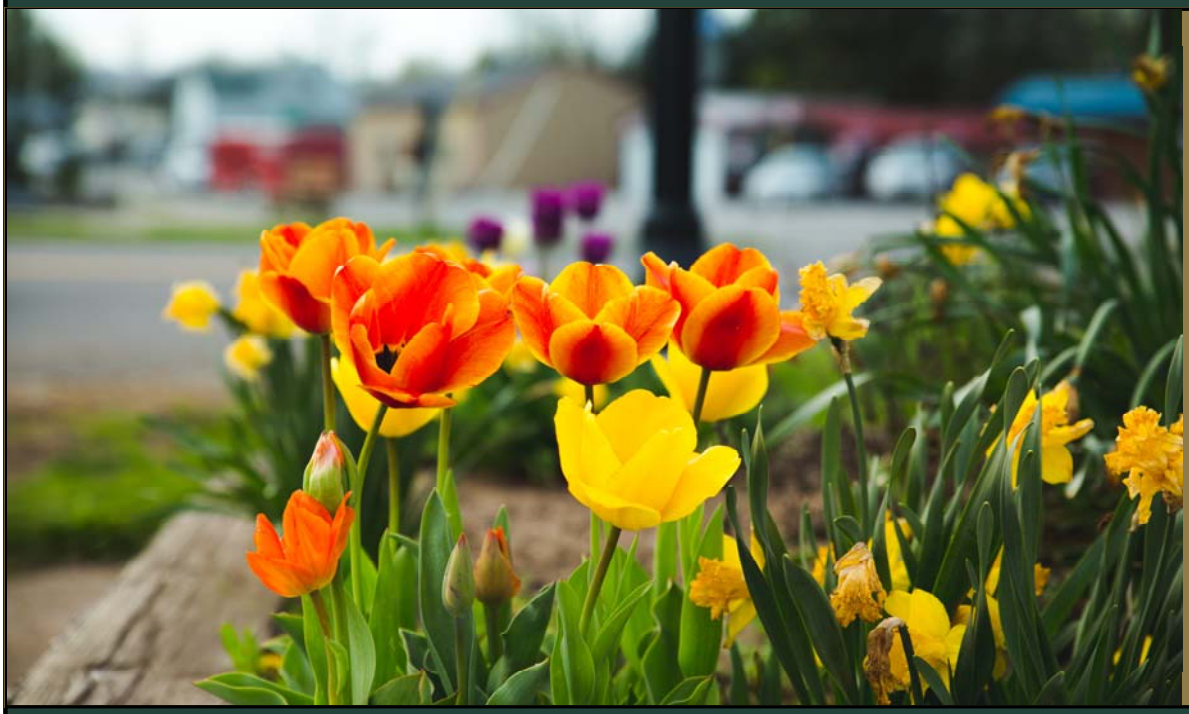
# City of Pataskala, Ohio

# Comprehensive Annual Financial Report

*For the Year Ended December 31, 2018*



# City of Pataskala, Ohio

## Comprehensive Annual Financial Report

***For the Year Ended December 31, 2018***

**James M. Nicholson**
**Finance Director**

# Introductory Section

## City of Pataskala | CAFR

**CITY OF PATASKALA, OHIO**

**2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT**
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Finance Department

James M. Nicholson
Finance Director

Janice A. Smith
Finance Manager

June 17, 2019

The Honorable Mayor, Members of City Council, and
The Citizens of the City of Pataskala, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Pataskala, Licking County, Ohio (the "City") is hereby presented. This CAFR represents the official report of the City's operations and financial position for the year ended December 31, 2018 and has been developed to accurately detail the status of City finances to its more than fifteen thousand residents, elected officials, investment banks, underwriters and all other interested parties. This report includes the City's implementation of accounting principles generally accepted in the United States of America (GAAP) set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State statutes require the City to be subjected to an examination by the Auditor of State of Ohio. Upon the approval of the Auditor of State of Ohio, the City may select an independent public accountant to perform this annual examination and the City has accordingly selected the firm of Julian & Grube, Inc. Based on the results of their audit, an unmodified opinion was rendered on the City's basic financial statements and the Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

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

## REPORTING ENTITY AND SERVICES PROVIDED

The City's reporting entity is comprised of the primary government and other organizations which are included to ensure that the financial statements are not misleading. The reporting entity has been defined in accordance with the principles established by the Governmental Accounting Standards Board (GASB) in Statement No. 14, "The Financial Reporting Entity", in GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus".

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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 also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. No potential component units met these criteria. The following potential component units have been excluded from the City's financial statements because the City is not financially accountable for them, nor are the entities fiscally dependent upon the City:

- Southwest Licking Local School District
- Licking Heights Local School District
- Licking County Library

The City is associated with six jointly-governed organizations. These organizations are the: (1) Mid-Ohio Regional Planning Commission (MORPC); (2) Southwest Licking Community Water & Sewer District; (3) West Licking Joint Fire District; (4) Pataskala Corporate Park Joint Economic Development District (JEDD); (5) Regional Income Tax Agency (RITA); and (6) GROW Licking County (GROW).

The Municipal Charter, which was initially adopted in 1996, became effective January 1, 1996. The Charter is subject to periodic amendment by the electorate and was most recently amended in 2016. This Charter provides for the Mayor-Council-Administrator form of government, whereby the legislative powers of the City are vested in a seven-member City Council. Three members are elected at large for a four-year term each biennium, and the remaining four are elected by wards for a four-year term the following biennium. Council concurs on the Mayor's appointment of the City Administrator, Law Director, Finance Director, and City Engineer. Council also makes citizen appointments to several boards and commissions. There are nine standing Council Committees that Council appoints, and include the following: Agriculture, Finance, Buildings & Grounds, Safety, Street, Utilities, Parks Advisory, Technology and Development. Council sets the compensation guidelines for City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriations, indebtedness, building permits and licenses and other municipal purposes.

The Mayor, who is elected by popular vote, performs ceremonial functions, recommends appointment of and acts as supervisor of the City Administrator, is the presiding officer of Council and is an ex-officio member of all Council Committees.

The City Administrator, who is the chief administrator and operational manager of the City, is appointed by the Mayor with concurrence of Council, and is responsible for the day-to day operations of the municipality and municipal employees, and appoints all department heads and hires all employees not otherwise appointed by Council.

The Finance Director is the chief fiscal and accounting officer of the City. The responsibilities of this office include: assisting the City Administrator in the preparation and management of the capital and operating budgets; managing the debt and treasury programs of the City; managing the City's procurement and risk management processes; and overall responsibility for the City financial and accounting records.

The Law Director is the primary legal advisor, and also serves as prosecuting attorney and counsel for the City. The Director is subject to the direction of Council and shall represent the City in all proceedings in Court or before any administrative board or body. The City has retained the services of the law firm, Isaac Wiles, to serve in this capacity.

The City has engaged the services of an independent engineering firm for the provision of fundamental services, including plan review, project engineering, RFP document development and utility plan reviews. In addition, the City has developed an internal database of pre-qualified engineering firms which meet the City's stringent qualifications that can be retained for special project needs on an ad hoc basis.

The City provides the following services: public safety, operation of water and sewer utilities, parks and recreational programming, and a planning and zoning department. Fire protection services are provided by the West Licking Joint Fire District, in which the City participates and has an appointed seat on its board. Solid waste collection services in the City are awarded on a contract basis every three years. The City also contracts with the Licking County Board of Health for Health Department services. In 2008, the City elected to eliminate all parks and recreation programs as a cost-saving measure. In response, members of the community created several 501(c)(3) organizations to continue the youth soccer and softball programs. These organizations are governed by a Parks and Recreation Advisory Committee. This Committee then reports to the City Administrator for direction and guidance. In 2016, the City began transitioning recreational programming back to the City, and, with the exception of the municipal swimming pool, now have full responsibility and authority over recreational programming.

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for requisitions and purchase orders, and through the use of the City's automated financial accounting and budgetary control system. All City departments are required to submit requests for appropriation to the Finance Director on an annual basis. The Finance Director uses these requests as the starting point for developing a proposed budget.

The Finance Director presents the proposed estimated revenue budget for the City Administrator's review and approval, and proposed appropriations are then finalized. The City Administrator and the Finance Director then present the proposed budget to the City Council for review before the end of the current year. Council may elect to hold public hearings on the proposed budget and to adopt the budget by no later than December 31, the close of the City's fiscal year. State law provides that municipalities may adopt a temporary budget if the governing body is unable to adopt a permanent budget prior to January 1st. If a governing body adopts a temporary budget, a permanent budget must be adopted and sent to the County Auditor no later than April 1st of that year.

A jurisdiction's 'basis of budgeting' refers to when revenues and expenditures are recognized in the accounts. The City's budget basis is a cash/encumbrance basis, wherein transactions are recorded when cash is received or disbursed, or when a commitment has been recorded as an encumbrance against and applicable appropriation. All annual appropriations lapse at year-end to the extent that they have not been expended or lawfully encumbered. Fund balances are shown as unencumbered fund balances. This basis is used for all interim financial statements during the year.

Ohio Revised Code (ORC) §5705.38(c) requires each municipality to present their annual operating budget to their legislative authority, at minimum, at the level of fund, department, and within department,

identifying personal services and other expenditures. The City adopts its annual budget in the format of fund, function to categories such as personal services, contractual services, materials and supplies and capital outlay. *Fund* is the individual fund number and description established by the authority to separate and control expenditures of specific monies. While all governmental and utility funds are included in the annual appropriation ordinance, agency and fiduciary funds are not subject to Council approval. *Program/Function* represents groupings of functionally similar tasks performed by the jurisdiction and is the local equivalent of the ORC-required department. There are twelve major programs/functions identified by the City Finance Director, and include the following:

- 100 – General Government
- 150 – Executive & Legislative
- 200 – Legal & Court
- 300 – Public Service
- 400 – Police
- 500 – Finance
- 600 – Lands, Buildings & Facilities
- 650 – Recreational Programming
- 700 – Debt Service
- 800 – Water Utility
- 850 – Sewer Utility
- 900 – Transfers & Advances

The final ORC required component is *Object*. The object code is the lowest level of control provided for in the appropriation legislation. The current format provides the level of detail required by the ORC while not unduly restricting the ability of the Finance Director to manage the budget without submitting numerous supplemental appropriations to provide for minor budget transfers. In this budget structure, similar types of account numbers are grouped together into higher-level summary accounts. These summary groups include:

- 52 – Salary & Related
- 53 – Contractual Services
- 54 – General Operating
- 55 – Capital Outlay
- 57 – Debt Service
- 59 – Transfers & Advances

Amendments to authorized appropriations at the legal level of control may be made periodically as changing circumstances dictate. These will be recommended to City Council by either the City Administrator or the Director of Finance, along with the rationale supporting the requests. Such budget amendments must be formally approved by ordinance of Council. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted.

**PROFILE OF THE CITY**

The Pataskala area was settled in the 1800's and incorporated as a village in 1891. In the 1970's, the village added 240 acres to the east. A major part of this annexation was land along Blacks Road, the railroad tracks, and Township Road. A Newark Advocate article from 1971 described the site as the future location for single and multi-family residences, warehouses, light manufacturing, and commercial industry. The development was originally expected to be completed by 1976. Portions of the single-family, multi-family and light manufacturing components of the project have been completed.

The 1980's saw the Village of Pataskala grow by 404 acres. The territory located north and east of the village, was brought in through three annexations. This annexed territory was developed as the Bright

Waters subdivision on Township Road, and the Dehlendorf development (which includes commercial and office development).

From the 1800's until 1995, the former Village of Pataskala grew in all directions except south. In the 1960's, the village added territory north and south of State Route 16. One 627 acre annexation added several residential subdivisions to the village, plus some commercial development. The adjacent Lima Township had grown and developed over the last fifty years, as well. The 1980's were a time of moderate increases in land subdivision and construction activity. The average annual number of permits issued from 1980-1990 were 17.9 residential zoning permits and 13 subdivision permits.

Just prior to 1996, the Village of Pataskala was a small rural community situated on the borders of Lima Township and Harrison Township in southwest Licking County. The village had approximately 3,346 residents in 1990, while Lima Township had approximately 4,398 residents. Both the township and the village were experiencing rapid growth, influenced by the expansion of the cities of Reynoldsburg and Columbus directly to the west. Facing strong development pressures from these western municipalities, the Village of Pataskala and Lima Township determined they had three future interests in common. First, most citizens from both entities were satisfied with their community and did not want major change or expansion. Secondly, the citizens enjoyed the rural nature of their living environment. Finally, if changes had to occur within their community (such as increased industrial or residential development), the citizens wanted to have a voice in the manner of such expansion.

These common beliefs led the Village of Pataskala and Lima Township to propose a merger, which was approved by the voters on November 8th, 1994, and went into effect on January 1st, 1996. At that point in time, Lima Township ceased to exist; the resulting municipality was simply known as Pataskala.

The City has a population of 17,175 residents based on the 2018 annual population estimate by the Mid-Ohio Regional Planning Commission (MORPC), which makes the City the 2nd largest City in the county, and the 13th largest in the central Ohio region.

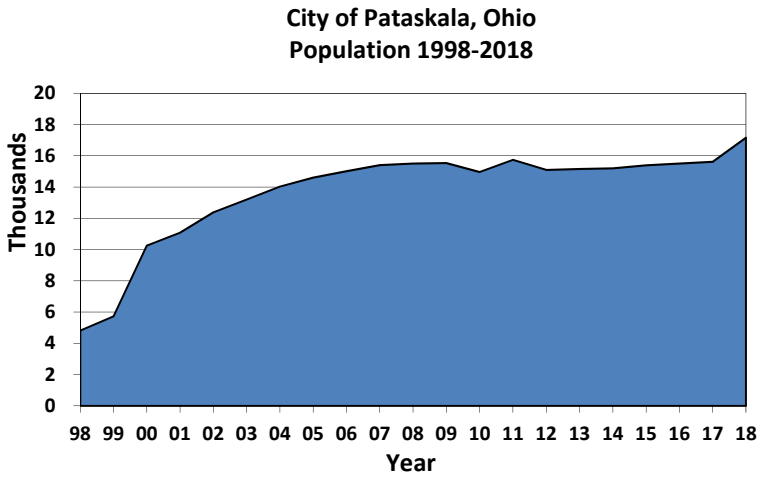
City residents have easy access to downtown Columbus and the entire central Ohio area via Interstate 270 and Interstate 70, U.S. Route 40 and State Routes 16 and 310. Commercial passenger air service is available at Port Columbus International Airport and Rickenbacker International Airport in the City of Columbus. The Licking County Heath Airport is located approximately 15 miles to the east of the City in Heath, Ohio and provides private commuter service.

The City is served by the Southwest Licking and Licking Heights Local School Districts, which are independent political subdivisions not under the control or supervision of the City in any respect. The geographic boundaries of the School Districts are different than those of the City. Both school districts estimate that between 30-35 percent of students in their school systems reside in the City.

## ECONOMIC CONDITION AND OUTLOOK

There continues to be economic development interest due to the City's strategic location between the Interstate 70 and State Route 161 corridors in the growing eastern gateway area of the Columbus Region. The United States Census Bureau officially counted population in the City in 2010 as 14,962, an increase of 4,713 (46%) since the 2000 Census count. It is projected that the current 2019 population will surpass 16,000. The main factor contributing to this growth over a sustained period has been increase in residential development that compliments the rural character of Pataskala, along with relatively close proximity to the region's core city, Columbus. In 2016, Columbus Business First magazine named Pataskala the fifth fastest growing city in the central Ohio region.

Within the past 19 years, the City has seen significant commercial development occurring within the eastern portion of the City along Broad Street with the development of a Kroger store, and adjacent strip retail center, the Hazelwood Shopping Center. In addition to the construction of Kroger in 2000, the first phase of the Hazelwood Shopping Center was also constructed with approximately 19 additional retail units ranging from 1,400 square feet to 4,800 square feet and totaling 28,800 square feet. These units are all full and provide retail and dining options for residents. In the years following, another small retail center was built to the east of the Kroger/Hazelwood Shopping Center on the opposite side of Corylus Drive. Along with the retail center there is a car wash and a two-story bank. In addition to this expansion, Phase II of the Hazelwood Shopping Center totaling 22,000 square feet was also completed. This development offers an additional 12 retail units ranging from 1,400 to 10,200 square feet.




In late 2006, the Ohio Department of Development designated an approximately 521 acre site in the City as eligible for $3.4 million in Job Ready Sites (JRS) funding to construct an access road to open up the site, known as the Pataskala Corporate Park, for development. As such, this JRS site, at the southeast corner of State Route 16 (Broad Street) and Mink Street is recognized as one of the premier sites for manufacturing and industrial development in the State of Ohio. This new road, linking State Route 16 (Broad Street) and U.S. 40 (The National Road), and providing improved access to Interstate 70 offers unparalleled access for commerce. The roadway was one of the initial projects funded under Ohio's Job Ready Sites (JRS) program and is critical to the City for the creation of jobs and investment in the Park. Phase I of this development was a two-lane roadway, with a future Phase II to add an additional 3rd and 4th lane, as well as other associated infrastructure improvements. The total cost of Phase I of the project was approximately $5 million. Phase II of the project is anticipated to cost an additional $6.3 million. The Phase I roadway was completed in late 2011 and the City has been actively marketing the Pataskala Corporate Park to attract advanced manufacturing, logistics, research & development, and corporate headquarters facility uses. In 2016, the City attracted the first development to the Pataskala Corporate Park. An American Electric Power (AEP regional distribution center was approved to be constructed on 100 acres located in the northern portion of the Park. Ground was broken for this development in the summer of 2017. Additionally, AEP has received approval to construct an electric service sub-station on

10 acres in the Pataskala Corporate Park. This will provide additional electric capacity in the park, increasing the attractiveness of the property.

In 2008, the City, Licking County, City of Newark, and Harrison Township and property owners/Development Corporation (Red Chip Farms, Inc.) agreed to a partnership agreement setting the stage for development of the JRS Roadway, and establishment of a Joint Economic Development District (JEDD) overlaying the Pataskala Corporate Park.

The strategy for the partnership and job creation is a multifaceted approach combining four key economic development tools consisting of: (1) the creation of the JEDD; (2) utilization of grant funding from the Department of Development's (ODOD) JRS program; (3) utilization of Community Reinvestment Area (CRA) property tax exemptions; and (4) utilization of an existing Tax Increment Financing (TIF) area, in order to attract hundreds of jobs and millions of dollars in new investment.

In 2011, the City formally accepted the Etna Parkway Job Ready Site Parkway extending from Broad Street to Refugee Road, or the portion within the corporate limits. Etna Township, which borders the City, also accepted their portion of the roadway thus opening the roadway from Broad Street to State Route 40 and the Etna Corporate Park. This Etna Parkway Extension Project (Phases I & II) will hopefully provide a tremendous stimulus for growth in Central Ohio.

The City has also experienced the opening of nearly 20 small local businesses. These businesses range from food service to miscellaneous retail. We continue to experience local business growth.

Residential development construction has also increased in the city. There are currently more than 900 residential lots in some stage of development/planning. The City has become attractive to residential developers due to the quality services and well scoring local school districts. Subdivisions that have recently been approved or are under construction include: Broadmoore Commons (274 lots); Legacy Estates Phase III (35 lots); The Settlement phases III and IV (32 total lots); Carrington Ridge Phase II (36 units); Foor Farms Phase II (60 units); Hazelwood Phase 4, 5, and 6 (76 lots) and The Ravines at Hazelwood phase III (40 lots).

**MAJOR INITIATIVES:**

**Planning and Zoning Department/Economic Development**

The Planning and Zoning Department has developed a mission statement which works to enhance the quality of life offered to those who live or work in the City through long range comprehensive land use planning and management. The department's guiding principles are:

1. Public engagement in planning discussions;
2. Achievement of a balance of land uses that sustain the City;

3. Enhancement of pedestrian connections to parks, schools, government, commercial, industrial and residential designations;
4. Protection of the environment;
5. Revitalization of the historic village centers; and
6. Maintaining the City's identity with its agrarian and rail heritage.

The Department is comprised of a Director of Planning, City Planner, Zoning Inspector, and a Zoning Clerk who are responsible for operation of the Department. The Department also provides staff support to the Board of Zoning Appeals and the Planning and Zoning Commission, composed of 5 and 7 citizen members, respectively. The Director of Planning compiles business and industry information/data for the City and assists in preparing information packets for businesses looking for sites for major expansions as well as assisting entrepreneurs navigate the requirements for zoning, signage and land development.

During 2018, the Planning and Zoning Department undertook a number of initiatives, including:

- Amended the regulations for Major and Minor Subdivisions to better address the changing needs of the community.
- Formally began to update the Pataskala Comprehensive Plan, which has not been updated since its creation in 2006.
- Established standards to regulate the placement, construction, and modification of wireless telecommunication facilities to protect the health, safety and general welfare of the public, while permitting reasonable development of wireless telecommunications in the City.
- Continued the digitization of over 10,000 zoning permits to be used in the City GIS system;
- Four new subdivision phases were platted creating 131 new single-family residential lots.
- Initiated a code amendment to the City's Weeds and Other Nuisances regulations which would expand the properties subject to the provisions of the regulations, increase the time allowed to correct the violation and adjust the notification procedure for properties found to be in violation.
- Initiated a code amendment to the City's Unsafe Structures regulations to correct a discrepancy with the time allotted to demolish a building, provide provisions for emergency demolitions, and edit terminology so that it remains consistent throughout.
- The Pataskala Schedule of Fees was amended to remove unnecessary fees and more accurately align the Schedule of Fees to the requirements of the Pataskala Codified Ordinances, in particular those fees related to the Zoning Code.
- Continued to correct discrepancies on the Zoning Map.
- Improved coordination between the Planning and Zoning Department, the Pataskala Utility Department, the South West Community Water and Sewer District and the Licking County Health Department on Certificates of Compliance for new residential construction. This coordination of efforts ensures that Certificates of Compliance are completed, and that water and sanitary services are installed correctly.

Many of the changes that were completed in 2018 have shown immediate results and garnered support from residents and businesses alike. The Planning and Zoning Department seeks to continue and built on successes well into 2019 and beyond.

**Police Department**

The Division of Police enjoys the relationship that it has fostered with the community. We continue to participate in functions both in the city and the surrounding areas to better serve our residents, business owners and visitors. We take every opportunity to interact and build those relationships. We do that by participating in events such as The Pataskala Street Fair, Cookout with A Cop, Licking Memorial Mini-Triathlon, the Independence Day Fireworks, Safety Days, and attending many neighborhood home owner's association meetings.

We also work with the Pataskala Citizens Police Academy Alumni Association to provide our division support during different activities and events. Many of the members also participate in other volunteer groups and organizations that provide us with even more resources to better serve our community. Many of the events wouldn't be nearly as successful without the good people of the PCPAAA.

We are committed to the fight against the drug epidemic that continues to plague our society. We have procured Naloxone (Narcan) to help expedite the treatment of Opioid overdose victims. We are training all our officers on the proper use and issuing it to officers in the hopes of saving lives. We will also continue to participate in programs such as the National Drug Take Back Days, and the Drug Free student program at South West Licking High and Middle Schools. We also continue to maintain our drug disposal box located at our new address at 623 West Broad Street.

We are proud to announce the addition of a new K-9 Demon. He is a Dutch/ Malinois mix that was recently certified in patrol and drug detection work. He has already proven a successful addition with several drug alerts to his credit. We've also completed our Project Life Saver training and received our receiver. This will allow us to track people with special needs that have signed up for the program. Its purpose is to track individuals that have the propensity to wander off and possibly get lost such as Alzheimer's disease or Autism.

We have been in our new building for a very short time, but it has already proven to be a huge help in allowing us to better serve our community by providing the much-needed space to conduct multiple tasks at the same time by giving us the space needed to do so. We will be able to perform the required training in a much more efficient manner. As well as having a secure area to process arrestees/detainees so everyone is safer.

The Pataskala Division of Police will continue to seek new and effective approaches to help ensure Pataskala continues to be a fun and safe place to live and visit.

**Public Service Department**

The Public Service Department's (PSD) primary source of funding is the City income tax, and in 2018, approximately 32.1% of the income tax revenue collected was dedicated to public service operations. Approximately 41% of the budget was allocated to routine expenditures such as: employee wages and benefits; utilities; consumable inventories (such as road salt and patching materials); and maintenance services. The remaining 59% was appropriated for construction of roadway and other infrastructure improvements, as well as make some facilities improvements and purchase some needed equipment.

The City's 2018 annual street improvement program provided much-needed maintenance to roads within the City. Approximately $600,000 was spent to make the following street improvements in 2018:

1. Summit Road from Broad Street to the Railroad Tracks
    a. 0.5 Miles of asphalt resurfacing with spot full depth pavement repair.
2. Cable Road from Summit Road to Mink Street
    a. 1 mile of spot surface and full depth pavement repair.
    b. Single chip seal of this section was postponed due to weather and will be completed in 2019.
3. Headley's Mill Road from State Route 310 to 0.5 miles from Courter Road
    a. 2 miles of spot surface and full depth pavement repair.
    b. Double chip seal of this section was postponed due to weather and will be completed in 2019.
4. Creek Road from Township Road to the bridge over the Muddy Fork
    a. 400 feet of asphalt resurfacing.
    b. Improvements to Municipal Park including resurfacing of parking lot and new sidewalk.

Construction of two multi-year Capital Improvement Program (CIP) projects began in 2018: (1) the Mink Street, Phase II project; and (2) the Taylor Road Trail project. The City has received funding assistance (75% of construction costs) from the Mid-Ohio Regional Planning Commission (MORPC) and the Ohio Department of Transportation (ODOT) for the Mink Street, Phase II project, with the City's financial responsibility being only 25% of the total project cost. This is a large-scale project that includes right-of-way acquisition and utility relocation to allow for a widened roadway that is being completely reconstructed. This project has been in the works for several years, and after exhaustive planning and preparation, construction was commenced in 2018 and will be completed by mid-2019.

Not unlike the Mink Street, Phase II project, the Taylor Road Trail project is also largely funded by MORPC and ODOT, with the City being responsible again for roughly 25% of the total project cost. When completed, this project will connect Citizens Park on Cleveland Road with Freedom Park on Taylor Road with a 10' wide bike trail, and will also include new sidewalks on the west side of Taylor Road. This project has also been in the works for several years, with construction commencing in 2018 and completion scheduled for 2019.

In 2018, the PSD also continued to actively identify, plan, and design infrastructure projects related to roadways, drainage, and safety. One of the largest of those is the Oak Meadow Drive project. The primary purpose of this project is to improve drainage along Oak Meadow Drive, which will serve to protect and preserve the roadway which will be resurfaced as part of the project. It will also relieve residents in the area of drainage problems and improve safety by adding sidewalk/path on the east side of the road. This project is slated for construction in 2019.

Observations of residents walking along Broad Street and across the busy intersections with Main Street and Township Road has led to the development of the Pataskala Safe Travel Plan. This is a multi-phase

and multi-year project that will incorporate pedestrian facilities at and between major intersections to improve and promote safe pedestrian travel. Design of phases I and II were commenced in 2018 and completed in 2019, with construction planned for 2019. These phases target the western intersection of Broad Street and Main Street, and will include: crosswalks, pedestrian count down timers, sidewalk, an expanded shoulder, and a new signal controller to accommodate the added equipment.

With record setting rainfall over the past two to three years, drainage continues to be an issue throughout the City, and an area where the PSD expends significant effort. Two drainage related studies were commissioned and completed in 2018; the Graham Road Drainage Study, and the Retention/Detention Basin Inventory and Analysis. The Graham Road study looked at the cause and solution to flooding that occurs on Graham Road, with the result being that the PSD will start with small scale efforts in 2019 to address this issue, with larger scale efforts to be completed if needed. The Retention/Detention study identified and inventoried basins throughout the City, then determined responsibility and provided recommended improvements for the City to make. Improvements to the highest priority basin(s) will be completed in 2019 as budget allows.

With the remainder of the budget, the Public Service Department was able to focus on paying down debt service, making improvements to facilities, and acquiring equipment to increase in-house capabilities and safety. New equipment included the purchase of a new dump truck with plowing accessories to replace a truck at the end of its useful life, a new pick-up truck to replace an existing truck also at the end of its useful life, and a skid steer broom to assist personnel with clean-up on in-house jobs.

Two minor improvements were made to the Mink Street Garage, and those were the addition of garage doors to the accessory building and the addition of a superintendent office. The garage doors were an addition to the building that was constructed without them a few years back. The doors will help to protect equipment and enhance security at the garage. The office reconfiguration will provide a separate workspace for the superintendent that will give him the privacy and space he needs, while also providing the crew with their own space.

To complete small scale infrastructure and maintenance projects, the City relies on the capabilities of its Public Service Department Staff. The following list highlights efforts that were completed by the Departments eight full-time employees and one part-time grounds maintenance employee in 2018:

- Over 7,500 feet of roadside ditch cleaning and restoration.
- Over 750 feet of storm sewer/culverts replaced/installed.
- Installation and reconstruction of numerous yard drains and catch basins.
- Approximately 20 tons of crack seal material applied to roadways throughout the City.
- Roughly 3000 gallons of emulsion and 200 tons of gravel used to dura-patch City roads.
- Patching potholes and asphalt repairs, using approximately of 23 tons of asphalt.
- Repair of 75 street lights.
- Replacement/upgrade of over 300 street and traffic signs.
- 10 traffic signal repairs/bulb replacements.
- Over 1,000 man hours mowing public right-of-way

**Utilities Department**

The City continued to implement a number of the recommendations set forth within the 2010 Utility Study, including the items listed below.

***Water Reclamation Department***

The Wastewater Collection System consists of 7 lift stations, 774 manholes, and 38 miles of sewer main pipe line. The 2018 calendar year for the Utility Department was productive and successful in our daily mission of clean water. We made efforts in equipment replacement and equipment revitalization was accomplished through maintenance efforts. Maintenance efforts include numerous hours in plant operation duties, preventative maintenance duties at our facilities, and duties in the collection system.

- **2018 Biosolids Management Program** - The Biosolids Management Program resulted in 70.84 dry tons of nutrient rich product for agricultural beneficial reuse. The program is on the frontline of reuse and recovery of the beneficial application of biosolids. Unfortunately, the relationship with our local farmer along with the skill set need to apply the solids to the fields dissolved with the loss of one of our employees. The department is currently pursuing new ways to dispose of our Biosolids including the possibility of hiring a contractor to establish multiple relationships with local farmers and to apply the solids to the fields in accordance with good farming practices and OEPA regulations.

- **2018 GIS System Project** - The Utility Department took great strides in developing our GIS system for our underground infrastructure. We worked with our consultant to build and update our systems to stream line our department efforts in infrastructure management. There is still work to do in the area of service lines being added to the system, but the bulk of the main lines are accurately depicted.

- **1 Meter BDP 3DP Belt Filter Press** - The existing Prime rotary press had become unreliable and it was determined that an upgrade was necessary to continue operations at the Water Reclamation Facility. MSD installed a Belt Filter Press in December that dramatically increased our ability to process the solids at the WRF, while at the same time drastically reducing our polymer demand in the process. This provides the operators significantly more control in the treatment process while at the same time reducing energy and chemical costs dramatically.

- **2018 Ohio EPA Mandated Phosphorus Removal Study** – A phosphorus study was conducted by the Utility Department. Study results supported the inability of the facility to meet future requirements without facility improvements. Design options have been vetted and a plan to move forward with facility upgrades in 2019 in efforts to improve the facility to meet future regulatory requirements is underway.

- **Standby Emergency Pump for Eastside Lift Station** - The department purchased a 6" standby emergency pump with the capability of handling the full load to the Eastside Lift Station. Due to this lift station's close proximity to resident's homes, a failure of the lift station could result in sewage backups entering resident's basements within 45 min. This is not enough lead time to respond to an issue, so the standby pump was purchased and is now hooked up at the station. It is controlled using a float system that will start and stop the pump as needed.

***Water Department***

The Water Distribution System consists of more than 600 fire hydrants, nearly 4,000 main line and service line valves, 4 elevated water storage tanks, 4 clear well storage tanks, 6 active water treatment wells, 1 water booster pump station, 2 treatment plants, and 58 miles of water main pipe line. The 2018 calendar year for the Utility Department was productive and successful in our daily mission of clean water. We made efforts in equipment replacement and equipment revitalization was accomplished through maintenance efforts. Maintenance efforts include numerous hours in plant operation duties, preventative maintenance duties at our facilities, and duties in the distribution system.

- **2018 Water Distribution Hydraulic Modeling Study** - The Utility Department worked with a consultant to better understand the current and future limitations of the distribution system. This investment was to directly understand future demands with pressure concerns in a target development areas. The study provided guidance on improvement project and future goals. We will continue to update this system as we continue to grow with changes in the system.

- **2018 GIS System Project** – The Utility Department took great strides in developing our GIS system for our underground infrastructure. We worked with our consultant to build and update our systems to stream line our department efforts in infrastructure management.

- **Creek Road Water Main Improvement Project** - The Utility Department identified a restriction in the distribution system by utilizing the Hydraulic Modeling Study. This point was a reduction in water main size from 12" to 6", causing excessive head resistance and inefficient delivery throughout the system. The increase in main size gave us a significant increase in both flow and pressure to the areas in and around "Old Town".

- **Headey's Mill Tower** - The completion of the 2018 Creek Road Water Main Improvement Project allowed the Utility Department to return Headley's Mill tower to service. The removal of the discovered restriction allows the two towers that feed the low-pressure zone in our system to work together with each other. This tower being put back online increased our water storage capacity by 250,000 gallons.

- **Water Booster Pump Station Pump Upgrades** - The Utility Department upgraded two of its three booster pumps that provide water to the Beechwood Trails and surrounding areas. These pump upgrades resulted in a reduction of run times by an average of 8 hours per day. They also reduced the amount of time it takes to fill the Beechwood Trails towers by 80%.

- **Hydrant Flushing Program** - The Utility Department completed its annual hydrant flushing program in October.

- **Valve Exercise Program** - The Utility Department continues to work on its annual valve exercising program, ensuring proper operation of the main and hydrant control valves.

- **Public Education Efforts** - We provided educational information to the customers regarding "Drinking Water Quality Advisories" and our procedures for implementation and notification of the public. The Utility Department has also begun a monthly Social Media Informational Outreach program covering a different aspect of the department each month.

- **Volunteer Program** - The Utility Department has also begun a program with Licking Heights high school to grant community service hours that are required for graduation in exchange for painting hydrants in the system.

- **Emergency Plan Update** - Due to new regulatory requirements we have continued to update our emergency operation plan. We continue to build on this to create a comprehensive emergency operation manual.

- **Public Education Efforts** - We provided educational information to the customers regarding "Drinking Water Quality Advisories" and our procedures for implementation and notification of the public. An informational video on the water treatment process was shared with our customers. The "Adopt-a- Hydrant" program was also shared with the public. We are active in providing information to our customer's regarding the services provided. The "Hyper Reach" notification system was implemented to provide information quickly to our customers via phone and text messages.

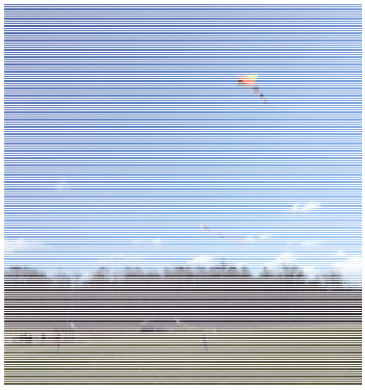
- **System Maintenance** – During 2018, the Water Department completed the following repairs and improvements to the water system:
  - 14 water main and/or valve repair jobs
  - 17 service line repair jobs
  - 0 hydrants replaced
  - 6 hydrants repaired
  - All hydrants flushed during the annual hydrant flushing program
  - 2,765 utility locate requests fulfilled by the staff
  - Over 4,000 laboratory tests to ensure OEPA compliance
  - All water towers inspected for future maintenance considerations
  - 1 water tower leak repaired

***Utility Billing Department***

The Billing Department ensures timely delivery of service to our customers and is diligent in providing the outstanding customer service every day of the year. This includes keeping the meter reading on a schedule month to month, ensuring that customer invoices go out on time, and attentiveness to customer service order requests. During 2018, the department processed approximately $3.7 million in service charge revenues.

- **Information and Outreach Efforts.** The Billing Department worked with the Director to make intentional education and outreach efforts on a monthly basis. The information pertained to Consumer Confidence Reports, Billing Informational Updates, Project Updates, and general tips and information to the customers. Additionally, the Billing Department sent out monthly notices to customers in our preventative sewer main line cleaning areas.

**Parks and Recreation Department**



During 2019, the department will be focusing on increasing public awareness of all city parks, as many residents are not aware that we have a total of 7 existing parks within our district. Constructing a master concept plan for each park is a priority, so that we can begin establishing an identity for each park within our city. Identifying the nature or identity for the parks is important, so we are able to provide the community with the necessary amenities needed to support the rapid growth of our city.

With an estimated population of more than 16,500 residents, and a median age of 37, you can say that we are young, but we must not forget about the city's mature and elderly. Parks and Recreation is here to serve the mature population segment with social, recreational, active, and healthy opportunities to build a community centered around volunteerism to help strengthen our communities' image. Effectively promoting and publicizing recreational programs and events will help enrich the lives of our residents.

The City's park system has seven parks within its corporation limits, totaling more than 135 acres of passive and active parkland, and include the following:

3 softball diamonds, 11 rec soccer fields, 6 traveling team soccer fields, picnic shelter, a softball garage, a soccer garage/concession stand, a maintenance garage, and a walking path. Foundation hosts the assembly of floats for the annual Fourth of July parade, the Easter egg hunt sponsored by the Pataskala Lions Club, the Antique Power Show (includes tractor pull events, live music and other community events), Outdoor Rec Day. The park also has a small stocked pond.

Municipal Park (Active) has a small baseball diamond, a swimming pool, 1 soccer fields, a basketball court, a sand volleyball court, shelter house, and a playground for children. It also has a walking trail that connects two large subdivisions.

Freedom Park (Active) has 2 soccer fields, a playground for children, and a shelter house.

Liberty Park (Passive) has a large stocked pond, a walking path in the woods and a large open field. The parks department was awarded a Nature Works Grant from The Ohio Department of Natural Resources for improvements in the amount of $68.579. The improvement includes a paved walking path, nature playground inside the existing woods and a shelter house. An eagle scout from a local boy scout troop will be constructing a GAGA Pit.

Citizens Park (Passive) has a children's playground, and a large stocked fishing pond. We are working on a concept plan for future development.

Karr Park (Active) has two shelter houses, a children's playground, a volleyball court and walking paths.

The parks department is now working on a concept plan for the parks system.

Volunteer Park (July 2019) is currently planned to have two baseball fields, a shelter house and a soccer field/open space.

The City continues to invest its' resources in their park's facilities. Planned projects for 2019 which have been funded in the budget include the following:

- Completion of the Multi-use trail and sidewalk to be constructed along Taylor Rd/Cleveland Road to Monarch Rd
- Karr Park: shelter inspection, possible roof replacement and pave/widen trail (2019)
- Develop a master plan for all parks so that each have their own identity
- Install lights along the Municipal Park Path through the woods
- Offer community events, including: summer movie night series; consider/establish space for community gardens, Kick off The Movement
- Continue renovations for Foundation Park baseball/softball diamonds.

The Parks and Recreation Department looks to the future to enhance City Programs to offer the citizens of Pataskala more diverse sport programs and community events. In addition, we will concentrate on repairing existing buildings as well as maintaining and enhancing the grounds at all the parks. To help take our city's Parks and Recreation Department to the next level and to keep up with the growth of our rural city we are considering developing partnerships with local businesses to help enhance our parks and what the city has to offer for its residents.

**Land and Buildings**

The Lands and Buildings Department is primarily funded by the General Fund, and expenditures included improvements to the Old Town Hall (which also serves as the Police Department Headquarters), Municipal Building, Street Department, and park facilities. In 2007, the City purchased an existing office building located on Broad Street to serve as its Municipal Headquarters, with the intention of leasing any excess space. Improvements to the building since 2007 have included a new parking lot, new roof, as well as technology upgrades completed in 2012. In 2014, the note on the Municipal Building was paid in full, resulting in the City's complete ownership of the facility.

In 2016, City Council authorized the Administration to enter into a contract with an architectural firm, Horne & King, for planning, architectural design and construction administration services related to the construction of a new Police Station. Police department operations are currently run out of the Old Town Hall building, a 102 years old facility that was never designed to serve in such a capacity. Permanent long-term funding for the project and project bidding were successfully completed in early-2018. Construction of the new station, awarded to Robertson Construction, continued through 2018. It is anticipated that the Police Department will move into the new facility in the spring of 2019.

Specific to the Old Town Hall, City Council has approved funding in the 2019 budget to make improvements to the facility when the Police Department moves out. Once the electric upgrades and some remodeling work is completed at the Old Town Hall, the City's Utility Billing and Administrative staff will move in. We will also rent an office in the Old Town Hall to the local Chamber of Commerce.

Minor maintenance items for the City Administration Building have been funded in the 2019 budget. Replacement of deteriorated sections of the concrete parking lot will be replaced. Additionally, the entry features on the north and the south sides of the building will be replaced.

**Finance Department**

The Finance Department, which consists of 3 full-time employees, is responsible for the following functions: payroll, budgetary compliance, accounts payable/receivable, income tax collection, human resources, payroll, capital asset accounting, investment of public funds, and ensuring compliance with Bureau of Worker's Compensation guidelines.

The department provides timely financial information to the Mayor and members of City Council, employees, and residents. This information includes monthly financial and budgetary reports which are posted to the City's website, a 5-year forecast for all of the City's funds, outlining expected revenues, expenditures and cash position, and also updates regarding the City's budget. Policies and procedures are continuously updated and reviewed ensuring proper internal controls are in place.

In early-2018, the City successfully completed the bank placement of $4.6 million for construction funding for the Police station project. The City's Aa3 rating was recently reaffirmed by Moody's Investors Service. Assignment of this rating was based upon the City's modest tax base located near the state capital of Columbus; satisfactory financial operations; healthy reserve levels for the City's small budget; and manageable debt position with moderate near term borrowing plans.

This year will mark the twenty-fifth consecutive year of filing financial statements according to accounting principles generally accepted in the United States of America (GAAP), and the ninth consecutive year that the City has submitted a Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association for their Certificate of Achievement Program.

## LONG-TERM FINANCIAL PLANNING

A 1.0% income tax was enacted by the voters in May, 2010, and became effective July 1, 2010. The tax provides funding for Police protection and for investment in maintenance and improvements of the City's roadway infrastructure. City Council initially earmarked 75% of the revenue for police and 25% for street maintenance and repair through December 2011. Based upon 2011 and 2012 collections being significantly higher than originally estimated, the City was able to allocate additional income tax revenues in 2012 toward the City's infrastructure needs. As a part of the annual budget process, City Council approves the following year's allocation rates. For 2018, City Council directed that the income tax collections were to be allocated as follows: Police (52.0%), Street (32.1%), Capital Improvement (2.0%), and Debt Service (13.9%).

Pataskala is considered to be a bedroom community, with a significant portion of its approximately 17,100 residents working outside the corporate limits, including the cities of Columbus, Pickerington, Reynoldsburg, Whitehall, and Newark. Licking County's unemployment rate increased from the December 2017 rate of 3.8% to December 2018's rate of 4.2%, but is somewhat better than the State of Ohio's December 2017 rate of 4.6%. This is a welcome improvement over Licking County's 11.0% rate in January 2010. The City also monitors and utilizes unemployment rates in surrounding counties forecasting future income tax collections.

In consultation with City Council, the City Administrator has primary responsibility for developing the short- and long-term goals and objectives for the city. The City Administrator, Benjamin J. King, has compiled a list of six planning topics, which include: attracting jobs to the City; improving the City's roads; and completing a vision of how residents want the City to look in coming years.

Please find below an outline of Goals & Projects for 2019. The Administration prepared this plan in order to focus our planning and align our action steps consistent with these goals in order to achieve maximum efficiencies and results for the citizens of Pataskala.

**1) Economic Development**

- **Corporate Park:** Formulate plan with new broker of Corporate Park to market the property to potential developers. Determine the maximum combined water and sewer service that can be provided to the Park by the City and Southwest Licking Community Water and Sewer District.
- **Community Reinvestment Areas (CRA's):** Continue to market the City's four commercial and residential CRA areas. Create informational materials to inform business and residents about the CRA program.
- **Local School Districts**: Work with both local school districts to implement a revenue sharing agreement for the Corporate Park CRA, benefitting expediency of future development of the Park.
- **Tax Increment Financing Districts (TIF):** File additional parcels within the active SR310 North and South TIF Districts to capitalize on developments. Identify other potential locations to implement TIF Districts to support development and infrastructure improvements.
- **Organizational Relationships:** Strengthen our partnerships with regional organizations, entities, and neighbors to enhance marketing and coordination:
  - Columbus 2020
  - Grow Licking County CIC
  - Mid-Ohio Regional Planning Commission (MORPC)
  - Etna, Harrison, St. Albans, Jersey and Jefferson townships

- Pataskala Area Chamber of Commerce
- Franklin & Licking counties
- Jobs Ohio
- Pataskala Corporate Park JEDD
- Ohio Development Services Agency
- Southwest Licking & Licking Heights School Districts
- Central Ohio Technical College/C-TEC
- Mid-Ohio Development Exchange (MODE)
- Southwest Licking Consolidated Water & Sewer District
- Cities of Columbus, Reynoldsburg and New Albany

**2) Infrastructure Improvements / CIP Implementation – "Investment in Our Future"**

- **Street & Road Infrastructure:** Implementation of the Roadway Asset Management Plan (RAMP), including repaving/reconstruction of identified roadways. City continues aggressive budgeting each year toward our annual roadway improvements program.
- **Intersection Improvements Study:** Complete a study of our seven (7) most congested intersections to determine what improvements need to be completed to improve traffic flow and motorist safety. Create plan to pursue funding opportunities to construct the identified improvements.
- **Mink Street Reconstruction:** Complete the final phase of the Mink Street corridor improvements project. Final phase includes widening and total reconstruction of Mink Street from Cleveland Avenue to Havens Corner Road.
- **Oak Meadow Reconstruction and Drainage Improvements:** Complete the Oak Meadow Drive reconstruction and drainage improvements project. Engineering design was completed throughout 2018. Project to include the improvement of drainage along Oak Meadow Drive and Hickory Boulevard, followed by the reconstruction of Oak Meadow Drive.
- **Storm Water Drainage System:** The City continues to work to addressing its' stormwater drainage issues, ensuring compliance with the NPDES stormwater requirements.

**3) Public Service & Engineering**

- **Public Service Department – Core Services:** Continue to provide basic and enhanced services to the residents and businesses, including:
  - Roadway berm replacement
  - Urban forest management plan (city-owned trees only)
  - Roadway striping
  - Pothole repair and repaving
  - Ditch cleaning and culvert repair/replacement
  - Right of-way mowing and vegetation management for sign visibility
  - Stream blockage removal
  - Street light repair and maintenance
  - Snow and ice removal program
  - City gateway maintenance
  - Street signage repair and replacement
  - Weekly park maintenance efforts
  - Guardrail maintenance
  - Road sweeping/alley maintenance
  - Mosquito control program

- **Storm Sewer Maintenance:** Targeted use of jet truck to maintain and clean-out lines. Inspect all drains and catch basins throughout the City to identify areas in the storm water system that need to be cleaned.
- **NPDES/MS4 Permit:** Improved communication with the EPA and staff efforts to improve compliance with requirements of NPDES/MS4 program.

**4) Land Use, Planning & Zoning / Grant Funding, Parks & Recreation:**

- **Economic Development:** Continue responding to leads, mapping projects/GIS, etc.
- **Comprehensive Land Use Plan:** Complete work with the Comprehensive Plan Steering Committee to draft plan. Present to City Council for review and adoption. Begin to implement the adopted Land Use Plan.
- **Code Review:** Ongoing review by staff identifying areas of the code not working as intended – suggestions for code modifications, if needed, should be anticipated in 2019. Code amendments that may be the outcome of the adoption of the Comprehensive Land Use Plan.
- **Zoning Code Enforcement:** Continued prioritization of enforcement issues within the Department – trash, junk vehicles, tall grass and weeds, along with chronic property maintenance-related properties.
- **Planning & Zoning:** Modify existing permit forms and fee schedule to provide more streamlined submittal process.

**5) Utilities – "Safety, Reliability, Excellence!"**

- **Source Water Pollution Prevention:** Significant outreach, education, and awareness initiatives to customers on SWPP, FOG, Backflow, Water Conservation Efforts, virtual tours of treatment plants on line, rain barrel initiatives, and rain garden initiatives.
- **Water Reclamation Facility (WRF) Improvements:** Complete design of improvements for the WRF. Anticipation of bidding project and commencing construction in 2020. Being funded by a 0% interest loan from the Ohio EPA.
- **Sewer Line Maintenance:** Increased efforts in sewer main preventative maintenance cleaning efforts. Goal to clean 50% of our main line inventory.
  - Perform annual sewer main and manhole relining and repair efforts.
- Annual water line, valve, and hydrant replacement and repair efforts.
- Ongoing efforts to implement the Water Department portion of the Radio Read Project
- GIS integration work.

