model, depositing stipends into health reimbursement accounts that retirees will use to be reimbursed for health care expenses.



City of Deer Park  
Required Supplementary Information  
Schedule of City Contributions - OPEB  
Ohio Public Employees Retirement System  
Last Four Years \*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ -	\$ -	\$ 5,002	\$ 15,097
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>-</u>	<u>(5,002)</u>	<u>(15,097)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Entity Covered-Employee Payroll	\$ 700,942	\$ 668,891	\$ 656,953	\$ 694,495
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.76%	2.17%

\* Information prior to 2016 is not available.

City of Deer Park  
Required Supplementary Information  
Schedule of City Contributions - OPEB  
Ohio Police and Fire Pension Fund  
Last Ten Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 4,069	\$ 4,185	\$ 3,899	\$ 3,833	\$ 3,650
Contributions in Relation to the Contractually Required Contribution	<u>(4,069)</u>	<u>(4,185)</u>	<u>(3,899)</u>	<u>(3,833)</u>	<u>(3,650)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Entity Covered-Employee Payroll	\$ 802,515	\$ 806,037	\$ 745,972	\$ 788,602	\$ 814,688
Contributions as a Percentage of Covered-Employee Payroll	0.51%	0.52%	0.52%	0.49%	0.45%
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Contractually Required Contribution	\$ 3,580	\$ 28,530	\$ 49,030	\$ 53,061	\$ 48,958
Contributions in Relation to the Contractually Required Contribution	<u>(3,580)</u>	<u>(28,530)</u>	<u>(49,030)</u>	<u>(53,061)</u>	<u>(48,958)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Entity Covered-Employee Payroll	\$ 673,819	\$ 691,431	\$ 709,302	\$ 753,928	\$ 753,637
Contributions as a Percentage of Covered-Employee Payroll	0.53%	4.13%	6.91%	7.04%	6.50%

City of Deer Park  
Hamilton County, Ohio  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2019

---

**Note 1 - Summary of Significant Accounting Policies**

***A. Budgets***

An annual appropriated budget is legally required to be prepared for all funds of the City, except for the agency fund. The Council passes appropriations for each department within each fund and for personal services within each department. The following are the procedures used by the City in establishing the budgetary data reported in the basic financial statements.

***Tax Budget*** A tax budget of estimated revenues and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 15 of each year for the period January 1 to December 31 of the following year.

***Estimated Resources*** The County Budget Commission determines if the tax budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources that states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate of estimated resources can be further amended during the year if the Council agrees that an estimate needs to be either increased or decreased. The amounts reported in the budgetary statements as final reflect the amounts in the final amended official certificate of estimated resources issued during 2019.

***Appropriations*** A temporary appropriation resolution to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation resolution must be passed by April 1 of each year, for the period January 1 to December 31. The appropriation resolution may be supplemented during the year by action of the Council, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriated budget that covered the entire year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

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

***Encumbrances*** As part of formal budgetary control purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations.

City of Deer Park  
Hamilton County, Ohio  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2019

---

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

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

	General Fund	Road Levy Fund
GAAP Basis	\$ 60,503	\$ 143,388
Adjustments:		
Revenue Accruals	1,196	-
Expenditure Accruals	(20,771)	-
Advances Out	(66,926)	-
Budget Basis	\$ (25,998)	\$ 143,388

# OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash  
11117 Kenwood Road  
Blue Ash, Ohio 45242-1817  
(513) 361-8550 or (800) 368-7419  
SouthwestRegion@ohioauditor.gov

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Deer Park  
Hamilton County  
7777 Blue Ash Road  
Cincinnati, Ohio 45236

To the Mayor and Members of Council:

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 City of Deer Park, Hamilton County, (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 3, 2020. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the City'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 City'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 City'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 City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber  
Auditor of State

Columbus, Ohio

August 3, 2020

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF DEER PARK**

**HAMILTON COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 8/25/2020**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)