



2019 Comprehensive Annual Financial Report



City of Blue Ash, Ohio

Fiscal Year Ended

December 31, 2019



On the Cover:

Municipal & Safety Center

North Fire Station

Cooper Creek Event Center (rear)

Recreation Center

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2019

Prepared by the Finance Department

Natasha Dempsey
Finance Officer



TABLE OF CONTENTS

CITY OF BLUE ASH
HAMILTON COUNTY, OHIO

I INTRODUCTORY SECTION

A Letter of Transmittal v
B List of Principal Officials xi
C City Organizational Chart xii
D Certificate of Achievement for Excellence in Financial Reporting xiii

II FINANCIAL SECTION

A Independent Auditor’s Report..... 1
B Management’s Discussion and Analysis..... 5
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Position 16
 Statement of Activities 18
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet 20
 Reconciliation of Total Governmental Fund Balances to Net Position of
 Governmental Activities..... 22
 Statement of Revenues, Expenditures and Changes in Fund Balances 24
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances to the Statement of Activities..... 26
 Statement of Revenues, Expenditures and Changes in Fund Balance-
 Budget and Actual (Non-GAAP Budgetary Basis):
 General Fund 27
 Street Construction, Maintenance and Repair Fund 28
 Park and Recreation Fund..... 29
 Proprietary Funds:
 Statement of Net Position 30
 Statement of Revenues, Expenses and Changes in Fund Net Position..... 31
 Statement of Cash Flows 32
 Fiduciary Funds:
 Statement of Net Position 33
 Statement of Changes in Net Position 34
 Notes to the Basic Financial Statements..... 35

D Required Supplementary Information:

Schedule of the City’s Proportionate Share of the Net Pension Liability.....	90
Schedule of City Pension Contributions.....	92
Schedule of City’s Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability	95
Schedule of City’s Other Postemployment Benefit (OPEB) Contributions	96
Notes to the Required Supplementary Information	98

E Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	105
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	106
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	110
Combining Balance Sheet – Nonmajor Capital Projects Funds	114
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	115

Individual Schedules of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual (Non-GAAP Budgetary Basis):

Major Governmental Funds:

General Fund	116
Street Construction, Maintenance and Repair Fund.....	119
Park and Recreation Fund.....	120

Debt Service Fund:

General Obligation Bond Retirement Fund.....	121
Tax Increment Financing (TIF) Carver Road Bond Retirement Fund	122

Nonmajor Governmental Funds:

Special Revenue Funds:

Municipal Motor Vehicle License Tax Fund	123
State Highway Fund	124
Law Enforcement Assistance Fund	125
Operating a Vehicle Intoxicated (OVI) Task Force Fund	126
Federal Law Enforcement Fund	127
State Law Enforcement Fund	128
Drug Law Enforcement Fund	129
Education Enforcement (DUI) Fund	130
Plainfield Road TIF Fund	131
Osborne Area Improvement TIF Fund	132
Forest TIF Fund	133
Shell TIF Fund	134
Hills Development TIF Fund	135
Michelman TIF Fund	136
Hampton Inn TIF Fund	137
10900 Kenwood Road TIF Fund	138
IEL TIF Fund	139
Energy Special Improvement District Fund	140

Debt Service Funds:

TIF Reed Hartman Highway/Osborne Road Fund	141
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Capital Projects Funds:

Ham-Plainfield Road Roundabouts Fund	142
Park Road Improvements Fund	143
Urban Redevelopment #1 Construction Fund	144
Summit Park Fund	145

Fiduciary Funds – Custodial Fund:

Combining Statement of Net Position	147
Combining Statement of Changes in Net Position	148

III

STATISTICAL SECTION

Net Position by Component - Last Ten Years S 2

Changes in Net Position - Last Ten Years S 4

Fund Balances, Governmental Funds - Last Ten Years..... S 8

Changes in Fund Balances, Governmental Funds - Last Ten Years..... S 10

Income Tax Revenues by Source, Governmental Funds - Last Ten Years..... S 14

Income Tax Statistics - Current Year and Nine Years Ago S 17

Ratio of Outstanding Debt By Type - Last Ten Years..... S 18

Ratios of General Bonded Debt Outstanding - Last Ten Years S 20

Computation of Direct and Overlapping Debt Attributable to
Governmental Activities - Current Year S 23