**6) City Facilities**

- **Municipal Facilities Inventory:** Investigate potential new uses for all city facilities. What is the most productive use of all city facilities?
- **Pataskala Police Station:** Construction of the new Pataskala Police Station to be completed in early 2019. Anticipated that the Police Department will begin operations at the new station in spring of 2019.

- **Old Town Hall:** Complete improvements (electric system, painting, flooring, and minor remodeling) of the Town Hall to convert from former Police Station to office space. The Pataskala Area Chamber of Commerce to lease an office in the Town Hall. The City's Utility Billing Office will move the City Administration Building to the Town Hall.
- **Pataskala Administration Building:** Complete replacement of entryways to the City Administration Building north and south entries. Replace deteriorating portions of the parking lot on the south side of the building. Connect the City Administration Building to the generator installed as part of the Police Station construction project.

**7) Communications / Public Outreach**

- **Community Outreach:** Improve regularity of the city's e-newsletter distribution. Increase the number of registrants for the e-newsletter. Increase use of social media (Facebook, Twitter) and increase the number of registrants to each. Utilize these systems to keep community updated on events and news. Continue distribution of print copy quarterly newsletter. Increase use of the City's telephone mass notification system.

**8) Parks and Recreation**

- **Park Facilities and Programs:** City sponsored recreation programs to continue. Approximately 500 youth involved in spring and fall soccer program. Implementation of additional recreation programing opportunities.
- **Park Master Plans:** Work in conjunction with Parks Advisory Board for park master planning.
- **Liberty Park Development:** Complete phase I of the Liberty Park development project. City received a Natureworks Grant in 2018 to construct facilities and structures in Liberty Park in 2019.
- **Outdoor movie events:** Schedule and provide three outdoor movie events for the public throughout the summer months. Movies to be held in three different parks. Pursue business sponsorships to cover the cost of the movie nights.

## RELEVANT FINANCIAL POLICIES

By ordinance, City Council adopted a comprehensive *Employee Handbook & Policy Manual* which, in addition to providing employees guidance on employment practices and policies, also provides a tool for the City to better manage and streamline the City's purchasing procedures, budgeting and financial planning, debt management, and investment and deposit of funds to ensure the minimal City resources are utilized to their fullest. A summary of the significant components of the financial policy section are as follows:

***Purchasing Procedures -*** Clarification and direction was provided to all employees governing the use of requisitions, certification of funds, establishing communication channels between departments receiving goods and the authorization for payment, competitive bidding process, and finally establishing overall standards and ethics.

***Budgeting and Financial Planning*** – The purpose is to identify the major elements of the budgeting/financial planning process to ensure the long-term objectives of the City are met and to recognize that prudent financial planning considers multi-year implications of short-term financial decisions. The major financial planning elements include:

1. Capital Improvement Plan – This document establishes a policy framework to guide the expansion of the City and future development and necessary infrastructure and capital equipment needs.

2. Five-Year Forecast – This plan projects the expected fund balances of the City's General Fund, or main operating fund, and considers the expected funding needs, essential funding sources, and may expand upon the Capital Improvement Plan by estimating the costs and funding for projects and programs that accomplish the long-term goals for the City.

3. Annual Operating and Capital Budgets – This annual financial plan is prepared by the City Administrator with assistance from the Finance Department and approved by Council. These budgets may be changed throughout the year based upon departmental needs and changes in estimated revenues.

The City will budget target cash fund balances for various operating funds to provide reserves for unforeseen emergencies or revenue shortfalls and to eliminate the need for short-term borrowings.

***Debt Management*** - Debt will only be used to fund capital projects or the purchase of capital assets that will continue to benefit the community and will not be used to finance operating expenditures. The City will work to obtain and maintain assigned credit from a rating agency consistent with the City's financing objectives. Finally, the City will strive to retire short-term borrowings as considered beneficial to the City in relation to overall cost savings and interest rates.

***Investments and Deposits of Funds*** – City Council adopted an amended investment policy in 2018 which expanded the number of approved investment options, and emphasizes safety, preservation of principal, liquidity and yield. All idle funds are to be invested in accordance with the City's investment policy.

## AWARDS AND ACKNOWLEDGEMENTS

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

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

The GFOA has given an *Award for Outstanding Achievement in Popular Annual Financial Reporting* to the City of Pataskala for its Popular Annual Financial Report for the fiscal year ended December 31, 2017. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding Achievement is valid for a period of one year only. This is the second consecutive year that the City has received this recognition.

The GFOA presented a *Distinguished Budget Presentation Award* to the City of Pataskala for its Annual Budget for the fiscal year beginning January 1, 2018. In order to receive the award, a government unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. The Distinguished Budget Award is valid for a period of one year only. This is the second consecutive year that the City has received this recognition.

The City has also been awarded the Ohio Auditor of State's *Award With Distinction* certificate (formerly known as the "Making Your Tax Dollars Count" award) for the past nine consecutive years (2009-2017), based upon the submission of a Comprehensive Annual Financial Report, and the auditor's finding that no material noncompliance or internal control weaknesses were identified as a result of these audits.

The preparation of this Comprehensive Annual Financial Report was made possible by the dedicated service of the City's Finance staff, department heads and all other City employees who have contributed or assisted in its preparation.

Respectfully submitted,

James M. Nicholson
Finance Director

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Pataskala**

**Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

**December 31, 2017**

Christopher P. Morrill

Executive Director/CEO

**City of Pataskala, Ohio**
**Elected & Appointed Officials**
**As of December 31, 2018**

---

***Elected Officials****

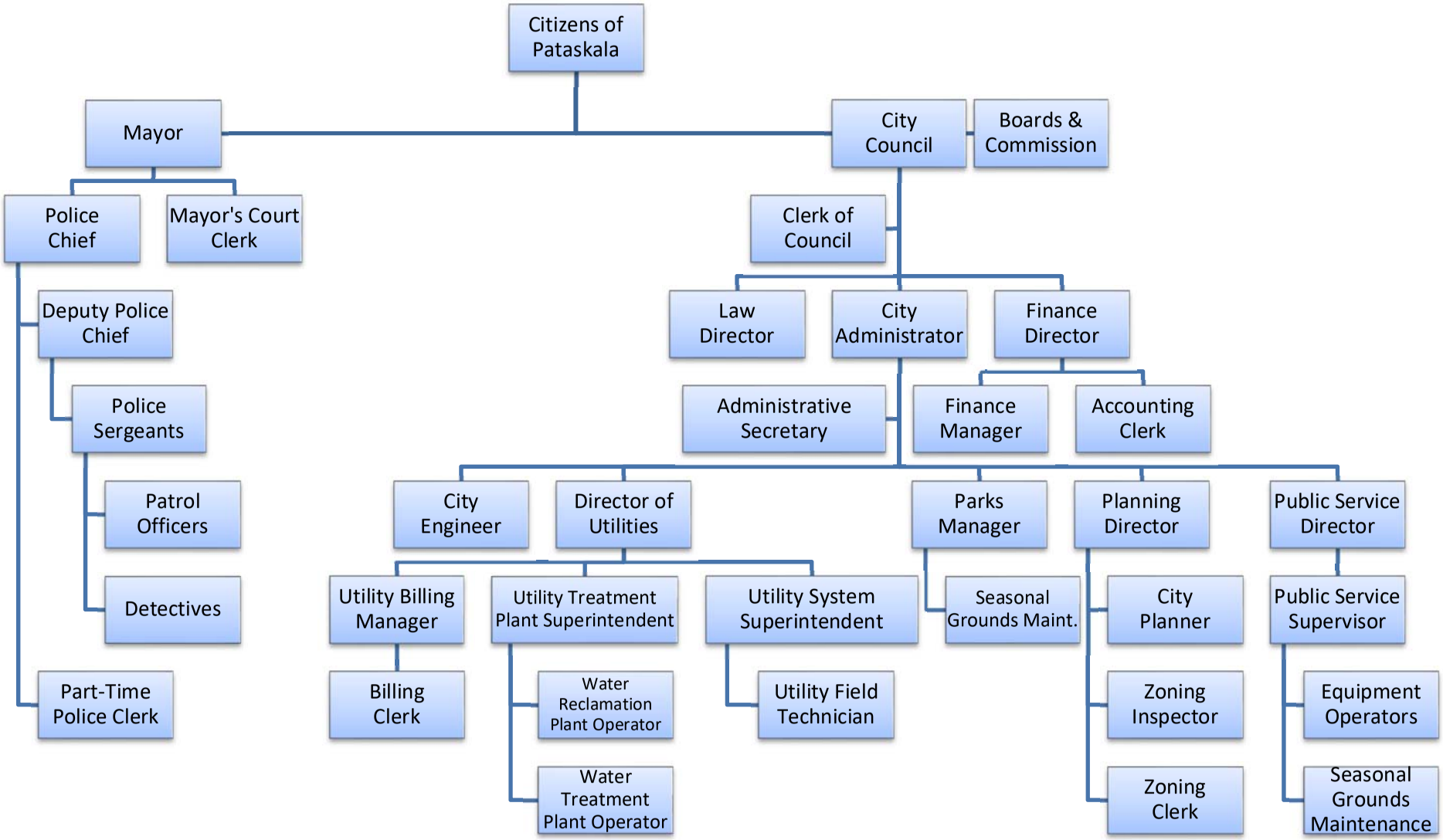
| | |
|---|---|
| Mayor | Michael W. Compton (2021) |
| Council President | *At-Large* – Timothy O. Hickin (2021) |
| Council Members | *At-Large* – Andrew W. Walther (2021) |
| | *At-Large* – Todd W. Barstow (2021) |
| | *Ward 1* – Thomas H. Lee (2019) |
| | *Ward 2* – Melissa A. Carter (2019) |
| | *Ward 3* – Michael C. Powell (2019) |
| | *Ward 4* – Suzanne M. Hayes (2019) |

***Appointed Officials:***

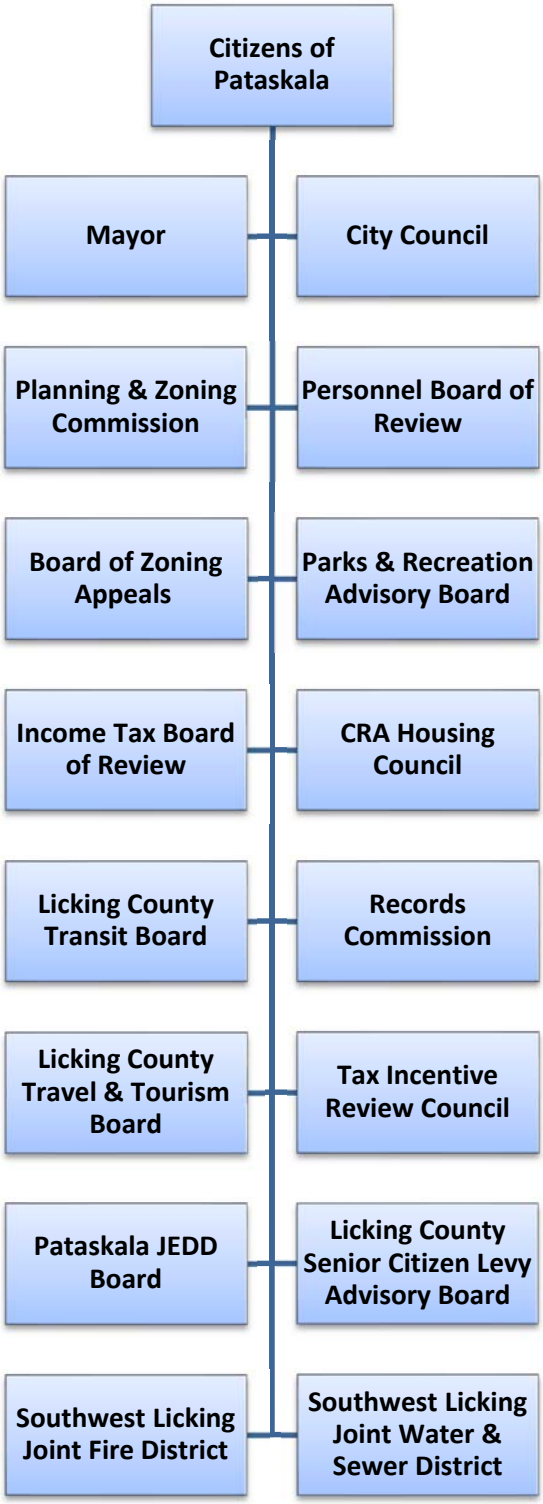
| | |
|---|---|
| City Administrator | Benjamin J. King |
| Director of Finance | James M. Nicholson, MBA, CPFIM |
| Law Director | Brian M. Zets, Esq. |
| Planning Director | Scott C. Fulton |
| Public Service Director | Alan W. Haines, P.E. |
| Chief of Police | Bruce Brooks |
| Utilities Director | Christopher D. Sharrock |

* Elected officials terms of office listed in parentheses.

# City of Pataskala, Ohio
# Organizational Chart



# City of Pataskala, Ohio
# Boards & Commissions



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# Financial Section

## City of Pataskala | CAFR

**Julian & Grube, Inc.**
*Serving Ohio Local Governments*
333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

City of Pataskala
Licking County
621 W. Broad Street, Suite 2F
Pataskala, Ohio 43062

To the Members of Council and Mayor:

***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pataskala, Licking County, Ohio, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City of Pataskala'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 of Pataskala'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 of Pataskala'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 Pataskala, Licking County, Ohio, as of December 31, 2018, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund, Street Fund, and Police Fund, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

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

***Other Matters***

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

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

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

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2019, on our consideration of the City of Pataskala'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 of Pataskala's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
June 17, 2019

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

## Financial Highlights

Key financial highlights for 2018 are as follows:

- The total net position of the City increased $5,679,766. Net position of governmental activities increased $4,092,851 or 17.18% from December 31, 2017's restated net position. Net position of business-type activities increased $1,586,915 or 23.50% from December 31, 2017's restated net position.

- General revenues accounted for $7,741,276 or 62.35% of total governmental activities revenue. Program-specific revenues accounted for $4,675,138 or 37.65% of total governmental activities revenue.

- The City had $8,323,563 in expenses related to governmental activities; $4,675,138 of these expenses were offset by program specific charges for services, grants or contributions.

- The general fund had revenues and other financing sources of $1,821,512 in 2018. This represents an increase of $254,282 from 2017 revenues. The expenditures and other financing uses of the general fund, which totaled $1,762,193 in 2018 increased $358,883 from 2017. The net increase in fund balance for the general fund was $59,319 or 4.19%.

- The Street fund had revenues and other financing sources of $2,933,795 in 2018, which is an increase of $201,658 from 2017 revenues. The expenditures and other financing uses in the Street fund totaled $2,543,108 in 2018, which increased $640,538 from 2017. The net increase in fund balance was $390,687 or 11.21%.

- The Police fund had revenues and other financing sources of $3,190,662 in 2018, which is an increase of $211,271 from 2017 revenues. The expenditures and other financing uses in the Police fund totaled $2,717,817 in 2018, which decreased $48,505 from 2017. The net increase in fund balance was $472,845 or 27.73%.

- The Bond Improvements fund had revenues and other financing sources of $4,638,370 and expenditures of $4,549,448 in 2018. The fund balance of the Bond Improvements fund increased $88,922 or 30.15%.

- Net position for the business-type activities, which are made up of the Water and Sewer enterprise funds, increased in 2018 by $1,586,915.

- In the general fund, the actual revenues and other financing sources came in $33,446 higher than they were in the final budget. Actual expenditures were $222,135 less than the amount in the final budget. These variances are the result of the City's conservative budgeting process.

## Using This Comprehensive Annual Financial Report (CAFR)

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

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

## Reporting the City as a Whole

### *Statement of Net Position and the Statement of Activities*

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

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

In the statement of net position and the statement of activities, the City is divided into two distinct kinds of activities:

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

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

The City's statement of net position and statement of activities can be found on pages 59-61 of this report.

## Reporting the City's Most Significant Funds

### *Fund Financial Statements*

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focuses on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 51.

***Governmental Funds***

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

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the 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 and has segregated these funds into major and nonmajor funds. The City's major governmental funds are the general fund, Street fund, Police fund and Bond Improvements fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 62-71 of this report.

***Proprietary Funds***

The City maintains one type of proprietary fund, its enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations. Both of the City's enterprise funds are considered major funds. The basic proprietary fund financial statements can be found on pages 72-75 of this report.

***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City's fiduciary fund is an agency fund. The basic fiduciary fund financial statement can be found on page 76 of this report.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 77-135 of this report.

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension liability and net OPEB liability. The required supplementary information can be found on pages 138-150 of this report.

## Government-Wide Financial Analysis

The table below provides a summary of the City's assets, deferred inflows of resources, liabilities, deferred outflows of resources and net position at December 31, 2018 and 2017. The net position at December 31, 2017 has been restated as described in Note 3.

| | Net Position | | | | | |
|---|---|---|---|---|---|---|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2018 | Restated 2017 | 2018 | Restated 2017 | 2018 | Restated 2017 |
| **Assets** | | | | | | |
| Current and other assets | $ 16,622,822 | $ 14,199,125 | $ 7,197,821 | $ 6,582,458 | $ 23,820,643 | $ 20,781,583 |
| Capital assets, net | 32,836,134 | 25,433,004 | 13,684,574 | 13,364,566 | 46,520,708 | 38,797,570 |
| Total assets | **49,458,956** | **39,632,129** | **20,882,395** | **19,947,024** | **70,341,351** | **59,579,153** |
| **Deferred outflows of resources** | | | | | | |
| Unamortized deferred charges | - | - | 290,368 | 306,055 | 290,368 | 306,055 |
| Pension | 900,371 | 1,495,667 | 195,192 | 417,542 | 1,095,563 | 1,913,209 |
| OPEB | 333,968 | 17,190 | 47,306 | 6,504 | 381,274 | 23,694 |
| **Total deferred outflows** | **1,234,339** | **1,512,857** | **532,866** | **730,101** | **1,767,205** | **2,242,958** |
| **Liabilities** | | | | | | |
| Current liabilities | 1,425,479 | 493,521 | 148,987 | 172,737 | 1,574,466 | 666,258 |
| Long-term liabilities: | | | | | | |
| Due within one year | 983,574 | 767,020 | 726,295 | 725,421 | 1,709,869 | 1,492,441 |
| Net pension liability | 4,101,952 | 4,898,332 | 634,439 | 992,047 | 4,736,391 | 5,890,379 |
| Net OPEB liability | 3,563,975 | 3,184,375 | 462,820 | 463,893 | 4,026,795 | 3,648,268 |
| Other amounts | 10,656,511 | 6,809,257 | 10,803,010 | 11,538,476 | 21,459,521 | 18,347,733 |
| **Total liabilities** | **20,731,491** | **16,152,505** | **12,775,551** | **13,892,574** | **33,507,042** | **30,045,079** |
| **Deferred inflows of resources** | | | | | | |
| Property taxes and PILOTs | 1,261,892 | 1,138,333 | - | - | 1,261,892 | 1,138,333 |
| Pension | 515,325 | 26,717 | 223,936 | 30,491 | 739,261 | 57,208 |
| OPEB | 264,305 | - | 74,799 | - | 339,104 | - |
| **Total deferred inflows** | **2,041,522** | **1,165,050** | **298,735** | **30,491** | **2,340,257** | **1,195,541** |
| **Net Position** | | | | | | |
| Net investment in capital assets | 20,514,381 | 18,122,929 | 2,465,224 | 1,434,142 | 22,979,605 | 19,557,071 |
| Restricted | 7,048,876 | 7,015,922 | - | - | 7,048,876 | 7,015,922 |
| Unrestricted | 357,025 | (1,311,420) | 5,875,751 | 5,319,918 | 6,232,776 | 4,008,498 |
| **Total net position** | **$ 27,920,282** | **$ 23,827,431** | **$ 8,340,975** | **$ 6,754,060** | **$ 36,261,257** | **$ 30,581,491** |

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

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

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

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

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

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

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

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

As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017, from $26,994,616 to $23,827,431 for governmental activities and $7,211,449 to $6,754,060 for business-type activities.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2018, the City's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by $36,261,257. At year end, net positions were $27,920,282 and $8,340,975 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 66.14% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, equipment, vehicles and infrastructure. Net investment in capital assets at December 31, 2018, were $20,514,381 and $2,465,224 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, $7,048,876, represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position is $357,025.

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

| | Change in Net Position | | | | | |
|---|---|---|---|---|---|---|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2018 | Restated 2017 | 2018 | Restated 2017 | 2018 | Restated 2017 |
| **Revenues** | | | | | | |
| Program revenues: | | | | | | |
| Charges for services and sales | $ 619,016 | $ 667,195 | $ 4,365,352 | $ 3,920,943 | $ 4,984,368 | $ 4,588,138 |
| Operating grants and contributions | 1,553,958 | 1,353,608 | - | - | 1,553,958 | 1,353,608 |
| Capital grants and contributions | 2,502,164 | 243,847 | 708,879 | - | 3,211,043 | 243,847 |
| General revenues: | | | | | | |
| Property taxes | 1,026,643 | 901,169 | - | - | 1,026,643 | 901,169 |
| Income taxes | 6,016,173 | 5,579,836 | - | - | 6,016,173 | 5,579,836 |
| Payments in lieu of taxes | 345,029 | 257,284 | - | - | 345,029 | 257,284 |
| Unrestricted grants | 222,490 | 205,764 | - | - | 222,490 | 205,764 |
| Interest | 24,019 | 18,329 | 65,514 | 37,836 | 89,533 | 56,165 |
| Other | 106,922 | 34,363 | 48,002 | 33,064 | 154,924 | 67,427 |
| **Total Revenues** | **12,416,414** | **9,261,395** | **5,187,747** | **3,991,843** | **17,604,161** | **13,253,238** |
| **Expenses:** | | | | | | |
| General government | 1,419,475 | 1,974,894 | - | - | 1,419,475 | 1,974,894 |
| Security of persons and property | 2,774,477 | 2,669,556 | - | - | 2,774,477 | 2,669,556 |
| Transportation | 3,160,235 | 2,251,881 | - | - | 3,160,235 | 2,251,881 |
| Community environment | 358,209 | 385,940 | - | - | 358,209 | 385,940 |
| Leisure time activity | 304,063 | 208,044 | - | - | 304,063 | 208,044 |
| Interest and fiscal charges | 307,104 | 204,778 | - | - | 307,104 | 204,778 |
| Water | - | - | 1,733,297 | 1,621,079 | 1,733,297 | 1,621,079 |
| Sewer | - | - | 1,867,535 | 1,567,904 | 1,867,535 | 1,567,904 |
| **Total Expenses** | **8,323,563** | **7,695,093** | **3,600,832** | **3,188,983** | **11,924,395** | **10,884,076** |
| **Change in Net Position** | **4,092,851** | **1,566,302** | **1,586,915** | **802,860** | **5,679,766** | **2,369,162** |
| Net position at beginning of year (restated) | 23,827,431 | N/A | 6,754,060 | N/A | 30,581,491 | N/A |
| **Net Position at End of Year** | **$ 27,920,282** | **$ 23,827,431** | **$ 8,340,975** | **$ 6,754,060** | **$ 36,261,257** | **$ 60,088,688** |

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of $23,694 computed under GASB 45. GASB 45 required recognizing OPEB expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report OPEB expense of $366,453.

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

| | Governmental Activities | Business-Type Activities |
|---|---|---|
| Total 2018 program expenses under GASB 75 | $ 8,323,563 | $ 3,600,832 |
| OPEB expense under GASB 75 | 333,458 | 32,995 |
| 2018 contractually required contributions | 6,331 | 71 |
| Adjusted 2018 program expenses | 8,663,352 | 3,633,898 |
| Total 2017 program expenses under GASB 45 | 7,695,093 | 3,188,983 |
| Increase in program expenses not related to OPEB | $ 968,259 | $ 444,915 |

**Governmental Activities**

Governmental activities net position increased $4,092,851 in 2018.

Security of persons and property, which primarily supports the operations of the police department, had expenses of $2,774,477 which accounted for 33.33% of the governmental expenses of the City. These expenses were partially funded by $111,761 in direct charges to users of the services and $167,342 in operating grants and contributions. Transportation, which primarily supports street construction and maintenance projects, had expenses of $3,160,235 which accounted for 37.97% of the governmental expenses of the City. These expenses were funded by $1,087,551 in operating grants and contributions and $2,502,164 in capital grants and contributions. The increase in transportation expenses was the result of increased spending in the street fund and an increase in depreciation expense related to infrastructure projects. General government expenses totaled $1,419,475 which was partially funded by $281,823 in direct charges to users of the services and $297,561 in operating grants and contributions.

The State and Federal government contributed to the City a total of $1,553,958 in operating grants and contributions. These revenues are restricted to a particular program or purpose.

General revenues totaled $7,741,276 and amounted to 62.35% of total governmental revenues. These revenues primarily consist of property tax revenue and income tax revenue making up $7,042,816 which is 90.98% of general revenues or 56.72% of all revenues. Income tax revenue increased due to a better than expected tax collections throughout the City. The large increase in program revenues was the result of an increase in capital grants and contributions of $2,258,317. This increase was due to capital contributions received from developers for infrastructure built in the City.

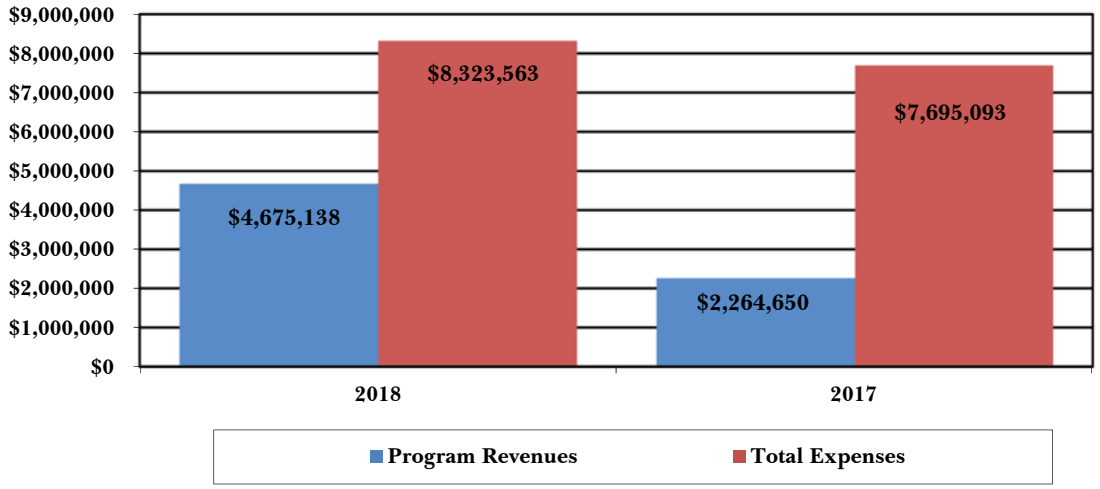
The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As can be seen in the table below, the City is highly dependent upon property taxes as well as unrestricted grants and entitlements to support its governmental activities.

| | Governmental Activities | | | |
|---|---|---|---|---|
| | Total Cost of Services 2018 | Net Cost of Services 2018 | Total Cost of Services 2017 | Net Cost of Services 2017 |
| **Program expenses:** | | | | |
| General government | $ 1,419,475 | $ 840,091 | $ 1,974,894 | $ 1,311,216 |
| Security of persons and property | 2,774,477 | 2,495,374 | 2,669,556 | 2,421,942 |
| Transportation | 3,160,235 | (437,175) | 2,251,881 | 1,031,270 |
| Community environment | 358,209 | 295,277 | 385,940 | 353,771 |
| Leisure time activity | 304,063 | 147,754 | 208,044 | 107,466 |
| Interest and fiscal charges | 307,104 | 307,104 | 204,778 | 204,778 |
| **Total Expenses** | **$ 8,323,563** | **$ 3,648,425** | **$ 7,695,093** | **$ 5,430,443** |

The dependence upon general revenues for governmental activities is apparent, with 43.83% in 2018 supported through taxes and other general revenues.

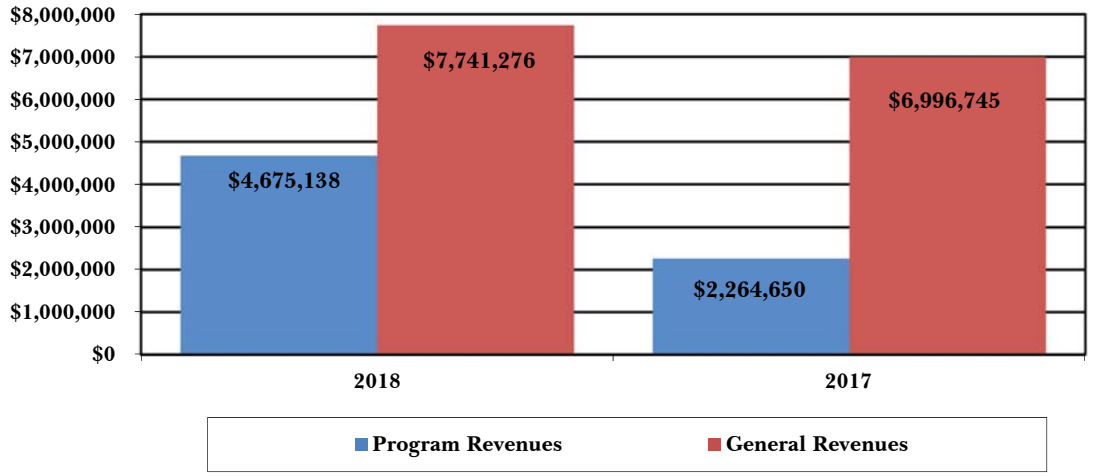
The following graph illustrates governmental-activities program revenues and total expenses for years 2018 and 2017.

**Governmental Activities - Program Revenues vs. Total Expenses**



The graph below shows governmental-activities general and program revenues for years 2018 and 2017.

**Governmental Activities - General and Program Revenues**

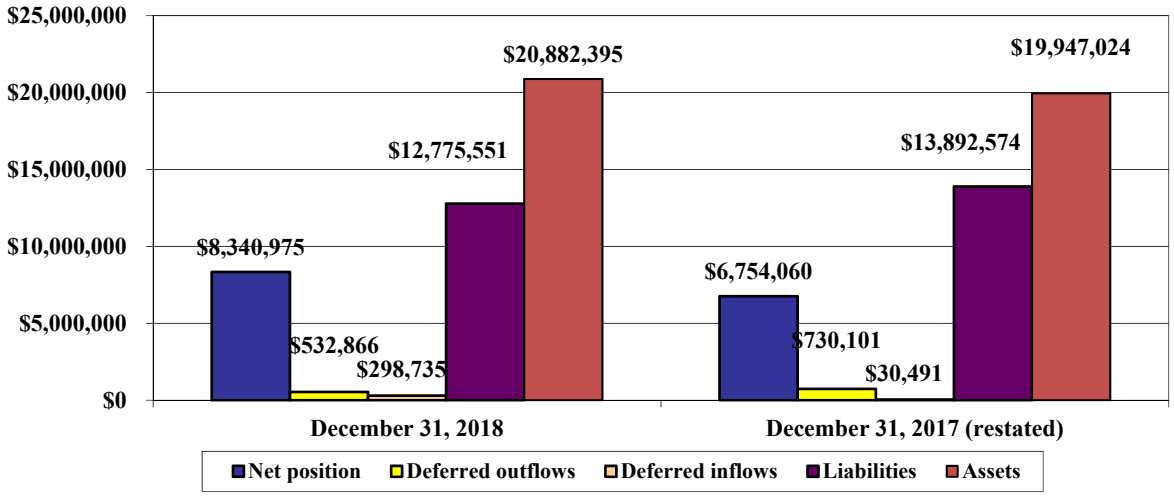



**Business-type Activities**

Business-type activities include the water and sewer enterprise funds. These programs had program revenues of $5,074,231, general revenues of $113,516, and expenses of $3,600,832 for 2018.

The following graph illustrates the business-type activities assets, deferred outflows, liabilities, deferred inflows and net position at December 31, 2018 and 2017. The net position at December 31, 2017 has been restated as described in Note 3.

**Net Position in Business - Type Activities**




The City's total assets for business-type activities increased due primarily to higher equity in pooled cash balances due primarily to water and sewer rate increases.

**Financial Analysis of the Government's Funds**

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

***Governmental Funds***

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

The City's governmental funds reported a combined fund balance of $11,466,036 which is $1,056,099 higher than last year's total of $10,409,937.

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

| | Fund Balances 12/31/2018 | Fund Balances 12/31/2017 | Change |
|---|---|---|---|
| Major funds: | | | |
| General | $ 1,475,102 | $ 1,415,783 | $ 59,319 |
| Street | 3,876,406 | 3,485,719 | 390,687 |
| Police | 2,178,257 | 1,705,412 | 472,845 |
| Bond Improvements | 383,897 | 294,975 | 88,922 |
| Other nonmajor governmental funds | 3,552,374 | 3,508,048 | 44,326 |
| **Total** | **$ 11,466,036** | **$ 10,409,937** | **$ 1,056,099** |

***General Fund***

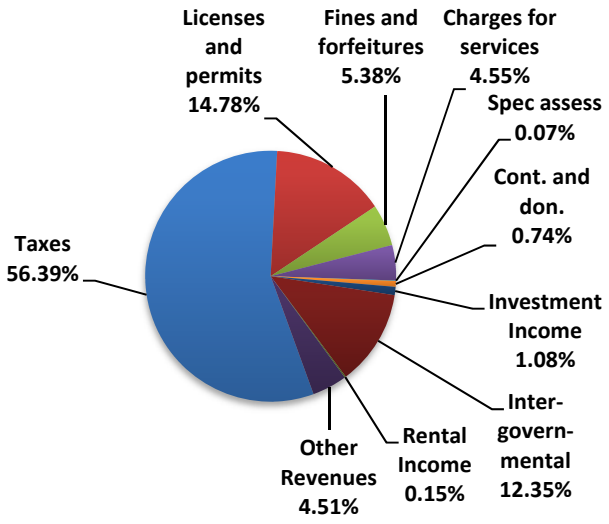
The table that follows assists in illustrating the revenues of the general fund.

| | 2018 Amount | 2017 Amount | Percentage Change |
|---|---|---|---|
| **Revenues** | | | |
| Taxes | $ 1,008,111 | $ 880,675 | 14.47% |
| Charges for services | 81,295 | 72,332 | 12.39% |
| Licenses and permits | 264,336 | 243,503 | 8.56% |
| Fines and forfeitures | 96,145 | 126,841 | (24.20%) |
| Intergovernmental | 220,884 | 192,814 | 14.56% |
| Special assessments | 1,305 | - | 100.00% |
| Investment income | 19,315 | 13,150 | 46.88% |
| Rental income | 2,760 | 4,055 | (31.94%) |
| Contributions and donations | 13,191 | - | 100.00% |
| Other | 80,556 | 32,306 | 149.35% |
| **Total Revenues** | **$ 1,787,898** | **$ 1,565,676** | **14.19%** |

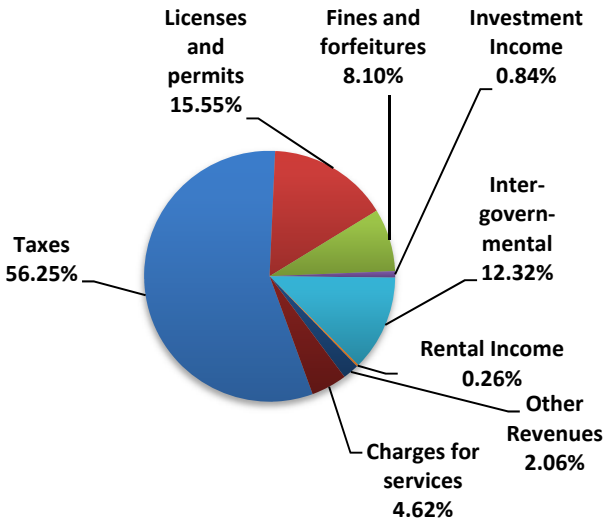
Revenues of the general fund increased $222,222, or 14.19%. Tax revenue represents 56.39% of all general fund revenue. Taxes increased by $127,436 due to a re-evaluation of property taxes in Licking County. The increase in charges for services is the result of an increase in the recreation fees charged to City residents.

The following graphs illustrate the breakdown of the general fund's revenues for December 31, 2018 and 2017:

**Revenues - 2018**




**Revenues – 2017**



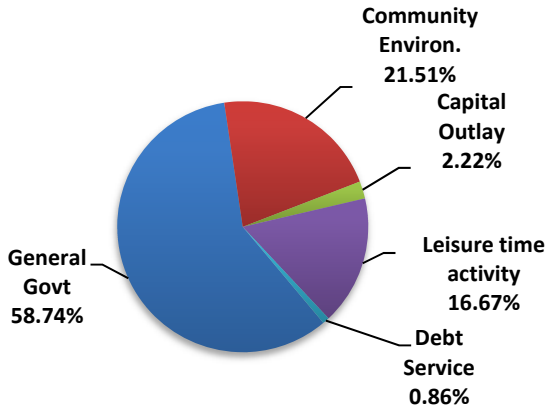

The table that follows assists in illustrating the expenditures of the general fund.

| | 2018 Amount | 2017 Amount | Percentage Change |
|---|---|---|---|
| **Expenditures** | | | |
| General government | $ 888,186 | $ 847,352 | 4.82% |
| Community environment | 325,272 | 336,947 | (3.46%) |
| Leisure time activity | 252,047 | 161,560 | 56.01% |
| Capital outlay | 33,614 | - | 100.00% |
| Debt service | 13,074 | 951 | 1,274.76% |
| **Total Expenditures** | **$ 1,512,193** | **$ 1,346,810** | **12.28%** |

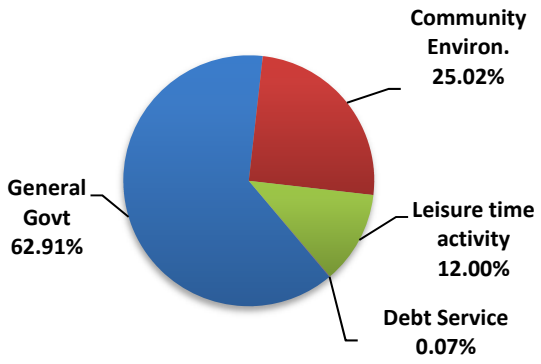
Expenditures of the general fund increased $165,383 or 12.28%. The increase in general government was a result of increased spending in the Court & Legal and Parks, Lands & Municipal Facilities departments. The increase in leisure time activity was due to increased costs associated with the recreation department.

The graphs below show the general fund's expenditures for December 31, 2018 and 2017:

**Expenditures - 2018**




**Expenditures – 2017**




***Street Fund***

The Street fund had revenues and other financing sources of $2,933,795 in 2018, which is an increase of $201,658 from 2017 revenues. This increase was primarily the result of a capital lease being entered into during 2018 that accounted for more other financing sources and an increase in intergovernmental revenues that resulted from an increase in gas tax and motor vehicle license fees. The expenditures and other financing uses in the Street fund totaled $2,543,108 in 2018, which increased $640,538 from 2017. Expenditures and other financing sources increased primarily due to an increase in salaries & related, contractual services and capital outlay compared to 2017 as well as an increase in transfers out capital improvements fund for capital project purposes.

***Police Fund***

The Police fund had revenues and other financing sources of $3,190,662 in 2018, which is an increase of $211,271 from 2017 revenues. This increase was primarily the result of more income taxes due to a change in the allocation of the City's 1.0% income tax rate as well as increases in fines and forfeitures and other revenues. The expenditures and other financing uses in the Police fund totaled $2,717,817 in 2018, which decreased $48,505 from 2017. This decrease is due primarily to a decrease in spending in the police department. The net increase in fund balance was $259,776 or 27.73%.

***Bond Improvements Fund***

The Bond Improvements fund had revenues and other financing sources of $4,638,370 and expenditures of $4,594,448 in 2018. Revenues and other financing sources increased due to a new bond issuance in 2018. Expenditures increased due to capital outlay expenditures spent on the construction of the City's new police station.

***Budgeting Highlights***

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

In the general fund, actual revenues and other financing sources came in $33,446 higher than projected in the final budget. Actual expenditures and other financing uses were $222,135 less than the amount in the approved final budget. These variances are the result of the City's conservative budgeting. The City continues to monitor the budget which further exemplifies the difference between total expenditures available to spend and actual expenditures which is evidenced by the $255,581 positive variance.

***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only interfund activity reported in the government wide statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements. The City has no internal service funds and there was no internal balance outstanding at year end between the governmental and business-type activities.

## Capital Assets and Debt Administration

***Capital Assets***

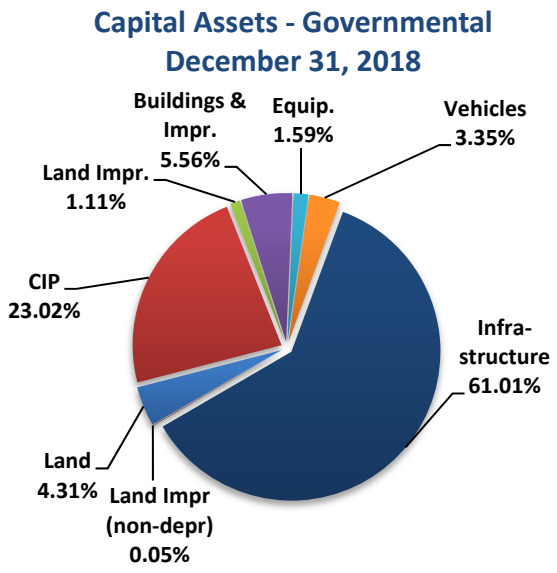
At the end of 2018, the City had $46,520,708, net of accumulated depreciation, invested in land, construction in progress, land improvements, buildings and improvements, equipment, vehicles, and infrastructure. Of this total, $32,836,134 was reported in governmental activities and $13,684,574 was reported in business-type activities.

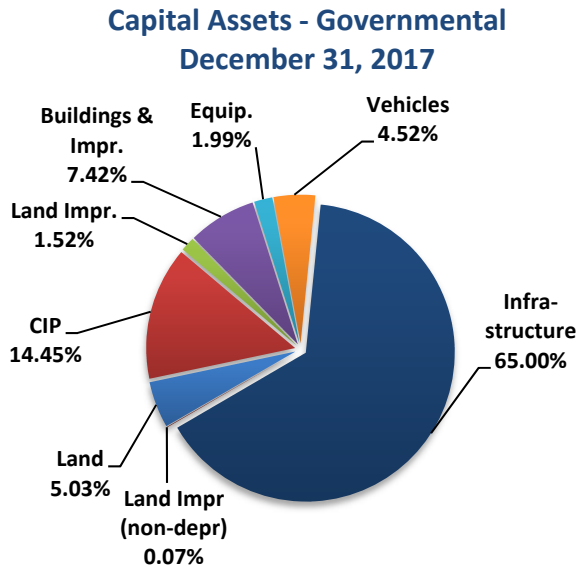
The following table shows December 31, 2018 balances compared to December 31, 2017.

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

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | **2018** | **2017** | **2018** | **2017** | **2018** | **2017** |
| Land | $ 1,416,196 | $ 1,279,832 | $ 654,893 | $ 654,893 | $ 2,071,089 | $ 1,902,125 |
| Land improvements (non depr.) | 17,077 | 17,077 | - | - | 17,077 | 17,077 |
| Construction-in-progress | 7,560,057 | 3,675,404 | - | 30,800 | 7,560,057 | 2,846,492 |
| Land improvements | 365,481 | 386,644 | 7,879,839 | 8,375,505 | 8,245,320 | 8,864,682 |
| Buildings and improvements | 1,825,747 | 1,886,003 | 804,686 | 885,754 | 2,630,433 | 2,930,213 |
| Equipment | 521,298 | 505,547 | 75,298 | 89,079 | 596,596 | 609,820 |
| Vehicles | 1,099,507 | 1,148,707 | 93,844 | 112,558 | 1,193,351 | 1,447,193 |
| Infrastructure | 20,030,771 | 16,533,790 | 4,176,014 | 3,215,977 | 24,206,785 | 20,733,851 |
| **Totals** | **$ 32,836,134** | **$ 25,433,004** | **$ 13,684,574** | **$ 13,364,566** | **$ 46,520,708** | **$ 39,351,453** |

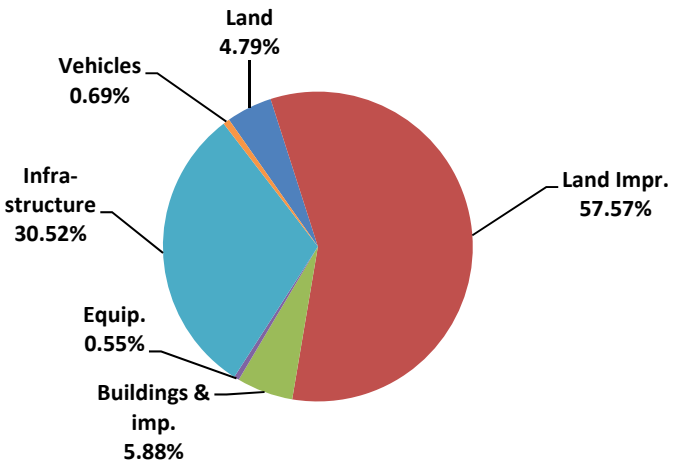
The following graphs show the breakdown of governmental capital assets by category for 2018 and 2017.

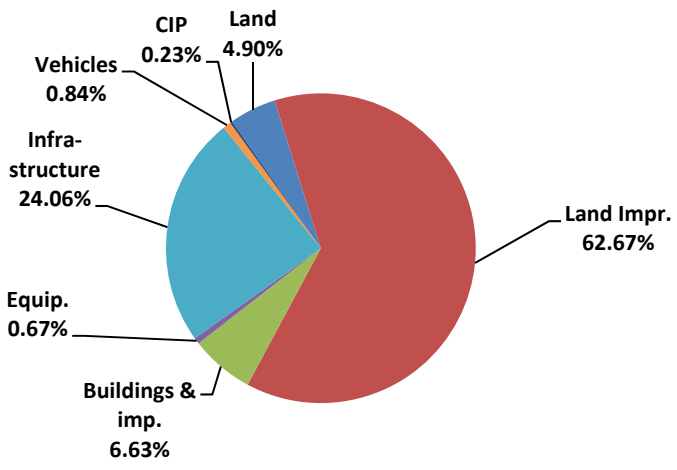



The City's largest capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks and curbs. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant.

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




The City's largest business-type capital asset category was land improvements. The net book value of the City's land improvements (cost less accumulated depreciation) represents approximately 57.57% of the City's total business-type capital assets.

See Note 10 to the basic financial statements for detail on the City's capital assets.

***Debt Administration***

The City had the following long-term obligations outstanding at December 31, 2018 and 2017:

| | Governmental Activities | |
|---|---|---|
| | **2018** | **2017** |
| Bonds | $ 10,145,000 | $ 5,830,000 |
| Loans payable | 506,785 | 629,285 |
| Capital lease obligation payable | 361,444 | 439,296 |
| SIB loan | 102,889 | 135,193 |
| OPWC loans | 211,000 | 214,414 |
| **Total Long-Term Obligations** | **$ 11,327,118** | **$ 7,248,188** |

| | Business-type Activities | |
|---|---|---|
| | **2018** | **2017** |
| General obligation bonds | $ 7,530,000 | $ 7,930,000 |
| OWDA Loans | 3,169,291 | 3,373,534 |
| Loans payable | 400,000 | 500,000 |
| **Total Long-Term Obligations** | **$ 11,099,291** | **$ 11,803,534** |

During 2018, the City's governmental activities issued general obligation bonds in the amount of $4,600,000 for the construction of a new police station.

See Note 13 to the basic financial statements for detail on the City's debt administration.

## Economic Conditions and Outlook

In May 2010, the City of Pataskala passed a 1.0% tax on earned income and business net profits, with no credit given for taxes withheld and paid to neighboring communities. Initially, the revenue generated by the tax was allocated to the Police Fund (75%) and to Public Service/Street Fund (25%). City Council and management were cognizant of the fact that higher than expected income tax collections would provide for greater scrutiny regarding the use of taxpayer dollars, and therefore changed the allocation of income taxes to provide greater resources for the implementation of the City's Roadway Asset Management Plan (RAMP) which provided for improvements to the City's road infrastructure. The allocation percentages have changed every year since that time. During the 2018 budget development process, Council revised the allocation for 2018 to provide additional funding for Police and Public Service. For 2018, the allocation was as follows: 52.0% - Police; 32.1% - Public Service; 2.0% - Capital Improvements fund; and 8.9% - Debt Service fund; and in 2016 the allocation was: 53.0% - Police; 35.65% - Public Service; 2.15% - Capital Improvements fund; and 13.9% - Debt Service fund. This income tax allocation provided the framework for the City to begin addressing its infrastructure needs while providing sufficient funds for operations and accounting for debt service obligations.

Based upon the year-end 2018 fund balances, estimates of 2019 collections and funding/debt service requirements, the allocation was amended by Council once again. For 2019, the allocation is as follows: 51.50% - Police; 33.00% - Public Service; 9.50% - Capital Improvements fund; and 6.00% - Debt Service fund. It is anticipated that Council will continue to modify the allocation on an annual basis, as funding requirements and the operating environment change. Management continues to closely monitor the income tax revenue projections, and maintains conservative budgeting practices, even though collections have significantly exceeded those estimates. The current 2019 budget estimates that income tax collections (cash-basis) will be approximately $5.9 million.

The aforementioned Roadway Asset Management Plan (RAMP) is a management tool which is used to identify the current condition of the City's road infrastructure and the estimated improvement costs. Prior to 2011, the City lacked sufficient funding to adequately maintain its roads and infrastructure. As a result, many of its streets and related infrastructure fell into disrepair, requiring significant investment to return them to a satisfactory level. The plan estimated $34 million in needed repairs over a 10-year period. Ordinance 2012-4064 authorized the City to proceed with implementing the necessary road repairs in 2012 and 2013 addressing critical roads within the City at an estimated cost of $3.2 million, which would be financed by the issuance of $2.25 million in bond anticipation notes, income taxes allocated to the capital improvements fund, and permissive license tax funds. In November 2014, the city refunded all of its existing BANs into long-term bonds. Included in this transaction, was the issuance of $2.0 million in new debt to fund the local match on two major road infrastructure projects – the Main Street/State Route 310 improvements project and the Mink Street improvements project. During 2015 and 2016, the city spent a total of $6.0 million on road and related infrastructure improvements. Future street programs, however, have become more modest now that much of the repair backlog has been cleared.

In addition to the City's deteriorated road infrastructure, which the City has begun to address with the passage of the income tax, the infrastructure associated with the City's water and sewer utility operations was evaluated. This evaluation identified several areas in need of significant improvement and repair. In conjunction with the finalization of the $4.2 million Wastewater Treatment Plant upgrade and OAKS Sanitary Sewer Special Assessment project, the City issued bond anticipation notes during 2012 totaling $1.58 million for water system improvements and $1.43 million for sewer system improvements. The City's utility funds do not receive income tax receipts or other funding from the general or other governmental funds and are self-supporting through user charges. In 2012, the City implemented a new utility rate structure to address operations, needed capital improvements, and provide necessary funds to pay debt service-related charges. The rate schedule called for annual increases through 2016, and no additional rate increases have been implemented since that time. Management and City Council are currently in the process of identifying changes to the utility customer rate schedules to enhance the long-term sustainability of the Utility funds to ensure that adequate funding for debt service and operations is ensured.

The City's corporate park is beginning to see signs of activity. American Electric Power (AEP) acquired several parcels in the park, and is beginning to develop facilities and a power substation within the park. Although these will generate personal property tax revenues, the benefit will primarily accrue to the local school districts as the city no longer receives personal property tax revenue. We believe that by landing an anchor tenant in the park, however, it will be the catalyst to trigger future development in the park which will generate income tax revenues on the businesses payroll. The park has seen increased interest by developers and site selectors, however, access to large quantities of potable water has limited the size and types of companies that might be interested in the site. The city continues to work with its' Utility department and the Southwest Licking Community Water and Sewer District to identify potential solutions to this issue.

The City continues to see declines in funding support from the State of Ohio and Licking County, as those organizations continue to deal with budget shortfalls. The City expects to see continued cuts in local government funding, tangible personal property tax reimbursements, and public utility deregulation tax reimbursements. Furthermore, the City no longer receives estate tax revenues which further challenges future budgets. These changes will require the Administration and Council to adjust future operating budgets to avoid significant decreases in services.

Based on the recent cost estimates to repair the City's deteriorating road infrastructure, it has been made clear that the income tax will not be sufficient to cover these costs, when considering income tax receipts must also be used for Police operations, street operations and debt service obligations. The Administration has been, and will continue to be, aggressive in seeking available grant funding for infrastructure needs consistently working with the Mid-Ohio Regional Planning Commission (MORPC), the Licking County Engineer, the Ohio Department of Development and the Ohio Department of Transportation (ODOT). In late 2012, the City was notified that it was awarded nearly $4.0 million from the Ohio Public Works Commission (OPWC) for significant improvements to Mink Road, a major roadway in the City. Engineering and design on this project was undertaken in 2013, with construction of the first phase completed in 2014. The final phase, a $4.5 million project, was constructed during 2018. A major traffic corridor through the City, State Route 310, was completely repaved by ODOT in 2016. This $735 thousand project was 80% grant funded by ODOT, with a local match of $148 thousand. In anticipation of this major project, $2.2 in infrastructure improvements, such as water/sewer lines, street lights, curbs and storm sewers, were constructed during 2015 in the old Village center.

Following the investment of over $3.4 million of site and infrastructure improvements, the 520+ acre Pataskala Corporate Park was completed in early 2012 and is a key component to the City's future economic growth. To promote this development and to assist in funding additional infrastructure improvements in the Park, a Joint Economic Development District (JEDD) was created in 2009. The JEDD consists of a partnership between the City, Licking County, Harrison Township and the property owner of the Park. The Pataskala Corporate site is also located in an Ohio Enterprise Zone, a Tax Increment Financing (TIF) District, and a Community Reinvestment Area (CRA). Businesses that locate in the district would be eligible for both state and local incentives to support new development. The County and City have jointly marketing the property, and hope to begin attracting businesses and investment in the Park in the near future. Growth in the Corporate Park would supplement the income taxes paid by residents, through the tax on the business net profits and withholding on wages paid to its employees. In January of 2012, the Pataskala Corporate Park Job Ready Site received certification from the State of Ohio as a State certified manufacturing site, recognizing that all elements required for development to commence are present within this development.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances, and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact: Mr. James M. Nicholson, Finance Director, City of Pataskala, 621 W. Broad Street, Suite 2F, Pataskala, Ohio 43062 or email jnicholson@ci.pataskala.oh.us.

**CITY OF PATASKALA, OHIO**

STATEMENT OF NET POSITION
DECEMBER 31, 2018

| | Governmental Activities | Business-type Activities | Total |
|---|---|---|---|
| **Assets:** | | | |
| Equity in pooled cash and investments | $ 11,087,162 | $ 6,017,855 | $ 17,105,017 |
| Receivables: | | | |
| Income taxes | 2,790,551 | - | 2,790,551 |
| Real and other taxes | 1,058,581 | - | 1,058,581 |
| Accounts | 101,983 | 639,036 | 741,019 |
| Special assessments | 465 | 274,930 | 275,395 |
| Accrued interest | 21,305 | 12,675 | 33,980 |
| Payment in lieu of taxes | 257,028 | - | 257,028 |
| Due from other governments | 612,325 | 279 | 612,604 |
| Materials and supplies inventory | 150,315 | 198,517 | 348,832 |
| Prepayments | 78,791 | 32,046 | 110,837 |
| Net pension asset | 40,768 | 22,483 | 63,251 |
| Restricted assets: | | | |
| Equity in pooled cash and investments | 347,110 | - | 347,110 |
| Cash with fiscal and escrow agents | 76,438 | - | 76,438 |
| Capital assets: | | | |
| Non-depreciable capital assets | 8,993,330 | 654,893 | 9,648,223 |
| Depreciable capital assets, net | 23,842,804 | 13,029,681 | 36,872,485 |
| Total capital assets, net | 32,836,134 | 13,684,574 | 46,520,708 |
| **Total Assets** | **49,458,956** | **20,882,395** | **70,341,351** |
| **Deferred Outflows of Resources:** | | | |
| Unamortized deferred charges on debt refunding | - | 290,368 | 290,368 |
| Pension | 900,371 | 195,192 | 1,095,563 |
| OPEB | 333,968 | 47,306 | 381,274 |
| **Total Deferred Outflows of Resources** | **1,234,339** | **532,866** | **1,767,205** |
| **Liabilities:** | | | |
| Accounts payable | 38,515 | 57,727 | 96,242 |
| Contracts payable | 851,462 | - | 851,462 |
| Retainage payable | 347,110 | - | 347,110 |
| Accrued wages and benefits payable | 102,018 | 23,344 | 125,362 |
| Due to other governments | 27,556 | 1,952 | 29,508 |
| Accrued interest payable | 34,567 | 9,998 | 44,565 |
| Pension and postemployment benefits payable | 17,557 | 3,466 | 21,023 |
| Unearned revenue | 6,694 | 52,500 | 59,194 |
| Long-term liabilities: | | | |
| Due within one year | 983,574 | 726,295 | 1,709,869 |
| Due in more than one year: | | | |
| Net pension liability | 4,101,952 | 634,439 | 4,736,391 |
| Net OPEB liability | 3,563,975 | 462,820 | 4,026,795 |
| Other amounts due in more than one year | 10,656,511 | 10,803,010 | 21,459,521 |
| **Total Liabilities** | **20,731,491** | **12,775,551** | **33,507,042** |
| **Deferred Inflows of Resources:** | | | |
| Property taxes levied for the next fiscal year | 1,004,864 | - | 1,004,864 |
| PILOTs levied for the next fiscal year | 257,028 | - | 257,028 |
| Pension | 515,325 | 223,936 | 739,261 |
| OPEB | 264,305 | 74,799 | 339,104 |
| **Total Deferred Inflows of Resources** | **2,041,522** | **298,735** | **2,340,257** |
| **Net Position:** | | | |
| Net investment in capital assets | 20,514,381 | 2,465,224 | 22,979,605 |
| Restricted for: | | | |
| Debt service | 543,337 | - | 543,337 |
| Capital projects | 1,854,175 | - | 1,854,175 |
| Transportation projects | 4,589,131 | - | 4,589,131 |
| Community development | 2,655 | - | 2,655 |
| Police | 59,578 | - | 59,578 |
| Unrestricted | 357,025 | 5,875,751 | 6,232,776 |
| **Total Net Position** | **$ 27,920,282** | **$ 8,340,975** | **$ 36,261,257** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF PATASKALA, OHIO**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

| | | Program Revenues | | |
|---|---|---|---|---|
| | **Expenses** | **Charges for Services and Sales** | **Operating Grants and Contributions** | **Capital Grants and Contributions** |
| **Governmental activities:** | | | | |
| General government | $ 1,419,475 | $ 281,823 | $ 297,561 | $ - |
| Security of persons and property | 2,774,477 | 111,761 | 167,342 | - |
| Transportation | 3,160,235 | 7,695 | 1,087,551 | 2,502,164 |
| Community environment | 358,209 | 62,932 | - | - |
| Leisure time activity | 304,063 | 154,805 | 1,504 | - |
| Interest and fiscal charges | 307,104 | - | - | - |
| **Total Governmental Activities** | **8,323,563** | **619,016** | **1,553,958** | **2,502,164** |
| **Business-type activities:** | | | | |
| Water | 1,733,297 | 2,230,764 | - | 490,863 |
| Sewer | 1,867,535 | 2,134,588 | - | 218,016 |
| **Total Business-Type Activities** | **3,600,832** | **4,365,352** | **-** | **708,879** |
| **Total Primary Government** | **$ 11,924,395** | **$ 4,984,368** | **$ 1,553,958** | **$ 3,211,043** |

**General revenues:**
Property taxes levied for:
General purposes
Income taxes levied for:
Street fund
Police fund
Debt service fund
Capital projects fund
Payments in lieu of taxes
Grants and entitlements not restricted to specific programs
Investment earnings - unrestricted
Miscellaneous

**Total General Revenues**

**Change in Net Position**

**Net Position at Beginning of Year (restated)**

**Net Position at End of Year**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

| Net (Expense) Revenue and Changes in Net Position | | |
|---|---|---|
| Governmental Activities | Business-type Activities | Total |
| $ (840,091) | $ - | $ (840,091) |
| (2,495,374) | - | (2,495,374) |
| 437,175 | - | 437,175 |
| (295,277) | - | (295,277) |
| (147,754) | - | (147,754) |
| (307,104) | - | (307,104) |
| **(3,648,425)** | **-** | **(3,648,425)** |
| - | 988,330 | 988,330 |
| - | 485,069 | 485,069 |
| **-** | **1,473,399** | **1,473,399** |
| **(3,648,425)** | **1,473,399** | **(2,175,026)** |
| 1,026,643 | - | 1,026,643 |
| 1,956,307 | - | 1,956,307 |
| 3,114,456 | - | 3,114,456 |
| 615,795 | - | 615,795 |
| 329,615 | - | 329,615 |
| 345,029 | - | 345,029 |
| 222,490 | - | 222,490 |
| 24,019 | 65,514 | 89,533 |
| 106,922 | 48,002 | 154,924 |
| **7,741,276** | **113,516** | **7,854,792** |
| **4,092,851** | **1,586,915** | **5,679,766** |
| **23,827,431** | **6,754,060** | **30,581,491** |
| **$ 27,920,282** | **$ 8,340,975** | **$ 36,261,257** |

**CITY OF PATASKALA, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018

| | General | Street | Police | Bond Improvements |
|---|---|---|---|---|
| **Assets:** | | | | |
| Equity in pooled cash and investments | $ 1,460,273 | $ 3,666,115 | $ 1,800,497 | $ 658,044 |
| Receivables: | | | | |
| Income taxes | - | 920,882 | 1,437,134 | - |
| Real and other taxes | 1,058,581 | - | - | - |
| Accounts | 51,246 | 12,853 | 37,206 | - |
| Special assessments | 465 | - | - | - |
| Accrued interest | 3,081 | 7,743 | 3,781 | 2,123 |
| Payment in lieu of taxes | - | - | - | - |
| Due from other governments | 106,168 | 410,225 | 753 | - |
| Materials and supplies inventory | - | 150,315 | - | - |
| Prepayments | 25,738 | 15,775 | 37,278 | - |
| Restricted assets: | | | | |
| Equity in pooled cash and investments | - | - | - | 347,110 |
| Cash with fiscal and escrow agents | - | - | - | - |
| **Total Assets** | **$ 2,705,552** | **$ 5,183,908** | **$ 3,316,649** | **$ 1,007,277** |
| **Liabilities:** | | | | |
| Accounts payable | $ 8,798 | $ 22,414 | $ 7,183 | $ - |
| Contracts payable | - | 386,715 | - | 275,684 |
| Retainage payable | - | - | - | 347,110 |
| Accrued wages and benefits payable | 20,071 | 21,349 | 60,598 | - |
| Due to other governments | 772 | 8,587 | 14,934 | - |
| Unearned revenue | 1,550 | - | - | - |
| Pension and postemployment benefits payable | 2,888 | 3,099 | 11,570 | - |
| **Total Liabilities** | **34,079** | **442,164** | **94,285** | **622,794** |
| **Deferred Inflows of Resources:** | | | | |
| Property taxes levied for the next fiscal year | 1,004,864 | - | - | - |
| Delinquent property tax revenue not available | 53,717 | - | - | - |
| Investment income not available | 850 | 2,137 | 1,043 | 586 |
| Special assessments revenue not available | 465 | - | - | - |
| Miscellaneous revenue not available | 43,150 | 11,728 | 36,506 | - |
| Income tax revenue not available | - | 644,979 | 1,006,558 | - |
| Intergovernmental revenue not available | 93,325 | 206,494 | - | - |
| PILOTs levied for the next fiscal year | - | - | - | |
| **Total Deferred Inflows of Resources** | **1,196,371** | **865,338** | **1,044,107** | **586** |
| **Fund Balances:** | | | | |
| Nonspendable | 26,646 | 166,090 | 37,278 | - |
| Restricted | - | 3,710,316 | 2,140,979 | 383,897 |
| Committed | - | - | - | - |
| Assigned | 377,098 | - | - | - |
| Unassigned | 1,071,358 | - | - | - |
| **Total Fund Balances** | **1,475,102** | **3,876,406** | **2,178,257** | **383,897** |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | **$ 2,705,552** | **$ 5,183,908** | **$ 3,316,649** | **$ 1,007,277** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

| Other Governmental Funds | Total Governmental Funds |
|---|---|
| $ 3,502,233 | $ 11,087,162 |
| 432,535 | 2,790,551 |
| - | 1,058,581 |
| 678 | 101,983 |
| - | 465 |
| 4,577 | 21,305 |
| 257,028 | 257,028 |
| 95,179 | 612,325 |
| - | 150,315 |
| - | 78,791 |
| - | 347,110 |
| 76,438 | 76,438 |
| **$ 4,368,668** | **$ 16,582,054** |
| $ 120 | $ 38,515 |
| 189,063 | 851,462 |
| - | 347,110 |
| - | 102,018 |
| 3,263 | 27,556 |
| 5,144 | 6,694 |
| - | 17,557 |
| **197,590** | **1,390,912** |
| - | 1,004,864 |
| - | 53,717 |
| 1,263 | 5,879 |
| - | 465 |
| - | 91,384 |
| 302,944 | 1,954,481 |
| 57,469 | 357,288 |
| 257,028 | 257,028 |
| **618,704** | **3,725,106** |
| - | 230,014 |
| 2,958,154 | 9,193,346 |
| 594,220 | 594,220 |
| - | 377,098 |
| - | 1,071,358 |
| **3,552,374** | **11,466,036** |
| **$ 4,368,668** | **$ 16,582,054** |

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**CITY OF PATASKALA, OHIO**

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

| | | | | |
|---|---|---|---|---|
| **Total governmental fund balances** | | | **$** | **11,466,036** |
| *Amounts reported for governmental activities on the statement of net position are different because:* | | | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | | | 32,836,134 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds. | | | | |
| Income taxes receivable | $ | 1,954,481 | | |
| Real and other taxes receivable | | 53,717 | | |
| Accounts receivable | | 91,384 | | |
| Special assessments receivable | | 465 | | |
| Accrued interest receivable | | 5,879 | | |
| Due from other governments | | 357,288 | | |
| Total | | | | 2,463,214 |
| Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds. | | | | (34,567) |
| Unamortized premiums on bond issuances are not recognized in the funds. | | | | (196,642) |
| The net pension asset and net pension liability are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds. | | | | |
| Net pension asset | | 40,768 | | |
| Deferred outflows of resources | | 900,371 | | |
| Deferred inflows of resources | | (515,325) | | |
| Net pension liability | | (4,101,952) | | |
| Total | | | | (3,676,138) |
| The net OPEB liability is not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds. | | | | |
| Deferred outflows of resources | | 333,968 | | |
| Deferred inflows of resources | | (264,305) | | |
| Net OPEB liability | | (3,563,975) | | |
| Total | | | | (3,494,312) |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. | | | | |
| Compensated absences | | (116,325) | | |
| General obligation bonds payable | | (10,145,000) | | |
| LGI loans payable | | (506,785) | | |
| Capital leases payable | | (361,444) | | |
| SIB loan payable | | (102,889) | | |
| OPWC loans payable | | (211,000) | | |
| Total | | | | (11,443,443) |
| **Net Position of Governmental Activities** | | | **$** | **27,920,282** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF PATASKALA, OHIO**

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

| | General | Street | Police | Bond Improvements |
|---|---|---|---|---|
| **Revenues:** | | | | |
| Income taxes | $ - | $ 1,851,162 | $ 2,982,395 | $ - |
| Real and other taxes | 1,008,111 | - | - | - |
| Charges for services | 81,295 | 10,804 | 8,846 | - |
| Licenses and permits | 264,336 | - | - | - |
| Fines and forfeitures | 96,145 | - | 1,954 | - |
| Intergovernmental | 220,884 | 824,676 | 40,549 | - |
| Special assessments | 1,305 | - | - | - |
| Investment income | 19,315 | 42,815 | 18,952 | 38,370 |
| Rental income | 2,760 | - | - | - |
| Contributions and donations | 13,191 | 2,200 | 8,550 | - |
| Payments in lieu of taxes | - | - | - | - |
| Other | 80,556 | 47,138 | 118,881 | - |
| **Total Revenues** | **1,787,898** | **2,778,795** | **3,180,127** | **38,370** |
| **Expenditures:** | | | | |
| Current: | | | | |
| General government | 888,186 | 505,109 | 357,411 | - |
| Security of persons and property | - | - | 2,299,122 | - |
| Transportation | - | 1,279,378 | - | - |
| Community environment | 325,272 | - | - | - |
| Leisure time activity | 252,047 | - | - | - |
| Capital outlay | 33,614 | 155,000 | 10,535 | 4,549,448 |
| Debt service: | | | | |
| Principal retirement | 10,939 | 238,829 | 27,233 | - |
| Interest and fiscal charges | 2,135 | 10,792 | 1,016 | - |
| Bond issuance costs | - | - | - | - |
| **Total Expenditures** | **1,512,193** | **2,189,108** | **2,695,317** | **4,549,448** |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | **275,705** | **589,687** | **484,810** | **(4,511,078)** |
| **Other Financing Sources (Uses):** | | | | |
| Bond issuance | - | - | - | 4,600,000 |
| Inception of capital lease | 33,614 | 155,000 | 10,535 | - |
| Transfers in | - | - | - | - |
| Transfers (out) | (250,000) | (354,000) | (22,500) | - |
| Issuance of OPWC loans | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **(216,386)** | **(199,000)** | **(11,965)** | **4,600,000** |
| **Net Change in Fund Balances** | **59,319** | **390,687** | **472,845** | **88,922** |
| **Fund Balances at Beginning of Year** | **1,415,783** | **3,485,719** | **1,705,412** | **294,975** |
| **Fund Balances at End of Year** | **$ 1,475,102** | **$ 3,876,406** | **$ 2,178,257** | **$ 383,897** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

| Other Governmental Funds | Total Governmental Funds |
|---|---|
| $ 909,859 | $ 5,743,416 |
| - | 1,008,111 |
| 70,750 | 171,695 |
| 6,072 | 270,408 |
| 5,372 | 103,471 |
| 619,148 | 1,705,257 |
| - | 1,305 |
| 26,791 | 146,243 |
| 99,767 | 102,527 |
| - | 23,941 |
| 345,029 | 345,029 |
| 3,216 | 249,791 |
| **2,086,004** | **9,871,194** |
| | |
| 59,159 | 1,809,865 |
| - | 2,299,122 |
| 529,997 | 1,809,375 |
| - | 325,272 |
| 29,599 | 281,646 |
| 1,309,495 | 6,058,092 |
| 464,884 | 741,885 |
| 246,960 | 260,903 |
| 49,750 | 49,750 |
| **2,689,844** | **13,635,910** |
| | |
| **(603,840)** | **(3,764,716)** |
| | |
| - | 4,600,000 |
| - | 199,149 |
| 891,780 | 891,780 |
| (265,280) | (891,780) |
| 21,666 | 21,666 |
| **648,166** | **4,820,815** |
| **44,326** | **1,056,099** |
| **3,508,048** | **10,409,937** |
| **$ 3,552,374** | **$ 11,466,036** |

**CITY OF PATASKALA, OHIO**

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

| | | | | |
|---|---|---|---|---|
| **Net Change in Fund Balances - Total Governmental Funds** | | | **$** | **1,056,099** |
| *Amounts reported for governmental activities in the statement of activities are different because:* | | | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. | | | | |
| Capital asset additions | $ | 6,864,435 | | |
| Current year depreciation | | (1,708,915) | | |
| Total | | | | 5,155,520 |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to increase net position. The City received $2,247,610 in capital contributions. | | | | 2,247,610 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | | | |
| Income taxes | | 272,757 | | |
| Real and other taxes | | 18,532 | | |
| Licenses and permits | | (28,304) | | |
| Intergovernmental revenues | | (24,636) | | |
| Special assessments | | (2,086) | | |
| Investment income | | 2,750 | | |
| Other | | 58,597 | | |
| Total | | | | 297,610 |
| Proceeds of bonds and capital leases are reported as other financing sources in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position. | | | | |
| General obligation bonds | | (4,600,000) | | |
| Capital leases | | (199,149) | | |
| OPWC loans | | (21,666) | | |
| Total | | | | (4,820,815) |
| Repayment of bond, note, capital lease and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. | | | | |
| Bonds | | 285,000 | | |
| Capital leases | | 277,001 | | |
| SIB loan | | 32,304 | | |
| LGI loans | | 122,500 | | |
| OPWC loans | | 25,080 | | |
| Total | | | | 741,885 |
| In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due. | | | | |
| Accrued interest payable | | (8,805) | | |
| Amortization of bond premiums and discounts | | 12,354 | | |
| Total | | | | 3,549 |
| Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. | | | | |
| Pension | | | | 399,782 |
| OPEB | | | | 6,331 |
| Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the statement of activities. | | | | |
| Pension | | | | (664,030) |
| OPEB | | | | (333,458) |
| Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. | | | | 2,768 |
| **Change in Net Position of Governmental Activities** | | | **$** | **4,092,851** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | |
| **Revenues:** | | | | |
| Real and other taxes | $ 922,085 | $ 1,007,000 | $ 1,008,111 | $ 1,111 |
| Licenses and permits | 229,300 | 271,300 | 265,252 | (6,048) |
| Fines and forfeitures | 160,300 | 110,500 | 97,190 | (13,310) |
| Intergovernmental | 192,435 | 200,100 | 217,010 | 16,910 |
| Special assessments | 2,500 | 2,500 | 1,305 | (1,195) |
| Investment income | 17,500 | 24,000 | 6,325 | (17,675) |
| Contributions and donations | - | 7,000 | 27,862 | 20,862 |
| Other | 12,500 | 48,500 | 83,791 | 35,291 |
| **Total Revenues** | **1,536,620** | **1,670,900** | **1,706,846** | **35,946** |
| **Expenditures:** | | | | |
| *Current:* | | | | |
| General government | 1,191,401 | 1,211,496 | 1,038,310 | 173,186 |
| Community environment | 390,604 | 384,578 | 346,961 | 37,617 |
| Leisure time activity | 192,583 | 178,100 | 166,768 | 11,332 |
| **Total Expenditures** | **1,774,588** | **1,774,174** | **1,552,039** | **222,135** |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | **(237,968)** | **(103,274)** | **154,807** | **258,081** |
| **Other Financing Sources (Uses):** | | | | |
| Sale of capital assets | 2,500 | 1,500 | - | (1,500) |
| Transfers in | 1,000 | 1,000 | - | (1,000) |
| Transfers (out) | (275,000) | (275,000) | (275,000) | - |
| **Total Other Financing Sources (Uses)** | **(271,500)** | **(272,500)** | **(275,000)** | **(2,500)** |
| **Net Change in Fund Balances** | **(509,468)** | **(375,774)** | **(120,193)** | **255,581** |
| **Fund Balances at Beginning of Year** | 1,238,627 | 1,238,627 | 1,238,627 | - |
| **Prior Year Encumbrances Appropriated** | 126,476 | 126,476 | 126,476 | - |
| **Fund Balance at End of Year** | **$ 855,635** | **$ 989,329** | **$ 1,244,910** | **$ 255,581** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | |
| **Revenues:** | | | | |
| Income taxes | $ 1,786,065 | $ 1,837,444 | $ 1,833,845 | $ (3,599) |
| Charges for services | - | - | 10,804 | 10,804 |
| Intergovernmental | 718,200 | 728,000 | 754,617 | 26,617 |
| Investment income | 33,150 | 52,650 | 70,971 | 18,321 |
| Contributions and donations | - | 2,500 | 2,200 | (300) |
| Other | 30,000 | 49,500 | 61,894 | 12,394 |
| **Total Revenues** | **2,567,415** | **2,670,094** | **2,734,331** | **64,237** |
| **Expenditures:** | | | | |
| *Current:* | | | | |
| General government | 723,289 | 719,843 | 594,422 | 125,421 |
| Transportation | 2,911,631 | 2,767,722 | 1,959,050 | 808,672 |
| **Total Expenditures** | **3,634,920** | **3,487,565** | **2,553,472** | **934,093** |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | **(1,067,505)** | **(817,471)** | **180,859** | **998,330** |
| **Other Financing (Uses):** | | | | |
| Transfers (out) | (350,000) | (354,000) | (354,000) | - |
| **Total Other Financing (Uses)** | **(350,000)** | **(354,000)** | **(354,000)** | **-** |
| **Net Change in Fund Balances** | **(1,417,505)** | **(1,171,471)** | **(173,141)** | **998,330** |
| **Fund Balances at Beginning of Year** | 2,637,252 | 2,637,252 | 2,637,252 | - |
| **Prior Year Encumbrances Appropriated** | 417,596 | 417,596 | 417,596 | - |
| **Fund Balance at End of Year** | **$ 1,637,343** | **$ 1,883,377** | **$ 2,881,707** | **$ 998,330** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **Revenues:** | | | | |
| Income taxes | $ 2,893,315 | $ 2,976,845 | $ 2,970,688 | $ (6,157) |
| Charges for services | 9,100 | 9,100 | 8,846 | (254) |
| Fines and forfeitures | 500 | 500 | 480 | (20) |
| Intergovernmental | 11,800 | 25,489 | 40,549 | 15,060 |
| Investment income | 12,500 | 16,350 | 33,050 | 16,700 |
| Contributions and donations | - | 1,000 | 950 | (50) |
| Other | 60,500 | 100,500 | 118,231 | 17,731 |
| **Total Revenues** | **2,987,715** | **3,129,784** | **3,172,794** | **43,010** |
| **Expenditures:** | | | | |
| *Current:* | | | | |
| General government | 418,581 | 439,495 | 365,191 | 74,304 |
| Security of persons and property | 2,585,824 | 2,630,057 | 2,477,438 | 152,619 |
| **Total Expenditures** | **3,004,405** | **3,069,552** | **2,842,629** | **226,923** |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | **(16,690)** | **60,232** | **330,165** | **269,933** |
| **Other Financing Sources (Uses):** | | | | |
| Sale of capital assets | 500 | 500 | - | (500) |
| Transfers (out) | (22,500) | (22,500) | (22,500) | - |
| **Total Other Financing Sources (Uses)** | (22,000) | (22,000) | (22,500) | (500) |
| **Net change in fund balances** | **(38,690)** | **38,232** | **307,665** | **269,433** |
| **Fund Balances at Beginning of Year** | 1,351,546 | 1,351,546 | 1,351,546 | - |
| **Prior Year Encumbrances Appropriated** | 49,471 | 49,471 | 49,471 | - |
| **Fund Balance at End of Year** | **$ 1,362,327** | **$ 1,439,249** | **$ 1,708,682** | **$ 269,433** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF PATASKALA, OHIO**

STATEMENT OF NET POSITION
**PROPRIETARY FUNDS**
DECEMBER 31, 2018

| | Business-type Activities - Enterprise Funds | | |
|---|---|---|---|
| | **Water** | **Sewer** | **Total** |
| **Assets:** | | | |
| Current assets: | | | |
| Equity in pooled cash and investments | $ 2,729,865 | $ 3,287,990 | $ 6,017,855 |
| Receivables: | | | |
| Accounts | 317,029 | 322,007 | 639,036 |
| Special assessments | - | 274,930 | 274,930 |
| Accrued interest | 5,765 | 6,910 | 12,675 |
| Due from other governments | 138 | 141 | 279 |
| Materials and supplies inventory | 145,632 | 52,885 | 198,517 |
| Prepayments | 16,227 | 15,819 | 32,046 |
| **Total Current Assets** | **3,214,656** | **3,960,682** | **7,175,338** |
| *Noncurrent assets:* | | | |
| Net pension asset | 9,535 | 12,948 | 22,483 |
| Capital assets: | | | |
| Non-depreciable capital assets | 330,752 | 324,141 | 654,893 |
| Depreciable capital assets, net | 6,097,145 | 6,932,536 | 13,029,681 |
| **Total Capital Assets, Net** | **6,427,897** | **7,256,677** | **13,684,574** |
| **Total Noncurrent Assets** | **6,437,432** | **7,269,625** | **13,707,057** |
| **Total Assets** | **9,652,088** | **11,230,307** | **20,882,395** |
| **Deferred Outflows of Resources:** | | | |
| Unamortized deferred charges on debt refunding | 290,044 | 324 | 290,368 |
| Pension | 73,202 | 121,990 | 195,192 |
| OPEB | 14,474 | 32,832 | 47,306 |
| **Total Deferred Outflows of Resources** | **377,720** | **155,146** | **532,866** |
| **Liabilities:** | | | |
| Current liabilities: | | | |
| Accounts payable | 23,569 | 34,158 | 57,727 |
| Accrued wages and benefits payable | 11,672 | 11,672 | 23,344 |
| Due to other governments | 938 | 1,014 | 1,952 |
| Accrued interest payable | 8,486 | 1,512 | 9,998 |
| Compensated absences payable - current | 9,543 | 6,968 | 16,511 |
| General obligation bonds payable | 275,000 | 125,000 | 400,000 |
| OWDA loans payable | - | 209,784 | 209,784 |
| Other loans payable | 100,000 | - | 100,000 |
| Pension and postemployment benefits payable | 1,733 | 1,733 | 3,466 |
| Unearned revenue | 28,750 | 23,750 | 52,500 |
| **Total Current Liabilities** | **459,691** | **415,591** | **875,282** |
| Long-term liabilities: | | | |
| Compensated absences payable | 1,538 | 1,538 | 3,076 |
| General obligation bonds payable | 6,461,261 | 1,079,166 | 7,540,427 |
| OWDA loans payable | - | 2,959,507 | 2,959,507 |
| Other loans payable | 300,000 | - | 300,000 |
| Net pension liability | 269,062 | 365,377 | 634,439 |
| Net OPEB liability | 196,279 | 266,541 | 462,820 |
| **Total Long-Term Liabilities** | **7,228,140** | **4,672,129** | **11,900,269** |
| **Total Liabilities** | **7,687,831** | **5,087,720** | **12,775,551** |
| **Deferred Inflows of Resources:** | | | |
| Pension | 123,967 | 99,969 | 223,936 |
| OPEB | 54,944 | 19,855 | 74,799 |
| **Total Deferred Inflows of Resources** | **178,911** | **119,824** | **298,735** |
| **Net Position:** | | | |
| Net investment in capital assets | (418,320) | 2,883,544 | 2,465,224 |
| Unrestricted | 2,581,386 | 3,294,365 | 5,875,751 |
| **Total Net Position** | **$ 2,163,066** | **$ 6,177,909** | **$ 8,340,975** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF PATASKALA, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
**PROPRIETARY FUNDS**
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Business-type Activities - Enterprise Funds | | |
|---|---|---|---|
| | **Water** | **Sewer** | **Total** |
| **Operating Revenues:** | | | |
| Charges for services | $ 2,230,764 | $ 2,124,679 | $ 4,355,443 |
| Special assessments | - | 9,909 | 9,909 |
| Other operating revenues | 24,332 | 23,670 | 48,002 |
| **Total Operating Revenues** | **2,255,096** | **2,158,258** | **4,413,354** |
| **Operating Expenses:** | | | |
| Salaries & related services | 484,799 | 606,632 | 1,091,431 |
| Contractual services | 238,965 | 298,555 | 537,520 |
| General operating | 514,586 | 278,356 | 792,942 |
| Depreciation | 272,765 | 354,007 | 626,772 |
| **Total Operating Expenses** | **1,511,115** | **1,537,550** | **3,048,665** |
| **Operating Income** | **743,981** | **620,708** | **1,364,689** |
| **Nonoperating Revenues (Expenses):** | | | |
| Interest and fiscal charges | (222,182) | (125,939) | (348,121) |
| Loss on sale of capital assets | - | (204,046) | (204,046) |
| Interest income | 27,064 | 38,450 | 65,514 |
| **Total Nonoperating Revenues (Expenses)** | **(195,118)** | **(291,535)** | **(486,653)** |
| **Income Before Capital Contributions** | **548,863** | **329,173** | **878,036** |
| Capital contributions | 490,863 | 218,016 | 708,879 |
| **Change in Net Position** | **1,039,726** | **547,189** | **1,586,915** |
| **Net Position at Beginning of Year (restated)** | 1,123,340 | 5,630,720 | 6,754,060 |
| **Net Position at End of Year** | **$ 2,163,066** | **$ 6,177,909** | **$ 8,340,975** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF PATASKALA, OHIO**

STATEMENT OF CASH FLOWS
**PROPRIETARY FUNDS**
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Business-type Activities - Enterprise Funds | | |
|---|---|---|---|
| | **Water** | **Sewer** | **Total** |
| **Cash Flows From Operating Activities:** | | | |
| Cash received from charges for services | $ 2,211,607 | $ 2,113,470 | $ 4,325,077 |
| Cash received from special assessments | - | 20,286 | 20,286 |
| Cash received from other operations | 20,529 | 22,358 | 42,887 |
| Cash payments for salaries & related services | (482,189) | (568,341) | (1,050,530) |
| Cash payments for contractual services | (244,473) | (297,308) | (541,781) |
| Cash payments for general operating costs | (506,898) | (286,100) | (792,998) |
| **Net Cash Provided by Operating Activities** | **998,576** | **1,004,365** | **2,002,941** |
| **Cash Flows From Capital and Related Financing Activities:** | | | |
| Acquisition of capital assets | (18,484) | (423,463) | (441,947) |
| Principal retirement on bonds & loans | (370,000) | (334,243) | (704,243) |
| Interest paid on bonds, notes & loans | (227,127) | (128,102) | (355,229) |
| **Net Cash Used In Capital and Related Financing Activities** | **(615,611)** | **(885,808)** | **(1,501,419)** |
| **Cash Flows From Investing Activities:** | | | |
| Interest received | 47,111 | 61,333 | 108,444 |
| Decrease in fair value of investments | (20,640) | (22,850) | (43,490) |
| **Net Cash Provided by Investing Activities** | **26,471** | **38,483** | **64,954** |
| **Net Increase in Cash and Investments** | **409,436** | **157,040** | **566,476** |
| **Cash and Investments at Beginning of Year** | 2,320,429 | 3,130,950 | 5,451,379 |
| **Cash and Investments at End of Year** | **$ 2,729,865** | **$ 3,287,990** | **$ 6,017,855** |

(Continued)

**CITY OF PATASKALA, OHIO**

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

| | Business-type Activities - Enterprise Funds | | |
|---|---|---|---|
| | **Water** | **Sewer** | **Total** |
| **Reconciliation of Operating Income to Net Cash Provided by Operating Activities:** | | | |
| **Operating Income** | **$ 743,981** | **$ 620,708** | **$ 1,364,689** |
| Adjustments: | | | |
| Depreciation | 272,765 | 354,007 | 626,772 |
| Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources: | | | |
| Accounts receivable | (16,079) | (14,405) | (30,484) |
| Special assessment receivable | - | 10,377 | 10,377 |
| Due from other governments | (138) | (141) | (279) |
| Materials and supplies inventory | (6,465) | (9,429) | (15,894) |
| Prepayments | 5,159 | (4,776) | 383 |
| Net pension asset | (4,348) | (8,082) | (12,430) |
| Deferred outflows - pension | 141,845 | 80,505 | 222,350 |
| Deferred outflows - OPEB | (11,119) | (29,683) | (40,802) |
| Accounts payable | (7,517) | (10,492) | (18,009) |
| Accrued wages and benefits | 419 | (1,209) | (790) |
| Due to other governments | 17 | 115 | 132 |
| Compensated absences payable | 2,543 | (10,374) | (7,831) |
| Pension and postemployment benefits payable | 70 | (158) | (88) |
| Unearned revenue | (6,743) | 2,025 | (4,718) |
| Net pension liability | (242,794) | (114,814) | (357,608) |
| Net OPEB liability | (43,039) | 41,966 | (1,073) |
| Deferred inflows - pension | 115,075 | 78,370 | 193,445 |
| Deferred inflows - OPEB | 54,944 | 19,855 | 74,799 |
| **Net Cash Provided by Operating Activities** | **$ 998,576** | **$ 1,004,365** | **$ 2,002,941** |

**Non-Cash Transactions:**
During 2018, the Water fund and Sewer fund received $490,863 and $218,016, respectively, in capital contributions.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF PATASKALA, OHIO**

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
**FIDUCIARY FUNDS**
DECEMBER 31, 2018

| | | Agency |
|---|---|---|
| **Assets:** | | |
| Equity in pooled cash and investments | $ | 566,269 |
| **Total Assets** | **$** | **566,269** |
| **Liabilities:** | | |
| Pension and postemployment benefits payable | $ | 61,729 |
| Deposits held and due to others | | 504,540 |
| **Total Liabilities** | **$** | **566,269** |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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## NOTE 1 - DESCRIPTION OF THE CITY

The City of Pataskala, Licking County, Ohio (the "City") is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The City operates under a government that is directed by a publicly-elected seven-member Council and a Mayor. The City Administrator is the chief executive officer, and the Finance Director is the chief fiscal officer. The City provides the following services: general government, including finance and legal; police protection; public health; street maintenance; community development; and, water and sewer utilities.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### A. Reporting Entity

For financial reporting purposes, the City's BFS include all funds, agencies, boards, commissions, and departments for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization's Governing Board, and is either: (1) able to impose its will on that organization; or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected Governing Board, a Governing Board appointed by another government, or a jointly appointed board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's BFS to be misleading or incomplete.

The primary government consists of all funds and departments which provide various services including police protection, street maintenance and repair, water and sewer services. Council and the City Administrator are directly responsible for these activities. The City contracts with various non-profit organizations for parks and recreation programmatic services. Currently, utilization agreements which set forth responsibilities for parks and recreation activities include the Pataskala Parks and Recreation Association (PRA) and the Licking Heights Youth Association. The City has no responsibility to these organizations other than providing related equipment and resources to maintain the grounds and surrounding areas but has no responsibility to maintain parks and recreation programs. During 2016, however, the City began transitioning recreation programming activities back to the City from the PRA. The City contracts with the Licking County Health Department for public health services. The City does not approve each organization's operating budget, nor is it responsible for its continued operation.

The accompanying financial statements represent the City, which has no component units. The following organizations are described due to their relationship with the City:

*JOINTLY GOVERNED ORGANIZATION*S

*West Licking Joint Fire District* - The West Licking Joint Fire District, a jointly governed organization, is a political subdivision governed by a Board of Trustees which possesses its own contracting and budgeting authority. The Board of Trustees consists of one representative from each of the participating governments; the City of Pataskala, the Village of Kirkersville, City of New Albany, Harrison Township, Etna Township, City of Reynoldsburg and Jersey Township. The City made no contributions during 2018 for the operation of the West Licking Joint Fire District.

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

*Southwest Licking Community Water and Sewer District* - The Southwest Licking Community Water and Sewer District (the "Sewer District"), a jointly governed organization, is a political subdivision governed by a Board of Trustees which possesses its own contracting and budgeting authority. The City Council of Pataskala appoints one member to the Sewer District Board of Trustees, and the remaining members are appointed by Harrison and Etna Townships. The City made no contributions during 2018 for the operation of the Sewer District.

*Mid-Ohio Regional Planning Commission* - The City participates in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 126 representatives appointed by member governments who make up the Commission, the policy-making body of MORPC, and the oversight board. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes 64 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members.

*Pataskala Corporate Park Joint Economic Development District* - The Pataskala Corporate Park Joint Economic Development District (JEDD), Licking County (the "District") is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District was created as a result of an agreement between the City of Pataskala, Harrison Township, Licking County, and the City of Newark on December 22, 2009. The District is directed by a five-member Board of Trustees. The District's purpose is to promote and facilitate economic development that will create jobs and employment opportunities and improve the economic welfare of the people in the State, the County, the City, the City of Newark, Harrison Township, and the District. Such area is located in the City of Pataskala corporate limits and the primary source of revenue is a tax on earned income in the District.

In late 2006, the Ohio Department of Development designated a nearly 521 acre site in the City of Pataskala as eligible for Job Ready Sites (JRS) funding. As such, this site known as the Pataskala Corporate Park, located at the southeast corner of State Route 16 (Broad Street) and Mink Street is recognized as one of the premier sites for manufacturing and industrial development in the State of Ohio. A roadway was constructed in 2010 linking State Route 16 (Broad Street) and Refugee Road with the intention to ultimately link the access road to U.S. Route 40 (The National Road), improving the routing to Interstate 70 and offering unparalleled access for commerce. In late 2006, the project received funding of approximately $3.4 million to develop this roadway. It is considered one of the initial projects funded under Ohio's Job Ready Sites program, and is critical in order for the City to create jobs and investment. The Job Ready Site designation will expire in January 2019.

The Board of Trustees adopted a resolution levying an income tax at a rate of 1.75 percent on income earned by persons working in the District and on the net profits of businesses located in the District. The income tax shall follow the provisions of Chapter 718 of the Ohio Revised Code. Income tax revenues are collected by the City of Newark Treasurer and deposited quarterly in the Pataskala Corporate Park JEDD Fund, or its general fund. Monies deposited to the JEDD Fund shall be allocated to the JEDD Improvement Account for future infrastructure improvements and to the Newark Account for future distributions to governmental entities subject to the tax sharing agreement.

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

*Regional Income Tax Agency (RITA)* - In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing the cities and villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose. The first official act of the RCOG was to form RITA. Today, RITA serves as the income tax collection agency for 309 municipalities and 30 JEDD/JEDZ districts throughout the State of Ohio. The City began using RITA for its income tax collection services in 2010.

Each member municipality appoints its own delegate to the RCOG, including electing members to the RITA Board of Trustees. Regardless of the population or tax collections of member municipalities, each member of the RCOG has an equal say in the operations of RITA.

*GROW Licking County* - Formed in 2012, GROW Licking County (GROW) is a 501(c)(3) non-profit, public-private partnership for the purpose of serving as the lead economic development organization for Licking County, Ohio. The organization is governed by a 15-member board that is tasked with setting the annual operating and capital budgets for GROW. Board members are appointed by the founding members of the organization (Licking County Chamber of Commerce, Licking County Commissioner's Office, and the Heath-Newark-Licking County Port Authority), and serve staggered 3-year terms. The Mayor of Pataskala was appointed to the Board by the Licking County Chamber of Commerce to serve on the board as the City of Pataskala's representative. The Mayor's term expires on December 31, 2018. The City of Pataskala contributed $10,000 towards GROW in 2018.

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

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

***Government-Wide Financial Statements*** - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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

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

**C. 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 are typically 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 inflow of resources is reported as fund balance.

The following are the City's major governmental funds:

*General fund* - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

*Street fund* - The Street fund accounts for revenues generated from income tax, license and gasoline taxes that are restricted for maintaining local roads and related infrastructure within the City.

*Police fund* - The Police fund accounts for tax and other revenues collected that are restricted for police operations.

*Bond Improvements fund* - This fund is used to account for bond or note proceeds that are restricted for the purchase of equipment and to construct capital assets.

Other governmental funds of the City are used to account for: (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets; (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects; and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

***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 has no internal service funds.

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

**Water fund** - This fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

**Sewer fund** - This fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

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

***Fiduciary Funds*** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds; investment trust funds; private-purpose trust funds; and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City currently has no trust funds. Agency funds are custodial in nature (assets plus deferred outflows equal liabilities plus deferred inflows) and do not involve measurement of results of operations. The City's agency funds account for the Mayor's Court activity, the Fire Escrow fund, the Construction Accounts fund, the Police Evidence & Cash Seizure fund and the Payroll Clearing account fund.

**D. Measurement Focus**

***Government-Wide Financial Statements*** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for sales and services. Operating expenses for the enterprise funds include personnel and other expenses related to the operations of the enterprise activities. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Agency funds do not report a measurement focus as they do not report operations.

**E. Basis of Accounting**

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

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

***Revenues: Exchange and Nonexchange Transactions*** - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are 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 year. For the City, available means expected to be received within sixty days of year end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, payments in lieu of taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income tax is recognized in the period in which the income is earned (See Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Payments in lieu of taxes (PILOT) are treated the same way property taxes are in the financial statements. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income taxes; state-levied locally shared taxes (including gasoline tax, local government funds and permissive tax); fines and forfeitures; fees; earnings on investments; and special assessments.

***Deferred Outflows of Resources and Deferred Inflows of Resources*** - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, see Notes 15 and 16 for deferred outflows of resources related the City's net pension liability and net OPEB liability, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. 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.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance 2019 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the City, see Notes 15 and 16 for deferred inflows of resources related to the City's net pension liability and net OPEB liability, respectively. These deferred inflow of resources are only reported on the government-wide statement of net position.

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

***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.

**F. Budgetary Data**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. The City's legal level of budgetary control is established at the object level within each department/function, within each fund. Although the legal level of budgetary control was established at the object level within each department/function, the City has elected to present budgetary statement comparisons at the fund and function levels of expenditures included within the basic financial statements. Budgetary modifications may only be made by ordinance by the City Council at the legal level of control.

***Tax Budget*** - The ORC calls for the City Administrator to presents an estimate of the following year's annual operating budget, or tax budget, by mid-July, to City Council for consideration and passage. The Council approved estimated is then submitted to the Licking County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The Licking County Budget Commission waived this requirement for 2018.

***Estimated Resources*** - The County Budget Commission determines if the 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 on or before September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. On or before 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 unencumbered cash balances at December 31 of the preceding year. The certificate may be further amended during the year if the Finance Director determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statement reflect the amounts in the original and final certificate of estimated resources issued during 2018.

***Appropriations*** - A temporary appropriation ordinance 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 ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the object level within each department, within each fund. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The appropriations at the legal level of control may only be modified during the year by an ordinance of Council. The amounts on the budgetary statement reflect the original and final appropriation amounts, including all amendments and modifications legally enacted by Council.

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

***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 are carried forward and are not reappropriated as part of the subsequent year appropriations.

**G. Cash and Investments**

Cash balances of the City's funds, except cash in segregated accounts and cash held by a fiscal and escrow agent, are pooled and invested in investments maturing within five years in order to provide improved cash management. Individual fund integrity is maintained through City records. Each fund's interest in the pooled bank accounts is presented on the financial statements as "equity in pooled cash and investments".