Debt Limitations - Last Ten Years..... S 24

Pledged Revenue Coverage – Last Ten Years S 26

Demographic and Economic Statistics - Last Ten Years..... S 28

Principal Employers - Current Year and Nine Years Ago S 31

Full Time Equivalent Employees by Function - Last Ten Years..... S 32

Operating Indicators by Function - Last Ten Years..... S 34

Capital Asset Statistics by Function - Last Ten Years..... S 36



Introductory Section





On the Introductory Section Divider:

Wading Pool

Historic Hunt House

Entry Sign

Tulips at Cooper Creek Event Center



CITY OF BLUE ASH

4343 Cooper Road • Blue Ash, Ohio 45242
David M. Waltz, City Manager

phone (513) 745-8500
www.blueash.com

fax (513)-745-8594

June 18, 2020

To The Council and The Citizens of the City of Blue Ash, Ohio:

Submitted for your review is the Comprehensive Annual Financial Report (CAFR) of the City of Blue Ash, (the City) for the year ended December 31, 2019. It represents the City's commitment to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

This CAFR was prepared in accordance with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

This letter should be read in conjunction with the Management Discussion and Analysis (MD&A) that can be found immediately following the Independent Auditor's Report.

THE CITY OF BLUE ASH

The City of Blue Ash is a vibrant Ohio community located twelve miles northeast of Cincinnati. Its 7.7 square mile area serves a residential population of 12,114 (2010 Census) and an estimated daytime population of nearly 53,000. In 2019, approximately 2,300 businesses and organizations were located in Blue Ash. Blue Ash is a balanced community with approximately 35% of the area designated for residential use; approximately 35% for industrial and commercial use; and the remaining 30% used for municipal, educational, and limited agricultural purposes. Blue Ash was settled in 1791, incorporated as a village in 1955 and became a City in 1961. Blue Ash is a home-rule City with a Council/Manager form of government. The City's responsibilities and structure are outlined in the City Charter, which was adopted by residents in 1961 and was amended in 2006 for the passage of an earnings tax rate increase intended for major capital improvements. The Charter was recently amended in 2019 to bring the City in-line with other communities by passing several general updates with the most significant being changes to Council terms and elections.

The legislative body of Blue Ash consists of a seven-member Council, five of whom are elected by Ward, and two of whom are elected At-Large. Council chooses the Mayor and Vice Mayor among its members. For 2018 and prior, all seven members were elected on a partisan basis for two-year terms. Under the amended Charter, Council is elected on a non-partisan basis for four-year staggered terms.

***Letter of Transmittal
For the Year Ended December 31, 2019***

The City Council appoints a City Manager, a Solicitor, and a Clerk of Council. The City Manager is responsible for appointing all administrative staff. The City provides the following municipal services: police, fire and emergency services, street construction and maintenance, planning and zoning services, economic development, storm water management, residential waste collection, pool and recreational facilities, championship golf course and event center, parks and a 37 acre sports complex.

ECONOMIC CONDITIONS AND OUTLOOK

Since the City's earliest days, citizens and City council recognized, and respected, the role played by a stable and growing business presence in the town. Business contributes to a significant market valuation that supports the local school district via property tax payments.

Such awareness is reflected in Blue Ash's past and current posture regarding business retention and attraction. Council and the Administration are strong supporters of investing in economic development and continuing to provide a broad array of governmental services which makes Blue Ash a good location in which to own or operate a business. The City's long term focus on making the town business-friendly, with strong safety services, an aggressive program of investing in traffic flow improvements and quality recreational options, all contribute to a solid and diverse business base.

Perhaps the most useful measure of the economic climate or status of Blue Ash lies in a review or recap of earnings tax collections – the City's primary source of recurring annual revenue. Total gross cash basis earnings tax collections are shown below:

2014	\$34,788,642
2015	35,145,404
2016	35,864,610
2017	36,066,950
2018	36,198,001
2019	35,810,319

Such an outcome, given economic conditions, reflects well on the strength of Blue Ash's business base and confirms that the City still remains a strong complement to the economic resources within Hamilton County, Ohio.