During 2018, investments were limited to State Treasury Asset Reserve of Ohio (STAR Ohio), Federal Home Loan Bank (FHLB) Securities, Federal Farm Credit Bank (FFCB) Securities, Federal Home Loan Mortgage Corporation (FHLMC) Securities, negotiable certificates of deposit and a governmental money market account. Except for any nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

The City has a segregated bank account for Mayor's Court monies separate from the City's central bank account. This interest bearing depository account is presented on the financial statements as "cash in segregated accounts" since it is not required to be deposited into the City treasury. At December 31, 2018, this account had a bank balance of $9,755 and a book balance of $0.

During 2018, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding $25 million. STAR Ohio reserves the right to limit the transaction to $100 million, requiring the excess amount to be transacted the following business day(s), but only to the $100 million limit. All accounts of the participant will be combined for these purposes.

Interest income is distributed to the funds according to statutory requirements and City policy. Interest revenue earned and credited to the general fund during 2018 amounted to $19,315, which included $2,311 assigned from other funds of the City.

For purposes of the statement of cash flows and for presentation on the financial statement, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments, to the extent they are purchased from a specific fund.

An analysis of the City's investment account at year end is provided in Note 4.

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

### H. Inventories of Materials and Supplies

On the government-wide and fund financial statements, inventories are stated at cost. For all funds, cost is determined on a first-in, first-out (FIFO) basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental funds when consumed. Inventories of the proprietary funds are expensed when used.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance which indicates that it does not constitute available spendable resources even though it is a component of fund balance.

### I. Capital Assets

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

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 acquisition values as of the date received. During 2013, the City implemented a capital asset policy that changed the capital asset threshold from $5,000 for all asset classes to the amounts noted below. Capital assets within a class can have different thresholds depending on the asset category within the class. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

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

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

| Description | Governmental Activities Estimated Lives | Business-Type Activities Estimated Lives | Capitalization Thresholds |
|---|---|---|---|
| Land improvements | 10 - 45 years | 10 - 45 years | $25,000 |
| Buildings and improvements | 5 - 50 years | 5 - 50 years | $10,000 - $50,000 |
| Equipment | 5 - 20 years | 5 - 20 years | $5,000 - $10,000 |
| Vehicles | 5 - 15 years | 5 - 15 years | $25,000 |
| Infrastructure | 15 - 90 years | 15 - 90 years | $15,000 - $25,000 |

### J. Compensated Absences

Compensated absences of the City consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.

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

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if: (a) employees' rights to payment are attributable to services already rendered; and (b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for sick leave is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for severance on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service or any employee with at least twenty years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16. Sick leave benefits were accrued using the "vesting" method.

The total liability for vacation, compensatory time, and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. City employees are granted vacation and sick leave in varying amounts based upon tenure and specific labor agreements. In the event of termination, an employee is reimbursed for accumulated vacation and sick leave at various rates.

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

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability. At December 31, 2018, there no amounts reported on the governmental fund financial statements.

**K. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed. At year end, because prepayments are not available to finance future governmental fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the fund financial statements.

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

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

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

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

### M. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable" and "interfund loans payable". These amounts are eliminated in the governmental activities column of the statement of net position, with the exception of the net residual amounts due between governmental and business-type activities which are presented as internal balances. At December 31, 2018, there were no interfund loans receivable/payable.

### N. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental funds are eliminated for reporting of governmental activities on the government-wide financial statements.

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

### O. Fund Balance

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

*Nonspendable* - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

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

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies (resolution) of City Council, which includes giving the Finance Director the authority to constrain monies for intended purposes.

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

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

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

**P. Estimates**

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

**Q. Net Position**

Net position represents the difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also are included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**R. Operating Revenues and Expenses**

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

**S. Minimum Fund Balance Policy**

The City shall strive to maintain an unencumbered fund balance in line with established ranges, typically 25-35%, and which vary depending upon the fund type. The percentages are calculated using the actual or projected fund balance, and expressing it as a percentage of the relevant full-year expense budget.

**T. Restricted Assets**

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

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

Restricted assets represent certain resources which are segregated from other resources of the City. These assets are generally held in separate accounts of the City or by a trustee. Restricted assets represent permissive tax monies held by Licking County and retainage payable related to construction.

**U. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2018.

**V. Unamortized Bond Premium and Discount/Unamortized Accounting Gain or Loss/Bond Issuance Costs**

Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds and bond discounts are presented as a reduction to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

On the governmental fund financial statements, bond premiums and discounts are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 13.

Bond issuance costs are expensed when they occur.

**W. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, net pension asset, deferred outflows of resources and deferred inflows of resources related 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.

**X. Fair Value Measurements**

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

## NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

### Change in Accounting Principles/Restatement of Net Position

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

GASB Statement No. 75 improves the accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The implementation of GASB Statement No. 75 effected the City's postemployment benefit plan disclosures, as presented in Note 16 to the basic financial statements, and added required supplementary information which is presented after the notes to the basic financial statements.

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

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

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

| | Governmental Activities | Business-Type Activities | Water | Sewer |
|---|---|---|---|---|
| Net position as previously reported | $ 26,994,616 | $ 7,211,449 | $ 1,359,303 | $ 5,852,146 |
| Deferred outflows - payments subsequent to measurement date | 17,190 | 6,504 | 3,355 | 3,149 |
| Net OPEB liability | (3,184,375) | (463,893) | (239,318) | (224,575) |
| Restated net position at January 1, 2018 | $ 23,827,431 | $ 6,754,060 | $ 1,123,340 | $ 5,630,720 |

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

## NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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

*Interim deposits* are deposits of those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one (1) year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

1. 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 and interest by the United States;

2. 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;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio;

5. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

6. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio);

7. Certain banker’s acceptance and commercial paper notes for a period not to exceed one-hundred-eighty (180) days and two-hundred seventy (270) days, respectively, from the purchase date in an amount not to exceed forty (40%) percent of the interim monies available for investment at any one time; and,

8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

9. Time certificates of deposit (CDs) in authorized depositories, provided those funds are properly insured or collateralized as provided in Ohio Revised Code Section 135.18. The payment of the principal and interest thereon for which eligible securities are pledged must be paid and deposited with the City or qualified and approved trustee.

10. Negotiable time certificates of deposit (negotiable CDs) which have a secondary market in which to trade such securities. The underlying issuer must be covered by FDIC insurance, and the amount of the acquired security is limited to ninety seven percent (97%) of the available FDIC coverage. For example, an investment in a negotiable certificate of deposit (CD) would be limited to $242,500 assuming FDIC coverage limit of $250,000.

## NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

### A. Cash with Fiscal and Escrow Agent

At year end, the City had $76,438 on deposit with the Licking County Treasurer for permissive tax collections. The data regarding insurance and collateralization can be obtained from the Licking County Comprehensive Annual Financial Report for the year ended December 31, 2018. This amount is not included in the City's depository balance detailed in Note 4.B.

### B. Deposits with Financial Institutions

At December 31, 2018, the carrying amount of all City deposits was $6,541,701 and the bank balance of all City deposits was $6,596,336. Of the bank balance, $5,935,641 was covered by the FDIC and $660,695 was covered by the Ohio Pooled Collateral System or had the potential to be exposed to custodial credit risk as described below.

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. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City's and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2018, the City's financial institution was approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

## NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

### C. Investments

Investments are reported at fair value. As of December 31, 2018, the City had the following investments:

| | | Investment Maturities | | | | |
|---|---|---|---|---|---|---|
| **Measurement/ investment type** | **Measurement Amount** | **6 months or less** | **7 to 12 months** | **13 to 18 months** | **19 to 24 months** | **Greater than 24 months** |
| *Fair value:* | | | | | | |
| FHLB | $ 652,405 | $ - | $ 233,069 | $ - | $ - | $ 419,336 |
| FFCB | 288,826 | - | - | - | 288,826 | - |
| FHLMC | 427,485 | - | - | - | - | 427,485 |
| Negotiable CD's | 7,279,834 | - | 880,940 | 471,231 | 823,457 | 5,104,206 |
| Governmental money market | 253,545 | 253,545 | - | - | - | - |
| *Amortized cost:* | | | | | | |
| STAR Ohio | 2,574,600 | 2,574,600 | - | - | - | - |
| **Total** | **$ 11,476,695** | **$ 2,828,145** | **$ 1,114,009** | **$ 471,231** | **$ 1,112,283** | **$ 5,951,027** |

The weighted average maturity of investments is 2.05 years.

The City's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The City's investments in federal agency securities (FHLB, FFCB, FHLMC) and negotiable CD's are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

***Interest Rate Risk*** - As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five (5) years from the date of purchase and that the City's investment portfolio be structured so that the securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity (e.g., 'buy and hold').

***Custodial Credit Risk***: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured. The City has a policy which states that all security transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. That is, broker/dealers will not be paid until the securities purchased are delivered to the City or to the City's designated centralized safekeeping account. The securities will be held by centralized safekeeping at a qualified financial institution, hereafter designated "custodian". The centralized custodian will be designated by the Finance Director. The securities will be free and clear of any lien. The custodian will issue a safekeeping receipt to the City, listing the instrument, maturity date and rate. Month-end reports will also be provided to the City by the custodian, including held securities, book and market values, in addition to a written custodial agreement. The City's investments in negotiable CD's are covered by the FDIC.

***Credit Risk:*** The City's investments in federal agency securities were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard's & Poor's has assigned STAR Ohio and the governmental money market an AAAm money market rating. The City's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

## NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

***Concentration of Credit Risk*** - The City places no limit on the amount it may invest in any one issuer. The following is the City's allocation as of December 31, 2018:

| Measurement/ investment type | Measurement Amount | % to Total |
|---|---|---|
| *Fair value:* | | |
| FHLB | $ 652,405 | 5.68 |
| FFCB | 288,826 | 2.52 |
| FHLMC | 427,485 | 3.72 |
| Negotiable CD's | 7,279,834 | 63.43 |
| Governmental money market | 253,545 | 2.22 |
| *Amortized cost:* | | |
| STAR Ohio | 2,574,600 | 22.43 |
| **Total** | **$ 11,476,695** | **100.00** |

### D. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2018:

| **Cash and Investments per Note** | |
|---|---|
| Carrying amount of deposits | $ 6,541,701 |
| Investments | 11,476,695 |
| Cash with fiscal and escrow agent | 76,438 |
| **Total** | **$ 18,094,834** |

| **Cash and Investments per Statement of Net Position** | |
|---|---|
| Governmental activities | $ 11,510,710 |
| Business type activities | 6,017,855 |
| Agency fund | 566,269 |
| **Total** | **$ 18,094,834** |

## NOTE 5 - INTERFUND TRANSACTIONS

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

| | Transfer from | | | | |
|---|---|---|---|---|---|
| **Transfer to** | **General** | **Street** | **Police** | **Nonmajor Governmental Funds** | **Total** |
| Nonmajor governmental funds: | | | | | |
| Debt service | $ - | $ - | $ 22,500 | $ 265,280 | $ 287,780 |
| Capital improvements | 250,000 | 350,000 | - | - | 600,000 |
| Issue II | - | 4,000 | - | - | 4,000 |
| **Total** | **$ 250,000** | **$ 354,000** | **$ 22,500** | **$ 265,280** | **$ 891,780** |

## NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations or debt service; reclassification of prior year distributed monies, to segregate money for anticipated capital projects; and to return money to the fund from which it was originally provided once a project is completed. The transfers out of the police fund and nonmajor governmental funds to the debt service fund were for debt service payments. The transfers out of the street fund to the capital improvements fund (a nonmajor governmental fund) and the issue II fund (a nonmajor governmental fund) were to fund capital improvements.

Transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

Transfers between governmental funds are eliminated on the government-wide financial statements.

## NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at thirty-five percent (35%) of appraised market value. All property is required to be revalued every six (6) years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

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

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

The full tax rate for all City operations for the year ended December 31, 2018 was $2.90 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2018 property tax receipts were based are as follows:

| | |
|---|---|
| Real Property | $ 378,374,541 |
| Public Utility | 24,035,260 |
| **Total Assessed Value** | **$ 402,409,801** |

## NOTE 7 - INCOME TAXES

The City levies a voted income tax of one percent (1.0%) on all income earned within the City (including business net profits), as well as on earned income of Pataskala residents earned outside the City. The City has a mandatory filing requirement for all residents and businesses operating in the City.

Employers within the City are required to withhold the tax on employee earnings, and to remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly, and file a final return annually.

Income tax revenue is credited to five funds. During 2018, of the tax levied, the Street fund received 32.10%, the Police fund received 52.00%, the Debt Service fund (a nonmajor governmental fund) received 13.90% and the Capital Improvements fund (a nonmajor governmental fund) received 2.00%. The revenues allocated to the funds shall be used for operations specific to those departments. Income tax collections allocated to the street, police, debt service and capital improvement funds totaled $1,851,162, $2,982,395, $732,286 and $177,573, respectively, for the year ended December 31, 2018. The Pataskala Corporate Park Joint Economic Development District fund (a nonmajor governmental fund) receives income taxes from collections within the Pataskala Corporate Park which are restricted for improvements within the park. This fund did not receive any income taxes in 2018.

RITA administers and collects income taxes for the City. Payments are remitted semi-monthly, net of estimated collection fees of three percent (3.0%). In June the year following collection, RITA calculates the actual cost of collection and either: (1) rebates the overpayment amount; or (2) charges the entity for underpayment. In 2018, the City was notified that its 2017 cost of collection was 2.59%, and the rebate amount was $20,227. The JEDD income taxes are administered and collected by the City of Newark.

## NOTE 8 - RECEIVABLES

Receivables at December 31, 2018, consisted of income taxes, property taxes, accounts (billings for user charged services), special assessments, accrued interest, payments in lieu of taxes, and intergovernmental receivables arising from grants, entitlements and shared revenue. All intergovernmental receivables have been classified as "due from other governments" on the BFS. Receivables have been recorded to the extent that they are measurable at December 31, 2018.

A summary of the principal items of receivables reported on the statement of net position follows:

| | | |
|---|---|---|
| **Governmental activities:** | | |
| Income taxes | $ | 2,790,551 |
| Real and other taxes | | 1,058,581 |
| Accounts | | 101,983 |
| Special assessments | | 465 |
| Accrued interest | | 21,305 |
| Payments in lieu of taxes | | 257,028 |
| Due from other governments | | 612,325 |
| **Business-type activities:** | | |
| Accounts | | 639,036 |
| Special assessments | | 274,930 |
| Accrued interest | | 12,675 |
| Due from other governments | | 279 |

Receivables have been disaggregated on the face of the BFS. All receivables are expected to be collected within the subsequent year.

## NOTE 9 - TAX INCREMENT FINANCING (TIF) DISTRICT

The City, pursuant to the Ohio Revised Code and City ordinances, has established a Tax Increment Financing District, or TIF. A TIF represents a designated geographic area wherein property values created after the commencement date of the TIF are exempt, in whole or in part, from property taxes. Owners of such property, however, must pay amounts equal to the property taxes, known as "payments in lieu of taxes" (PILOT), as though the TIF had not been established. These "PILOT" payments are then dedicated to the payments for various public improvements within or adjacent to the TIF area. Property values existing before the commencement date of a TIF continue to be subjected to property taxes.

On December 18, 2006, City Council authorized the creation of the State Route 310 Project Municipal Public Improvement Tax District, also known as the Pataskala Town Center, pursuant to the Ohio Revised Code declaring that the increase in assessed value and providing for the exemption of 75% of the improvements from real property taxation constructed on new parcels and ending on the earlier of 10 years after such date such parcels appeared on the real estate tax lists or the date on which the City can no longer require service payments in lieu of taxes on any improvements within the TIF district.

The City established the State Route 310 TIF fund which shall be maintained in the custody of the City. This fund shall receive PILOT revenues and property rollback payments and any money recorded in this fund may only be used for public infrastructure improvements associated with State Route 310 North and South TIF service areas as defined by Ordinance.

PILOT revenue for 2018 was $345,029 in the statement of activities. The TIF has longevity of the shorter period of 10 years or until there is no money available to be spent for the TIF areas. Any unspent funds remaining after the 10 year period shall be returned to the City's general fund in accordance with Ohio Revised Code Section 5709.43. The property tax exemption then ceases; PILOTs cease and property taxes then apply to the increased property values.

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## NOTE 10 - CAPITAL ASSETS

**A.** Governmental activities capital asset activity for the year ended December 31, 2018, was as follows.

| Governmental activities: | Balance 12/31/17 | Additions | Disposals | Balance 12/31/18 |
|---|---|---|---|---|
| *Capital assets, not being depreciated:* | | | | |
| Land | $ 1,279,832 | $ 136,364 | $ - | $ 1,416,196 |
| Land improvements | 17,077 | - | - | 17,077 |
| Construction in progress | 3,675,404 | 6,391,324 | (2,506,671) | 7,560,057 |
| **Total capital assets, not being depreciated** | **4,972,313** | **6,527,688** | **(2,506,671)** | **8,993,330** |
| *Capital assets, being depreciated:* | | | | |
| Land improvements | 532,885 | - | - | 532,885 |
| Buildings and improvements | 2,721,827 | 19,898 | - | 2,741,725 |
| Equipment | 968,864 | 91,231 | - | 1,060,095 |
| Vehicles | 3,017,017 | 196,117 | - | 3,213,134 |
| Infrastructure | 23,628,232 | 4,783,782 | - | 28,412,014 |
| **Total capital assets, being depreciated** | **30,868,825** | **5,091,028** | **-** | **35,959,853** |
| *Less: accumulated depreciation:* | | | | |
| Land improvements | (146,241) | (21,163) | - | (167,404) |
| Buildings and improvements | (835,824) | (80,154) | - | (915,978) |
| Equipment | (463,317) | (75,480) | - | (538,797) |
| Vehicles | (1,868,310) | (245,317) | - | (2,113,627) |
| Infrastructure | (7,094,442) | (1,286,801) | - | (8,381,243) |
| **Total accumulated depreciation** | **(10,408,134)** | **(1,708,915)** | **-** | **(12,117,049)** |
| **Total capital assets, being depreciated, net** | **20,460,691** | **3,382,113** | **-** | **23,842,804** |
| **Governmental activities capital assets, net** | **$ 25,433,004** | **$ 9,909,801** | **$ (2,506,671)** | **$ 32,836,134** |

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

| Governmental activities: | |
|---|---|
| General government | $ 226,975 |
| Security of persons and property | 162,855 |
| Transportation | 1,306,013 |
| Leisure time activity | 13,072 |
| **Total Depreciation Expense - Governmental Activities** | **$ 1,708,915** |

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

**B.** Business-type activities capital asset activity for the year ended December 31, 2018, was as follows.

| **Business-type activities:** | **Balance 12/31/17** | **Additions** | **Disposals** | **Balance 12/31/18** |
|---|---|---|---|---|
| *Capital Assets, Not Being Depreciated:* | | | | |
| Land | $ 654,893 | $ - | $ - | $ 654,893 |
| Construction in progress | 30,800 | 15,050 | (45,850) | - |
| **Total Capital Assets, Not Being Depreciated** | **685,693** | **15,050** | **(45,850)** | **654,893** |
| *Capital Assets, Being Depreciated:* | | | | |
| Land improvements | 11,928,304 | - | (309,160) | 11,619,144 |
| Buildings and improvements | 2,791,902 | - | - | 2,791,902 |
| Equipment | 167,410 | - | - | 167,410 |
| Vehicles | 301,131 | 3,434 | - | 304,565 |
| Infrastructure | 8,410,454 | 1,178,192 | - | 9,588,646 |
| **Total Capital Assets, Being Depreciated** | **23,599,201** | **1,181,626** | **(309,160)** | **24,471,667** |
| *Less: Accumulated Depreciation:* | | | | |
| Land improvements | (3,552,799) | (291,620) | 105,114 | (3,739,305) |
| Buildings and improvements | (1,906,148) | (81,068) | - | (1,987,216) |
| Equipment | (78,331) | (13,781) | - | (92,112) |
| Vehicles | (188,573) | (22,148) | - | (210,721) |
| Infrastructure | (5,194,477) | (218,155) | - | (5,412,632) |
| **Total Accumulated Depreciation** | **(10,920,328)** | **(626,772)** | **105,114** | **(11,441,986)** |
| **Total Capital Assets, Being Depreciated, Net** | **12,678,873** | **554,854** | **(204,046)** | **13,029,681** |
| **Business-Type Activities Capital Assets, Net** | **$ 13,364,566** | **$ 569,904** | **$ (249,896)** | **$ 13,684,574** |

Depreciation expense was charged to fund's (business-type activities) of the City as follows:

| **Business-type activities:** | |
|---|---|
| Water | $ 272,765 |
| Sewer | 354,007 |
| **Total Depreciation Expense - Business Type Activities** | **$ 626,772** |

## NOTE 11 - OTHER EMPLOYEE BENEFITS

### Compensated Absences

Employees earn vacation at different rates which are also affected by length of service. Vacation is accrued each pay and may be carried over within established limits. The maximum number of hours which may be accrued is based on years of service. Vacation and sick leave accumulated by governmental fund type employees has been recorded in the statement of net position to the extent they were not paid using current expendable available resources. Vacation and sick leave earned by proprietary funds type employees is expensed when earned and has been recorded in the fund.

Employees are permitted to earn compensatory-time in lieu of being paid overtime, and may accrue a maximum of hours and may be carried forward to the next year.

As of December 31, 2018, the liability for compensated absences in governmental activities and business-type activities was $116,325 and $19,587, respectively. The total liability for the City's compensated absences reported on the statement of net position was $135,912 with $101,427 being due within one year.

## NOTE 12 - CAPITAL LEASES - LESSEE DISCLOSURE

In the current year, the City entered into capital lease agreements for copier equipment, a service truck and a dump truck. In previous years, the City entered into capital lease agreements for the acquisition of heavy equipment, a roadside mower and electronic sign boards, a backhoe, durapatcher, dump trucks, a skid steer, copiers and police radios. These leases meet the criteria of a capital lease which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

Vehicles and equipment in the amount of $1,201,324 have been capitalized, which is equal to the present value of the future minimum lease payment at the time of acquisition. A corresponding liability was recorded. Accumulated depreciation on the vehicles totaled $291,880, leaving a current book value of $909,444.

Copiers in the amount of $23,061 have not been capitalized since the assets do not meet the City's capitalization threshold. A liability for the copiers and police radios of $16,682 at December 31, 2018 has been recorded in the government-wide financial statements. Principal and interest payments in 2018 totaled $10,939 and $2,135, respectively, are reported as debt service payments of the general fund. Principal and interest payments of $238,829 and $10,792, respectively, are reported as debt service payments in the street fund. Principal and interest payments of $27,233 and $1,016, respectively, are reported as debt service payments in the police fund.

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

| Fiscal Year Ending December 31, | Amount |
|---|---|
| 2019 | $ 205,686 |
| 2020 | 100,508 |
| 2021 | 40,913 |
| 2022 | 35,974 |
| **Total minimum lease payment** | **383,081** |
| Less: amount representing interest | (21,637) |
| **Present value of minimum lease payments** | **$ 361,444** |

## NOTE 13 - LONG-TERM OBLIGATIONS

**A.** During 2018, the following activity occurred in the City's governmental long-term obligations. The long-term obligations at December 31, 2017 have been restated as described in Note 3.

| Governmental activities: | Restated Balance 12/31/17 | Additions | Reductions | Balance 12/31/18 | Amounts Due in One Year |
|---|---|---|---|---|---|
| Series 2014 general obligation bonds | $ 5,830,000 | $ - | $ (285,000) | $ 5,545,000 | $ 290,000 |
| Series 2018 police facility bonds | - | 4,600,000 | - | 4,600,000 | 250,000 |
| Miscellaneous loans payable | 629,285 | - | (122,500) | 506,785 | 122,500 |
| Capital leases | 439,296 | 199,149 | (277,001) | 361,444 | 194,042 |
| SIB loan | 135,193 | - | (32,304) | 102,889 | 33,280 |
| OPWC loans | 214,414 | 21,666 | (25,080) | 211,000 | 8,836 |
| Net pension liability | 4,898,332 | - | (796,380) | 4,101,952 | - |
| Net OPEB liability | 3,184,375 | 379,600 | - | 3,563,975 | - |
| Compensated absences | 119,093 | 215,430 | (218,198) | 116,325 | 84,916 |
| **Total Governmental Activities Long-Term Obligations** | **$ 15,449,988** | **$ 5,415,845** | **$ (1,756,463)** | 19,109,370 | **$ 983,574** |
| Add: unamortized premium on bond issuance | | | | 196,642 | |
| **Total Reported on Statement of Net Position** | | | | **$ 19,306,012** | |

*Compensated Absences:* Compensated absences will be paid from the fund from which the employees' salaries are paid. For the City's governmental activities, this is the general, Street and Police funds.

*Net pension liability and net OPEB liability:* See Notes 15 and 16 for more details. The City pays obligations related to employee compensation from the fund benefitting from their service which for the City, is primarily the general, Street and Police funds.

*Series 2014 General Obligation Bonds:* On October 30, 2014, the City issued $6,630,000 in Series 2014 general obligation bonds to refund the bond anticipation notes - Series 2013B and bond anticipation notes - Series 2014, as well as to provide $1,955,000 in proceeds for street projects. This bond issue was part of an overall bond issue of $9,390,000 with $2,760,000 being reported in the business-type activities (see Note 13.B). The bonds carry interest rates ranging from 2.00-4.00% and have a final maturity date of December 1, 2034. Principal and interest payments are made from the Debt Service fund (a nonmajor governmental fund).

*Series 2018 Police Facilities Bonds*: On February 20, 2018, the City issued $4,600,000 in general obligation bonds to construct a new police station. The issue is comprised of current interest bonds, par value $4,600,000. The interest rates on the current interest bonds is 2.74%. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2033. Principal and interest payments are made from the Debt Service fund (a nonmajor governmental fund). At December 31, 2018, there were $383,897 in unspent bond proceeds.

*Miscellaneous Loans:* During 2014, the City entered into a loan agreement with the State of Ohio Development Service Agency for a Local Government Innovation Fund (LGIF) Loan in the amount of $174,285 for a Multi-Agency Radio Communications System (MARCS) that will be shared with the West Licking Joint Fire District. The loan is a 0% loan and has a final maturity date of April 30, 2023. Principal and interest payments are made from the Debt Service fund (a nonmajor governmental fund).

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

On June 9, 2015, the City entered into a loan with Park National Bank in the amount of $1,400,000 for the State Route 310/Main St. improvements. Of this amount, $700,000 was related to governmental activities. The loan carries an interest rate of 3.35% and has a final maturity date of June 1, 2022. Principal and interest payments are made from the Debt Service fund (a nonmajor governmental fund).

*Capital Lease Obligation:* Capital lease obligations will be paid from the general fund, Street fund and Police fund. See Note 12 for details.

*State Infrastructure Bank Loan:* On September 30, 2010, the City entered into an agreement with the Ohio Department of Transportation for a State Infrastructure Bank ("SIB") direct loan transaction for the Summit Road South Project in the amount of $317,000. Revenues from the permissive license tax fund will be used to repay the loan. The loan agreement functions similar to a line-of-credit agreement.

At December 31, 2018 the City has a $102,889 balance outstanding on the loan. Principal and interest payments are made from the Debt Service fund (a nonmajor governmental fund).

*OPWC Loans*: The Ohio Public Works Commission (OPWC) loans are general obligations of the City, and principal and interest will be repaid from the Debt Service fund (a nonmajor governmental fund) and the Issue II fund (a nonmajor governmental fund). The OPWC loans are interest free, providing repayment remains current. At December 31, 2018, the City had OPWC loans outstanding for Refugee Road, Mink Street and Columbia Road Culvert. The OPWC loan for Mink Street is still open, and does not have an amortization schedule available.

A summary of the City's future debt service requirements for governmental activities long-term obligations outstanding as of December 31, 2018 are as follows:

| Year Ending December 31, | Series 2014 GO Bonds | | |
|---|---|---|---|
| | Principal | Interest | Total |
| 2019 | $ 290,000 | $ 165,825 | $ 455,825 |
| 2020 | 290,000 | 160,024 | 450,024 |
| 2021 | 300,000 | 154,225 | 454,225 |
| 2022 | 305,000 | 148,224 | 453,224 |
| 2023 | 310,000 | 142,125 | 452,125 |
| 2024 - 2028 | 1,660,000 | 602,026 | 2,262,026 |
| 2029 - 2033 | 1,950,000 | 316,601 | 2,266,601 |
| 2034 | 440,000 | 17,600 | 457,600 |
| **Total** | **$ 5,545,000** | **$ 1,706,650** | **$ 7,251,650** |

| Year Ending December 31, | Series 2018 Police Facility Construction Bonds | | |
|---|---|---|---|
| | Principal | Interest | Total |
| 2019 | $ 250,000 | $ 122,615 | $ 372,615 |
| 2020 | 255,000 | 115,697 | 370,697 |
| 2021 | 260,000 | 108,641 | 368,641 |
| 2022 | 270,000 | 101,380 | 371,380 |
| 2023 | 280,000 | 93,845 | 373,845 |
| 2024 - 2028 | 1,525,000 | 348,323 | 1,873,323 |
| 2029 - 2033 | 1,760,000 | 123,710 | 1,883,710 |
| **Total** | **$ 4,600,000** | **$ 1,014,211** | **$ 5,614,211** |

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

| Year Ending December 31, | Miscellaneous Loans | | |
|---|---|---|---|
| | Principal | Interest | Total |
| 2019 | $ 122,500 | $ 11,884 | $ 134,384 |
| 2020 | 122,500 | 8,515 | 131,015 |
| 2021 | 122,500 | 5,090 | 127,590 |
| 2022 | 122,500 | 1,694 | 124,194 |
| 2023 | 16,785 | - | 16,785 |
| **Total** | **$ 506,785** | **$ 27,183** | **$ 533,968** |

| Year Ending December 31, | SIB Loan | | |
|---|---|---|---|
| | Principal | Interest | Total |
| 2019 | $ 33,280 | $ 2,839 | $ 36,119 |
| 2020 | 34,286 | 1,833 | 36,119 |
| 2021 | 35,323 | 797 | 36,120 |
| **Total** | **$ 102,889** | **$ 5,469** | **$ 108,358** |

| Year Ending December 31, | OPWC Loans | | |
|---|---|---|---|
| | Principal | Interest | Total |
| 2019 | $ 8,836 | $ - | $ 8,836 |
| 2020 | 8,835 | - | 8,835 |
| 2021 | 8,836 | - | 8,836 |
| 2022 | 8,836 | - | 8,836 |
| 2023 | 8,835 | - | 8,835 |
| 2024 - 2028 | 44,173 | - | 44,173 |
| **Total** | **$ 88,351** | **$ -** | **$ 88,351** |

## NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

**B.** During 2018, the following activity occurred in the City's business-type long-term obligations. The long-term obligations at December 31, 2017 have been restated as described in Note 3.

| Business-type activities: | Interest Rate | Restated Balance 12/31/17 | Additions | Reductions | Balance 12/31/18 | Amounts Due in One Year |
|---|---|---|---|---|---|---|
| General Obligation Bonds | | | | | | |
| Series 2011 Sewer bonds | 5.50-6.125% | $ 135,000 | $ - | $ (70,000) | $ 65,000 | $ 65,000 |
| Series 2014 Sewer bonds | 2.00-4.00% | 1,160,000 | - | (60,000) | 1,100,000 | 60,000 |
| Series 2014 Water bonds | 2.00-4.00% | 1,275,000 | - | (65,000) | 1,210,000 | 65,000 |
| Series 2015 Water refunding bonds | 2.00-4.00% | 5,360,000 | - | (205,000) | 5,155,000 | 210,000 |
| **Total General Obligation Bonds** | | **7,930,000** | **-** | **(400,000)** | **7,530,000** | **400,000** |
| OWDA Loans | | | | | | |
| Sewer planning loan #5374 | 3.25% | 33,981 | - | (2,357) | 31,624 | 2,434 |
| Sewer design loan #5917 | 3.17% | 112,770 | - | (11,236) | 101,534 | 11,595 |
| Sewer system loan #5735 | 2.66% | 3,226,783 | - | (190,650) | 3,036,133 | 195,755 |
| **Total OWDA loans** | | **3,373,534** | **-** | **(204,243)** | **3,169,291** | **209,784** |
| Other Obligations | | | | | | |
| Miscellaneous loans payable | 3.35% | 500,000 | - | (100,000) | 400,000 | 100,000 |
| Net pension liability | | 992,047 | - | (357,608) | 634,439 | - |
| Net OPEB liability | | 463,893 | - | (1,073) | 462,820 | - |
| Compensated absences | | 27,418 | 67,797 | (75,628) | 19,587 | 16,511 |
| **Total Other Obligations** | | **1,983,358** | **67,797** | **(534,309)** | **1,516,846** | **116,511** |
| **Total Business-Type Activities Long-Term Obligations** | | **$ 13,286,892** | **$ 67,797** | **$ (1,138,552)** | **12,216,137** | **$ 726,295** |
| Add: Unamortized premium on bond issue | | | | | 410,427 | |
| **Total Reported on the Statement of Net Position** | | | | | **$ 12,626,564** | |

*General Obligation Bonds:* The sewer bonds are general obligation bonds, which are supported by the full faith and credit of the City.

On June 2, 2011, the City issued $550,000 Sanitary Sewer Refunding Bonds - Series 2011 for the purpose of refunding the Sewer Improvement Bonds - Series 1995. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

The refunding bonds are comprised of current interest bonds, par value $550,000. The bonds bear interest rates ranging from 1.00% - 3.00%. Principal and interest payments are made from the Sewer fund and are due on June 1 and December 1 of each year. The bonds mature on December 1, 2019.

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

The reacquisition price exceeded the net carrying amount of old debt by $3,008. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The refunding resulted in $64,992 in gross debt service savings.

On August 28, 2007, the City issued $6,550,000 in Water System Improvement General Obligation Bonds. The proceeds of the bond issue were used to repay $6,145,000 in water treatment plant notes and to fund construction of various water system improvements. During 2015, $5,330,000 of the bonds were refunded by the Series 2015 Water Refunding Bonds. These bonds matured during 2017 and there were no future obligations. The water bonds are general obligation bonds, which are supported by the full faith and credit of the City.

On October 30, 2014, the City issued $1,450,000 in Series 2014 general obligation bonds for the Sewer fund and $1,310,000 for the Water fund to refund the bond anticipation notes - Series 2013B and bond anticipation notes - Series 2014. This bond issue was part of an overall bond issue of $9,390,000 with $6,630,000 being reported in the governmental activities (See Note 13.A). The bonds carry interest rates ranging from 2.00-4.00% and have a final maturity date of December 1, 2034.

On December 29, 2015, the City issued $5,460,000 in Series 2015 Water Refunding Bonds to advance refund $5,330,000 of the Series 2007 Water System Improvement General Obligation Bonds. The refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The refunding bonds are comprised of current interest bonds, par value $5,460,000. Principal and interest payments are made from the Water fund and are due on June 1 and December 1 of each year. The refunding bonds carry interest rates ranging from 2.00-4.00% and have a final maturity date of December 1, 2037. The balance of the refunded bonds outstanding was $5,170,000 at December 31, 2018.

The reacquisition price of the Series 2015 bonds exceeded the net carrying amount of the old debt by $336,043. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which equal to the life of the Series 2015 issued. This advance refunding was undertaken to reduce the combined total debt service payments by $831,166 and resulted in an economic gain of $644,347.

*OWDA Loans:* The City has entered into debt financing arrangements through the Ohio Water Development Authority (OWDA) to fund construction projects. The amounts due to OWDA are intended to be paid primarily from water and sewer revenues. The loan agreements function similar to a line-of-credit agreement. At December 31, 2018, the City had outstanding borrowings of $3,169,291. During 2018, the Sewer fund made $204,243 principal payments on the OWDA loans.

The City has pledged future sewer revenues to repay the sewer system, sewer planning and sewer design OWDA loans. The loans are payable solely from Sewer fund revenues. Annual principal and interest payments on the loans are expected to require 29.05% of the Sewer fund net revenues and 13.64% of total operating revenues. Principal and interest paid for the current year were $294,279, total net revenues were $1,013,165 and total operating revenues were $2,158,258.

*Miscellaneous Loan*: On June 9, 2015, the City entered into a loan with Park National Bank in the amount of $1,400,000 for the State Route 310/Main St. improvements. Of this amount, $700,000 was related to business-type activities in the water fund. The loan carries an interest rate of 3.35% and has a final maturity date of June 1, 2022.

*Net pension liability and net OPEB liability:* See Notes 15 and 16 for details. The City pays obligations related to employee compensation from the fund benefitting from their service which for the City, are the water and sewer funds.

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

*Compensated Absences:* Compensated absences will be paid from the fund from which the employees' salaries are paid. For the City's business-type activities, this is the water fund and sewer fund.

The future debt service requirements for business-type activities long-term obligations outstanding as of year end are as follows:

| Year Ending December 31, | General Obligation Bonds Principal | Interest | Total |
|---|---|---|---|
| 2019 | $ 400,000 | $ 241,325 | $ 641,325 |
| 2020 | 340,000 | 232,674 | 572,674 |
| 2021 | 345,000 | 225,875 | 570,875 |
| 2022 | 345,000 | 218,976 | 563,976 |
| 2023 | 350,000 | 212,074 | 562,074 |
| 2024 - 2028 | 1,920,000 | 937,135 | 2,857,135 |
| 2029 - 2033 | 2,260,000 | 587,425 | 2,847,425 |
| 2034 - 2037 | 1,570,000 | 148,600 | 1,718,600 |
| **Total** | **$ 7,530,000** | **$ 2,804,084** | **$ 10,334,084** |

| Year Ending December 31, | OWDA Loans Principal | Interest | Total |
|---|---|---|---|
| 2019 | $ 209,784 | $ 84,495 | $ 294,279 |
| 2020 | 215,476 | 78,803 | 294,279 |
| 2021 | 221,324 | 72,956 | 294,280 |
| 2022 | 227,329 | 66,950 | 294,279 |
| 2023 | 233,498 | 60,782 | 294,280 |
| 2024 - 2028 | 1,266,064 | 205,332 | 1,471,396 |
| 2029 - 2033 | 738,261 | 42,930 | 781,191 |
| 2034 - 2037 | 57,555 | 3,234 | 60,789 |
| **Total** | **$ 3,169,291** | **$ 615,482** | **$ 3,784,773** |

| Year Ending December 31, | Miscellaneous Loans Principal | Interest | Total |
|---|---|---|---|
| 2019 | $ 100,000 | $ 11,884 | $ 111,884 |
| 2020 | 100,000 | 8,515 | 108,515 |
| 2021 | 100,000 | 5,090 | 105,090 |
| 2022 | 100,000 | 1,694 | 101,694 |
| **Total** | **$ 400,000** | **$ 27,183** | **$ 427,183** |

## NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

### C. Legal Debt Margin

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2018, the City's total debt margin was $42,704,749 and the unvoted debt margin was $22,132,539.

## NOTE 14 - RISK MANAGEMENT

### A. Risk Pool Membership

The City belongs to the Ohio Plan Risk Management, Inc. – formerly known as the Ohio Plan Risk Management (the "Plan" or "OPRM"), a non-assessable, incorporated non-profit providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its members.

Pursuant to Section 2744.081 of the Ohio Revised Code the Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through 14 appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Until November 1, 2016, the OPRM retained 50% of the premium and losses on the first $250,000 casualty treaty and 30% of the first $1,000,000 property treaty. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first $250,000 casualty treaty and 30% of the first $1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 764 and 762 members as of December 31, 2017 and 2016, respectively.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years. There have been no significant reductions in coverage levels from prior year levels.

**NOTE 14 - RISK MANAGEMENT - (Continued)**

The Pool's audited financial statements conform to generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2017 and 2016 (the latest information available):

| | 2017 | 2016 |
|---|---|---|
| Assets | $14,853,620 | $14,765,712 |
| Liabilities | (9,561,108) | (9,531,506) |
| **Members' Equity** | **$ 5,292,512** | **$ 5,234,206** |

You can read the complete audited financial statements for The Ohio Plan Risk Management at the Plan's website, www.ohioplan.org.

**B. Workers' Compensation**

During 2018, the City participated in the Ohio Bureau of Workers' Compensation (BWC) Individual Retrospective Rating Program (Retrospective Program). The Retrospective Program is an alternative rating plan that allows the employer to initially pay BWC less in premiums than it would without the plan. An employer participating in the Retrospective Program may earn a possible premium reduction by assuming a portion of the risk of workers' compensation claims. If the employer's total cost is below what they would have paid had they not enrolled in the Retrospective Program, they realize the difference in savings. The Retrospective Program is intended to achieve lower workers' compensation premiums and claims costs by promoting safe working conditions and environments for the employees.

**C. Employee Medical, Dental, Vision and Life**

On January 1, 2018, the City joined the Central Ohio Health Care Consortium (COHCC), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the plan. The COHCC consists of eleven political subdivisions that pool risk for basic hospital, surgical and prescription drug coverage. The COHCC is governed by a Board of Directors consisting of one director appointed by each member municipality. The Board elects a chairman, vice-chairman, secretary and treasurer. The Board is responsible for its own financial matters and the COHCC maintains its own books of account. Budgeting and financing of the COHCC are subject to the approval of the Board. The City pays monthly contributions to the COHCC, which are used to purchase excess loss insurance for the COHCC to pay current claims and related claim settlement expenses and to establish and maintain sufficient reserves. The monthly contribution is determined for each member in accordance with the number of covered officers and employees, and the prior loss experience of the respective member group. The members' contributions represent 115 percent of the expected costs of the COHCC, which will allow the COHCC to establish excess reserves for future operations. The funds are maintained in a bank trust account established for the sole purpose and benefit of the COHCC's operations. Financial information for the COHCC can be obtained from Carie Kraner, Treasurer, COHCC, 141 East Broadway, PO Box 514 Granville, Ohio 43023.

The COHCC has entered into an agreement for individual and aggregate excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the COHCC for medical claims paid to an individual in excess of $200,000, with an unlimited lifetime maximum. The aggregate excess loss coverage has been structured to indemnify the COHCC for aggregate claims paid in excess of $13,483,095, to a maximum of $1,000,000 annually. In the event that the losses of the consortium in any year exceeds amounts paid to the COHCC, together with all stop-loss, reinsurance and other coverage then in effect, then the payment of all uncovered losses shall revert to and be the sole obligation of the political subdivision against which the claim was made. No such loss has occurred in the past five years.

## NOTE 14 - RISK MANAGEMENT - (Continued)

The City currently has no specified percentage share of the COHCC. The only time at which a percentage share would be calculated occurs if the COHCC votes to terminate ongoing operations. After a vote to terminate the COHCC, the Board would wind-up the COHCC's business as quickly as practicable, but in any event would complete this process no later than twelve months after the termination date. During such period, the COHCC would continue to pay all claims and expenses until the COHCC's funds are exhausted. After payment of all claims and expenses, or upon the termination of the aforesaid twelve month period, any remaining surplus funds held by the COHCC would be paid to the members of the COHCC who are members as of the termination date. The Board would determine the manner in which such surplus funds would be distributed and would consider the percentage relationship which each member's contributions to the COHCC for the prior three calendar years of the COHCC bore to all members' contributions to the COHCC for that same period. The City's payment for health insurance coverage to COHCC in 2018 was $705,247.

Dental, vision and life insurance benefits are also provided. The family and single rates are not gender and age sensitive, and are the same for each class of employees.

## NOTE 15 - DEFINED BENEFIT PENSION PLANS

### *Net Pension Liability/Asset*

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

The net pension liability/asset represents the 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/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

## NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 2.25%.

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

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

| | State and Local |
|---|---|
| **2018 Statutory Maximum Contribution Rates** | |
| Employer | 14.0 % |
| Employee | 10.0 % |
| **2018 Actual Contribution Rates** | |
| Employer: | |
| Pension | 14.0 % |
| Post-employment Health Care Benefits | 0.0 % |
| Total Employer | 14.0 % |
| Employee | 10.0 % |

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

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was $254,629 for 2018. Of this amount, $10,277 is reported as pension and postemployment benefits payable.

## NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

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

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was $235,664 for 2018. Of this amount, $10,746 is reported as pension and postemployment benefits payable.

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

The net pension liability and net pension asset for the OPERS Traditional Pension Plan, Combined Plan and Member-Directed Plan, respectively, were measured as of December 31, 2017, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2017, and was determined by rolling forward the total pension liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net pension liability or asset 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:

| | OPERS - Traditional | OPERS - Combined | OPERS - Member-Directed | OP&F | Total |
|---|---|---|---|---|---|
| Proportion of the net pension liability/asset prior measurement date | 0.01197000% | 0.04948400% | 0.00100000% | 0.05008300% | |
| Proportion of the net pension liability/asset current measurement date | 0.01137700% | 0.04644000% | 0.00091200% | 0.04809100% | |
| Change in proportionate share | -0.00059300% | -0.00304400% | -0.00008800% | -0.00199200% | |
| Proportionate share of the net pension liability | $ 1,784,832 | $ - | $ - | $ 2,951,559 | $ 4,736,391 |
| Proportionate share of the net pension asset | - | (63,219) | (32) | - | (63,251) |
| Pension expense | 411,187 | 10,206 | (10) | 378,916 | 800,299 |

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

| | OPERS - Traditional | OPERS - Combined | OPERS - Member-Directed | OP&F | Total |
|---|---|---|---|---|---|
| **Deferred outflows of resources** | | | | | |
| Differences between expected and actual experience | $ 1,823 | $ - | $ 62 | $ 44,792 | $ 46,677 |
| Changes of assumptions | 213,300 | 5,524 | 3 | 128,615 | 347,442 |
| Changes in employer's proportionate percentage/ difference between employer contributions | 47,300 | - | - | 163,851 | 211,151 |
| City contributions subsequent to the measurement date | 225,253 | 28,876 | 500 | 235,664 | 490,293 |
| Total deferred outflows of resources | $ 487,676 | $ 34,400 | $ 565 | $ 572,922 | $ 1,095,563 |
| **Deferred inflows of resources** | | | | | |
| Differences between expected and actual experience | $ 35,173 | $ 18,833 | $ - | $ 5,339 | $ 59,345 |
| Net difference between projected and actual earnings on pension plan investments | 383,179 | 9,976 | 8 | 102,101 | 495,264 |
| Changes in employer's proportionate percentage/ difference between employer contributions | 89,659 | - | - | 94,993 | 184,652 |
| Total deferred inflows of resources | $ 508,011 | $ 28,809 | $ 8 | $ 202,433 | $ 739,261 |

$490,293 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/asset in the year ending December 31, 2019.

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| Year Ending December 31: | OPERS - Traditional | OPERS - Combined | OPERS - Member-Directed | OP&F | Total |
|---|---|---|---|---|---|
| 2019 | $ 144,612 | $ (3,172) | $ 7 | $ 102,180 | $ 243,627 |
| 2020 | (64,016) | (3,446) | 7 | 75,337 | 7,882 |
| 2021 | (168,730) | (5,678) | 7 | (31,242) | (205,643) |
| 2022 | (157,454) | (5,443) | 6 | (31,837) | (194,728) |
| 2023 | - | (1,942) | 7 | 16,826 | 14,891 |
| Thereafter | - | (3,604) | 23 | 3,561 | (20) |
| Total | $ (245,588) | $ (23,285) | $ 57 | $ 134,825 | $ (133,991) |

***Actuarial Assumptions - OPERS***

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

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

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

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

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

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

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

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

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

***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/asset calculated using the current period discount rate assumption of 7.50%, as well as what the City's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.50%) or one-percentage-point higher (8.50%) than the current rate:

| | 1% Decrease (6.50%) | Current Discount Rate (7.50%) | 1% Increase (8.50%) |
|---|---|---|---|
| City's proportionate share of the net pension liability (asset): | | | |
| Traditional Pension Plan | $ 3,169,405 | $ 1,784,832 | $ 630,513 |
| Combined Plan | (34,366) | (63,219) | (83,128) |
| Member-Directed Plan | (18) | (32) | (46) |

***Actuarial Assumptions – OP&F***

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2017, are presented below. The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the investment rate of return from 8.25% to 8.00%, (b) projected salary increases decreased from 4.25% - 11.00% to 3.75% - 10.50%, (c) payroll increases decreased from 3.75% to 3.25%, (d) inflation assumptions decreased from 3.25% to 2.75% and (e) Cost of Living Adjustments (COLAs) decreased from 2.60% to 2.20%.

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

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

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

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2017 are summarized below:

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

Note: assumptions are geometric.
* levered 2x
** numbers include inflation

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

***Discount Rate -*** The total pension liability was calculated using the discount rate of 8.00%. A discount rate of 8.25% was used in the prior measurement period. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

## NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

| | 1% Decrease (7.00%) | Current Discount Rate (8.00%) | 1% Increase (9.00%) |
|---|---|---|---|
| City's proportionate share of the net pension liability | $ 4,091,639 | $ 2,951,559 | $ 2,021,725 |

## NOTE 16 - 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 pension and postemployment benefits payable on both the accrual and modified accrual bases of accounting.

## NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

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

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

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

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

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

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

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The City's contractually required contribution was $200 for 2018. Of this amount, $8 is reported as pension and postemployment 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 or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

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

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

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. The impact to the City's net OPEB liability is not known.

The City's contractually required contribution to OP&F was $6,202 for 2018. Of this amount, $276 is reported as pension and postemployment benefits payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2017, and was determined by rolling forward the total OPEB liability as of January 1, 2017, to December 31, 2017. The 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 |
|---|---|---|---|
| Proportion of the net OPEB liability prior measurement date | 0.01258300% | 0.05008300% | |
| Proportion of the net OPEB liability current measurement date | 0.01199000% | 0.04809100% | |
| Change in proportionate share | -0.00059300% | -0.00199200% | |
| Proportionate share of the net OPEB liability | $ 1,302,026 | $ 2,724,769 | $ 4,026,795 |
| OPEB expense | $ 103,379 | $ 263,074 | $ 366,453 |

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

| | OPERS | OP&F | Total |
|---|---|---|---|
| **Deferred outflows of resources** | | | |
| Differences between expected and actual experience | $ 1,014 | $ - | $ 1,014 |
| Changes of assumptions | 94,802 | 265,880 | 360,682 |
| Changes in employer's proportionate percentage/ difference between employer contributions | 13,176 | - | 13,176 |
| City contributions subsequent to the measurement date | 200 | 6,202 | 6,402 |
| Total deferred outflows of resources | $ 109,192 | $ 272,082 | $ 381,274 |

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

| | OPERS | OP&F | Total |
|---|---|---|---|
| **Deferred inflows of resources** | | | |
| Differences between expected and actual experience | $ - | $ 13,743 | $ 13,743 |
| Net difference between projected and actual earnings on pension plan investments | 96,991 | 17,936 | 114,927 |
| Changes in employer's proportionate percentage/ difference between employer contributions | 66,476 | 143,958 | 210,434 |
| Total deferred inflows of resources | $ 163,467 | $ 175,637 | $ 339,104 |

$6,402 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| | OPERS | OP&F | Total |
|---|---|---|---|
| Year Ending December 31: | | | |
| 2019 | $ (3,922) | $ 355 | $ (3,567) |
| 2020 | (3,922) | 355 | (3,567) |
| 2021 | (22,385) | 355 | (22,030) |
| 2022 | (24,248) | 19,906 | (4,342) |
| 2023 | - | 24,392 | 24,392 |
| Thereafter | - | 44,880 | 44,880 |
| Total | $ (54,477) | $ 90,243 | $ 35,766 |

***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.

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

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

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

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

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

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

***Discount Rate*** A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. A single discount rate of 4.23 percent was used to measure the OPEB liability on the measurement date of December 31, 2016. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.50 percent and a municipal bond rate of 3.31 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

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

| | 1% Decrease (2.85%) | Current Discount Rate (3.85%) | 1% Increase (4.85%) |
|---|---|---|---|
| City's proportionate share of the net OPEB liability | $ 1,729,797 | $ 1,302,026 | $ 955,963 |

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

| | 1% Decrease | Current Health Care Trend Rate Assumption | 1% Increase |
|---|---|---|---|
| City's proportionate share of the net OPEB liability | $ 1,245,761 | $ 1,302,026 | $ 1,360,146 |

***Actuarial Assumptions – OP&F***

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

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

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.

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

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

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

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

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

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

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

Note: Assumptions are geometric.
* levered 2x

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

***Discount Rate*** - The total OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 3.16 percent at December 31, 2017 and 3.71 percent at December 31, 2016, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.24 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, and the municipal bond rate was applied to all health care costs after that date.

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

| | 1% Decrease (2.24%) | Current Discount Rate (3.24%) | 1% Increase (4.24%) |
|---|---|---|---|
| City's proportionate share of the net OPEB liability | $ 3,405,994 | $ 2,724,769 | $ 2,200,596 |

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

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

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

| | 1% Decrease | Current Health Care Trend Rate Assumption | 1% Increase |
|---|---|---|---|
| City's proportionate share of the net OPEB liability | $ 2,116,649 | $ 2,724,769 | $ 3,544,308 |

## NOTE 17 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (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 revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund, Street fund and Police fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

(a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

(b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);

(d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);

(e) Investments are reported at cost (budget basis) as opposed to fair value (GAAP basis); and

(f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

**Net Change in Fund Balance**

| | General Fund | Street Fund | Police Fund |
|---|---|---|---|
| **Budget basis** | $ (120,193) | $ (173,141) | $ 307,665 |
| Net adjustment for revenue accruals | (14,705) | 44,464 | 7,333 |
| Net adjustment for expenditure accruals | (8,153) | (465,449) | 43,279 |
| Net adjustment for other sources/uses | 33,614 | 155,000 | 10,535 |
| Funds budgeted elsewhere | 17,544 | - | - |
| Adjustment for encumbrances | 151,212 | 829,813 | 104,033 |
| **GAAP basis** | **$ 59,319** | **$ 390,687** | **$ 472,845** |

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the unclaimed monies fund, recreation fund and sesquicentennial fund.

## NOTE 18 - CONTINGENCIES

### A. Grants

The City receives significant financial assistance from numerous federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2018.

### B. Litigation

The City is involved in various lawsuits. The City's management and legal counsel is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material adverse effect on the financial condition of the City.

### C. Ohio Public Entity Consortium Healthcare Cooperative (OPEC-HC)

The City was previously a member of the Ohio Public Entity Consortium Health Cooperative (OPEC-HC), a risk-sharing pool, which provided employee health care benefits. As of January 1, 2018, the City became a part of the Central Ohio Health Care Consortium (COHCC) to provide health care benefits. The City's decision to change medical insurance networks resulted in the City assuming the liability for incurred but not reported (IBNR) claims. At the time of the report, the City is unable to determine the potential impact these claims will have on City in the future.

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## NOTE 19 – FUND BALANCE

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

| Fund balance | General | Street Fund | Police Fund | Bond Improvements Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|
| Nonspendable: | | | | | | |
| Materials and supplies inventory | $ - | $ 150,315 | $ - | $ - | $ - | $ 150,315 |
| Prepaids | 25,738 | 15,775 | 37,278 | - | - | 78,791 |
| Unclaimed monies | 908 | - | - | - | - | 908 |
| **Total Nonspendable** | **26,646** | **166,090** | **37,278** | **-** | **-** | **230,014** |
| Restricted: | | | | | | |
| Debt service | - | - | - | - | 451,720 | 451,720 |
| Capital improvements | - | - | - | 383,897 | 1,667,340 | 2,051,237 |
| Transportation projects | - | 3,710,316 | - | - | 779,516 | 4,489,832 |
| Police | - | - | 2,140,979 | - | 59,578 | 2,200,557 |
| **Total Restricted** | **-** | **3,710,316** | **2,140,979** | **383,897** | **2,958,154** | **9,193,346** |
| Committed: | | | | | | |
| Capital improvements | - | - | - | - | 361,026 | 361,026 |
| Community development programs | - | - | - | - | 83,879 | 83,879 |
| Parks and recreation | - | - | - | - | 149,315 | 149,315 |
| **Total Committed** | **-** | **-** | **-** | **-** | **594,220** | **594,220** |
| Assigned: | | | | | | |
| Subsequent year appropriation | 158,270 | - | - | - | - | 158,270 |
| General government | 111,392 | - | - | - | - | 111,392 |
| Community environment | 16,498 | - | - | - | - | 16,498 |
| Leisure time activities | 90,571 | - | - | - | - | 90,571 |
| Other purposes | 367 | - | - | - | - | 367 |
| **Total Assigned** | **377,098** | **-** | **-** | **-** | **-** | **377,098** |
| Unassigned | 1,071,358 | - | - | - | - | 1,071,358 |
| **Total Fund Balances** | **$ 1,475,102** | **$ 3,876,406** | **$ 2,178,257** | **$ 383,897** | **$ 3,552,374** | **$ 11,466,036** |

## NOTE 20 - CONTRACTUAL COMMITMENTS

As a result of various projects that were in progress at December 31, 2018, the City had the following outstanding contractual commitments at year end:

| Vendor | Contract Amount | Amount Paid | Amount Outstanding |
|---|---|---|---|
| Columbus & Ohio River Railroad | $ 245,962 | $ (169,872) | $ 76,090 |
| Fields Excavating, Inc. | 800,000 | (724,448) | 75,552 |
| Jobes Henderson & Associates | 542,677 | (513,068) | 29,609 |
| Continental Office Furniture | 135,134 | - | 135,134 |
| Robertson Construction Services, Inc. | 4,382,051 | (3,695,237) | 686,814 |
| Prime AE Group | 183,000 | (144,966) | 38,034 |
| Shelly Company | 2,156,236 | (1,339,796) | 816,440 |
| **Total** | **$ 8,445,060** | **$ (6,587,387)** | **$ 1,857,673** |

## NOTE 21 - OTHER COMMITMENTS

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

| Fund | Year-End Encumbrances |
|---|---|
| General fund | $ 145,763 |
| Street fund | 441,845 |
| Police fund | 84,762 |
| Capital improvements fund | 127,491 |
| Nonmajor governmental funds | 1,049,256 |
| **Total** | **$ 1,849,117** |

## NOTE 22 - SUBSEQUENT EVENTS

In March 2019, the City entered into an Ohio Water Development Authority (OWDA) loan for Water Reclamation Facility Improvements Design. The loan is expected to be for $129,360 and will have a final payment date of January 1, 2025.

On April 25, 2019, Licking County Court of Common Pleas granted a summary judgment in the case *Fannin Limited Partnership, et al. v City of Pataskala.* Fannin Limited Partnership and James Deagle (the "Plaintiff") claimed the City had an obligation, but failed to keep it, under a Pre-Annexation Agreement to secure and provide public water and sanitary sewer services to 128.134 acres of property owned by the Plaintiff. The City believed it could not legally provide public water and sanitary sewer services to the property because it fought and lost a 2016 arbitration with the Southwest Licking Community Water and Sewer District. Under the summary judgment, the Court determined that the City breached its June 2015 Pre-Annexation Agreement with the Plaintiff. The next phase of this litigation is a damage hearing which will be held in September 2019, and be heard by Judge Marcelain, not a jury. Once the damage hearing is over and damages are awarded, the City can appeal the Court's liability decision and its damage decision. The Plaintiff is seeking potential damages from the City ranging from $470,980-$2,720,000 and is requesting the City pay an additional $161,111 to cover their legal and engineering fees.

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# REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF PATAKSALA, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE YEARS

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|
| *Traditional Plan:* | | | | | |
| City's proportion of the net pension liability | 0.011377% | 0.011970% | 0.011771% | 0.010490% | 0.010490% |
| City's proportionate share of the net pension liability | $ 1,784,831 | $ 2,718,183 | $ 2,038,886 | $ 1,265,211 | $ 1,236,634 |
| City's covered payroll | $ 1,586,738 | $ 1,510,942 | $ 1,488,875 | $ 1,257,250 | $ 1,367,477 |
| City's proportionate share of the net pension liability as a percentage of its covered payroll | 112.48% | 179.90% | 136.94% | 100.63% | 90.43% |
| Plan fiduciary net position as a percentage of the total pension liability | 84.66% | 77.25% | 81.08% | 86.45% | 86.36% |
| *Combined Plan:* | | | | | |
| City's proportion of the net pension asset | 0.046440% | 0.049484% | 0.048940% | 0.051772% | 0.051772% |
| City's proportionate share of the net pension asset | $ 63,220 | $ 27,541 | $ 23,815 | $ 19,933 | $ 5,432 |
| City's covered payroll | $ 190,192 | $ 171,058 | $ 164,317 | $ 167,775 | $ 207,762 |
| City's proportionate share of the net pension asset as a percentage of its covered payroll | 33.24% | 16.10% | 14.49% | 11.88% | 2.61% |
| Plan fiduciary net position as a percentage of the total pension asset | 137.28% | 116.55% | 116.90% | 114.83% | 104.56% |
| *Member Directed Plan:* | | | | | |
| City's proportion of the net pension asset | 0.000912% | 0.001000% | n/a | n/a | n/a |
| City's proportionate share of the net pension asset | $ 32 | $ 4 | n/a | n/a | n/a |
| City's covered payroll | $ 6,500 | $ 4,617 | n/a | n/a | n/a |
| City's proportionate share of the net pension asset as a percentage of its covered payroll | 0.49% | 0.09% | n/a | n/a | n/a |
| Plan fiduciary net position as a percentage of the total pension asset | 124.46% | 103.40% | n/a | n/a | n/a |

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF PATAKSALA, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE YEARS

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|
| City's proportion of the net pension liability | 0.04809100% | 0.05008300% | 0.04760300% | 0.04466590% | 0.04466590% |
| City's proportionate share of the net pension liability | $ 2,951,559 | $ 3,172,196 | $ 3,062,320 | $ 2,313,880 | $ 2,175,369 |
| City's covered payroll | $ 1,174,932 | $ 1,130,068 | $ 1,107,637 | $ 1,020,095 | $ 896,285 |
| City's proportionate share of the net pension liability as a percentage of its covered payroll | 251.21% | 280.71% | 276.47% | 226.83% | 242.71% |
| Plan fiduciary net position as a percentage of the total pension liability | 70.91% | 68.36% | 66.77% | 72.20% | 73.00% |

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF PATAKSALA, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

| | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| *Traditional Plan:* | | | | |
| Contractually required contribution | $ 225,253 | $ 206,276 | $ 181,313 | $ 178,665 |
| Contributions in relation to the contractually required contribution | (225,253) | (206,276) | (181,313) | (178,665) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - |
| City's covered payroll | $ 1,608,950 | $ 1,586,738 | $ 1,510,942 | $ 1,488,875 |
| Contributions as a percentage of covered payroll | 14.00% | 13.00% | 12.00% | 12.00% |
| *Combined Plan:* | | | | |
| Contractually required contribution | $ 28,876 | $ 24,725 | $ 20,527 | $ 19,718 |
| Contributions in relation to the contractually required contribution | (28,876) | (24,725) | (20,527) | (19,718) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - |
| City's covered payroll | $ 206,257 | $ 190,192 | $ 171,058 | $ 164,317 |
| Contributions as a percentage of covered payroll | 14.00% | 13.00% | 12.00% | 12.00% |
| *Member Directed Plan:* | | | | |
| Contractually required contribution | $ 500 | $ 650 | $ 554 | |
| Contributions in relation to the contractually required contribution | (500) | (650) | (554) | |
| Contribution deficiency (excess) | $ - | $ - | $ - | |
| City's covered payroll | $ 5,000 | $ 6,500 | $ 4,617 | |
| Contributions as a percentage of covered payroll | 10.00% | 10.00% | 12.00% | |

Note: Information prior to 2011 for the City's combined plan and prior to 2016 for the City's member directed plan was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| $ 150,870 | $ 177,772 | $ 100,627 | $ 99,504 | $ 104,862 | $ 87,782 |
| (150,870) | (177,772) | (100,627) | (99,504) | (104,862) | (87,782) |
| $ - | $ - | $ - | $ - | $ - | $ - |
| $ 1,257,250 | $ 1,367,477 | $ 1,006,270 | $ 995,040 | $ 1,176,022 | $ 1,080,394 |
| 12.00% | 13.00% | 10.00% | 10.00% | 8.92% | 8.13% |
| | | | | | |
| $ 20,133 | $ 27,009 | $ 13,814 | $ 3,381 | | |
| (20,133) | (27,009) | (13,814) | (3,381) | | |
| $ - | $ - | $ - | $ - | | |
| $ 167,775 | $ 207,762 | $ 173,761 | $ 42,528 | | |
| 12.00% | 13.00% | 7.95% | 7.95% | | |

**CITY OF PATAKSALA, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

| | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| *Police:* | | | | |
| Contractually required contribution | $ 235,664 | $ 223,237 | $ 214,713 | $ 210,451 |
| Contributions in relation to the contractually required contribution | (235,664) | (223,237) | (214,713) | (210,451) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - |
| City's covered payroll | $ 1,240,337 | $ 1,174,932 | $ 1,130,068 | $ 1,107,637 |
| Contributions as a percentage of covered payroll | 19.00% | 19.00% | 19.00% | 19.00% |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| $ 193,818 | $ 142,360 | $ 110,378 | $ 93,036 | $ 84,305 | $ 97,263 |
| (193,818) | (142,360) | (110,378) | (93,036) | (84,305) | (97,263) |
| $ - | $ - | $ - | $ - | $ - | $ - |
| $ 1,020,095 | $ 896,285 | $ 865,710 | $ 729,694 | $ 661,216 | $ 762,847 |
| 19.00% | 15.88% | 12.75% | 12.75% | 12.75% | 12.75% |

**CITY OF PATAKSALA, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TWO YEARS

| | 2018 | 2017 |
|---|---|---|
| City's proportion of the net OPEB liability | 0.011990% | 0.012583% |
| City's proportionate share of the net OPEB liability | $ 1,302,026 | $ 1,270,942 |
| City's covered payroll | $ 1,783,430 | $ 1,686,617 |
| City's proportionate share of the net OPEB liability as a percentage of its covered payroll | 73.01% | 75.35% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 54.14% | 54.05% |

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF PATAKSALA, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TWO YEARS

| | 2018 | 2017 |
|---|---|---|
| City's proportion of the net OPEB liability | 0.04809100% | 0.05008300% |
| City's proportionate share of the net OPEB liability | $ 2,724,769 | $ 2,377,327 |
| City's covered payroll | $ 1,174,932 | $ 1,130,068 |
| City's proportionate share of the net OPEB liability as a percentage of its covered payroll | 231.91% | 210.37% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 14.13% | 15.96% |

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF PATAKSALA, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

| | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| Contractually required contribution | $ 200 | $ 17,819 | $ 33,732 | $ 33,064 |
| Contributions in relation to the contractually required contribution | (200) | (17,819) | (33,732) | (33,064) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - |
| City's covered payroll | $ 1,820,207 | $ 1,783,430 | $ 1,686,617 | $ 1,653,192 |
| Contributions as a percentage of covered payroll | 0.01% | 1.00% | 2.00% | 2.00% |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| $ 27,094 | $ 15,746 | $ 87,090 | $ 78,297 | $ 59,781 | $ 62,702 |
| (27,094) | (15,746) | (87,090) | (78,297) | (59,781) | (62,702) |
| $ - | $ - | $ - | $ - | $ - | $ - |
| $ 1,425,025 | $ 1,575,239 | $ 1,180,031 | $ 1,037,568 | $ 1,176,022 | $ 1,080,394 |
| 1.90% | 1.00% | 7.38% | 7.55% | 5.08% | 5.80% |

**CITY OF PATAKSALA, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

| | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| *Police:* | | | | |
| Contractually required contribution | $ 6,202 | $ 5,875 | $ 5,803 | $ 5,688 |
| Contributions in relation to the contractually required contribution | (6,202) | (5,875) | (5,803) | (5,688) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - |
| City's covered payroll | $ 1,240,337 | $ 1,174,932 | $ 1,130,068 | $ 1,107,637 |
| Contributions as a percentage of covered payroll | 0.50% | 0.50% | 0.50% | 0.50% |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| $ 4,921 | $ 34,237 | $ 58,435 | $ 49,254 | $ 44,632 | $ 51,492 |
| (4,921) | (34,237) | (58,435) | (49,254) | (44,632) | (51,492) |
| $ - | $ - | $ - | $ - | $ - | $ - |
| $ 1,020,095 | $ 896,285 | $ 865,710 | $ 729,694 | $ 661,216 | $ 762,847 |
| 0.50% | 3.62% | 6.75% | 6.75% | 6.75% | 6.75% |

## PENSION

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

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

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%. There were no changes in assumptions for 2018.

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

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

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following were the most significant changes of assumptions that affected the total pension since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.50% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumtions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.

## OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

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

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

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

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

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

# COMBINING STATEMENTS
# AND INDIVIDUAL FUND SCHEDULES

## GENERAL FUND

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

## MAJOR FUNDS

***Street Fund***

The street fund accounts for revenues generated from license and gasoline taxes that are restricted to be used on local roads within the City.

***Police Fund***

This fund accounts for tax and other revenues collected that are restricted for police operations.

***Bond Improvements Fund***

This fund is used to account for bond or note proceeds that are restricted for the purchase of equipment and to construct capital assets.

## NONMAJOR SPECIAL REVENUE FUNDS

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

***State Highway Fund***

This fund accounts for the portion of state gasoline tax restricted for maintenance of state highways within the City.

***Ecological Preservation Fund***

This fund accounts for revenues received that are restricted for the use of preserving ecological projects within the City.

***Pataskala Corporate Park Joint Economic Development District (JEDD Income Tax) Fund***

This fund accounts for income taxes received from collections within the Pataskala Corporate Park which are restricted for improvements specifically within the Corporate Park.

***Permissive License Tax Fund***

This fund accounts for the $5.00 license tax levied by the City of Pataskala and Licking County on each motor vehicle registered in the City. Money is restricted for planning, constructing, improving, maintaining, and repairing roads, streets and bridges within the City.

***Park Use Fund***

This fund accounts for developers' fees collected that are committed for capital improvements associated with the City's parks.

***Immobilization Fund***

This fund receives fines assessed from Mayor's Court for immobilized vehicles. Money is restricted for training and education purposes.

***Court Computer Fund***

This fund receives fines assessed from the City's Mayor's Court and are restricted to improve the court computer systems.

## NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

***Alcohol Enforcement and Education Fund***
Account for fines received by the City's Mayor's Court and are restricted to educate the public about laws governing the operation of motor vehicles while under the influence.

***Law Enforcement Trust Fund***
Accounts for fines generated in the prosecution of those in possession of contraband and any proceeds received from the sale of confiscated contraband. This money is restricted for any law enforcement activity.

***Pataskala Mobile Home Park Fund***
This fund accounts for a donation received that are committed for maintenance of the storm sewer line underlying the railroad tracks within the City.

***Indigent Driver Interlock Fund***
This fund accounts for fine and forfeitures that are restricted for expenditures related to indigent drivers.

***Law Enforcement Training Fund***
This fund accounts for federal and state grant dollars that are restricted for the purpose of training police officers in the City.

***Payment in Lieu Fund***
This fund accounts for resources provided by developers that are committed for further use. Developers provide funds to the City in lieu of installing sidewalks, planting trees, etc.

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

***Unclaimed Monies Fund***
This fund is used to account for resources that are unclaimed monies that have not been distributed. The fund balance of this fund is nonspendable.

***Recreation Fund***
This fund accounts for fees charged for recreational activities and is used for park and recreation purposes.

***Sesquicentennial Fund***
This fund receives grants and donations to be used for historical activities and programs within the City.

The following fund is included in the police fund (GAAP basis), but has a separate legally adopted budget (budget basis):

***Police K-9 Unit Fund***
This fund receives grants and donations for the upkeep, care, and maintenance of the City's investigative police dog.

## NONMAJOR DEBT SERVICE FUND

Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest. The following is a description of all nonmajor debt service funds:

***Debt Service Fund***
This fund accounts for income taxes that are restricted for the use of paying principal and interest.

***Street Bond Fund***
This fund accounts for the remaining fund balance associated with special assessment bonds issued and retired by the City.

## NONMAJOR CAPITAL PROJECTS FUNDS

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

### Nonmajor Capital Projects Funds

***Capital Improvements Fund***
This fund is used to account for income taxes that are restricted for the purchase of equipment and to construct capital assets.

***Issue II Fund***
This fund is used to account for transfers and intergovernmental revenues that are restricted for Issue II projects.

***Municipal Building Purchase Fund***
This fund is used to account for the purchase of the municipal building.

***Courter Bridge Improvement Fund***
This fund receives bond anticipation note proceeds restricted for improvements made to Courter Road Bridge in previous years.

***State Route 310 Tax Increment Finance Equivalent Fund***
This fund accounts for tax incentive equivalent funds.

***Columbia Road Bridge Improvement Fund***
This fund is used to account for transfers that are committed to improvements to be made on the Columbia Road Bridge.

***Capital Facilities Fund***
This fund is used to account for rental income that is committed to various capital facilities projects in the City.

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | |
| **Revenues:** | | | | |
| Real and Other Taxes | $ 922,085 | $ 1,007,000 | $ 1,008,111 | $ 1,111 |
| Licenses and Permits | 229,300 | 271,300 | 265,252 | (6,048) |
| Fines and Forfeitures | 160,300 | 110,500 | 97,190 | (13,310) |
| Intergovernmental | 192,435 | 200,100 | 217,010 | 16,910 |
| Special Assessments | 2,500 | 2,500 | 1,305 | (1,195) |
| Contributions and donations | - | 7,000 | 6,325 | (675) |
| Investment Income | 17,500 | 24,000 | 27,862 | 3,862 |
| Other | 12,500 | 48,500 | 83,791 | 35,291 |
| **Total Revenues** | **1,536,620** | **1,670,900** | **1,706,846** | **35,946** |
| **Expenditures:** | | | | |
| *Current:* | | | | |
| General Government | | | | |
| General Government | | | | |
| Salaries & related | 102,790 | 99,160 | 82,064 | 17,096 |
| Contractual services | 185,970 | 228,791 | 203,613 | 25,178 |
| General operating | 89,612 | 86,092 | 55,205 | 30,887 |
| **Total General Government** | **378,372** | **414,043** | **340,882** | **73,161** |
| Court & Legal | | | | |
| Salaries & related | 76,393 | 82,393 | 79,750 | 2,643 |
| Contractual services | 211,042 | 195,365 | 159,666 | 35,699 |
| General operating | 12,209 | 11,000 | 2,380 | 8,620 |
| **Total Court & Legal** | **299,644** | **288,758** | **241,796** | **46,962** |
| Executive & Legislative | | | | |
| Salaries & related | 141,193 | 145,193 | 139,810 | 5,383 |
| Contractual services | 6,000 | 6,000 | 2,581 | 3,419 |
| General operating | 51,464 | 47,842 | 27,719 | 20,123 |
| **Total Executive & Legislative** | **198,657** | **199,035** | **170,110** | **28,925** |
| Finance | | | | |
| Salaries & related | 40,679 | 38,356 | 33,125 | 5,231 |
| Contractual services | 34,787 | 34,081 | 30,648 | 3,433 |
| General operating | 15,593 | 14,925 | 13,956 | 969 |
| **Total Finance** | **91,059** | **87,362** | **77,729** | **9,633** |
| Parks, Lands & Municipal Facilities | | | | |
| Contractual services | 42,364 | 49,564 | 47,809 | 1,755 |
| General operating | 160,567 | 143,446 | 130,708 | 12,738 |
| Capital outlay | 20,738 | 29,288 | 29,276 | 12 |
| **Total Parks, Lands & Municipal Facilities** | **223,669** | **222,298** | **207,793** | **14,505** |
| **Total General Government** | **1,191,401** | **1,211,496** | **1,038,310** | **173,186** |

--Continued

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | |
| Community Environment | | | | |
| General Government | | | | |
| Salaries & related | 309,865 | 308,814 | 290,847 | 17,967 |
| Contractual services | 33,222 | 32,600 | 27,641 | 4,959 |
| General operating | 47,517 | 43,164 | 28,473 | 14,691 |
| **Total General Government** | **390,604** | **384,578** | **346,961** | **37,617** |
| **Total Community Environment** | **390,604** | **384,578** | **346,961** | **37,617** |
| Leisure Time Activities | | | | |
| Parks, Lands & Municipal Facilities | | | | |
| Salaries & related | 39,562 | 43,062 | 42,657 | 405 |
| Contractual services | 57,048 | 44,150 | 38,753 | 5,397 |
| General operating | 92,223 | 87,138 | 81,692 | 5,446 |
| Capital outlay | 3,750 | 3,750 | 3,666 | 84 |
| **Total Parks, Lands & Municipal Facilities** | **192,583** | **178,100** | **166,768** | **11,332** |
| **Total Leisure Time Activities** | **192,583** | **178,100** | **166,768** | **11,332** |
| **Total Expenditures** | **1,774,588** | **1,774,174** | **1,552,039** | **222,135** |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | **(237,968)** | **(103,274)** | **154,807** | **258,081** |
| **Other Financing Sources (Uses):** | | | | |
| Sale of assets | 2,500 | 1,500 | - | (1,500) |
| Transfers in | 1,000 | 1,000 | - | (1,000) |
| Transfers out | (275,000) | (275,000) | (275,000) | - |
| **Total Other Financing Sources (Uses)** | **(271,500)** | **(272,500)** | **(275,000)** | **(2,500)** |
| **Net Change in Fund Balance** | **(509,468)** | **(375,774)** | **(120,193)** | **255,581** |
| **Fund Balance at Beginning of Year** | 1,238,627 | 1,238,627 | 1,238,627 | - |
| **Prior Year Encumbrances Appropriated** | 126,476 | 126,476 | 126,476 | - |
| **Fund Balance at End of Year** | **$ 855,635** | **$ 989,329** | **$ 1,244,910** | **$ 255,581** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **Revenues:** | | | | |
| Income taxes | $ 1,786,065 | $ 1,837,444 | $ 1,833,845 | $ (3,599) |
| Intergovernmental | 718,200 | 728,000 | 754,617 | 26,617 |
| Investment income | 33,150 | 52,650 | 70,971 | 18,321 |
| Charges for services | - | - | 10,804 | 10,804 |
| Contributions and donations | - | 2,500 | 2,200 | (300) |
| Other | 30,000 | 49,500 | 61,894 | 12,394 |
| **Total Revenues** | **2,567,415** | **2,670,094** | **2,734,331** | **64,237** |
| **Expenditures:** | | | | |
| *Current:* | | | | |
| General Government | | | | |
| General Government | | | | |
| Salaries & related | 61,351 | 62,851 | 56,071 | 6,780 |
| Contractual services | 353,226 | 351,226 | 268,133 | 83,093 |
| General operating | 2,600 | 2,500 | 110 | 2,390 |
| **Total General Government** | **417,177** | **416,577** | **324,314** | **92,263** |
| Court & Legal | | | | |
| Contractual services | 48,731 | 45,390 | 35,390 | 10,000 |
| **Total Court & Legal** | **48,731** | **45,390** | **35,390** | **10,000** |
| Finance | | | | |
| Salaries & related | 73,122 | 73,122 | 68,204 | 4,918 |
| Contractual services | 14,689 | 14,581 | 14,571 | 10 |
| General operating | 93,768 | 110,268 | 101,002 | 9,266 |
| **Total Finance** | **181,579** | **197,971** | **183,777** | **14,194** |
| Parks, Lands & Municipal Facilities | | | | |
| General operating | 40,802 | 28,655 | 20,494 | 8,161 |
| Capital outlay | 35,000 | 31,250 | 30,447 | 803 |
| **Total Parks, Lands & Municipal Facilities** | **75,802** | **59,905** | **50,941** | **8,964** |
| **Total General Government** | **723,289** | **719,843** | **594,422** | **125,421** |
| Transportation | | | | |
| Public Service | | | | |
| Salaries & related | 755,778 | 757,253 | 721,846 | 35,407 |
| Contractual services | 190,794 | 195,564 | 187,091 | 8,473 |
| General operating | 297,114 | 271,640 | 221,037 | 50,603 |
| Capital outlay | 1,667,945 | 1,543,265 | 829,076 | 714,189 |
| **Total Transportation** | **2,911,631** | **2,767,722** | **1,959,050** | **808,672** |
| **Total Expenditures** | **3,634,920** | **3,487,565** | **2,553,472** | **934,093** |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | **(1,067,505)** | **(817,471)** | **180,859** | **998,330** |
| **Other Financing Uses:** | | | | |
| Transfers out | (350,000) | (354,000) | (354,000) | - |
| **Total Other Financing Uses** | **(350,000)** | **(354,000)** | **(354,000)** | **-** |
| **Net Change in Fund Balance** | **(1,417,505)** | **(1,171,471)** | **(173,141)** | **998,330** |
| **Fund Balance at Beginning of Year** | 2,637,252 | 2,637,252 | 2,637,252 | - |
| **Prior Year Encumbrances Appropriated** | 417,596 | 417,596 | 417,596 | - |
| **Fund Balance at End of Year** | **$ 1,637,343** | **$ 1,883,377** | **$ 2,881,707** | **$ 998,330** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **Revenues:** | | | | |
| Income taxes | $ 2,893,315 | $ 2,976,845 | $ 2,970,688 | $ (6,157) |
| Charge for services | 9,100 | 9,100 | 8,846 | (254) |
| Fines and forfeitures | 500 | 500 | 480 | (20) |
| Intergovernmental | 11,800 | 25,489 | 40,549 | 15,060 |
| Investment income | 12,500 | 16,350 | 33,050 | 16,700 |
| Contributions and donations | - | 1,000 | 950 | (50) |
| Other | 60,500 | 100,500 | 118,231 | 17,731 |
| **Total Revenues** | **2,987,715** | **3,129,784** | **3,172,794** | **43,010** |
| **Expenditures:** | | | | |
| *Current:* | | | | |
| General Government | | | | |
| General Government | | | | |
| Salaries & related | 7,777 | 7,777 | - | 7,777 |
| Contractual services | 90,440 | 90,440 | 62,061 | 28,379 |
| General operating | 5,100 | 5,000 | 1,350 | 3,650 |
| **Total General Government** | **103,317** | **103,217** | **63,411** | **39,806** |
| Court & Legal | | | | |
| Contractual services | 42,500 | 42,500 | 33,500 | 9,000 |
| **Total Court & Legal** | **42,500** | **42,500** | **33,500** | **9,000** |
| Finance | | | | |
| Salaries & related | 73,122 | 73,122 | 68,098 | 5,024 |
| Contractual services | 15,306 | 14,581 | 13,893 | 688 |
| General operating | 151,899 | 175,399 | 162,769 | 12,630 |
| **Total Finance** | **240,327** | **263,102** | **244,760** | **18,342** |
| Parks, Lands & Municipal Facilities | | | | |
| Contractual services | 6,640 | 6,640 | 6,428 | 212 |
| General operating | 25,797 | 24,036 | 17,092 | 6,944 |
| **Total Finance** | **32,437** | **30,676** | **23,520** | **7,156** |
| **Total General Government** | **418,581** | **439,495** | **365,191** | **74,304** |
| Security of Persons & Property | | | | |
| Police | | | | |
| Salaries & related | 2,223,565 | 2,287,220 | 2,173,969 | 113,251 |
| Contractual services | 20,854 | 19,500 | 17,229 | 2,271 |
| General operating | 278,391 | 261,287 | 224,190 | 37,097 |
| Capital outlay | 63,014 | 62,050 | 62,050 | - |
| **Total Police** | **2,585,824** | **2,630,057** | **2,477,438** | **152,619** |
| **Total Security of Persons & Property** | **2,585,824** | **2,630,057** | **2,477,438** | **152,619** |
| **Total Expenditures** | **3,004,405** | **3,069,552** | **2,842,629** | **226,923** |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | **(16,690)** | **60,232** | **330,165** | **269,933** |

--Continued

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **Other Financing Sources (Uses):** | | | | |
| Sale of capital assets | $ 500 | $ 500 | $ - | $ (500) |
| Transfers out | (22,500) | (22,500) | (22,500) | - |
| **Total Other Financing Sources (Uses)** | **(22,000)** | **(22,000)** | **(22,500)** | **(500)** |
| **Net Change in Fund Balance** | **(38,690)** | **38,232** | **307,665** | **269,433** |
| **Fund Balance at Beginning of Year** | 1,351,546 | 1,351,546 | 1,351,546 | - |
| **Prior Year Encumbrances Appropriated** | 49,471 | 49,471 | 49,471 | - |
| **Fund Balance at End of Year** | **$ 1,362,327** | **$ 1,439,249** | **$ 1,708,682** | **$ 269,433** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | |
| **Revenues:** | | | | |
| Investment income | $ 4,500 | $ 40,500 | $ 48,154 | $ 7,654 |
| **Total Revenues** | **4,500** | **40,500** | **48,154** | **7,654** |
| **Expenditures:** | | | | |
| General government | | | | |
| General Government | | | | |
| Capital outlay | 4,500,000 | 4,600,000 | 4,600,000 | - |
| Contractual services | 279,563 | 279,563 | 279,563 | |
| **Total General Government** | **4,779,563** | **4,879,563** | **4,879,563** | **-** |
| **Total Capital Outlay** | **4,779,563** | **4,879,563** | **4,879,563** | **-** |
| **Total Expenditures** | **4,779,563** | **4,879,563** | **4,879,563** | **-** |
| **Excess of Expenditures Over Revenues** | **(4,775,063)** | **(4,839,063)** | **(4,831,409)** | **7,654** |
| **Other Financing Sources:** | | | | |
| Issuance of bond proceeds | 4,500,000 | 4,600,000 | 4,600,000 | - |
| **Total Other Financing Sources** | **4,500,000** | **4,600,000** | **4,600,000** | **-** |
| **Net Change in Fund Balance** | **(275,063)** | **(239,063)** | **(231,409)** | **7,654** |
| **Fund Balance at Beginning of Year** | 16,540 | 16,540 | 16,540 | - |
| **Prior year encumbrances appropriated** | 279,563 | 279,563 | 279,563 | - |
| **Fund Balance at End of Year** | **$ 21,040** | **$ 57,040** | **$ 64,694** | **$ 7,654** |

**CITY OF PATASKALA, OHIO**

COMBINING BALANCE SHEET
**NONMAJOR GOVERNMENTAL FUNDS**
DECEMBER 31, 2018

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|---|---|---|
| **Assets:** | | | | |
| Equity in pooled cash and investments | $ 956,342 | $ 402,249 | $ 2,143,642 | $ 3,502,233 |
| Receivables (net of allowances of uncollectibles): | | | | |
| Income taxes | - | 167,433 | 265,102 | 432,535 |
| Accounts | 678 | - | - | 678 |
| Accrued interest | 1,713 | 786 | 2,078 | 4,577 |
| Payment in lieu of taxes | - | - | 257,028 | 257,028 |
| Due from other governments | 95,179 | - | - | 95,179 |
| Restricted assets: | | | | |
| Cash with fiscal and escrow agents | 76,438 | - | - | 76,438 |
| **Total Assets** | **$ 1,130,350** | **$ 570,468** | **$ 2,667,850** | **$ 4,368,668** |
| **Liabilities:** | | | | |
| Accounts payable | $ 120 | $ - | $ - | $ 120 |
| Contracts payable | - | - | 189,063 | 189,063 |
| Due to other governments | - | 1,263 | 2,000 | 3,263 |
| Unearned revenue | - | - | 5,144 | 5,144 |
| **Total Liabilities** | **120** | **1,263** | **196,207** | **197,590** |
| **Deferred Inflows of Resources:** | | | | |
| Investment income not available | 473 | 217 | 573 | 1,263 |
| Income tax revenue not available | - | 117,268 | 185,676 | 302,944 |
| Intergovernmental revenue not available | 57,469 | - | - | 57,469 |
| PILOTs levied for the next fiscal year | - | - | 257,028 | 257,028 |
| **Total Deferred Inflows of Resources** | **57,942** | **117,485** | **443,277** | **618,704** |
| **Fund balances:** | | | | |
| Restricted | 839,094 | 451,720 | 1,667,340 | 2,958,154 |
| Committed | 233,194 | - | 361,026 | 594,220 |
| **Total Fund Balances** | **1,072,288** | **451,720** | **2,028,366** | **3,552,374** |
| **Total Liabilities, Deferred Inflows of Resources & Fund Balances** | **$ 1,130,350** | **$ 570,468** | **$ 2,667,850** | **$ 4,368,668** |

**CITY OF PATASKALA, OHIO**

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

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|---|---|---|
| **Revenues:** | | | | |
| Income taxes | $ - | $ 732,286 | $ 177,573 | $ 909,859 |
| Charges for services | 70,750 | - | - | 70,750 |
| Licenses and permits | 6,072 | - | - | 6,072 |
| Fines and forfeitures | 5,372 | - | - | 5,372 |
| Intergovernmental | 416,549 | 1,917 | 200,682 | 619,148 |
| Investment income | 8,080 | 4,211 | 14,500 | 26,791 |
| Rental income | - | - | 99,767 | 99,767 |
| Payments in lieu of taxes | - | - | 345,029 | 345,029 |
| Other | | 2,812 | 404 | 3,216 |
| **Total Revenues** | **506,823** | **741,226** | **837,955** | **2,086,004** |
| **Expenditures:** | | | | |
| Current: | | | | |
| General government | 17,242 | 41,917 | - | 59,159 |
| Transportation | 529,997 | - | - | 529,997 |
| Leisure time activity | 29,599 | - | - | 29,599 |
| Capital outlay | - | - | 1,309,495 | 1,309,495 |
| Debt service: | | | | |
| Principal retirement | - | 443,041 | 21,843 | 464,884 |
| Interest and fiscal charges | - | 246,960 | - | 246,960 |
| Bond issuance costs | - | 49,750 | - | 49,750 |
| **Total Expenditures** | **576,838** | **781,668** | **1,331,338** | **2,689,844** |
| **Excess of Expenditures Over Revenues** | **(70,015)** | **(40,442)** | **(493,383)** | **(603,840)** |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | - | 287,780 | 604,000 | 891,780 |
| Transfers out | - | - | (265,280) | (265,280) |
| Issuance of OPWC loans | - | - | 21,666 | 21,666 |
| **Total Other Financing Sources (Uses)** | **-** | **287,780** | **360,386** | **648,166** |
| **Net Change in Fund Balance** | **(70,015)** | **247,338** | **(132,997)** | **44,326** |
| **Fund Balance at Beginning of Year** | 1,142,303 | 204,382 | 2,161,363 | 3,508,048 |
| **Fund Balance at End of Year** | **$ 1,072,288** | **$ 451,720** | **$ 2,028,366** | **$ 3,552,374** |

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**CITY OF PATASKALA, OHIO**

COMBINING BALANCE SHEET
**NONMAJOR SPECIAL REVENUE FUNDS**
DECEMBER 31, 2018

| | State Highway Fund | Ecological Preservation Fund | JEDD Income Tax Fund | Permissive License Tax Fund |
|---|---|---|---|---|
| **Assets:** | | | | |
| Equity in pooled cash and investments | $ 151,798 | $ 1,000 | $ 1,655 | $ 510,023 |
| Receivables (net of allowances of uncollectibles): | | | | |
| Accounts | - | - | - | - |
| Accrued interest | 321 | - | - | 1,077 |
| Due from other governments | 31,384 | - | - | 63,795 |
| Restricted assets: | | | | |
| Cash with fiscal and escrow agents | - | - | - | 76,438 |
| **Total Assets** | **$ 183,503** | **$ 1,000** | **$ 1,655** | **$ 651,333** |
| **Liabilities:** | | | | |
| Accounts payable | $ 120 | $ - | $ - | $ - |
| **Total Liabilities** | **120** | **-** | **-** | **-** |
| **Deferred Inflows of Resources:** | | | | |
| Investment income not available | 89 | - | - | 297 |
| Intergovernmental revenue not available | 14,883 | - | - | 42,586 |
| **Total Deferred Inflows of Resources** | **14,972** | **-** | **-** | **42,883** |
| **Fund balances:** | | | | |
| Restricted | 168,411 | 1,000 | 1,655 | 608,450 |
| Committed | - | - | - | - |
| **Total Fund Balances** | **168,411** | **1,000** | **1,655** | **608,450** |
| **Total Liabilities, Deferred Inflows of Resources & Fund Balances** | **$ 183,503** | **$ 1,000** | **$ 1,655** | **$ 651,333** |

| Park Use Fund | Immobilization Fund | Court Computer Fund | Alcohol Enforcement and Education Fund | Law Enforcement Trust Fund | Pataskala Mobile Home Park Fund |
|---|---|---|---|---|---|
| $ 149,087 | $ 490 | $ 27,055 | $ 5,921 | $ 15,044 | $ 4,492 |
| - | - | 456 | - | 222 | - |
| 315 | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| **$ 149,402** | **$ 490** | **$ 27,511** | **$ 5,921** | **$ 15,266** | **$ 4,492** |
| $ - | $ - | $ - | $ - | $ - | $ - |
| **-** | **-** | **-** | **-** | **-** | **-** |
| 87 | - | - | - | - | - |
| - | - | - | - | - | - |
| **87** | **-** | **-** | **-** | **-** | **-** |
| - | 490 | 27,511 | 5,921 | 15,266 | - |
| 149,315 | - | - | - | - | 4,492 |
| **149,315** | **490** | **27,511** | **5,921** | **15,266** | **4,492** |
| **$ 149,402** | **$ 490** | **$ 27,511** | **$ 5,921** | **$ 15,266** | **$ 4,492** |

- - Continued

**CITY OF PATASKALA, OHIO**

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

| | Indigent Drivers Interlock Fund | Law Enforcement Training Fund | Payment in Lieu Fund | Total Nonmajor Special Revenue Funds |
|---|---|---|---|---|
| **Assets:** | | | | |
| Equity in pooled cash and investments | $ 952 | $ 9,438 | $ 79,387 | $ 956,342 |
| Receivables (net of allowances of uncollectibles): | | | | |
| Accounts | - | - | - | 678 |
| Accrued interest | - | - | - | 1,713 |
| Due from other governments | - | - | - | 95,179 |
| Restricted assets: | | | | |
| Cash with fiscal and escrow agents | - | - | - | 76,438 |
| **Total Assets** | **$ 952** | **$ 9,438** | **$ 79,387** | **$ 1,130,350** |
| **Liabilities:** | | | | |
| Accounts payable | $ - | $ - | $ - | $ 120 |
| **Total Liabilities** | **-** | **-** | **-** | **120** |
| **Deferred Inflows of Resources:** | | | | |
| Investment income not available | - | - | - | 473 |
| Intergovernmental revenue not available | - | - | - | 57,469 |
| **Total Deferred Inflows of Resources** | **-** | **-** | **-** | **57,942** |
| **Fund balances:** | | | | |
| Restricted | 952 | 9,438 | - | 839,094 |
| Committed | - | - | 79,387 | 233,194 |
| **Total Fund Balances** | **952** | **9,438** | **79,387** | **1,072,288** |
| **Total Liabilities, Deferred Inflows of Resources & Fund Balances** | **$ 952** | **$ 9,438** | **$ 79,387** | **$ 1,130,350** |

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**CITY OF PATASKALA, OHIO**

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

| | State Highway Fund | Ecological Preservation Fund | JEDD Income Tax Fund | Permissive License Tax Fund |
|---|---|---|---|---|
| **Revenues:** | | | | |
| Charges for services | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Intergovernmental | 66,508 | - | - | 348,113 |
| Investment income | 2,089 | - | - | 4,520 |
| **Total Revenues** | **68,597** | **-** | **-** | **352,633** |
| **Expenditures:** | | | | |
| Current: | | | | |
| General government | - | - | - | 12,026 |
| Transportation | 44,990 | - | - | 485,007 |
| Leisure time activity | - | - | - | - |
| **Total Expenditures** | 44,990 | - | - | 497,033 |
| **Net Change in Fund Balance** | **23,607** | **-** | **-** | **(144,400)** |
| **Fund Balance at Beginning of Year** | 144,804 | 1,000 | 1,655 | 752,850 |
| **Fund Balance at End of Year** | **$ 168,411** | **$ 1,000** | **$ 1,655** | **$ 608,450** |

| Park Use Fund | Immobilization Fund | Court Computer Fund | Alcohol Enforcement and Education Fund | Law Enforcement Trust Fund | Pataskala Mobile Home Park Fund |
|---|---|---|---|---|---|
| $ 70,750 | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | 6,072 | - |
| - | - | 5,175 | - | 197 | - |
| - | - | - | - | - | - |
| 1,458 | - | - | - | - | 13 |
| **72,208** | **-** | **5,175** | **-** | **6,269** | **13** |
| | | | | | |
| - | - | 5,216 | - | - | - |
| - | - | - | - | - | - |
| 29,599 | - | - | - | - | - |
| 29,599 | - | 5,216 | - | - | - |
| **42,609** | **-** | **(41)** | **-** | **6,269** | **13** |
| 106,706 | 490 | 27,552 | 5,921 | 8,997 | 4,479 |
| **$ 149,315** | **$ 490** | **$ 27,511** | **$ 5,921** | **$ 15,266** | **$ 4,492** |

- - Continued

**CITY OF PATASKALA, OHIO**

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

| | Indigent Drivers Interlock Fund | Law Enforcement Training Fund | Payment in Lieu Fund | Total Nonmajor Special Revenue Funds |
|---|---|---|---|---|
| **Revenues:** | | | | |
| Charges for services | $ - | $ - | $ - | $ 70,750 |
| Licenses and permits | - | - | - | 6,072 |
| Fines and forfeitures | - | - | - | 5,372 |
| Intergovernmental | - | 1,928 | - | 416,549 |
| Investment income | - | - | - | 8,080 |
| **Total Revenues** | **-** | **1,928** | **-** | **506,823** |
| **Expenditures:** | | | | |
| Current: | | | | |
| General government | - | - | - | 17,242 |
| Transportation | - | - | - | 529,997 |
| Leisure time activity | - | - | - | 29,599 |
| **Total Expenditures** | - | - | - | **576,838** |
| **Net Change in Fund Balance** | **-** | **1,928** | **-** | **(70,015)** |
| **Fund Balance at Beginning of Year** | 952 | 7,510 | 79,387 | 1,142,303 |
| **Fund Balance at End of Year** | **$ 952** | **$ 9,438** | **$ 79,387** | **$ 1,072,288** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues:** | | | |
| Intergovernmental | $ 61,000 | $ 60,827 | $ (173) |
| Investment Income | 3,000 | 3,224 | 224 |
| **Total Revenues** | **64,000** | **64,051** | **51** |
| **Expenditures:** | | | |
| *Current:* | | | |
| Transportation | | | |
| Public Service | | | |
| Contractual services | 32,500 | 32,405 | 95 |
| General operating | 30,972 | 19,963 | 11,009 |
| Capital Outlay | 70,000 | 70,000 | - |
| **Total Public Service** | **133,472** | **122,368** | **11,104** |
| **Total Transportation** | **133,472** | **122,368** | **11,104** |
| **Total Expenditures** | **133,472** | **122,368** | **11,104** |
| **Net Change in Fund Balance** | **(69,472)** | **(58,317)** | **11,155** |
| **Fund Balance at Beginning of Year** | 127,152 | 127,152 | - |
| **Prior Year Encumbrances Appropriated** | 7,345 | 7,345 | - |
| **Fund Balance at End of Year** | **$ 65,025** | **$ 76,180** | **$ 11,155** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Fund Balance at Beginning of Year** | $ 1,000 | $ 1,000 | $ - |
| **Fund Balance at End of Year** | **$ 1,000** | **$ 1,000** | **$ -** |

**CITY OF PATASKALA, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
**PATASKALA CORPORATE PARK JOINT ECONOMIC DEVELOPMENT DISTRICT (JEDD) FUND**
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | **Final** | **Actual** | |
| **Revenues:** | | | |
| Income taxes | $ - | $ 370 | $ 370 |
| **Total Revenues** | **-** | **370** | **370** |
| **Net Change in Fund Balance** | **-** | **370** | **370** |
| **Fund Balance at Beginning of Year** | $ 1,285 | $ 1,285 | $ - |
| **Fund Balance at End of Year** | **$ 1,285** | **$ 1,655** | **$ 370** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues:** | | | |
| Intergovernmental | $ 510,000 | $ 518,882 | $ 8,882 |
| Investment income | 6,200 | 8,204 | 2,004 |
| **Total Revenues** | **516,200** | **527,086** | **10,886** |
| **Expenditures:** | | | |
| *Current:* | | | |
| General Government | | | |
| Contractual services | 12,026 | 12,026 | - |
| **Total General Government** | **12,026** | **12,026** | **-** |
| Transportation | | | |
| Public Service | | | |
| General operating | 160,000 | 124,750 | 35,250 |
| Capital outlay | 426,176 | 361,092 | 65,084 |
| **Total Public Service** | **586,176** | **485,842** | **100,334** |
| **Total Transportation** | **586,176** | **485,842** | **100,334** |
| **Total Expenditures** | **598,202** | **497,868** | **100,334** |
| **Net Change in Fund Balance** | **(82,002)** | **29,218** | **111,220** |
| **Fund Balance at Beginning of Year** | 468,593 | 468,593 | - |
| **Prior Year Encumbrances Appropriated** | 17,694 | 17,694 | - |
| **Fund Balance at End of Year** | **$ 404,285** | **$ 515,505** | **$ 111,220** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues:** | | | |
| Charges for Services | $ 50,000 | $ 70,750 | $ 20,750 |
| Investment Income | 1,800 | 2,667 | 867 |
| **Total Revenues** | **51,800** | **73,417** | **21,617** |
| **Expenditures:** | | | |
| *Current:* | | | |
| Leisure Time Activity | | | |
| Recreation Improvement | | | |
| General operating | 23,500 | 18,982 | 4,518 |
| Contractual | 2,500 | 2,500 | - |
| Capital outlay | 23,000 | 8,703 | 14,297 |
| **Total Leisure Time Activity** | **49,000** | **30,185** | **18,815** |
| **Total Expenditures** | **49,000** | **30,185** | **18,815** |
| **Net Change in Fund Balance** | **2,800** | **43,232** | **40,432** |
| **Fund Balance at Beginning of Year** | 101,620 | 101,620 | - |
| **Prior year encumbrances appropriated** | 5,495 | 5,495 | - |
| **Fund Balance at End of Year** | **$ 109,915** | **$ 150,347** | **$ 40,432** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Fund Balance at Beginning of Year** | $ 490 | $ 490 | $ - |
| **Fund Balance at End of Year** | **$ 490** | **$ 490** | **$ -** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues:** | | | |
| Fines and forfeitures | $ 4,150 | $ 5,251 | $ 1,101 |
| **Total Revenues** | **4,150** | **5,251** | **1,101** |
| **Expenditures:** | | | |
| *Current:* | | | |
| General Government | | | |
| Court & Legal | | | |
| Contractual | 5,000 | 1,733 | 3,267 |
| General operating | 5,000 | 4,170 | 830 |
| **Total Court & Legal** | **10,000** | **5,903** | **4,097** |
| **Total General Government** | **10,000** | **5,903** | **4,097** |
| **Total Expenditures** | **10,000** | **5,903** | **4,097** |
| **Net Change in Fund Balance** | **(5,850)** | **(652)** | **5,198** |
| **Fund Balance at Beginning of Year** | 26,020 | 26,020 | - |
| **Prior Year Encumbrances Appropriated** | 1,000 | 1,000 | - |
| **Fund Balance at End of Year** | **$ 21,170** | **$ 26,368** | **$ 5,198** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Fund Balance at Beginning of Year** | $ 5,921 | $ 5,921 | $ - |
| **Fund Balance at End of Year** | **$ 5,921** | **$ 5,921** | **$ -** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues:** | | | |
| Fines and forfeitures | $ 5,500 | $ 6,072 | $ 572 |
| **Total Revenues** | **5,500** | **6,072** | **572** |
| **Expenditures:** | | | |
| *Current:* | | | |
| Security of Persons & Property | | | |
| Police | | | |
| Salaries & related | 1,000 | - | 1,000 |
| General operating | 3,000 | - | 3,000 |
| **Total Police** | **4,000** | **-** | **4,000** |
| **Total Security of Persons & Property** | **4,000** | **-** | **4,000** |
| **Total Expenditures** | **4,000** | **-** | **4,000** |
| **Net Change in Fund Balance** | **1,500** | **6,072** | **4,572** |
| **Fund Balance at Beginning of Year** | 8,972 | 8,972 | - |
| **Fund Balance at End of Year** | **$ 10,472** | **$ 15,044** | **$ 4,572** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | **Final** | **Actual** | |
| **Revenues:** | | | |
| Investment Income | $ - | $ 13 | $ 13 |
| **Total Revenues** | **-** | **13** | **13** |
| **Net Change in Fund Balance** | **-** | **13** | **13** |
| **Fund Balance at Beginning of Year** | 4,479 | 4,479 | - |
| **Fund Balance at End of Year** | **$ 4,479** | **$ 4,492** | **$ 13** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Fund Balance at Beginning of Year** | $ 952 | $ 952 | $ - |
| **Fund Balance at End of Year** | **$ 952** | **$ 952** | **$ -** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues:** | | | |
| Intergovernmental | $ 3,000 | $ 1,928 | $ (1,072) |
| **Total Revenues** | **3,000** | **1,928** | **(1,072)** |
| **Expenditures:** | | | |
| Security of Persons & Property | | | |
| Police | | | |
| Salaries & related | 2,500 | - | 2,500 |
| **Total Police** | **2,500** | **-** | **2,500** |
| **Total Security of Persons & Property** | **2,500** | **-** | **2,500** |
| **Total Expenditures** | **2,500** | **-** | **2,500** |
| **Net Change In Fund Balance** | **500** | **1,928** | **1,428** |
| **Fund Balance at Beginning of Year** | 7,510 | 7,510 | - |
| **Fund Balance at End of Year** | **$ 8,010** | **$ 9,438** | **$ 1,428** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | **Final** | **Actual** | |
| **Expenditures:** | | | |
| *Current:* | | | |
| Transportation | | | |
| Public Service | | | |
| Salaries & related | $ 65,000 | $ - | $ 65,000 |
| **Total Public Service** | **65,000** | **-** | **65,000** |
| **Total Transportation** | **65,000** | **-** | **65,000** |
| **Total Expenditures** | **65,000** | **-** | **65,000** |
| **Net Change In Fund Balance** | **(65,000)** | **-** | **65,000** |
| **Fund Balance at Beginning of Year** | 79,387 | 79,387 | - |
| **Fund Balance at End of Year** | **$ 14,387** | **$ 79,387** | **$ 65,000** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | **Final** | **Actual** | |
| **Revenues:** | | | |
| Other | $ 100 | $ - | $ (100) |
| **Total Revenues** | **100** | **-** | **(100)** |
| **Excess of Revenues Over Expenditures** | **100** | **-** | **(100)** |
| **Other Financing Sources:** | | | |
| Transfers in | 1,000 | - | (1,000) |
| **Total Other Financing Sources** | **1,000** | **-** | **(1,000)** |
| **Net Change in Fund Balance** | **1,100** | **-** | **(1,100)** |
| **Fund Balance at Beginning of Year** | 908 | 908 | - |
| **Fund Balance at End of Year** | **$ 2,008** | **$ 908** | **$ (1,100)** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues:** | | | |
| Charges for services | $ 81,650 | $ 82,845 | $ 1,195 |
| Investment income | 1,350 | 1,853 | 503 |
| Rental Income | 4,000 | 2,760 | (1,240) |
| Contributions and donations | 3,500 | 6,866 | 3,366 |
| Other | 750 | 3,532 | 2,782 |
| **Total Revenues** | **91,250** | **97,856** | **6,606** |
| **Expenditures:** | | | |
| *Current:* | | | |
| Leisure Time Activities | | | |
| Parks, Lands & Municipal Facilities | | | |
| Salaries & related | 45,812 | 45,046 | 766 |
| Contractual services | 23,260 | 17,485 | 5,775 |
| General operating | 45,349 | 44,842 | 507 |
| **Total Parks, Lands & Municipal Facilities** | **114,421** | **107,373** | **7,048** |
| **Total Leisure Time Activities** | **114,421** | **107,373** | **7,048** |
| **Total Expenditures** | **114,421** | **107,373** | **7,048** |
| **Excess of Expenditures Over Revenues** | **(23,171)** | **(9,517)** | **13,654** |
| **Other Financing Sources:** | | | |
| Transfers in | 25,000 | 25,000 | - |
| **Total Other Financing Sources** | **25,000** | **25,000** | **-** |
| **Net Change in Fund Balance** | **1,829** | **15,483** | **13,654** |
| **Fund Balance at Beginning of Year** | 56,236 | 56,236 | - |
| **Prior Year Encumbrances Appropriated** | 5,396 | 5,396 | - |
| **Fund Balance at End of Year** | **$ 63,461** | **$ 77,115** | **$ 13,654** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Fund Balance at Beginning of Year** | $ 367 | $ 367 | $ - |
| **Fund Balance at End of Year** | **$ 367** | **$ 367** | **$ -** |

**CITY OF PATASKALA, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
**POLICE K-9 UNIT FUND**
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues:** | | | |
| Fines and forfeitures | $ 1,800 | $ 1,492 | $ (308) |
| Contributions and donations | 8,600 | 7,600 | (1,000) |
| **Total Revenues** | **10,400** | **9,092** | **(1,308)** |
| **Expenditures:** | | | |
| Security of Persons & Property | | | |
| General operating | 5,000 | 3,073 | 1,927 |
| **Total Security of Persons & Property** | **5,000** | **3,073** | **1,927** |
| **Total Expenditures** | **5,000** | **3,073** | **1,927** |
| **Net Change in Fund Balance** | **5,400** | **6,019** | **619** |
| **Fund Balance at Beginning of Year** | 2,153 | 2,153 | - |
| **Prior Year Encumbrances Appropriated** | 128 | 128 | - |
| **Fund Balance at End of Year** | **$ 7,681** | **$ 8,300** | **$ 619** |

**CITY OF PATASKALA, OHIO**

COMBINING BALANCE SHEET
**NONMAJOR DEBT SERVICE FUNDS**
DECEMBER 31, 2018

| | Debt Service Fund | Street Bond Fund | Total Nonmajor Debt Service Funds |
|---|---|---|---|
| **Assets:** | | | |
| Equity in pooled cash and investments | $ 372,182 | $ 30,067 | $ 402,249 |
| Receivables (net of allowances of uncollectibles): | | | |
| Income taxes | 167,433 | - | 167,433 |
| Accrued interest | 786 | - | 786 |
| **Total Assets** | **$ 540,401** | **$ 30,067** | **$ 570,468** |
| **Liabilities:** | | | |
| Due to other governments | $ 1,263 | $ - | $ 1,263 |
| **Total liabilities** | 1,263 | - | 1,263 |
| **Deferred Inflows of Resources:** | | | |
| Investment income not available | 217 | - | 217 |
| Income tax revenue not available | 117,268 | - | 117,268 |
| **Total Deferred Inflows of Resources** | **117,485** | **-** | **117,485** |
| **Fund Balances:** | | | |
| Restricted | 421,653 | 30,067 | 451,720 |
| **Total Fund Balances** | **421,653** | **30,067** | **451,720** |
| **Total Liabilities, Deferred Inflows of Resources & Fund Balances** | **$ 540,401** | **$ 30,067** | **$ 570,468** |

**CITY OF PATASKALA, OHIO**

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

| | Debt Service Fund | Street Bond Fund | Total Nonmajor Debt Service Funds |
|---|---|---|---|
| **Revenues:** | | | |
| Income taxes | $ 732,286 | $ - | $ 732,286 |
| Intergovernmental | 1,917 | - | 1,917 |
| Investment income | 4,211 | - | 4,211 |
| Other | 2,812 | - | 2,812 |
| **Total Revenues** | **741,226** | **-** | **741,226** |
| **Expenditures:** | | | |
| *Current:* | | | |
| General government | 41,917 | - | 41,917 |
| *Debt service:* | | | |
| Principal retirement | 443,041 | - | 443,041 |
| Interest and fiscal charges | 246,960 | - | 246,960 |
| Bond issuance costs | 49,750 | - | 49,750 |
| **Total Debt Service** | **739,751** | **-** | **739,751** |
| **Total Expenditures** | **781,668** | **-** | **781,668** |
| **Excess of Expenditures Over Revenues** | **(40,442)** | **-** | **(40,442)** |
| **Other Financing Sources:** | | | |
| Transfers in | 287,780 | - | 287,780 |
| **Total Other Financing Sources** | **287,780** | **-** | **287,780** |
| **Net Change in Fund Balance** | **247,338** | **-** | **247,338** |
| **Fund Balance at Beginning of Year** | 174,315 | 30,067 | 204,382 |
| **Fund Balance at End of Year** | **$ 421,653** | **$ 30,067** | **$ 451,720** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues:** | | | |
| Income taxes | $ 795,653 | $ 794,059 | $ (1,594) |
| Intergovernmental | 1,230 | 1,917 | 687 |
| Investment income | 4,250 | 8,002 | 3,752 |
| Other | - | 2,812 | 2,812 |
| **Total Revenues** | **801,133** | **806,790** | **5,657** |
| **Expenditures:** | | | |
| *Current:* | | | |
| General government | | | |
| Finance | | | |
| General operating | 44,604 | 43,388 | 1,216 |
| **Total Finance** | **44,604** | **43,388** | **1,216** |
| **Total General Government** | **44,604** | **43,388** | **1,216** |
| *Debt service:* | | | |
| Principal retirement | 445,997 | 442,100 | 3,897 |
| Interest and fiscal charges | 247,930 | 247,901 | 29 |
| Bond issuance costs | 49,750 | 49,750 | - |
| **Total Debt Service** | **743,677** | **739,751** | **3,926** |
| **Total Expenditures** | **788,281** | **783,139** | **5,142** |
| **Excess of Revenues Over Expenditures** | **12,852** | **23,651** | **10,799** |
| **Other Financing Sources:** | | | |
| Transfers in | 287,780 | 287,780 | - |
| **Total Other Financing Sources** | **287,780** | **287,780** | **-** |
| **Net Change in Fund Balance** | **300,632** | **311,431** | **10,799** |
| **Fund Balance at Beginning of Year** | 65,360 | 65,360 | - |
| **Fund Balance at End of Year** | **$ 365,992** | **$ 376,791** | **$ 10,799** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Fund Balance at Beginning of Year** | $ 30,067 | $ 30,067 | $ - |
| **Fund Balance at End of Year** | **$ 30,067** | **$ 30,067** | **$ -** |

**CITY OF PATASKALA, OHIO**

COMBINING BALANCE SHEET
**NONMAJOR CAPITAL PROJECTS FUNDS**
DECEMBER 31, 2018

| | Capital Improvements Fund | Issue II Fund | Municipal Building Purchase Fund | Courter Bridge Improvement Fund |
|---|---|---|---|---|
| **Assets:** | | | | |
| Equity in pooled cash and investments | $ 984,071 | $ 227,468 | $ 6,871 | $ 59 |
| Receivables (net of allowances of uncollectibles): | | | | |
| Income taxes | 265,102 | - | - | - |
| Accrued interest | 2,078 | - | - | - |
| Payment in lieu of taxes | - | - | - | - |
| **Total Assets** | **$ 1,251,251** | **$ 227,468** | **$ 6,871** | **$ 59** |
| **Liabilities:** | | | | |
| Contracts payable | $ - | $ 189,063 | $ - | $ - |
| Intergovernmental payable | 2,000 | - | - | - |
| Unearned revenue | - | - | - | - |
| **Total Liabilities** | **2,000** | **189,063** | **-** | **-** |
| **Deferred Inflows of Resources:** | | | | |
| Investment income not available | 573 | - | - | - |
| Income tax revenue not available | 185,676 | - | - | - |
| PILOTs levied for the next fiscal year | - | - | - | - |
| **Total Deferred Inflows of Resources** | **186,249** | **-** | **-** | **-** |
| **Fund Balances:** | | | | |
| Restricted | 1,063,002 | 38,405 | 6,871 | 59 |
| Committed | - | - | - | - |
| **Total Fund Balances** | **1,063,002** | **38,405** | **6,871** | **59** |
| **Total Liabilities, Deferred Inflows of Resources & Fund Balances** | **$ 1,251,251** | **$ 227,468** | **$ 6,871** | **$ 59** |

| State Route 310 TIF Fund | Columbia Road Bridge Improvement Fund | Capital Facilities Fund | Total Nonmajor Capital Projects Funds |
|---|---|---|---|
| $ 559,003 | $ 4,880 | $ 361,290 | $ 2,143,642 |
| - | - | - | 265,102 |
| - | - | - | 2,078 |
| 257,028 | - | - | 257,028 |
| **$ 816,031** | **$ 4,880** | **$ 361,290** | **$ 2,667,850** |
| | | | |
| $ - | $ - | $ - | $ 189,063 |
| - | - | - | 2,000 |
| - | - | 5,144 | 5,144 |
| **-** | **-** | **5,144** | **196,207** |
| | | | |
| - | - | - | 573 |
| - | - | - | 185,676 |
| 257,028 | - | - | 257,028 |
| **257,028** | **-** | **-** | **443,277** |
| | | | |
| 559,003 | - | - | 1,667,340 |
| - | 4,880 | 356,146 | 361,026 |
| **559,003** | **4,880** | **356,146** | **2,028,366** |
| | | | |
| **$ 816,031** | **$ 4,880** | **$ 361,290** | **$ 2,667,850** |

**CITY OF PATASKALA, OHIO**

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

| | Capital Improvements Fund | Issue II Fund | Municipal Building Purchase Fund | Courter Bridge Improvement Fund |
|---|---|---|---|---|
| **Revenues:** | | | | |
| Income taxes | $ 177,573 | $ - | $ - | $ - |
| Intergovernmental | 156,978 | 43,704 | - | - |
| Investment income | 14,500 | - | - | - |
| Rental income | - | - | - | - |
| Payment in lieu of taxes | - | - | - | - |
| Other | 404 | - | - | - |
| **Total Revenues** | **349,455** | **43,704** | **-** | **-** |
| **Expenditures:** | | | | |
| Capital outlay | 1,062,593 | 242,541 | - | - |
| *Debt service:* | | | | |
| Principal retirement | - | 21,843 | | - |
| **Total Debt Service** | **-** | **21,843** | | **-** |
| **Total Expenditures** | **1,062,593** | **264,384** | **-** | **-** |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | **(713,138)** | **(220,680)** | **-** | **-** |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | 600,000 | 4,000 | - | - |
| Transfers out | - | - | - | - |
| Issuance of OPWC loans | - | 21,666 | - | - |
| **Total Other Financing Sources (Uses)** | **600,000** | **25,666** | **-** | **-** |
| **Net Change in Fund Balance** | **(113,138)** | **(195,014)** | **-** | **-** |
| **Fund Balance at Beginning of Year** | 1,176,140 | 233,419 | 6,871 | 59 |
| **Fund Balance at End of Year** | **$ 1,063,002** | **$ 38,405** | **$ 6,871** | **$ 59** |

| State Route 310 TIF Fund | Columbia Road Bridge Improvement Fund | Capital Facilities Fund | Total Nonmajor Capital Projects Funds |
|---|---|---|---|
| $ - | $ - | $ - | $ 177,573 |
| - | - | - | 200,682 |
| - | - | - | 14,500 |
| - | - | 99,767 | 99,767 |
| 345,029 | - | - | 345,029 |
| - | - | - | 404 |
| **345,029** | **-** | **99,767** | **837,955** |
| 4,361 | - | - | 1,309,495 |
| - | - | - | 21,843 |
| **-** | **-** | **-** | **21,843** |
| **4,361** | **-** | **-** | **1,331,338** |
| **340,668** | **-** | **99,767** | **(493,383)** |
| - | | - | 604,000 |
| (115,280) | - | (150,000) | (265,280) |
| - | - | - | 21,666 |
| **(115,280)** | **-** | **(150,000)** | **360,386** |
| **225,388** | **-** | **(50,233)** | **(132,997)** |
| 333,615 | 4,880 | 406,379 | 2,161,363 |
| **$ 559,003** | **$ 4,880** | **$ 356,146** | **$ 2,028,366** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Revenues:** | | | |
| Income tax | $ 114,482 | $ 114,260 | $ (222) |
| Investment income | 20,330 | 20,743 | 413 |
| Intergovernmental | 4,966,620 | 156,978 | (4,809,642) |
| Other | 400 | 404 | 4 |
| **Total Revenues** | **5,101,832** | **292,385** | **(4,809,447)** |
| **Expenditures:** | | | |
| Public Service | | | |
| Capital outlay | 5,875,615 | 1,041,423 | **4,834,192** |
| **Total Public Service** | **5,875,615** | **1,041,423** | **4,834,192** |
| Finance | | | |
| General operating | 7,342 | 6,243 | **1,099** |
| **Total Finance** | **7,342** | **6,243** | **1,099** |
| Park maintenance & administration | | | |
| Contract services | 6,000 | 6,000 | **-** |
| Capital outlay | 644,550 | 136,811 | **507,739** |
| **Total Park Maintenance & Administration** | **650,550** | **142,811** | **507,739** |
| **Total Capital Outlay** | **6,533,507** | **1,190,477** | **5,343,030** |
| **Total Expenditures** | **6,533,507** | **1,190,477** | **5,343,030** |
| **Excess of Expenditures Over Revenues** | **(1,431,675)** | **(898,092)** | **533,583** |
| **Other Financing Sources:** | | | |
| Transfers in | 600,000 | 600,000 | - |
| **Total Other Financing Sources** | **600,000** | **600,000** | **-** |
| **Net Change in Fund Balance** | **(831,675)** | **(298,092)** | **533,583** |
| **Fund Balance at Beginning of Year** | 781,429 | 781,429 | - |
| **Prior Year Encumbrances Appropriated** | 383,431 | 383,431 | - |
| **Fund Balance at End of Year** | **$ 333,185** | **$ 866,768** | **$ 533,583** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues:** | | | |
| Intergovernmental | $ 213,000 | $ 187,098 | $ (25,902) |
| **Total Revenues** | **213,000** | **187,098** | **(25,902)** |
| **Expenditures:** | | | |
| Capital outlay | | | |
| Public Service | | | |
| Contractual services | 37,040 | 37,040 | - |
| Capital outlay | 388,094 | 386,008 | 2,086 |
| **Total Public Service** | **425,134** | **423,048** | **2,086** |
| **Total Capital Outlay** | **425,134** | **423,048** | **2,086** |
| **Total Expenditures** | **425,134** | **423,048** | **2,086** |
| **Excess of Expenditures Over Revenues** | **(212,134)** | **(235,950)** | **(23,816)** |
| **Other Financing Sources:** | | | |
| Transfers in | 8,000 | 4,000 | (4,000) |
| **Total Other Financing Sources** | **8,000** | **4,000** | **(4,000)** |
| **Net Change in Fund Balance** | **(204,134)** | **(231,950)** | **(27,816)** |
| **Fund Balance (Deficit) at Beginning of Year** | (163,019) | (163,019) | - |
| **Prior year encumbrances appropriated** | 405,134 | 405,134 | - |
| **Fund Balance at End of Year** | **$ 37,981** | **$ 10,165** | **$ (27,816)** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Fund Balance at Beginning of Year** | $ 6,871 | $ 6,871 | $ - |
| **Fund Balance at End of Year** | **$ 6,871** | **$ 6,871** | **$ -** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Fund Balance at Beginning of Year** | $ 59 | $ 59 | $ - |
| **Fund Balance at End of Year** | **$ 59** | **$ 59** | **$ -** |

**CITY OF PATASKALA, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
**STATE ROUTE 310 TAX INCREMENT FINANCE EQUIVALENT FUND**
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | **Final** | **Actual** | |
| **Revenues:** | | | |
| Payment in lieu of taxes | $ 299,287 | $ 345,029 | $ 45,742 |
| **Total Revenues** | **299,287** | **345,029** | **45,742** |
| **Expenditures:** | | | |
| Public Service | | | |
| Capital outlay | 75,552 | 75,552 | - |
| **Total Public Service** | **75,552** | **75,552** | **-** |
| Finance | | | |
| Contractual services | 5,000 | 4,361 | 639 |
| **Total Finance** | **5,000** | **4,361** | **639** |
| **Total Capital Outlay** | **80,552** | **79,913** | **639** |
| **Total Expenditures** | **80,552** | **79,913** | **639** |
| **Excess of Revenues Over Expenditures** | **218,735** | **265,116** | **46,381** |
| **Other Financing Uses:** | | | |
| Transfers out | (115,280) | (115,280) | - |
| **Total Other Financing Uses** | **(115,280)** | **(115,280)** | **-** |
| **Net Change in Fund Balance** | 103,455 | 149,836 | 46,381 |
| **Fund Balance at Beginning of Year** | 258,063 | 258,063 | - |
| **Prior Year Encumbrances Appropriated** | 75,552 | 75,552 | - |
| **Fund Balance at End of Year** | **$ 437,070** | **$ 483,451** | **$ 46,381** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Fund Balance at Beginning of Year** | $ 4,880 | $ 4,880 | $ - |
| **Fund Balance at End of Year** | **$ 4,880** | **$ 4,880** | **$ -** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | **Final** | **Actual** | |
| **Revenues:** | | | |
| Rental Income | $ 105,000 | $ 99,432 | $ (5,568) |
| **Total Revenues** | **105,000** | **99,432** | **(5,568)** |
| **Excess of Revenues Over Expenditures** | **105,000** | **99,432** | **(5,568)** |
| **Other Financing Uses:** | | | |
| Transfers out | (150,000) | (150,000) | - |
| **Total Other Financing Uses** | **(150,000)** | **(150,000)** | **-** |
| **Net Change in Fund Balance** | (45,000) | (50,568) | (5,568) |
| **Fund Balance at Beginning of Year** | 411,858 | 411,858 | - |
| **Fund Balance at End of Year** | **$ 366,858** | **$ 361,290** | **$ (5,568)** |

## ENTERPRISE FUNDS

To account for the financing of costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis that are financed or recovered primarily through user charges.

### Major Enterprise Funds

***Water Operations Fund***
This fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

***Water Capital Improvements Fund***
To account for revenues and expenses related to the expansion of water lines within the City. For GAAP reporting, this activity is reflected in the Water enterprise fund.

***Water Bond Improvements Fund***
To account for bond or notes issued that are used to improve the water infrastructure within the City. For GAAP reporting, this activity is reflected in the Water enterprise fund.

***Water Debt Service Fund***
To account for water revenue that is transferred from the water fund and used to retire bond principal, interest and related costs for water construction projects. For GAAP reporting, this activity is reflected in the Water enterprise fund.

***Sewer Operations Fund***
This fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

***Sewer Capital Improvements Fund***
To account for sewer revenue that is transferred from the sewer fund and debt proceeds used for construction projects and improvements. For GAAP reporting, this activity is reflected in the Sewer enterprise fund.

***Sewer Bond Improvements Fund***
To account for bond or notes issued that are used to improve the sewer infrastructure within the City. For GAAP reporting, this activity is reflected in the Sewer enterprise fund.

***Sewer Debt Service Fund***
To account for sewer revenue that is transferred from the water fund and used to retire bond principal, interest and related costs for sewer construction projects. For GAAP reporting, this activity is reflected in the Sewer enterprise fund.

***Oaks Assessment Fund***
To account for the activity of the special assessment in The Oaks subdivision associated with the construction of sanitary sewer line improvements. For GAAP reporting, this activity is reflected in the Sewer enterprise fund.

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Operating Revenues:** | | | |
| Charges for services | $ 1,181,974 | $ 1,218,503 | $ 36,529 |
| Other operating revenues | 17,700 | 20,529 | 2,829 |
| **Total Operating Revenues** | **1,199,674** | **1,239,032** | **39,358** |
| **Operating Expenses:** | | | |
| General Government | | | |
| Salaries & related | 60,851 | 56,071 | 4,780 |
| Contractual services | 107,090 | 49,606 | 57,484 |
| General operating | 4,000 | 3,704 | 296 |
| **Total General Government** | **171,941** | **109,381** | **62,560** |
| Court & Legal | | | |
| Contractual services | 60,000 | 35,000 | 25,000 |
| **Total Court & Legal** | **60,000** | **35,000** | **25,000** |
| Finance | | | |
| Salaries & related | 55,661 | 54,637 | 1,024 |
| Contractual services | 15,081 | 11,390 | 3,691 |
| **Total Finance** | **70,742** | **66,027** | **4,715** |
| Water Utility | | | |
| Salaries & related | 400,968 | 395,659 | 5,309 |
| Contractual services | 166,989 | 147,580 | 19,409 |
| General operating | 458,705 | 427,636 | 31,069 |
| Capital outlay | 3,756 | 297 | 3,459 |
| **Total Water Utility** | **1,030,418** | **971,172** | **59,246** |
| **Total Operating Expenses** | **1,333,101** | **1,181,580** | **151,521** |
| **Operating Income (Loss)** | **(133,427)** | **57,452** | **190,879** |
| **Nonoperating Revenues:** | | | |
| Investment income | 8,140 | 14,303 | 6,163 |
| **Total Nonoperating Revenues** | **8,140** | **14,303** | **6,163** |
| **Income Before Transfers** | **(125,287)** | **71,755** | **197,042** |
| **Transfers:** | | | |
| Transfers out | (100,000) | (100,000) | - |
| **Net Change in Fund Equity** | **(225,287)** | **(28,245)** | **197,042** |
| **Fund Equity at Beginning of Year** | 884,328 | 884,328 | - |
| **Prior Year Encumbrances Appropriated** | 86,970 | 86,970 | - |
| **Fund Equity at End of Year** | **$ 746,011** | **$ 943,053** | **$ 197,042** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Operating Revenues:** | | | |
| Charges for services | $ 800,000 | $ 993,104 | $ 193,104 |
| **Total Operating Revenues** | **800,000** | **993,104** | **193,104** |
| **Operating Expenses:** | | | |
| General Government | | | |
| Contractual services | 81,400 | 44,775 | 36,625 |
| **Total General Government** | **81,400** | **44,775** | **36,625** |
| Water Utility | | | |
| Contractual services | 700 | 700 | - |
| Capital outlay | 135,000 | 127,013 | 7,987 |
| **Total Water Utility** | **135,700** | **127,713** | **7,987** |
| **Total Operating Expenses** | **217,100** | **172,488** | **44,612** |
| **Operating Income** | **582,900** | **820,616** | **237,716** |
| **Nonoperating revenues:** | | | |
| Investment income | 9,890 | 27,603 | 17,713 |
| **Total Nonoperating Revenues** | **9,890** | **27,603** | **17,713** |
| **Income Before Transfers** | **592,790** | **848,219** | **255,429** |
| **Transfers:** | | | |
| Transfers out | (425,000) | (425,000) | - |
| **Net Change in Fund Equity** | **167,790** | **423,219** | **255,429** |
| **Fund Equity at Beginning of Year** | 1,260,867 | 1,260,867 | - |
| **Prior Year Encumbrances Appropriated** | 10,515 | 10,515 | - |
| **Fund Equity at End of Year** | **$ 1,439,172** | **$ 1,694,601** | **$ 255,429** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Non-Operating Revenues:** | | | |
| Investment income | $ - | $ 2 | $ 2 |
| **Total Non-Operating Revenues** | **-** | **2** | **2** |
| **Net Change in Fund Equity** | **-** | **2** | **2** |
| **Fund Equity at Beginning of Year** | 158 | 158 | - |
| **Fund Equity at End of Year** | **$ 158** | **$ 160** | **$ 2** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Non-Operating Revenues (Expenses):** | | | |
| Investment income | $ 3,570 | $ 5,203 | $ 1,633 |
| Debt Service: | | | |
| Principal | (370,000) | (370,000) | - |
| Interest and fiscal charges | (227,155) | (227,127) | 28 |
| **Total Debt Service** | **(597,155)** | **(597,127)** | **28** |
| **Total Non-Operating Revenues (Expenses)** | **(593,585)** | **(591,924)** | **1,661** |
| **Loss Before Transfers** | **(593,585)** | **(591,924)** | **1,661** |
| **Transfers:** | | | |
| Transfers in | 525,000 | 525,000 | - |
| **Net Change in Fund Equity** | **(68,585)** | **(66,924)** | **1,661** |
| **Fund Equity at Beginning of Year** | 90,761 | 90,761 | - |
| **Fund Equity at End of Year** | **$ 22,176** | **$ 23,837** | **$ 1,661** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Operating Revenues:** | | | |
| Charges for services | $ 1,315,000 | $ 1,365,913 | $ 50,913 |
| Other operating revenues | 20,000 | 22,358 | 2,358 |
| **Total Operating Revenues** | **1,335,000** | **1,388,271** | **53,271** |
| **Operating Expenses:** | | | |
| General Government | | | |
| Salaries & related | 58,851 | 56,338 | 2,513 |
| Contractual services | 87,590 | 41,916 | 45,674 |
| General operating | 2,500 | 2,490 | 10 |
| **Total General Government** | **148,941** | **100,744** | **48,197** |
| Court & Legal | | | |
| Contractual services | 34,500 | 32,500 | 2,000 |
| **Total Court & Legal** | **34,500** | **32,500** | **2,000** |
| Finance | | | |
| Salaries & related | 55,661 | 54,861 | 800 |
| Contractual services | 14,814 | 12,816 | 1,998 |
| **Total Finance** | **70,475** | **67,677** | **2,798** |
| Sewer Utility | | | |
| Salaries & related | 471,546 | 471,112 | 434 |
| Contractual services | 334,212 | 288,036 | 46,176 |
| General operating | 376,029 | 278,137 | 97,892 |
| Capital outlay | 6,000 | 2,179 | 3,821 |
| **Total Sewer Utility** | **1,187,787** | **1,039,464** | **148,323** |
| **Total Operating Expenses** | **1,441,703** | **1,240,385** | **201,318** |
| **Operating Income (Loss)** | **(106,703)** | **147,886** | **254,589** |
| **Non-Operating Revenues:** | | | |
| Investment income | 21,890 | 35,461 | 13,571 |
| **Total Non-Operating Revenues** | **21,890** | **35,461** | **13,571** |
| **Net Change in Fund Equity** | **(84,813)** | **183,347** | **268,160** |
| **Fund Equity at Beginning of Year** | 1,801,767 | 1,801,767 | - |
| **Prior Year Encumbrances Appropriated** | 161,031 | 161,031 | - |
| **Fund Equity at End of Year** | **$ 1,877,985** | **$ 2,146,145** | **$ 268,160** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Operating Revenues:** | | | |
| Charges for services | $ 606,360 | $ 747,557 | $ 141,197 |
| **Total Operating Revenues** | **606,360** | **747,557** | **141,197** |
| **Operating Expenses:** | | | |
| Sewer Utility | | | |
| Contractual services | 28,000 | 17,500 | 10,500 |
| Capital outlay | 510,000 | 480,505 | 29,495 |
| **Total Sewer Utility** | **538,000** | **498,005** | **39,995** |
| **Total Operating Expenses** | **538,000** | **498,005** | **39,995** |
| **Operating Income** | **68,360** | **249,552** | **181,192** |
| **Non-Operating Revenues:** | | | |
| Investment income | 14,000 | 21,841 | 7,841 |
| **Total Non-Operating Revenues** | **14,000** | **21,841** | **7,841** |
| **Income Before Transfers** | **82,360** | **271,393** | **189,033** |
| **Transfers:** | | | |
| Transfers out | (400,000) | (400,000) | - |
| **Net Change in Fund Equity** | **(317,640)** | **(128,607)** | **189,033** |
| **Fund Equity at Beginning of Year** | 1,117,331 | 1,117,331 | - |
| **Prior Year Encumbrances Appropriated** | 3,336 | 3,336 | - |
| **Fund Equity at End of Year** | **$ 803,027** | **$ 992,060** | **$ 189,033** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Non-Operating Revenues:** | | | |
| Investment income | $ 5 | $ 7 | $ 2 |
| **Total Non-Operating Revenues** | **5** | **7** | **2** |
| **Net Change in Fund Equity** | **5** | **7** | **2** |
| **Fund Equity at Beginning of Year** | 378 | 378 | - |
| **Fund Equity at End of Year** | **$ 383** | **$ 385** | **$ 2** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount Final | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Non-Operating Revenues (Expenses):** | | | |
| Investment income | $ 2,500 | $ 4,024 | $ 1,524 |
| Debt Service: | | | |
| Principal | (323,008) | (323,007) | 1 |
| Interest and fiscal charges | (119,159) | (119,075) | 84 |
| **Total Debt Service** | **(442,167)** | **(442,082)** | **85** |
| **Total Non-Operating Revenues (Expenses)** | **(439,667)** | **(438,058)** | **1,609** |
| **Loss Before Transfers** | **(439,667)** | **(438,058)** | **1,609** |
| **Transfers:** | | | |
| Transfers in | 400,000 | 400,000 | - |
| **Net Change in Fund Equity** | **(39,667)** | **(38,058)** | **1,609** |
| **Fund Equity at Beginning of Year** | 48,354 | 48,354 | - |
| **Fund Equity at End of Year** | **$ 8,687** | **$ 10,296** | **$ 1,609** |

**CITY OF PATASKALA, OHIO**

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

| | Budgeted Amount | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| | Final | Actual | |
| **Operating Revenues:** | | | |
| Special assessments | $ 20,261 | $ 20,286 | $ 25 |
| **Total Operating Revenues** | **20,261** | **20,286** | **25** |
| **Operating Expenses:** | | | |
| Finance | | | |
| Contractual services | 1,000 | 719 | 281 |
| **Total Finance** | **1,000** | **719** | **281** |
| **Operating Income** | **19,261** | **19,567** | **306** |
| **Nonoperating Expenses:** | | | |
| Debt service: | | | |
| Principal | (11,237) | (11,236) | 1 |
| Interest and fiscal charges | (9,028) | (9,027) | 1 |
| Total debt service | (20,265) | (20,263) | 2 |
| **Total Nonoperating Expenses** | **(20,265)** | **(20,263)** | **2** |
| **Net Change in Fund Equity** | **(1,004)** | **(696)** | **308** |
| **Fund Equity at Beginning of Year** | 16,430 | 16,430 | - |
| **Fund Equity at End of Year** | **$ 15,426** | **$ 15,734** | **$ 308** |

## *Agency Funds*

Agency funds maintain assets held by the City as an agent for individuals, private organizations, other governmental units and/or funds. These funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results of operation. The following are the City's agency funds:

***Mayor's Court Fund***
To account for assets received and disbursed by the Mayor's Court as agent or custodian related to various court matters and cases.

***Fire Escrow Fund***
To account for funds for insurance payments received and disbursed as agent relative to fire damages incurred by City property owners.

***Construction Accounts Fund***
To account for money held for construction projects throughout the City.

***Police Evidence & Cash Seizure Fund***
To account for money held from the seizure of funds related to criminal cases within the City.

***Payroll Clearing Fund***
To account for money held related to employee and employer payroll items due to others.

**CITY OF PATASKALA, OHIO**

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

| | Beginning Balance 12/31/2017 | Additions | Reductions | Ending Balance 12/31/2018 |
|---|---|---|---|---|
| **Mayor's Court Fund** | | | | |
| **Assets:** | | | | |
| Cash in segregated accounts | $ - | $ 126,862 | $ 126,862 | $ - |
| **Total Assets** | **$ -** | **$ 126,862** | **$ 126,862** | **$ -** |
| **Liabilities:** | | | | |
| Undistributed monies | $ - | $ 126,862 | $ 126,862 | $ - |
| **Total Liabilities** | **$ -** | **$ 126,862** | **$ 126,862** | **$ -** |
| **Fire Escrow Fund** | | | | |
| **Assets:** | | | | |
| Equity in pooled cash and cash equivalents | $ 24,000 | $ - | $ 24,000 | $ - |
| **Total Assets** | **$ 24,000** | **$ -** | **$ 24,000** | **$ -** |
| **Liabilities:** | | | | |
| Deposits held and due to others | $ 24,000 | $ - | $ 24,000 | $ - |
| **Total Liabilities** | **$ 24,000** | **$ -** | **$ 24,000** | **$ -** |
| **Construction Accounts Fund** | | | | |
| **Assets:** | | | | |
| Equity in pooled cash and investments | $ 366,298 | $ 350,821 | $ 222,967 | $ 494,152 |
| **Total Assets** | **$ 366,298** | **$ 350,821** | **$ 222,967** | **$ 494,152** |
| **Liabilities:** | | | | |
| Deposits held and due to others | $ 366,298 | $ 350,821 | $ 222,967 | $ 494,152 |
| **Total Liabilities** | **$ 366,298** | **$ 350,821** | **$ 222,967** | **$ 494,152** |
| **Police Evidence & Cash Seizures Fund** | | | | |
| **Assets:** | | | | |
| Equity in pooled cash and cash equivalents | $ - | $ 11,814 | $ 1,426 | $ 10,388 |
| **Total Assets** | **$ -** | **$ 11,814** | **$ 1,426** | **$ 10,388** |
| **Liabilities:** | | | | |
| Deposits held and due to others | $ - | $ 11,814 | $ 1,426 | $ 10,388 |
| **Total Liabilities** | **$ -** | **$ 11,814** | **$ 1,426** | **$ 10,388** |
| **Payroll Clearing Account** | | | | |
| **Assets:** | | | | |
| Equity in pooled cash and investments | $ 61,286 | $ 3,702,477 | $ 3,702,034 | $ 61,729 |
| **Total Assets** | **$ 61,286** | **$ 3,702,477** | **$ 3,702,034** | **$ 61,729** |
| **Liabilities:** | | | | |
| Pension & postemployment benefits payable | $ 61,286 | $ 3,702,477 | $ 3,702,034 | $ 61,729 |
| **Total Liabilities** | **$ 61,286** | **$ 3,702,477** | **$ 3,702,034** | **$ 61,729** |
| **TOTAL AGENCY FUNDS** | | | | |
| **Assets:** | | | | |
| Equity in pooled cash and investments | $ 451,584 | $ 4,065,112 | $ 3,950,427 | $ 566,269 |
| **Total Assets** | **$ 451,584** | **$ 4,191,974** | **$ 4,077,289** | **$ 566,269** |
| **Liabilities:** | | | | |
| Pension & postemployment benefits payable | 61,286 | 3,702,477 | 3,702,034 | 61,729 |
| Deposits held and due to others | 390,298 | 362,635 | 248,393 | 504,540 |
| **Total Liabilities** | **$ 451,584** | **$ 4,191,974** | **$ 4,077,289** | **$ 566,269** |

# Statistical Section

## City of Pataskala | CAFR

**CITY OF PATASKALA, OHIO**

STATISTICAL SECTION
TABLE OF CONTENTS

This part of the City of Pataskala's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.


| **Contents** | **Page** |
|---|---|
| **Financial Trends** | |
| These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. | **218-227** |
| **Revenue Capacity** | |
| These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax and income tax. | **228-235** |
| **Debt Capacity** | |
| These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. | **236-240** |
| **Demographic and Economic Information** | |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. | **241-242** |
| **Operating Information** | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | **244-249** |


**Sources:** Sources are noted on the individual schedules.

**CITY OF PATASKALA, OHIO**

**NET POSITION BY COMPONENT**
**LAST TEN YEARS**
**(accrual basis of accounting)**

| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2018** | **2017 (2)** | **2016** | **2015** |
| **Governmental activities** | | | | |
| Net investment in capital assets | $ 20,514,381 | $ 18,122,929 | $ 17,637,386 | $ 14,059,671 |
| Restricted for: | | | | |
| Debt service | 543,337 | 421,539 | 410,136 | 429,136 |
| Capital projects | 1,854,175 | 1,784,299 | 1,634,473 | 3,481,168 |
| Transportation projects | 4,589,131 | 4,756,007 | 3,931,738 | 3,557,497 |
| Community development | 2,655 | 2,655 | 2,285 | 2,285 |
| Parks and recreation | - | - | - | - |
| Police | 59,578 | 51,422 | 58,483 | 474,253 |
| Other purposes | - | - | - | - |
| Unrestricted | 357,025 | (1,311,420) | 1,753,813 | 1,067,350 |
| **Total Governmental Activities Net Position** | **$ 27,920,282** | **$ 23,827,431** | **$ 25,428,314** | **$ 23,071,360** |
| **Business-type activities** | | | | |
| Net investment in capital assets | $ 2,465,224 | $ 1,434,142 | $ 1,163,737 | $ 934,760 |
| Unrestricted | 5,875,751 | 5,319,918 | 5,244,852 | 4,568,518 |
| **Total Business-Type Activities Net Position** | **$ 8,340,975** | **$ 6,754,060** | **$ 6,408,589** | **$ 5,503,278** |
| **Primary government** | | | | |
| Net investment in capital assets | $ 22,979,605 | $ 19,557,071 | $ 18,801,123 | $ 14,994,431 |
| Restricted for: | | | | |
| Debt service | 543,337 | 421,539 | 410,136 | 429,136 |
| Capital projects | 1,854,175 | 1,784,299 | 1,634,473 | 3,481,168 |
| Transportation projects | 4,589,131 | 4,756,007 | 3,931,738 | 3,557,497 |
| Community development | 2,655 | 2,655 | 2,285 | 2,285 |
| Parks and recreation | - | - | - | - |
| Police | 59,578 | 51,422 | 58,483 | 474,253 |
| Other purposes | - | - | - | - |
| Unrestricted | 6,232,776 | 4,008,498 | 6,998,665 | 5,635,868 |
| **Total Primary Government Net Position** | **$ 36,261,257** | **$ 30,581,491** | **$ 31,836,903** | **$ 28,574,638** |

*(1) The Net Position at December 31, 2014 has been restated under GASB Statement No. 68/71.*

*(2) The Net Position at December 31, 2017 has been restated under GASB Statement No. 75.*

Source: City financial reports

| 2014 [1] | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| $ 14,920,098 | $ 12,389,873 | $ 13,774,478 | $ 11,421,201 | $ 6,885,892 | $ 5,768,494 |
| 489,676 | 300,426 | 245,725 | 67,217 | 30,067 | 30,067 |
| 1,539,576 | 1,976,407 | 1,221,848 | 894,345 | 428,679 | 8,830 |
| 3,907,772 | 2,625,800 | 1,948,664 | 1,494,751 | 1,368,440 | 1,419,374 |
| 2,160 | 159,356 | 102,975 | 23,352 | 8,813 | - |
| - | - | - | 50,844 | 100,733 | 99,467 |
| 2,439,637 | 1,968,801 | 2,087,707 | 2,169,514 | 1,431,654 | 579,510 |
| - | - | - | - | 358 | 5,058 |
| (1,595,927) | 2,481,743 | 1,201,567 | 2,153,086 | 1,807,920 | 1,168,314 |
| **$ 21,702,992** | **$ 21,902,406** | **$ 20,582,964** | **$ 18,274,310** | **$ 12,062,556** | **$ 9,079,114** |
| $ 1,037,561 | $ 1,523,496 | $ 1,648,124 | $ 2,154,908 | $ 2,890,611 | $ 2,327,739 |
| 3,943,375 | 3,662,044 | 3,154,156 | 2,336,168 | 2,367,129 | 3,482,621 |
| **$ 4,980,936** | **$ 5,185,540** | **$ 4,802,280** | **$ 4,491,076** | **$ 5,257,740** | **$ 5,810,360** |
| $ 15,957,659 | $ 13,913,369 | $ 15,422,602 | $ 13,576,109 | $ 9,776,503 | $ 8,096,233 |
| 489,676 | 300,426 | 245,725 | 67,217 | 30,067 | 30,067 |
| 1,539,576 | 1,976,407 | 1,221,848 | 894,345 | 428,679 | 8,830 |
| 3,907,772 | 2,625,800 | 1,948,664 | 1,494,751 | 1,368,440 | 1,419,374 |
| 2,160 | 159,356 | 102,975 | 23,352 | 8,813 | - |
| - | - | - | 50,844 | 100,733 | 99,467 |
| 2,439,637 | 1,968,801 | 2,087,707 | 2,169,514 | 1,431,654 | 579,510 |
| - | - | - | - | 358 | 5,058 |
| 2,347,448 | 6,143,787 | 4,355,723 | 4,489,254 | 4,175,049 | 4,650,935 |
| **$ 26,683,928** | **$ 27,087,946** | **$ 25,385,244** | **$ 22,765,386** | **$ 17,320,296** | **$ 14,889,474** |

**CITY OF PATASKALA, OHIO**

**CHANGES IN NET POSITION**
**LAST TEN YEARS**
**(accrual basis of accounting)**

| | Fiscal Year | | | |
|---|---|---|---|---|
| **PROGRAM REVENUES:** | **2018** | **2017** | **2016** | **2015** |
| Governmental Activities: | | | | |
| *Charges for Services and Sales:* | | | | |
| General government | $ 281,823 | $ 332,804 | $ 271,868 | $ 290,261 |
| Security of persons and property | 111,761 | 202,585 | 145,307 | 158,344 |
| Transportation | 7,695 | - | - | - |
| Community environment | 62,932 | 32,169 | 54,249 | 53,269 |
| Leisure time activities | 154,805 | 99,637 | 84,420 | 33,390 |
| *Operating Grants and Contributions:* | | | | |
| General government | 297,561 | 330,874 | 159,256 | 172,288 |
| Security of persons and property | 167,342 | 45,029 | 83,386 | 119,192 |
| Transportation | 1,087,551 | 976,764 | 1,056,635 | 946,405 |
| Community environment | - | - | - | - |
| Leisure time activities | 1,504 | 941 | - | - |
| *Capital Grants and Contributions:* | | | | |
| General government | - | - | - | - |
| Security of persons and property | - | - | - | - |
| Transportation | 2,502,164 | 243,847 | 1,311,084 | 274,739 |
| Community environment | - | - | - | - |
| Leisure time activities | - | - | - | - |
| Total Governmental Activities Program Revenues | $ 4,675,138 | $ 2,264,650 | $ 3,166,205 | $ 2,047,888 |
| Business-type activities: | | | | |
| *Charges for Services and Sales:* | | | | |
| Water | 2,230,764 | 2,015,799 | 2,158,711 | 1,880,929 |
| Sewer | 2,134,588 | 1,905,144 | 2,016,046 | 2,002,362 |
| *Capital Grants & Contributions:* | | | | |
| Water | 490,863 | - | - | - |
| Sewer | 218,016 | - | - | - |
| Total Business-Type Activities Program Revenues | $ 5,074,231 | $ 3,920,943 | $ 4,174,757 | $ 3,883,291 |
| Total Primary Government Program Revenues | $ 9,749,369 | $ 6,185,593 | $ 7,340,962 | $ 5,931,179 |
| **PROGRAM EXPENSES:** | | | | |
| Governmental Activities: | | | | |
| General government | $ 1,419,475 | $ 1,974,894 | $ 1,805,720 | $ 1,919,562 |
| Security of persons and property | 2,774,477 | 2,669,556 | 2,495,690 | 2,134,698 |
| Public health services | - | - | - | - |
| Transportation | 3,160,235 | 2,251,881 | 2,193,530 | 1,762,282 |
| Community environment | 358,209 | 385,940 | 296,206 | 246,113 |
| Leisure time activities | 304,063 | 208,044 | 186,728 | 67,486 |
| Economic development | - | - | - | - |
| Other | - | - | - | - |
| Interest and fiscal charges | 307,104 | 204,778 | 220,459 | 211,259 |
| Total Governmental Activities Expenses | $ 8,323,563 | $ 7,695,093 | $ 7,198,333 | $ 6,341,400 |

| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| $ 366,658 | $ 379,351 | $ 348,491 | $ 359,222 | $ 372,604 | $ 345,726 |
| 205,599 | 192,348 | 216,514 | 231,099 | 155,183 | 170,419 |
| - | - | - | - | - | 40,568 |
| 52,388 | - | - | - | - | - |
| 14,060 | 22,690 | 15,797 | 11,755 | 19,375 | 26,808 |
| | | | | | |
| 143,400 | - | 1,000 | - | - | - |
| 178,688 | 476,701 | 97,026 | 53,413 | 147,517 | 257,748 |
| 955,003 | 1,129,954 | 1,372,877 | 678,261 | 908,554 | 951,379 |
| 336,278 | 171,004 | 436,726 | 85,387 | 47,548 | 37,644 |
| 2,141 | - | - | 239,829 | - | 3,103 |
| | | | | | |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 225,891 | 46,219 | - | 4,098,126 | 1,031,411 | 828,333 |
| - | - | - | 35,536 | - | - |
| - | - | - | 36,542 | - | - |
| $ 2,480,106 | $ 2,418,267 | $ 2,488,431 | $ 5,829,170 | $ 2,682,192 | $ 2,661,728 |
| | | | | | |
| 1,548,621 | 1,642,290 | 1,439,095 | 1,363,563 | 779,089 | 766,464 |
| 1,650,339 | 1,689,448 | 1,713,051 | 1,101,552 | 866,261 | 853,948 |
| | | | | | |
| - | - | - | - | - | 101,460 |
| - | - | - | - | 56,665 | 101,000 |
| $ 3,198,960 | $ 3,331,738 | $ 3,152,146 | $ 2,465,115 | $ 1,702,015 | $ 1,822,872 |
| $ 5,679,066 | $ 5,750,005 | $ 5,640,577 | $ 8,294,285 | $ 4,384,207 | $ 4,484,600 |
| | | | | | |
| $ 1,095,246 | $ 706,223 | $ 1,357,119 | $ 758,581 | $ 871,750 | $ 826,900 |
| 1,992,137 | 2,086,324 | 1,391,309 | 1,724,472 | 1,373,081 | 1,401,767 |
| - | 112,101 | 111,485 | 60,486 | 59,300 | 57,500 |
| 2,761,450 | 2,642,514 | 2,279,621 | 1,561,671 | 1,228,925 | 1,145,854 |
| 677,184 | 543,577 | 591,589 | 318,312 | 270,207 | 335,062 |
| 94,930 | 157,950 | 50,103 | 41,908 | 46,494 | 48,003 |
| - | - | - | 24,799 | 4,462 | 9,800 |
| - | - | - | - | - | - |
| 222,866 | 83,157 | 45,967 | 37,693 | 51,942 | 77,952 |
| $ 6,843,813 | $ 6,331,846 | $ 5,827,193 | $ 4,527,922 | $ 3,906,161 | $ 3,902,838 |

--Continued

**CITY OF PATASKALA, OHIO**

**CHANGES IN NET POSITION**
**LAST TEN YEARS (CONTINUED)**
**(accrual basis of accounting)**

| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2018** | **2017** | **2016** | **2015** |
| Business-type activities: | | | | |
| Water | $ 1,733,297 | $ 1,621,079 | $ 1,809,143 | $ 1,798,346 |
| Sewer | 1,867,535 | 1,567,904 | 1,565,175 | 1,594,905 |
| Total Business-Type Activities Program Expenses | $ 3,600,832 | $ 3,188,983 | $ 3,374,318 | $ 3,393,251 |
| Total Primary Government Program Expenses | $ 11,924,395 | $ 10,884,076 | $ 10,572,651 | $ 9,734,651 |
| Governmental Activities | $ (3,648,425) | $ (5,430,443) | $ (4,032,128) | $ (4,293,512) |
| Business-Type Activities | 1,473,399 | 731,960 | 800,439 | 490,040 |
| Total Primary Government Net (Expense)/Revenue | $ (2,175,026) | $ (4,698,483) | $ (3,231,689) | $ (3,803,472) |
| **GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:** | | | | |
| Governmental Activities: | | | | |
| *Taxes:* | | | | |
| Property taxes levied for: | | | | |
| General purposes | $ 1,026,643 | $ 901,169 | $ 843,062 | $ 827,781 |
| Street fund | - | - | - | - |
| Police levy fund | - | - | - | - |
| Income taxes levied for: | | | | |
| Street fund | 1,956,307 | 1,900,802 | 1,831,162 | 1,542,506 |
| Police fund | 3,114,456 | 2,932,251 | 2,722,344 | 2,393,147 |
| Debt service fund | 615,795 | 620,906 | 465,632 | 485,230 |
| Capital projects fund | 329,615 | 125,507 | 117,361 | 49,335 |
| JEDD income tax fund | - | 370 | - | 125 |
| Payments in lieu of taxes | 345,029 | 257,284 | 190,126 | 153,835 |
| Grants and entitlements not restricted to specific programs | 222,490 | 205,764 | 188,862 | 189,381 |
| Investment earnings-unrestricted | 24,019 | 18,329 | 17,188 | 11,049 |
| Transfers | - | - | - | - |
| Miscellaneous | 106,922 | 34,363 | 13,345 | 9,491 |
| Total Governmental Activities | $ 7,741,276 | $ 6,996,745 | $ 6,389,082 | $ 5,661,880 |
| Business-Type Activities: | | | | |
| Investment earnings-unrestricted | 65,514 | 37,836 | 40,778 | 30,006 |
| Transfers | - | - | - | - |
| Miscellaneous | 48,002 | 33,064 | 64,094 | 2,296 |
| Total Business-Type Activities | $ 113,516 | $ 70,900 | $ 104,872 | $ 32,302 |
| Total Primary Government | $ 7,854,792 | $ 7,067,645 | $ 6,493,954 | $ 5,694,182 |
| **Change in Net Position:** | | | | |
| Governmental Activities | $ 4,092,851 | $ 1,566,302 | $ 2,356,954 | $ 1,368,368 |
| Business-Type Activities | 1,586,915 | 802,860 | 905,311 | 522,342 |
| Total Primary Government | $ 5,679,766 | $ 2,369,162 | $ 3,262,265 | $ 1,890,710 |

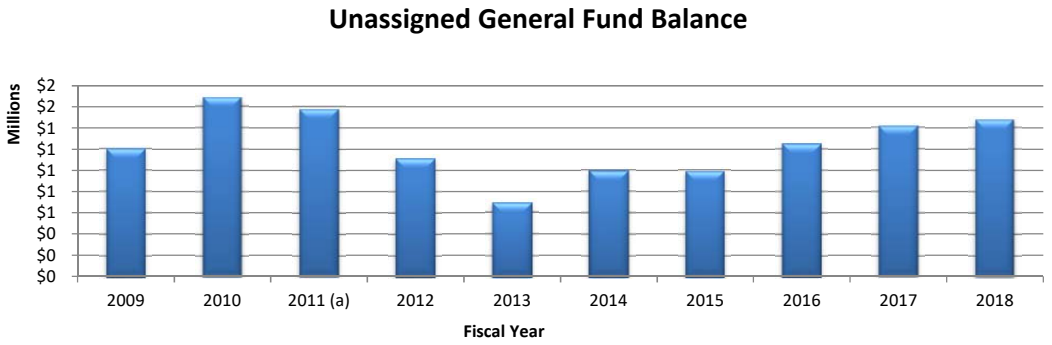
Source: City financial reports

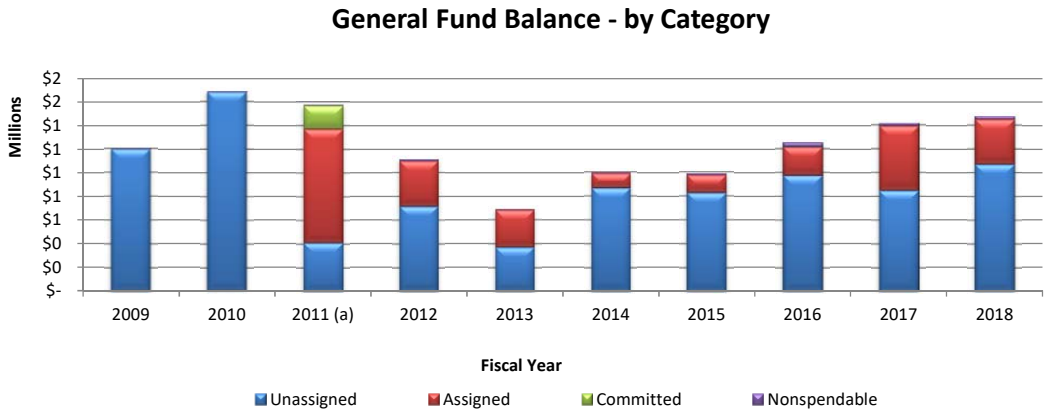
| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| $ 1,392,928 | $ 1,458,080 | $ 1,541,391 | $ 1,467,074 | $ 1,338,996 | $ 1,614,297 |
| 1,610,487 | 1,573,164 | 1,349,053 | 1,416,632 | 939,701 | 945,829 |
| $ 3,003,415 | $ 3,031,244 | $ 2,890,444 | $ 2,883,706 | $ 2,278,697 | $ 2,560,126 |
| $ 9,847,228 | $ 9,363,090 | $ 8,717,637 | $ 7,411,628 | $ 6,184,858 | $ 6,462,964 |
| $ (4,363,707) | $ (3,913,579) | $ (3,338,762) | $ 1,301,248 | $ (1,223,969) | $ (1,241,110) |
| 195,545 | 300,494 | 261,702 | (418,591) | (576,682) | (737,254) |
| $ (4,168,162) | $ (3,613,085) | $ (3,077,060) | $ 882,657 | $ (1,800,651) | $ (1,978,364) |
| | | | | | |
| $ 714,826 | $ 891,357 | $ 802,654 | $ 623,868 | $ 1,063,530 | $ 862,226 |
| - | - | - | - | - | - |
| - | - | - | - | 1,259,991 | 1,375,422 |
| 2,190,585 | 1,511,685 | 965,097 | 833,223 | 272,986 | - |
| 2,607,079 | 2,016,235 | 1,668,443 | 2,299,295 | 818,953 | - |
| 476,763 | 148,909 | 214,930 | 57,251 | - | - |
| 195,699 | 282,067 | 1,655,919 | 524,805 | - | - |
| 120 | 803 | - | 237 | - | - |
| 201,140 | 109,965 | 127,553 | 261,409 | 424,161 | - |
| 185,808 | 234,624 | 184,454 | 303,395 | 331,221 | 368,296 |
| 16,230 | 1,813 | 16,023 | 6,594 | 4,223 | 11,624 |
| - | (10,957) | - | - | - | - |
| 172,812 | 46,520 | 12,343 | 106,889 | 32,346 | 26,982 |
| $ 6,761,062 | $ 5,233,021 | $ 5,647,416 | $ 5,016,966 | $ 4,207,411 | $ 2,644,550 |
| | | | | | |
| 17,501 | 35,668 | 13,834 | 6,825 | 4,714 | 27,583 |
| - | 10,957 | - | - | - | - |
| 27,358 | 36,141 | 35,668 | 164,913 | 19,348 | 21,707 |
| $ 44,859 | $ 82,766 | $ 49,502 | $ 171,738 | $ 24,062 | $ 49,290 |
| $ 6,805,921 | $ 5,315,787 | $ 5,696,918 | $ 5,188,704 | $ 4,231,473 | $ 2,693,840 |
| | | | | | |
| $ 2,397,355 | $ 1,319,442 | $ 2,308,654 | $ 6,318,214 | $ 2,983,442 | $ 1,403,440 |
| 240,404 | 383,260 | 311,204 | (246,853) | (552,620) | (687,964) |
| $ 2,637,759 | $ 1,702,702 | $ 2,619,858 | $ 6,071,361 | $ 2,430,822 | $ 715,476 |

**CITY OF PATASKALA, OHIO**

**FUND BALANCES, GOVERNMENTAL FUNDS**
**LAST TEN YEARS**
**(modified accrual basis of accounting)**

| | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| **General Fund** | | | | |
| Nonspendable | $ 26,646 | $ 24,031 | $ 37,522 | $ 13,621 |
| Committed | - | - | - | - |
| Assigned | 377,098 | 543,259 | 236,788 | 148,242 |
| Unassigned | 1,071,358 | 848,493 | 977,553 | 828,059 |
| **Total General Fund** | **$ 1,475,102** | **$ 1,415,783** | **$ 1,251,863** | **$ 989,922** |
| **All Other Governmental Funds** | | | | |
| Nonspendable | $ 203,368 | $ 151,654 | $ 178,453 | $ 90,044 |
| Restricted | 9,193,346 | 8,240,669 | 7,185,447 | 8,492,046 |
| Committed | 594,220 | 601,831 | 820,647 | 312,197 |
| Assigned | - | - | - | - |
| Unassigned (deficit) | - | - | - | - |
| **Total All Other Governmental Funds** | **$ 9,990,934** | **$ 8,994,154** | **$ 8,184,547** | **$ 8,894,287** |
| **Total Governmental Funds** | **$ 11,466,036** | **$ 10,409,937** | **$ 9,436,410** | **$ 9,884,209** |



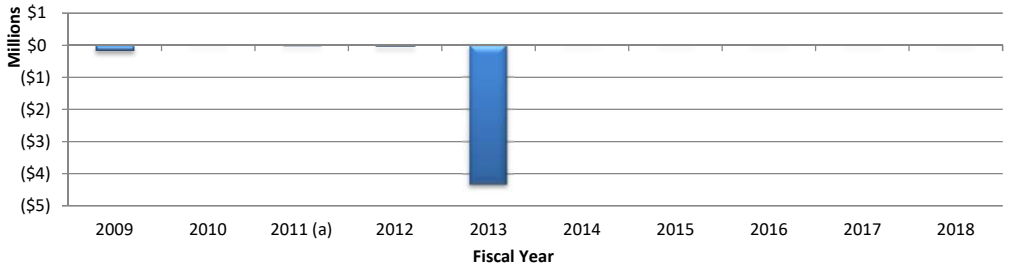




*(a) The City implemented GASB 54 in 2011. The prior years (2009-2010) have been restated to reflect the change.*

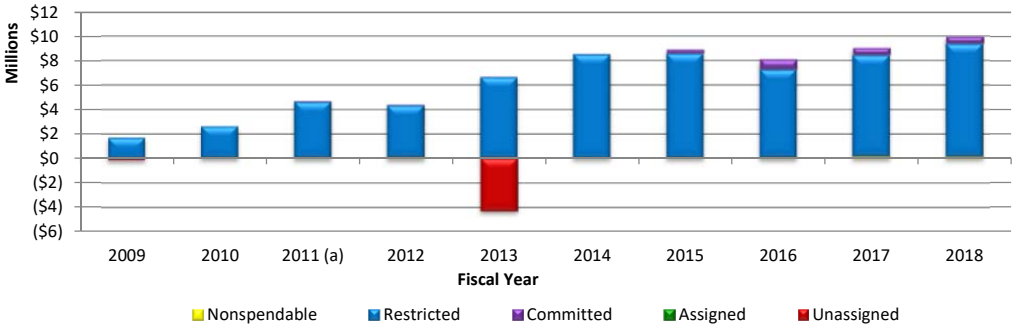
Source: City financial reports

| 2014 | 2013 | 2012 | 2011 [a] | 2010 | 2009 |
|---|---|---|---|---|---|
| $ 7,022 | $ 9,302 | $ 15,491 | $ 7,442 | $ 7,173 | $ 7,825 |
| - | - | - | 200,186 | - | - |
| 120,649 | 313,403 | 383,681 | 958,541 | - | - |
| 868,271 | 369,603 | 715,312 | 410,863 | 1,679,354 | 1,193,775 |
| **$ 995,942** | **$ 692,308** | **$ 1,114,484** | **$ 1,577,032** | **$ 1,686,527** | **$ 1,201,600** |
| $ 60,877 | $ 18,164 | $ 49,045 | $ 68,667 | $ 64,871 | $ 66,247 |
| 8,456,579 | 6,593,931 | 4,288,119 | 4,581,579 | 2,570,543 | 1,718,379 |
| 44,412 | 32,294 | 31,809 | 48,545 | - | - |
| - | - | - | - | - | - |
| - | (4,333,597) | (35,066) | (16,304) | - | (168,275) |
| **$ 8,561,868** | **$ 2,310,792** | **$ 4,333,907** | **$ 4,682,487** | **$ 2,635,414** | **$ 1,616,351** |
| **$ 9,557,810** | **$ 3,003,100** | **$ 5,448,391** | **$ 6,259,519** | **$ 4,321,941** | **$ 2,817,951** |

## Unassigned All Other Governmental Funds Balance



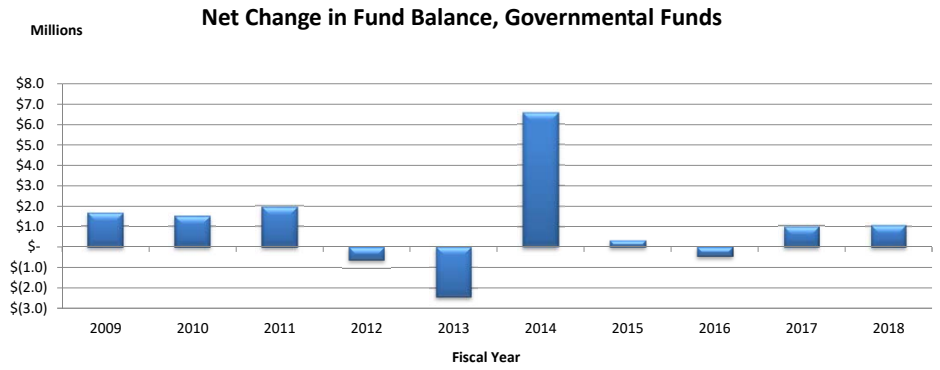

## All Other Governmental Fund Balance - by Category



**CITY OF PATASKALA, OHIO**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**
**LAST TEN YEARS**
**(modified accrual basis of accounting)**

| | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| **Revenues:** | | | | |
| Income taxes | $ 5,743,416 | $ 5,448,476 | $ 5,132,966 | $ 4,948,134 |
| Property and other taxes | 1,008,111 | 880,675 | 853,298 | 832,535 |
| Charges for services | 171,695 | 106,923 | 86,217 | 38,296 |
| Licenses and permits | 270,408 | 243,503 | 228,663 | 249,575 |
| Fines and forfeitures | 103,471 | 139,323 | 148,769 | 153,957 |
| Intergovernmental | 1,705,257 | 1,590,613 | 2,618,779 | 1,479,219 |
| Special assessments | 1,305 | - | 2,440 | 5,591 |
| Investment income | 146,243 | 78,439 | 81,590 | 60,992 |
| Rental Income | 102,527 | 113,804 | 92,668 | 91,048 |
| Contributions and donations | 23,941 | 1,555 | 2,230 | 18,060 |
| Payments in lieu of taxes (PILOT) | 345,029 | 257,284 | 190,126 | 153,835 |
| Other | 249,791 | 200,596 | 120,305 | 74,796 |
| **Total Revenues** | **$ 9,871,194** | **$ 9,061,191** | **$ 9,558,051** | **$ 8,106,038** |
| **Expenditures:** | | | | |
| *Current:* | | | | |
| General government | $ 1,809,865 | $ 1,766,077 | $ 1,582,835 | $ 1,750,043 |
| Security of persons and property | 2,299,122 | 2,361,024 | 2,237,612 | 2,029,127 |
| Public health and welfare | - | - | - | - |
| Transportation | 1,809,375 | 1,476,647 | 1,972,918 | 1,651,933 |
| Community environment | 325,272 | 336,947 | 271,871 | 256,706 |
| Leisure time activity | 281,646 | 173,447 | 167,262 | 43,533 |
| Economic development | - | - | - | - |
| Capital outlay | 6,058,092 | 790,039 | 3,604,662 | 2,502,625 |
| *Debt service:* | | | | |
| Principal retirement | 741,885 | 1,158,615 | 698,297 | 522,564 |
| Interest and fiscal charges | 260,903 | 224,325 | 230,393 | 235,194 |
| Bond issuance costs | 49,750 | - | - | - |
| **Total Expenditures** | **$ 13,635,910** | **$ 8,287,121** | **$ 10,765,850** | **$ 8,991,725** |
| ***Excess (Deficiency) of Revenues Over (Under) Expenditures*** | **$ (3,764,716)** | **$ 774,070** | **$ (1,207,799)** | **$ (885,687)** |
| **Other Financing Sources (Uses):** | | | | |
| Loans issued | $ 21,666 | $ 178,811 | $ - | $ 700,000 |
| Bond issuance | 4,600,000 | - | - | - |
| Sale of capital assets | - | 20,646 | - | 12,086 |
| Note issuance | - | - | 500,000 | - |
| Premium on notes sold | - | - | - | - |
| Sale of bonds | - | - | - | - |
| Premium on sale of bonds | - | - | - | - |
| Inception of capital lease | 199,149 | - | 260,000 | 500,000 |
| Payment to refunded bond escrow agent | - | - | - | - |
| Transfers in | 891,780 | 572,575 | 566,582 | 3,776,354 |
| Transfers (out) | (891,780) | (572,575) | (566,582) | (3,776,354) |
| **Total Other Financing Sources (Uses)** | **$ 4,820,815** | **$ 199,457** | **$ 760,000** | **$ 1,212,086** |
| **Net Change in Fund Balances** | **$ 1,056,099** | **$ 973,527** | **$ (447,799)** | **$ 326,399** |
| Capital Expenditures | $ 6,864,435 | $ 1,460,866 | $ 4,686,868 | $ 3,446,755 |
| *Debt Service as a Percentage of Noncapital Expenditures* | *14.81%* | *20.26%* | *15.28%* | *13.67%* |




Source: City financial reports

| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| $ 4,725,721 | $ 3,846,461 | $ 3,832,475 | $ 3,335,770 | $ 976,035 | $ - |
| 819,665 | 803,422 | 802,525 | 637,042 | 2,434,278 | 2,192,130 |
| 18,893 | 22,690 | 15,797 | 26,293 | 28,181 | 23,310 |
| 270,812 | 256,957 | 206,922 | 233,253 | 235,985 | 259,098 |
| 221,825 | 192,348 | 216,514 | 231,099 | 155,183 | 134,523 |
| 1,927,690 | 1,953,278 | 2,026,095 | 1,938,053 | 2,480,970 | 1,638,319 |
| 4,169 | 9,527 | 4,369 | 2,967 | - | - |
| 49,971 | 6,986 | 17,193 | 7,826 | 5,118 | 15,675 |
| 121,059 | 118,225 | 127,673 | 111,344 | 120,200 | 118,538 |
| 2,141 | - | - | 163 | - | - |
| 201,140 | 155,279 | 82,239 | 550,600 | - | - |
| 243,586 | 138,240 | 112,321 | 106,726 | 79,661 | 112,133 |
| **$ 8,606,672** | **$ 7,503,413** | **$ 7,444,123** | **$ 7,181,136** | **$ 6,515,611** | **$ 4,493,726** |
| | | | | | |
| $ 1,585,981 | $ 861,834 | $ 1,207,191 | $ 1,012,038 | $ 855,648 | $ 817,413 |
| 2,216,466 | 2,638,716 | 1,930,465 | 1,722,313 | 1,360,206 | 1,380,665 |
| - | 112,101 | 111,485 | 60,486 | 59,300 | 57,500 |
| 1,621,694 | 1,942,020 | 2,273,208 | 1,418,164 | 1,166,311 | 821,874 |
| 677,224 | 545,189 | 592,679 | 269,258 | 239,698 | 229,192 |
| 77,118 | 137,621 | 33,126 | 257,165 | 20,352 | 14,340 |
| - | - | - | 24,799 | 4,462 | 9,800 |
| 2,614,077 | 2,815,454 | 2,369,511 | 519,744 | 1,170,248 | 270,420 |
| 422,208 | 967,222 | 217,568 | 166,928 | 299,833 | 258,810 |
| 95,665 | 81,026 | 39,832 | 38,434 | 48,563 | 77,179 |
| 91,118 | - | - | - | - | - |
| **$ 9,401,551** | **$ 10,101,183** | **$ 8,775,065** | **$ 5,489,329** | **$ 5,224,621** | **$ 3,937,193** |
| | | | | | |
| **$ (794,879)** | **$ (2,597,770)** | **$ (1,330,942)** | **$ 1,691,807** | **$ 1,290,990** | **$ 556,533** |
| | | | | | |
| $ 203,413 | $ 15,407 | $ - | $ - | $ - | $ - |
| 6,630,000 | - | - | - | - | - |
| 285 | - | - | - | 18,000 | 49,500 |
| - | - | 720,000 | 245,771 | 195,000 | 860,000 |
| - | - | - | - | - | 1,730 |
| - | - | - | - | - | - |
| 248,117 | - | - | - | - | - |
| 267,774 | 148,029 | - | - | - | 180,703 |
| - | - | - | - | - | - |
| 1,615,815 | 3,306,934 | 200,000 | 179,477 | 172,445 | 65,657 |
| (1,615,815) | (3,317,891) | (200,000) | (179,477) | (172,445) | (65,657) |
| **$ 7,349,589** | **$ 152,479** | **$ 720,000** | **$ 245,771** | **$ 213,000** | **$ 1,091,933** |
| | | | | | |
| **$ 6,554,710** | **$ (2,445,291)** | **$ (610,942)** | **$ 1,937,578** | **$ 1,503,990** | **$ 1,648,466** |
| | | | | | |
| $ 3,360,434 | $ 3,791,327 | $ 3,590,210 | $ 1,420,744 | $ 1,499,257 | $ 1,083,821 |
| *8.57%* | *16.61%* | *4.96%* | *5.05%* | *9.35%* | *11.78%* |

Cash-basis data only

**CITY OF PATASKALA, OHIO**
**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE**
**LAST TEN YEARS**
(modified accrual basis of accounting - $000's omitted)

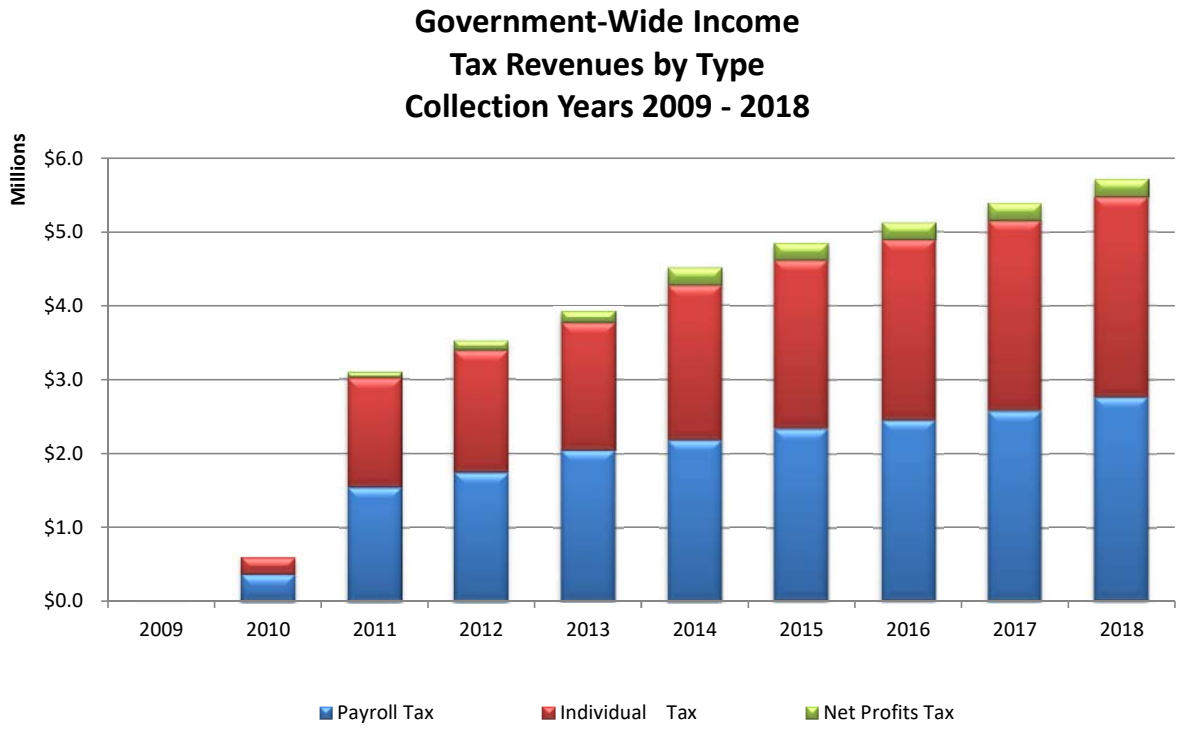
| Fiscal Year | Property Tax | Income Tax | Motor Vehicle Tax | Gasoline Tax | Total Tax Revenues |
|---|---|---|---|---|---|
| **2018** | $ 1,008.1 | $ 5,743.4 | $ 202.0 | $ 684.7 | **$ 7,638.2** |
| **2017** | 880.7 | 5,448.5 | 180.9 | 618.6 | **7,128.7** |
| **2016** | 853.3 | 5,133.0 | 184.0 | 584.6 | **6,754.9** |
| **2015** | 832.5 | 4,948.1 | 143.5 | 568.3 | **6,492.4** |
| **2014** | 820.0 | 4,725.7 | 142.1 | 572.6 | **6,260.4** |
| **2013** | 803.4 | 3,846.5 | 144.1 | 561.5 | **5,355.5** |
| **2012** | 805.5 | 3,832.5 | 146.3 | 542.2 | **5,326.5** |
| **2011** | 637.0 | 3,335.8 | 152.8 | 530.9 | **4,656.5** |
| **2010** | 2,434.0 | 976.0 | 129.3 | 546.9 | **4,086.2** |
| **2009** | 2,192.0 | - | 139.8 | 529.7 | **2,861.5** |

CITY OF PATASKALA, OHIO

GOVERNMENT-WIDE INCOME TAX COLLECTIONS
LAST TEN YEARS
(Cash Basis)

| Tax Year | Tax Rate | Payroll Tax | Individual Tax | Net Profits Tax | Total Tax Collections | Total Government-Wide Revenues | Total Income Taxes as % of Total Government Revenues |
|---|---|---|---|---|---|---|---|
| 2009 | 0.0% | - | - | - | - | 5,306,278 | 0.00% |
| 2010 | 0.0% | 360,868 | 223,122 | 3,297 | 587,287 | 6,889,603 | 8.52% |
| 2011 | 1.0%* | 1,540,840 | 1,474,395 | 79,801 | 3,095,036 | 10,846,136 | 28.54% |
| 2012 | 1.0% | 1,740,511 | 1,648,552 | 130,832 | 3,519,894 | 8,135,847 | 43.26% |
| 2013 | 1.0% | 2,044,485 | 1,724,714 | 153,638 | 3,922,837 | 7,651,288 | 51.27% |
| 2014 | 1.0% | 2,179,849 | 2,089,286 | 242,398 | 4,511,533 | 9,241,168 | 48.82% |
| 2015 | 1.0% | 2,333,963 | 2,279,620 | 236,243 | 4,849,826 | 7,709,768 | 62.90% |
| 2016 | 1.0% | 2,451,692 | 2,437,158 | 233,600 | 5,122,450 | 9,555,287 | 53.61% |
| 2017 | 1.0% | 2,579,382 | 2,578,639 | 242,896 | 5,400,917 | 9,261,395 | 58.32% |
| 2018 | 0.0% | 2,765,181 | 2,698,139 | 248,994 | 5,712,314 | 12,416,414 | 46.01% |
| Average | | $ 2,204,488 | $ 2,116,313 | $ 196,050 | $ 4,516,851 | $ 8,701,318 | 51.91% |

*Note: A 1.0% of taxable income was passed by the electorate in May, 2010 with the tax becoming effective on July 1, 2010.



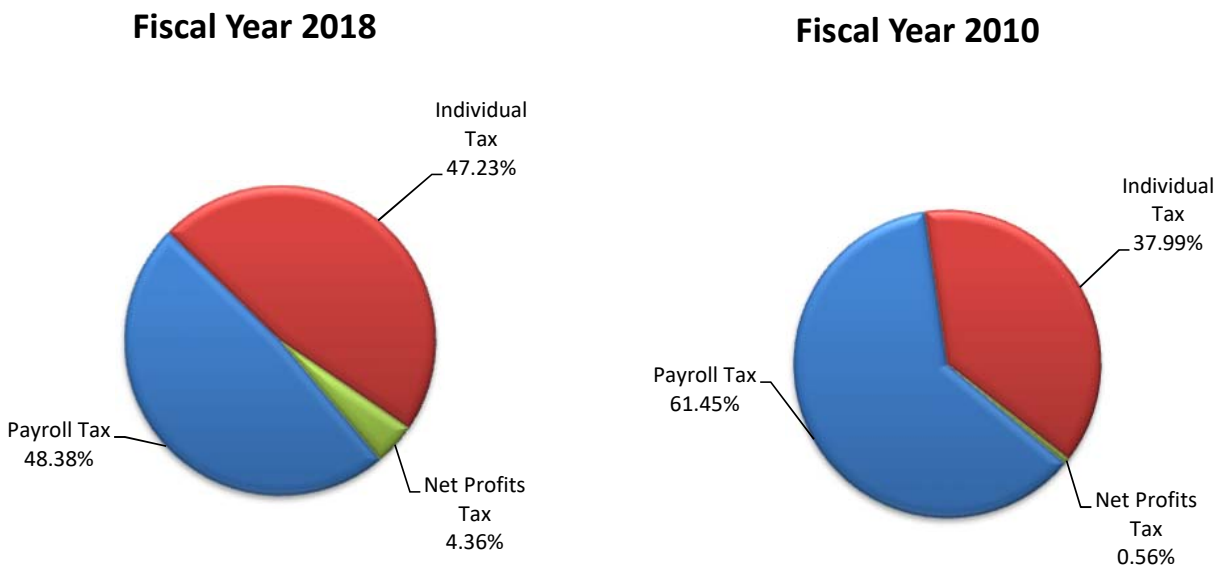

Source: Regional Income Tax Agency & City financial reports

**CITY OF PATASKALA, OHIO**

**GOVERNMENT-WIDE INCOME TAX COLLECTIONS**
**CURRENT YEAR AND EIGHT YEARS AGO**
**(Cash Basis)**

| | Fiscal Year 2018 | | Fiscal Year 2010 | |
|---|---|---|---|---|
| Payroll Tax | $ 2,765,181 | 48.42% | $ 360,868 | 61.45% |
| Individual Tax | 2,698,139 | 47.23% | 223,122 | 37.99% |
| Net Profits Tax | 248,994 | 4.36% | 3,297 | 0.56% |
| **Total Income Tax Collections** | **$ 5,712,314** | **100.00%** | **$ 587,287** | **100.00%** |

## 2018 - 2010 Income Tax Breakdown by Tax Type




Source: City financial reports

**NOTE:** The City did not have an income tax in effect until the electorate approved a 1.0% tax in May 2010, effective July 1, 2010.

CITY OF PATASKALA, OHIO

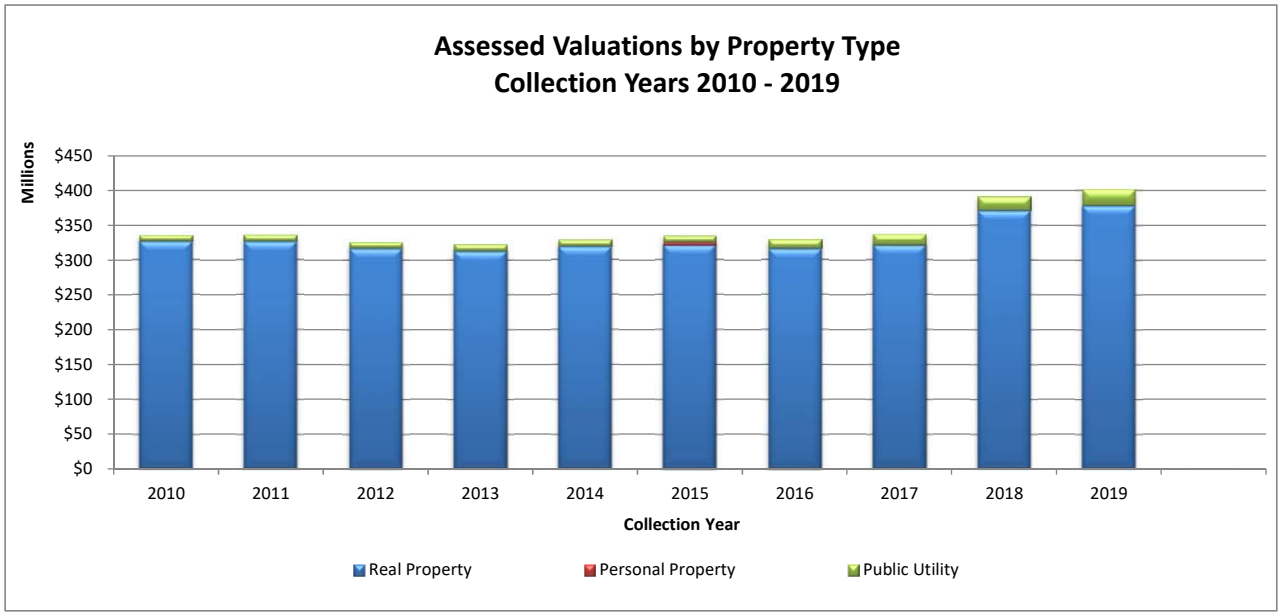
ASSESSED VALUATION & ESTIMATED TRUE VALUES OF TAXABLE PROPERTY
LAST TEN YEARS
($000's omitted)

| Tax Year | Collection Year | Real Property | | Personal Property | | Public Utility | | TOTAL | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Assessed | Estimated Actual [a] | Assessed | Estimated Actual [c] | Assessed | Estimated Actual [b] | Assessed | Estimated Actual | Average Effective Millage |
| **2009** | **2010** | $326,066 | $931,618 | $0 | $0 | $9,095 | $10,649 | **$335,161** | **$942,267** | **$7.5037** |
| **2010** | **2011** | 325,908 | 931,167 | 0 | 0 | 9,462 | 10,753 | **$335,371** | **$941,920** | **$2.9000** |
| **2011** | **2012** | 316,684 | 904,811 | 0 | 0 | 9,158 | 10,407 | **$325,842** | **$915,218** | **$2.9000** |
| **2012** | **2013** | 312,438 | 892,680 | 0 | 0 | 10,288 | 11,691 | **$322,725** | **$904,371** | **$2.9000** |
| **2013** | **2014** | 318,582 | 910,234 | 3,977 | 17,293 | 9,502 | 10,798 | **$332,061** | **$938,325** | **$2.8653** |
| **2014** | **2015** | 320,564 | 915,896 | 625 | 2,718 | 9,584 | 10,890 | **$330,772** | **$929,504** | **$2.8946** |
| **2015** | **2016** | 314,972 | 899,919 | 0 | 0 | 13,104 | 14,891 | **$328,076** | **$914,810** | **$2.9000** |
| **2016** | **2017** | 320,496 | 915,702 | 0 | 0 | 16,172 | 18,378 | **$336,669** | **$934,080** | **$2.9000** |
| **2017** | **2018** | 370,737 | 1,059,249 | 0 | 0 | 20,460 | 23,250 | **$391,197** | **$1,082,499** | **$2.9000** |
| **2018** | **2019** | 378,375 | 1,081,071 | 0 | 0 | 24,035 | 27,313 | **$402,410** | **$1,108,384** | **$0.0000** |

**Note:** Assessed values only include taxable property and do not include any TIF'd or otherwise tax-exempt property.

(a) Real property is assessed at 35% of actual value.
(b) Public utility is assessed at 88% of actual value.
(c) For 2009-2018, tangible personal is assessed at 0% of property value, including inventory.

Source: Licking County, Ohio; Fiscal Officer



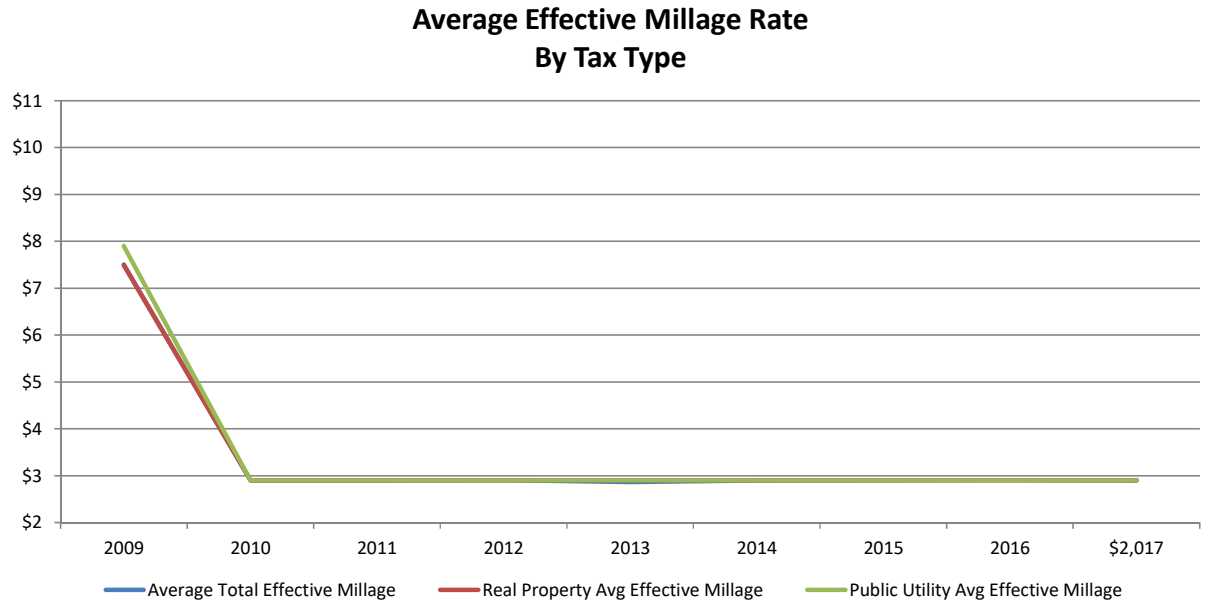
CITY OF PATASKALA, OHIO

ESTIMATED ASSESSED TAXES & AVERAGE EFFECTIVE RATES OF TAXABLE PROPERTY
LAST TEN YEARS

| Tax Year | Real Property | | Personal Property | | Public Utility | | TOTAL | |
|---|---|---|---|---|---|---|---|---|
| | Estimated Assessed Taxes | Average Effective Millage | Estimated Assessed Taxes | Average Effective Millage | Estimated Assessed Taxes | Average Effective Millage | Estimated Assessed Taxes | Average Effective Millage |
| **2009** | $2,443,103 | 7.4927 | $0 | 0.0000 | $71,848 | 7.9000 | **$2,514,951** | **$7.5037** |
| **2010** | 945,134 | 2.9000 | 0 | 0.0000 | 27,441 | 2.9000 | **$972,575** | **$2.9000** |
| **2011** | 918,383 | 2.9000 | 0 | 0.0000 | 26,558 | 2.9000 | **$944,941** | **$2.9000** |
| **2012** | 906,070 | 2.9000 | 0 | 0.0000 | 29,835 | 2.9000 | **$935,905** | **$2.9000** |
| **2013** | 923,888 | 2.9000 | 0 | 0.0000 | 27,556 | 2.9000 | **$951,444** | **$2.8653** |
| **2014** | 929,647 | 2.9000 | 0 | 0.0000 | 27,792 | 2.9000 | **$957,439** | **$2.8946** |
| **2015** | 913,418 | 2.9000 | 0 | 0.0000 | 38,001 | 2.9000 | **$951,419** | **$2.9000** |
| **2016** | 929,438 | 2.9000 | 0 | 0.0000 | 46,900 | 2.9000 | **$976,338** | **$2.9000** |
| **2017** | 1,075,138 | 2.9000 | 0 | 0.0000 | 59,334 | 2.9000 | **$1,134,472** | **$2.9000** |
| **2018** | 1,097,305 | 2.9000 | 0 | 0.0000 | 69,702 | 2.9000 | **$1,167,007** | **$2.9000** |

**Notes:** Estimated taxes do not include any estimates of prior-year delinquent tax payments, state tax rollbacks or homestead credits provided to the taxpayer.

Source: Licking County, Ohio; County Auditor

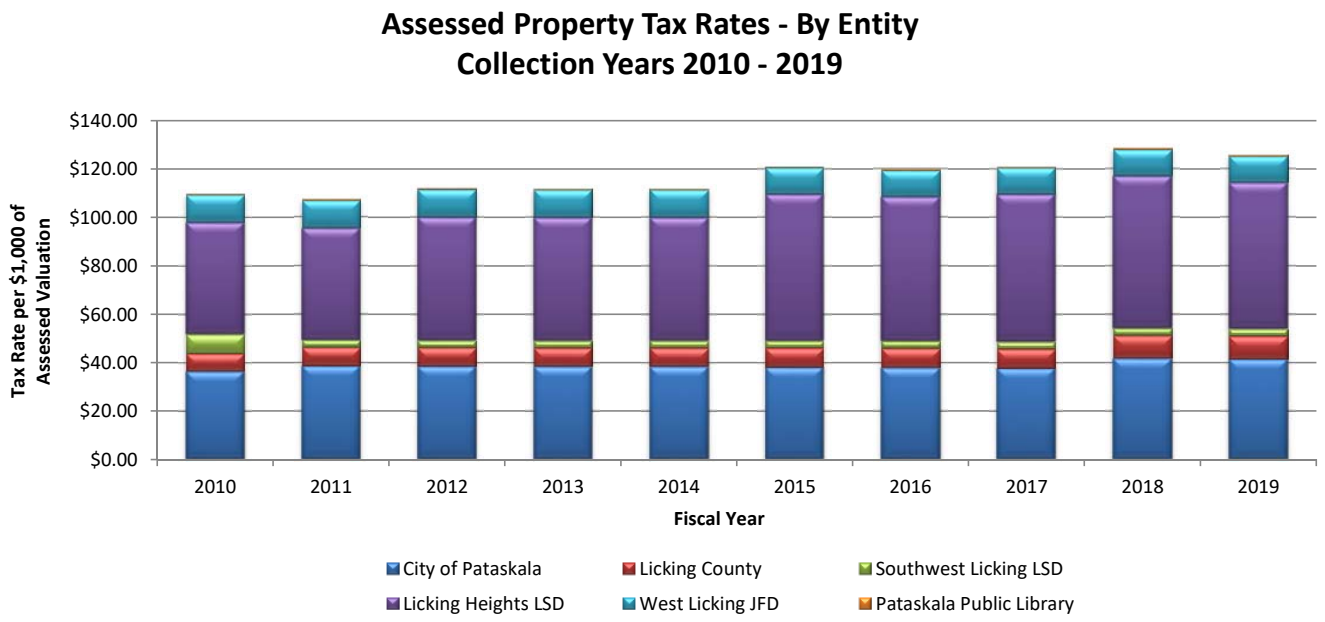


CITY OF PATASKALA, OHIO

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
RATES EXPRESSED PER $1,000 OF ASSESSED VALUATION
LAST TEN YEARS
LICKING COUNTY

| | | City Direct Rates | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Tax Year | Collection Year | Operating | Street Levy | Police | Total Direct Rate | Licking County | Southwest Licking Local School District | Licking Heights Local School District |
| 2009 | 2010 | $2.90 | $0.00 | $5.00 | $7.90 | $7.40 | $36.41 | $46.24 |
| 2010 | 2011 | $2.90 | $0.00 | $0.00 | $2.90 | $7.70 | $38.62 | $46.22 |
| 2011 | 2012 | $2.90 | $0.00 | $0.00 | $2.90 | $7.70 | $38.58 | $50.89 |
| 2012 | 2013 | $2.90 | $0.00 | $0.00 | $2.90 | $7.70 | $38.37 | $50.87 |
| 2013 | 2014 | $2.90 | $0.00 | $0.00 | $2.90 | $7.70 | $38.37 | $50.87 |
| 2014 | 2015 | $2.90 | $0.00 | $0.00 | $2.90 | $8.00 | $38.10 | $60.54 |
| 2015 | 2016 | $2.90 | $0.00 | $0.00 | $2.90 | $8.00 | $37.90 | $59.59 |
| 2016 | 2017 | $2.90 | $0.00 | $0.00 | $2.90 | $8.00 | $37.70 | $60.89 |
| 2017 | 2018 | $2.90 | $0.00 | $0.00 | $2.90 | $9.50 | $41.70 | $62.88 |
| 2018 | 2019 | $2.90 | $0.00 | $0.00 | $2.90 | $9.50 | $41.50 | $60.29 |

Source: Licking County, Ohio; County Auditor

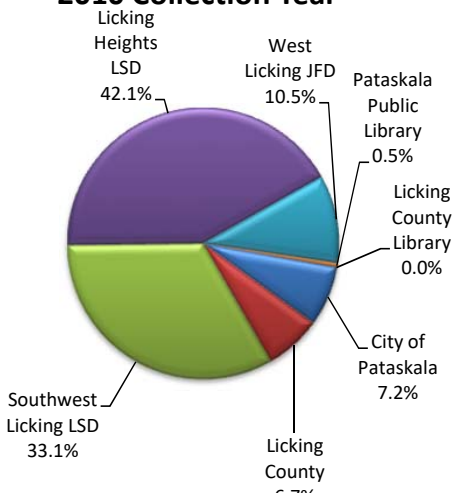


| West Licking Joint Fire District | Pataskala Public Library | Licking County Library | TOTAL |
|---|---|---|---|
| $11.50 | $0.50 | $0.00 | **$109.95** |
| $11.50 | $0.50 | $1.00 | **$108.44** |
| $11.50 | $0.50 | $1.00 | **$113.07** |
| $11.50 | $0.50 | $1.00 | **$112.84** |
| $11.50 | $0.50 | $1.00 | **$112.84** |
| $11.00 | $0.50 | $1.00 | **$122.04** |
| $11.00 | $0.50 | $1.00 | **$120.89** |
| $11.00 | $0.50 | $1.00 | **$121.99** |
| $11.00 | $0.50 | $1.00 | **$129.48** |
| $11.00 | $0.50 | $1.00 | **$126.69** |

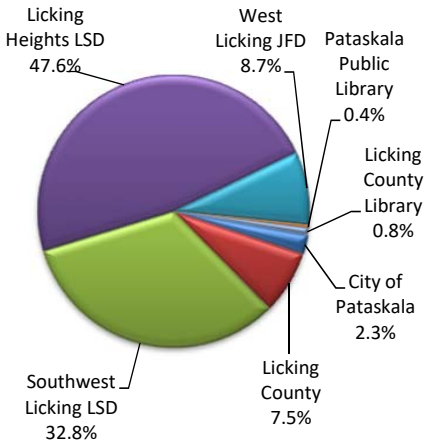
| Res/Agr Effective Rate | Com/Ind Effective Rate |
|---|---|
| $7.5115 | $7.3580 |
| $7.5259 | $7.4594 |
| $2.9000 | $2.9000 |
| $2.9000 | $2.9000 |
| $2.9000 | $2.9000 |
| $2.9000 | $2.9000 |
| $2.9000 | $2.9000 |
| $2.9000 | $2.9000 |
| $2.9000 | $2.9000 |
| $2.9000 | $2.9000 |

## 2010 - 2019 Property Tax Breakdown by Government Entity

### 2010 Collection Year




### 2019 Collection Year



**CITY OF PATASKALA, OHIO**

**TOP PRINCIPAL PROPERTY TAXPAYERS**
**CURRENT YEAR AND NINE YEARS AGO**

| Taxpayer Name | 2018 Rank | 2018 Assessed Valuation | 2018 % of Total Assessed Valuation | 2009 Rank | 2009 Assessed Valuation | 2009 % of Total Assessed Valuation |
|---|---|---|---|---|---|---|
| **Real Estate** | | | | | | |
| Catalina Club, LLC | 1 | $ 2,485,500 | 0.62% | 2 | $ 2,469,290 | 0.74% |
| Hazelton Management Group LLC | 2 | 2,782,500 | 0.69% | 1 | 2,636,100 | 0.79% |
| Carrington Ridge One LLC | 3 | 2,625,000 | 0.65% | | | |
| Village Gate Apt Ltd | 4 | 2,432,510 | 0.60% | 4 | 2,021,600 | 0.60% |
| Kroger Co. | 5 | 2,058,000 | 0.51% | 5 | 1,562,960 | 0.47% |
| Tolson Investments LLC | 6 | 1,977,520 | 0.49% | | | |
| Reyno Holding Co. | 7 | 1,852,980 | 0.46% | 6 | 900,900 | 0.27% |
| AH4R Properties LLC | 8 | 1,458,630 | 0.36% | | | |
| American Homes 4 Rent Properties Seven LLC | 9 | 1,205,350 | 0.30% | | | |
| GVS Ohio Holdings I LLC | 10 | 1,162,000 | 0.29% | | | |
| Licking Memorial Health Systems | | | | 3 | 2,288,090 | 0.68% |
| Fernco Dev Ltd, Norco Devt Ltd, Lenco Dev | | | | 7 | 800,940 | 0.24% |
| Dominion Homes Inc. | | | | 8 | 799,330 | 0.24% |
| Hazelton Retail LTD | | | | 9 | 765,140 | 0.23% |
| Pataskala Green IV Limited | | | | 10 | 705,810 | 0.21% |
| Kroger Co. | | | | | | |
| **Public Utility** | | | | | | |
| Ohio Power Co. | 1 | 17,306,460 | 4.30% | 2 | 869,890 | 0.26% |
| AEP Ohio Transmission Co, Inc. | 2 | 7,544,370 | 1.87% | | | |
| Columbia Gas of Ohio | 3 | 1,174,180 | 0.29% | 4 | 508,790 | 0.15% |
| National Gas & Oil Corp | 4 | 834,200 | 0.21% | 3 | 584,450 | 0.17% |
| Licking Rula Electrification | 5 | 285,550 | 0.07% | | | |
| Columbus Southern Power | | | | 1 | 6,509,410 | 1.94% |
| General Electric Capital Commercial Inc. | | | | 5 | 353,540 | 0.11% |
| **ALL OTHER TAXPAYERS** | | **$ 355,225,250** | **88.27%** | | **$ 311,384,620** | **92.91%** |
| **TOTAL ASSESSED VALUATION** | | **$ 402,410,000** | **100.00%** | | **$ 335,160,860** | **100.00%** |

Source: Licking County Auditor's Office. Top 10 taxpayer information not available prior to 2009.

CITY OF PATASKALA, OHIO

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

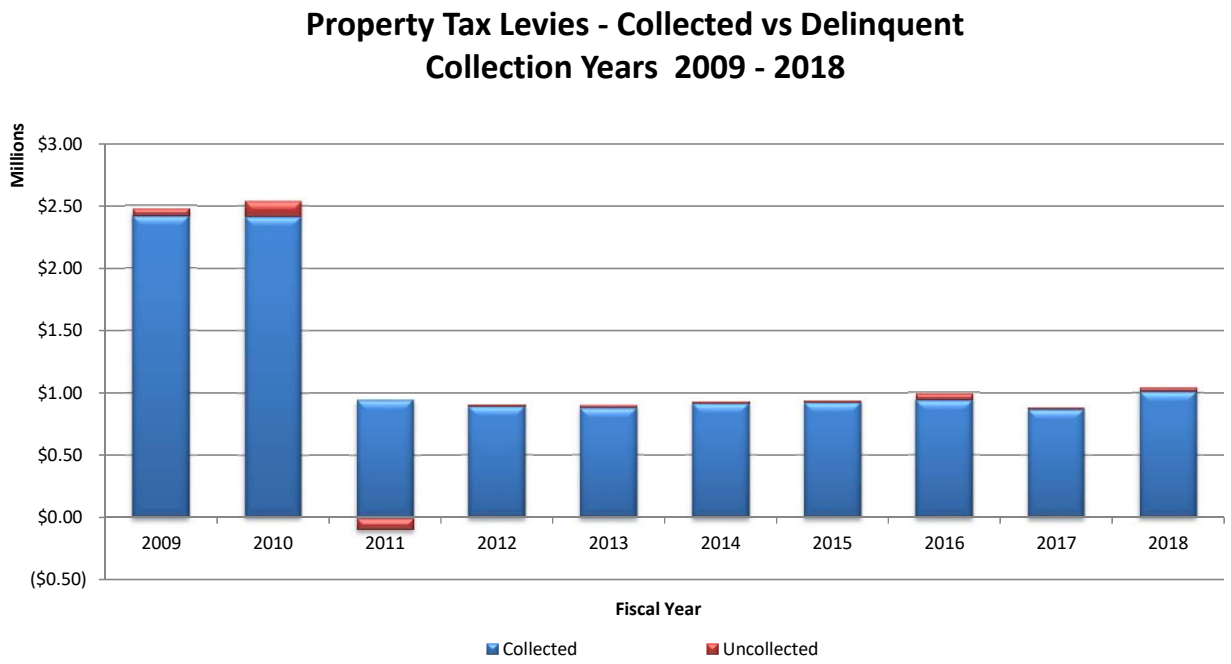
| Tax Year | Collection Year | Total Tax Levy | Current Collection | Delinquent Collection [1] | Total Tax Collections | Accumulated Outstanding Delinquent Taxes | Percent of Current Collections to Tax Levy [2] | Percent of Delinquent Taxes to Total Tax Levy |
|---|---|---|---|---|---|---|---|---|
| **2008** | **2009** | **$2,510,313** | $2,416,286 | $61,676 | **$2,477,962** | **$124,869** | 96.25% | 4.97% |
| **2009** | **2010** | **2,507,307** | 2,413,468 | 88,874 | **2,502,342** | **164,135** | 96.26% | 6.55% |
| **2010** | **2011** | **1,056,076** | 939,100 | 19,155 | **958,255** | **56,037** | 88.92% | 5.31% |
| **2011** | **2012** | **934,491** | 883,993 | 22,726 | **906,719** | **48,264** | 94.60% | 5.16% |
| **2012** | **2013** | **933,045** | 873,402 | 27,375 | **900,777** | **44,000** | 93.61% | 4.72% |
| **2013** | **2014** | **937,207** | 909,601 | 34,607 | **944,208** | **29,681** | 97.05% | 3.17% |
| **2014** | **2015** | **942,515** | 918,218 | 23,379 | **941,597** | **24,927** | 97.42% | 2.64% |
| **2015** | **2016** | **960,880** | 935,084 | 28,615 | **963,699** | **48,136** | 97.32% | 5.01% |
| **2016** | **2017** | **982,591** | 864,572 | 18,019 | **882,591** | **45,852** | 87.99% | 4.67% |
| **2017** | **2018** | **1,028,949** | 1,005,430 | 25,884 | **1,031,314** | **53,717** | 97.71% | 5.22% |
| **Ten Year Average** | | **$ 1,382,978** | **$ 1,318,267** | **$ 37,307** | **$ 1,355,574** | **$ 69,605** | **95.32%** | **5.03%** |

**Note:** Annual property tax rates can be found on pages 232-233.

Source: Licking County, Ohio; County Auditor

[1] Represents collection of delinquent prior period taxes during the indicated collection year. Information provided from County was not available by tax levy year.

[2] Total could exceed 100% due to the current year collection of delinquent prior period taxes during the indicated collection year.

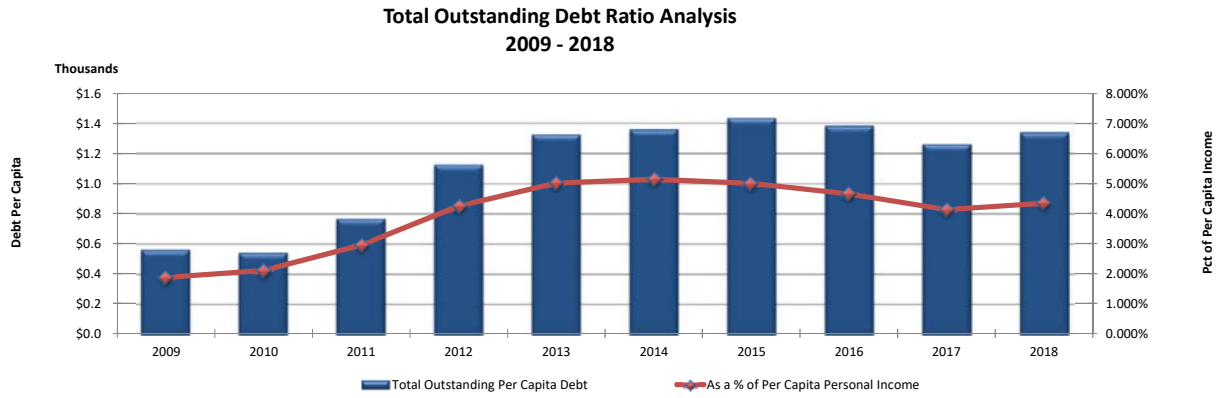


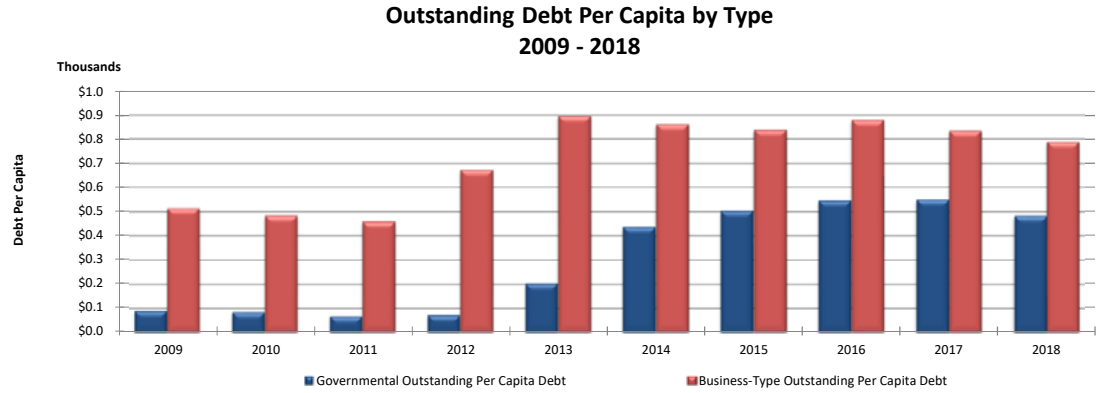
CITY OF PATASKALA, OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
($000's omitted)

| | Governmental Activities | | | | | | Business-Type Activities | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | General Obligation Bonds | Premiums | Notes Payable | OPWC Loans | Other Loans | Capital Leases | General Obligation Bonds | Premiums | OWDA Loans | Notes/ Loans Payable | Total Debt | Percent of Per Capita Income | Total Debt Per Capita | % of Personal Income |
| **2018** | $10,145.0 | $196.6 | $0.0 | $211.0 | $609.7 | $361.4 | $7,530.0 | $410.4 | $3,169.3 | $400.0 | **$23,033.4** | 4.35% | $1,341.1 | 4.35% |
| **2017** | 5,830.0 | 209.0 | 0.0 | 214.4 | 764.5 | 439.3 | 7,930.0 | 432.9 | 3,373.5 | 500.0 | **19,693.7** | 4.14% | 1,261.5 | 4.14% |
| **2016** | 6,170.1 | 221.4 | 500.0 | 38.8 | 918.3 | 665.8 | 8,305.0 | 455.5 | 3,572.4 | 600.0 | **21,447.3** | 4.65% | 1,383.0 | 4.65% |
| **2015** | 6,440.1 | 233.7 | 0.0 | 86.6 | 1,065.7 | 639.0 | 8,680.0 | 478.0 | 3,766.0 | 700.0 | **22,089.1** | 5.00% | 1,433.9 | 5.01% |
| **2014** | 6,695.1 | 246.1 | 42.8 | 89.8 | 400.8 | 325.4 | 8,860.0 | 179.2 | 3,954.5 | 0.0 | **20,793.6** | 5.14% | 1,360.0 | 5.15% |
| **2013** | 0.0 | 0.0 | 6,307.5 | 64.0 | 255.2 | 143.2 | 6,300.0 | 79.4 | 4,116.8 | 2,845.0 | **20,111.1** | 5.02% | 1,326.7 | 5.03% |
| **2012** | 0.0 | 0.0 | 2,833.0 | 55.4 | 245.7 | 0.0 | 6,485.0 | 82.7 | 4,297.0 | 3,013.0 | **17,011.8** | 4.25% | 1,127.0 | 4.25% |
| **2011** | 0.0 | 0.0 | 790.0 | 66.0 | 245.8 | 0.0 | 6,670.0 | 86.0 | 3,665.0 | 0.0 | **11,522.8** | 2.95% | 768.4 | 2.81% |
| **2010** | 0.0 | 0.0 | 946.4 | 76.5 | 0.0 | 0.0 | 6,840.0 | 89.3 | 183.4 | 0.0 | **8,135.6** | 2.10% | 543.8 | 2.10% |
| **2009** | 0.0 | 0.0 | 1,022.0 | 81.8 | 0.0 | 191.6 | 6,990.0 | 92.6 | 411.2 | 0.0 | **8,789.2** | 1.87% | 564.3 | 1.87% |

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



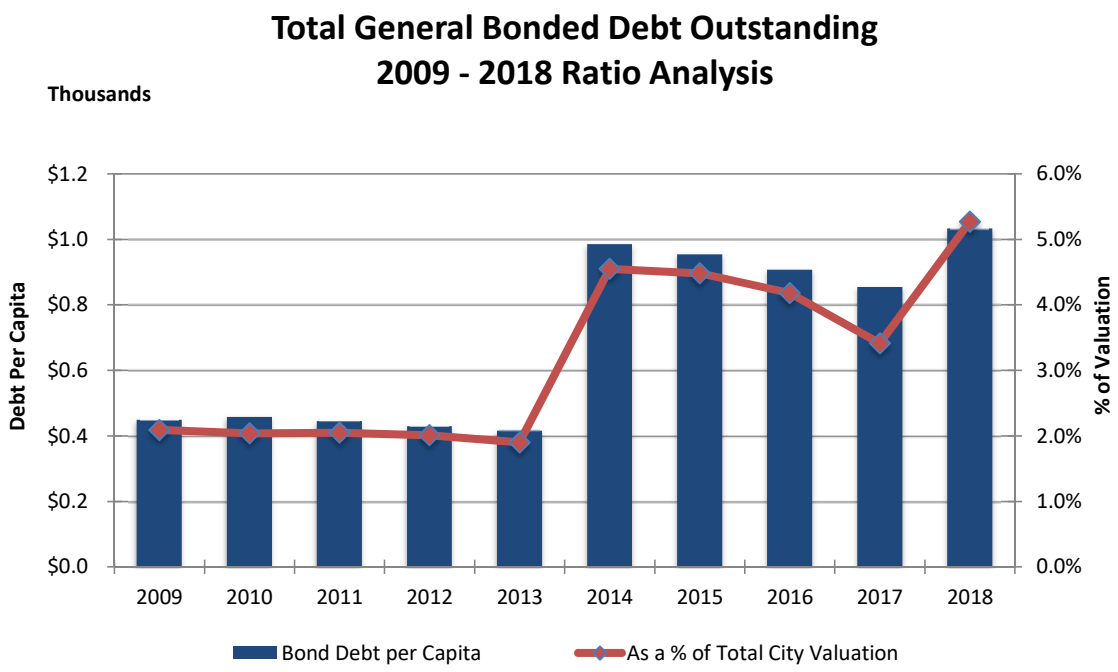

Source: City financial reports

CITY OF PATASKALA, OHIO

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

| Fiscal Year | General Bonded Debt Outstanding ($000) | | | | Percent of Actual Taxable Property Value | Outstanding Debt Per Capita |
|---|---|---|---|---|---|---|
| | General Obligation Bonds Governmental and Business-Type Activities | Total | Less: Restricted for Debt Service | Total Net General Bonded Debt Outstanding | | |
| **2018** | $18,282.0 | **$18,282.0** | $543.3 | **$17,738.7** | **5.27%** | **$1,032.82** |
| **2017** | 13,760.0 | **13,760.0** | 421.5 | **13,338.5** | **3.41%** | **854.43** |
| **2016** | 14,475.1 | **14,475.1** | 410.1 | **14,065.0** | **4.18%** | **906.95** |
| **2015** | 15,120.1 | **15,120.1** | 429.1 | **14,691.0** | **4.48%** | **953.65** |
| **2014** | 15,555.1 | **15,555.1** | 489.7 | **15,065.4** | **4.55%** | **985.37** |
| **2013** | 6,300.0 | **6,300.0** | 0.0 | **6,300.0** | **1.90%** | **415.59** |
| **2012** | 6,485.0 | **6,485.0** | 0.0 | **6,485.0** | **2.01%** | **429.61** |
| **2011** | 6,670.0 | **6,670.0** | 0.0 | **6,670.0** | **2.05%** | **444.79** |
| **2010** | 6,840.0 | **6,840.0** | 0.0 | **6,840.0** | **2.04%** | **457.16** |
| **2009** | 6,990.0 | **6,990.0** | 0.0 | **6,990.0** | **2.09%** | **448.80** |

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




Source: City financial reports

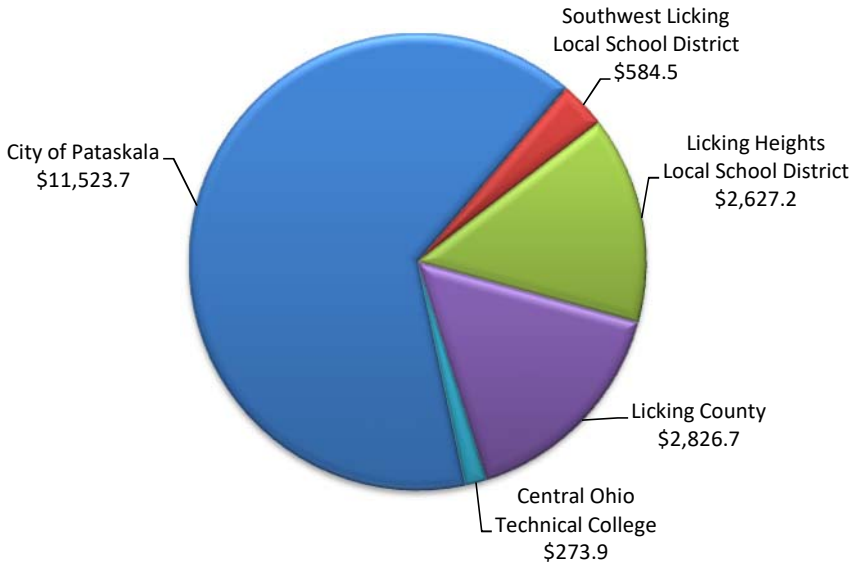
## CITY OF PATASKALA, OHIO

### COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
### As of December 31, 2018
**($000's omitted)**

| Governmental Unit | Total Debt Outstanding | Percent Applicable to City [1] | Amount Applicable to City |
|---|---|---|---|
| **Direct** | | | |
| City of Pataskala | $11,523.7 | 100.00% | $11,523.7 |
| **Overlapping** | | | |
| Southwest Licking Local School District | $2,335.0 | 25.03% | $584.5 |
| Licking Heights Local School District | 7,620.0 | 34.48% | 2,627.2 |
| Licking County | 31,391.8 | 9.00% | 2,826.7 |
| Central Ohio Technical College | 3,155.0 | 8.68% | 273.9 |
| **Total Overlapping Debt** | **$44,501.8** | | **$6,312.3** |
| **Total Direct & Overlapping Debt** | **$56,025.5** | | **$17,836.0** |

[1] The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the government's boundaries and dividing it by the County's total taxable assessed value.

**Direct & Overlapping General Obligation Debt**
($000)




Source: Licking County, Ohio; County Auditor

CITY OF PATASKALA, OHIO

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

| Fiscal Year | Assessed Value | Voted Debt Limit | Total Net Voted Debt Applicable to Limit | Debt Service Available Balance | Legal Debt Margin | Unvoted Debt Margin | Total Net Debt Applicable to Limit as a Percentage of Debt Limit |
|---|---|---|---|---|---|---|---|
| **2018** | $402,409,801 | $42,253,029 | $0 | $451,720 | **$42,704,749** | **$22,132,539** | 0.00% |
| **2017** | 391,196,942 | 41,075,679 | 0 | 204,382 | **41,280,061** | **21,515,832** | 0.00% |
| **2016** | 336,668,177 | 35,350,159 | 0 | 291,462 | **35,641,621** | **18,516,750** | 0.00% |
| **2015** | 328,075,440 | 34,447,921 | 0 | 305,305 | **34,753,226** | **18,044,149** | 0.00% |
| **2014** | 330,147,160 | 34,665,452 | 0 | 272,626 | **34,938,078** | **18,430,720** | 0.00% |
| **2013** | 328,084,130 | 34,448,834 | 0 | 236,421 | **34,685,255** | **18,281,048** | 0.00% |
| **2012** | 322,725,800 | 33,886,209 | 0 | 213,636 | **34,099,845** | **17,963,555** | 0.00% |
| **2011** | 325,841,880 | 34,213,397 | 0 | 30,067 | **34,243,464** | **17,951,370** | 0.00% |
| **2010** | 335,370,730 | 35,213,927 | 0 | 30,067 | **35,243,994** | **18,475,457** | 0.00% |
| **2009** | 333,857,610 | 35,055,049 | 0 | 30,067 | **35,085,116** | **18,392,236** | 0.00% |

**Note:** Debt limit is calculated as assessed valuation multiplied by 10.5% plus the debt service fund equity. Unvoted debt limit is calculated as assessed valuation multiplied by 5.5%.

**Note:** HB66 began the phase-out of Tangible Personal Property Tax in the next three years. To reflect this phase-out, the assessed valuation listed above has been reduced for TPP by 50% of the 2006 Assessed Valuation.

Source: City financial reports

## CITY OF PATASKALA, OHIO

## PLEDGED REVENUE LOAN COVERAGE - OWDA LOANS
## LAST TEN YEARS

**SEWER OWDA LOANS:**

| | | | | Debt Service Requirements (2) | | | |
|---|---|---|---|---|---|---|---|
| **Year** | **Operating Revenue** | **Operating Expenses (1)** | **Net Revenue Available for Debt Service** | **Principal** | **Interest** | **Total** | **Coverage Ratio** |
| **2018** | $ 2,158,258 | $ 1,183,543 | $ 974,715 | $ 204,243 | $ 90,036 | **$ 294,279** | 3.31 |
| **2017** | 1,923,103 | 1,073,863 | 849,240 | 198,848 | 95,430 | **294,278** | 2.89 |
| **2016** | 2,064,289 | 1,074,020 | 990,269 | 193,597 | 100,683 | **294,280** | 3.37 |
| **2015** | 2,003,493 | 1,096,880 | 906,613 | 188,483 | 105,796 | **294,279** | 3.08 |
| **2014** | 1,664,194 | 1,123,832 | 540,362 | 162,333 | 113,047 | **275,380** | 1.96 |
| **2013** | 1,701,478 | 1,079,355 | 622,123 | 180,148 | 118,137 | **298,285** | 2.09 |
| **2012** | 1,728,713 | 937,029 | 791,684 | 416,942 | 165,787 | **582,729** | 1.36 |
| **2011** | 1,106,985 | 1,166,708 | (59,723) | 5,831 | 1,728 | **7,559** | (7.90) |
| **2010** | 872,648 | 705,169 | 167,479 | 237,773 | 17,719 | **255,492** | 0.66 |
| **2009** | 861,758 | 701,994 | 159,764 | 212,185 | 30,787 | **242,972** | 0.66 |

**WATER OWDA LOANS:**

| | | | | Debt Service Requirements (2) | | | |
|---|---|---|---|---|---|---|---|
| **Year** | **Operating Revenue** | **Operating Expenses (1)** | **Net Revenue Available for Debt Service** | **Principal** | **Interest** | **Total** | **Coverage Ratio** |
| **2018** | N/A | N/A | N/A | N/A | N/A | **N/A** | N/A |
| **2017** | N/A | N/A | N/A | N/A | N/A | **N/A** | N/A |
| **2016** | N/A | N/A | N/A | N/A | N/A | **N/A** | N/A |
| **2015** | N/A | N/A | N/A | N/A | N/A | **N/A** | N/A |
| **2014** | N/A | N/A | N/A | N/A | N/A | **N/A** | N/A |
| **2013** | N/A | N/A | N/A | N/A | N/A | **N/A** | N/A |
| **2012** | N/A | N/A | N/A | N/A | N/A | **N/A** | N/A |
| **2011** | 1,378,810 | 868,165 | 510,645 | 62,802 | 4,374 | **67,176** | 7.60 |
| **2010** | 788,378 | 724,931 | 63,447 | 120,127 | 12,805 | **132,932** | 0.48 |
| **2009** | 780,361 | 993,715 | (213,354) | 109,725 | 20,474 | **130,199** | (1.64) |

(1) Total Operating expenses are exclusive of depreciation

(2) Includes principal and interest of OWDA loans only.

There are no Water OWDA loans outstanding after December 31, 2011. Therefore, this calculation is not applicable.

Source: City financial reports

**CITY OF PATASKALA, OHIO**

**DEMOGRAPHIC AND ECONOMIC STATISTICS**
**LAST TEN YEARS**

| Fiscal Year | Population [3] | Total Median Household Income [1] | Personal Income [1][6] | Per Capita Personal Income [1] | Median Age | Combined School Enrollment [4] | Unemployment Rate [2] |
|---|---|---|---|---|---|---|---|
| **2018** | 17,175 | $ 71,469 | $ 529,556,775 | $ 30,833 | 37.2 | 8,435 | 4.2% |
| **2017** | 15,611 | 69,574 | 475,948,168 | 30,488 | 37.5 | 8,612 | 3.8% |
| **2016** | 15,508 | 68,361 | 461,006,316 | 29,727 | 36.3 | 8,247 | 4.0% |
| **2015** | 15,405 | 67,880 | 441,196,288 | 28,664 | 36.3 | 7,889 | 4.1% |
| **2014** | 15,289 | 59,341 | 403,983,797 | 26,437 | 36.1 | 7,653 | 4.2% |
| **2013** | 15,159 | 59,341 | 399,859,625 | 26,437 | 35.8 | 7,558 | 5.9% |
| **2012** | 15,095 | 56,470 | 400,556,772 | 26,541 | 35.8 | 7,408 | 8.6% |
| **2011** | 14,996 | 56,470 | 410,426,352 | 26,082 | 35.8 | 7,161 | 8.6% |
| **2010** | 14,962 | 59,038 | 386,797,624 | 25,852 | 34.0 | 7,140 | 9.3% |
| **2009** | 15,575 | 58,041 | 469,414,925 | 30,139 | 34.0 | 6,960 | 6.1% |

**OTHER MISCELLANEOUS INFORMATION [5]**

| | |
|---|---|
| Date of Incorporation | 1891 |
| Form of Government | Charter City |
| Population [1] | 17,175 |
| Area in square miles | 28.19 |

| **City Acreage by class:** | **Total** | **Percent** |
|---|---|---|
| Agricultural | 10,539 | 58.4% |
| Residential | 5,703 | 31.6% |
| Office/Commercial/Industrial | 1,153 | 6.4% |
| Roadways, utilities, other | 647 | 3.6% |
| **Total City Acreage** | **18,042** | **100.0%** |

| **Facilities & Services** | |
|---|---|
| Miles of streets | 135 |
| Number of signalized intersections | 11 |

**Sources:**

(1) U.S. Census Bureau
(2) U.S. Bureau of Labor Statistics
(3) 2010 U.S. Census Bureau and Mid Ohio Regional Planning Commission
(4) Southwest Licking and Licking Heights Local School Districts
(5) City departments
(6) Sperling's Best Places (www.bestplaces.net)

**CITY OF PATASKALA, OHIO**

**PRINCIPAL EMPLOYERS**
**CURRENT YEAR AND EIGHT YEARS AGO**

| Employer | 2018 | | 2010 | |
|---|---|---|---|---|
| | Percent of Total Withholding Taxes Paid | Rank | Percent of Total Withholding Taxes Paid | Rank |
| Licking Heights Local School District | 7.02% | 1 | 8.89% | 1 |
| Southwest Licking Local School District | 2.25% | 2 | 4.94% | 2 |
| American Electric Power Service Corp. | 2.10% | 3 | 1.93% | 6 |
| West Licking Joint Fire District | 1.98% | 4 | 4.10% | 3 |
| Kroger | 1.74% | 5 | 3.71% | 5 |
| First Source Employee Management, Inc. | 1.73% | 6 | | |
| City of Pataskala | 1.30% | 7 | 1.52% | 9 |
| One Source Employee Management | 1.10% | 8 | | |
| Licking Memorial Professional | 1.03% | 9 | | |
| Buckeye Ready Mix | 1.00% | 10 | 1.41% | 10 |
| Pataskala Oaks Care Center | | | 3.98% | 4 |
| Mulch Manufacturing | | | 1.77% | 7 |
| Craft Wholesalers | | | 1.70% | 8 |
| **Total of Top Ten** | **21.25%** | | **33.95%** | |
| **Total Withholdings - All Employers** | **$2,579,382** | | **$360,868** | |

**Source:** Regional Income Tax Agency (RITA) records.
'NA' indicates no data available for time period.

Note: Information on principal employers prior to 2010 was not available, due to the implementation of the income tax in mid-2010.

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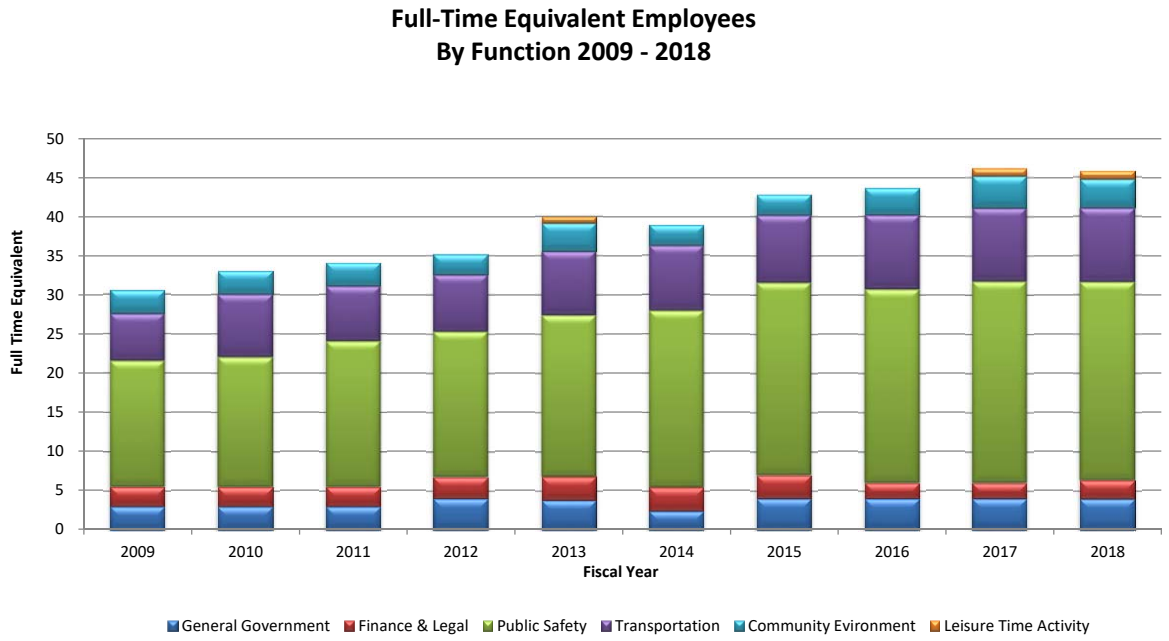
CITY OF PATASKALA, OHIO

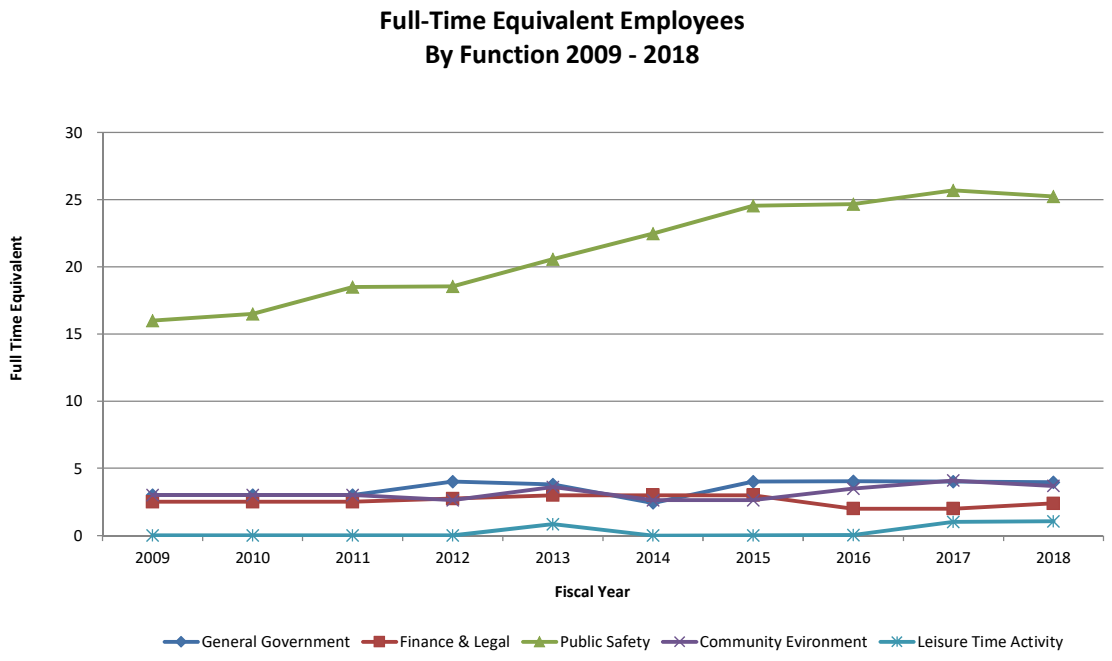
FULL TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS

| Function/Program | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| **General Government** | **3.97** | **4.01** | **4.03** | **4.01** |
| Clerk of Council | 1.00 | 1.00 | 1.00 | 1.00 |
| Mayor's Court | 1.01 | 1.02 | 1.02 | 1.01 |
| City Administrator | 1.96 | 1.99 | 2.01 | 2.00 |
| **Finance & Legal** | **2.40** | **2.00** | **2.00** | **3.00** |
| Finance | 2.40 | 2.00 | 2.00 | 2.00 |
| Law | - | - | - | 1.00 |
| **Public Safety** | **25.23** | **25.69** | **24.67** | **24.55** |
| Police/Clerk | 25.23 | 25.69 | 24.67 | 24.55 |
| **Transportation** | **9.43** | **9.39** | **9.45** | **8.62** |
| Public Service | 9.43 | 9.39 | 9.45 | 8.62 |
| **Community Environment** | **3.69** | **4.10** | **3.49** | **2.63** |
| Planning & Zoning | 3.69 | 4.10 | 3.49 | 2.63 |
| **Leisure Time Activity** | **1.05** | **1.00** | **0.02** | **-** |
| Parks Administration | 1.05 | 1.00 | 0.02 | - |
| Parks Maintenance | - | - | - | - |
| **Utility Services** | **9.24** | **9.46** | **10.20** | **10.47** |
| Water | 7.05 | 7.33 | 7.27 | 6.84 |
| Sewer | 2.19 | 2.13 | 2.93 | 3.63 |
| **Total Full-Time Equivalent (FTE)** | **55.01** | **55.66** | **53.86** | **53.28** |

Source: City payroll systems



| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| **2.43** | **3.80** | **4.00** | **3.00** | **3.00** | **3.00** |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 0.99 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 0.44 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| **3.00** | **3.00** | **2.75** | **2.50** | **2.50** | **2.50** |
| 2.00 | 2.00 | 1.75 | 1.50 | 1.50 | 1.50 |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| **22.47** | **20.56** | **18.54** | **18.50** | **16.50** | **16.00** |
| 22.47 | 20.56 | 18.54 | 18.50 | 16.50 | 16.00 |
| **8.28** | **8.15** | **7.25** | **7.00** | **8.00** | **6.00** |
| 8.28 | 8.15 | 7.25 | 7.00 | 8.00 | 6.00 |
| **2.63** | **3.61** | **2.63** | **3.00** | **3.00** | **3.00** |
| 2.63 | 3.61 | 2.63 | 3.00 | 3.00 | 3.00 |
| **-** | **0.83** | **-** | **-** | **-** | **-** |
| - | 0.83 | - | - | - | - |
| - | - | - | - | - | - |
| **10.02** | **9.49** | **9.15** | **9.00** | **8.00** | **8.00** |
| 6.42 | 6.35 | 3.45 | 4.50 | 4.00 | 4.00 |
| 3.60 | 3.14 | 5.70 | 4.50 | 4.00 | 4.00 |
| **48.83** | **49.44** | **44.32** | **43.00** | **41.00** | **38.50** |



## CITY OF PATASKALA, OHIO

## OPERATING INDICATORS BY FUNCTION/PROGRAM
## LAST TEN YEARS

| Function/Program | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| **General Government** | | | | |
| Positions Filled | 8 | 4 | 4 | 5 |
| Zoning Permits Issued | 633 | 461 | 536 | 517 |
| Zoning Inspections Performed | 650 | 160 | 330 | 368 |
| Ordinances & Resolutions | 79 | 97 | 89 | 108 |
| **Public Safety** | | | | |
| Number of Arrests | 522 | 567 | 375 | 538 |
| Incidents/Police Reports Taken | 1,631 | 1,639 | 1,479 | 1,577 |
| Traffic Violations/Citations | 884 | 973 | 1,095 | 1,231 |
| **Mayor's Court** | | | | |
| Misdemeanor Cases | 70 | 112 | 107 | 107 |
| O.V.I. Cases | 11 | 18 | 14 | 10 |
| Other Traffic/Misc Cases | 529 | 734 | 864 | 966 |
| **Leisure Time Activities *** | | | | |
| Youth Soccer Participation | 822 | 930 | 908 | 862 |
| Select Soccer | 170 | 170 | 170 | 126 |
| Middle School Participation | 96 | 96 | 106 | 128 |
| High School Participation | 20 | 25 | 82 | 91 |
| Adult Softball Participation | 210 | 170 | 182 | 168 |
| Porpoise Swim Team Members | 252 | 252 | 232 | 223 |
| **Transportation** | | | | |
| Street Resurfacing (miles) | 3.50 | 2.75 | 3.10 | 6.70 |
| Tons of salt used | 2,150 | 1,800 | 1,000 | 600 |
| Bridges Replaced/Repaired | - | 1 | - | - |
| **Water** | | | | |
| New Connections | 61 | 46 | 51 | 48 |
| Service Calls | 726 | 699 | 802 | 1,202 |

Source: City of Pataskala Departments.

'NA' indicates that the data was not available for that specific time period.

Note: Information for 10 years prior was not available for all functions.
Leisure Time statistics not available at publication date.

*- Beginning January 1, 2009 the City contracted with the Pataskala Parks Recreation Association (PRA) and Licking Heights Youth Association (LHYA) to administer soccer and girls softball programs

| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| 9 | 8 | 11 | 4 | 2 | - |
| 433 | 517 | 447 | 401 | 457 | 503 |
| 267 | 274 | 279 | 236 | 362 | 385 |
| 65 | 118 | 101 | 115 | 86 | 77 |
| 524 | 406 | 715 | 436 | 405 | 534 |
| 1,383 | 1,035 | 1,853 | 1,521 | 1,390 | 1,345 |
| 1,370 | 1,528 | 1,850 | 1,167 | 1,254 | 1,342 |
| 102 | 108 | 123 | 142 | 151 | NA |
| 10 | 1 | 1 | 14 | 15 | NA |
| 1,280 | 1,325 | 1,557 | 1,583 | 1,402 | NA |
| 843 | 825 | 452 | 833 | 802 | 788 |
| 114 | 122 | 216 | 108 | 190 | 112 |
| 113 | 80 | 43 | 84 | 20 | NA |
| 82 | 75 | 44 | 54 | 20 | NA |
| 256 | 256 | 120 | NA | NA | NA |
| 212 | 197 | 190 | NA | NA | NA |
| 6.50 | 12.48 | 7.00 | 0.75 | 2.06 | - |
| 1,850 | 3,100 | 2,500 | 1,571 | 1,829 | 279 |
| - | - | 1 | 1 | 1 | 1 |
| 34 | 51 | 48 | 19 | 19 | 16 |
| 924 | 736 | 689 | 578 | 578 | 610 |

## CITY OF PATASKALA, OHIO

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
## LAST TEN YEARS

| Function/Program | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| **Public Safety** | | | | |
| Police: | | | | |
| Stations | 1 | 1 | 1 | 1 |
| Cruisers/Patrol Vehicles | 23 | 25 | 25 | 25 |
| **Leisure Time Activities** | | | | |
| Parks | 7 | 6 | 6 | 6 |
| Park Acreage | 138 | 127 | 127 | 127 |
| Swimming Pools | 1 | 1 | 1 | 1 |
| Baseball Diamonds | 2 | 1 | 3 | 3 |
| Softball Fields | 3 | 4 | 3 | 1 |
| Soccer Fields | 14 | 21 | 26 | 24 |
| **Transportation** | | | | |
| Lane Miles | 282 | 280 | 280 | 280 |
| **Water** | | | | |
| Water Mains (linear feet) | 420,968 | 294,492 | 294,492 | 293,547 |
| Fire Hydrants | 525 | NA | NA | NA |
| Water Main Valves | 982 | NA | NA | NA |
| **Sewer** | | | | |
| Sewer Lines (linear feet) | 258,387 | 184,788 | 184,788 | 183,478 |
| Lift Stations | 7 | 7 | 7 | 7 |
| Manholes | 876 | 767 | 767 | 767 |
| Force Main Sewer Lines (linear feet) | 47,607 | 15,365 | 15,365 | 15,365 |

**Source**: City of Pataskala Departments

'NA' indicates that the data was not available for that specific time period.

| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| 1 | 1 | 1 | 1 | 1 | 1 |
| 29 | 23 | 20 | 19 | 18 | 24 |
| 6 | 6 | 6 | 6 | 6 | 6 |
| 127 | 127 | 200 | 200 | 200 | 200 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 3 | 3 | 3 | 3 | 4 | 4 |
| 1 | 1 | 1 | NA | NA | NA |
| 24 | 23 | NA | NA | NA | NA |
| 280 | 280 | 280 | 272 | 271 | 271 |
| 291,100 | 291,100 | 291,100 | 291,100 | 291,215 | 291,215 |
| NA | NA | NA | NA | NA | NA |
| NA | NA | NA | NA | NA | NA |
| 181,923 | 181,923 | 181,908 | 161,500 | 161,500 | 161,500 |
| 7 | 7 | 7 | 7 | 7 | 7 |
| 762 | 762 | 760 | 737 | 737 | 737 |
| 15,365 | 15,365 | 15,365 | 15,365 | 15,365 | 15,365 |

END OF REPORT

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**Finance Department**
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