Administration and Council remain focused on monitoring the impact of the economy upon the maintenance of general fund reserves, the provision of quality services and in planning for the possible economic changes. Accomplishing this objective will entail ongoing review of the services offered, further efficiency and monitoring/reductions in operating costs, ranking of capital purchases and projects, and further investment in economic development.

***Letter of Transmittal
For the Year Ended December 31, 2019***

MAJOR INITIATIVES

The City's annual objectives or initiatives, for any given year, are carefully planned paying close attention to changing economic conditions, operational outcomes, the awareness to preserve fund balance, and the overall value added to the wide array of government services Blue Ash already offers to its residents and businesses. Major projects or initiatives for 2019 included:

- Work continued on a mixed-use development plan for the 98-acre site adjacent to the City's newly constructed Summit Park in 2019. The approved mixed-use development plan called the "Neighborhoods at Summit Park" includes corporate headquarters, Class A office, high-end apartments, 100 single-family detached homes, restaurant and retail space, luxury senior-living facility, and one or two hotels. As part of first phase of the development in 2018, several homeowners took occupancy of single-family homes within the community called "Davenport". Construction on a mixed-use building including both commercial retail space as well as a high-end apartment complex, named "The Approach", was nearly complete by the end of 2019. Residents are expected to begin moving in during the spring of 2020 with retail to follow later in the summer. Developers also broke ground in 2019 on a 200 unit senior-living facility that will offer varying levels of care for residents. Supported by TIF revenues derived from The Approach project, developers closed on an \$8.3 million bond for public infrastructure improvements needed within and around the site. It is estimated that the current phase of this project will bring \$117 million of private investment and tax incremental financing proceeds from that investment will fund approximately \$12 million of public improvements.
- After consideration of several years of safety studies and research of various improvement options, a construction plan is in place to improve safety and congestion issues along the Plainfield Road corridor containing one of the most accident prone intersections in Ohio. Engineering and design services continued in 2019 on this Hamilton-Plainfield Road Roundabout Project with construction expected to begin in 2021. Total cost associated with the project is estimated at \$14 million however more than \$11 million will be paid for through various grant funding.

***Letter of Transmittal
For the Year Ended December 31, 2019***

THE FUTURE

The outlook for the future of the City remains favorable. The City of Blue Ash remains committed to investing in economic development in both business retention and attraction. City Council and Administration recognize the importance of a regional approach to economic and community development by combining efforts with both the Regional Economic Development Initiative and the Cincinnati USA Regional Chamber.

Blue Ash has credited its success to progressive planning efforts. In continuing this endeavor, the 2015 Comprehensive Land Use Plan and the 2017 Zoning Code update was crafted to ensure that future development and redevelopment are in line with current trends. With an eye toward creating an environment where businesses thrive, the next phase of development in Blue Ash will include connected, mixed-use campuses where people work, live, and recreate. Such spaces are attractive to millennials and empty nesters alike – providing a future employment base and options for aging in place.

The City remains focused on operational performance and continues to work toward fiscal sustainability by reviewing costs, searching for efficiencies, succession planning, and the prioritization of capital projects and purchases.

The foundation which the City of Blue Ash was based upon, and which it has grown and flourished under, will remain the framework around Blue Ash's future. While the City will respond, adjust, and react to the economic challenges and changes in the business environment, Council and the City Administration will remain true to those core values that have served the community well for so many years.

FINANCIAL INFORMATION

Internal and Budgetary Controls

Development of the City's accounting system included substantial consideration of the adequacy of the internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance of the following:

1. The City's assets are protected against loss and unauthorized use or disposition.
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated applying the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation.
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City Administration and the Finance Department.

***Letter of Transmittal
For the Year Ended December 31, 2019***

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary control is maintained within the personal services, operating expense, contractual services, and capital outlay categories within each department through the encumbering of estimated purchase amounts prior to the release of formal purchase orders to vendors. Purchase order requisitions, which would result in an overrun above appropriated balances, are not approved until additional appropriations are made available via City Council approved resolutions amending the annual appropriations resolution. Open encumbrances as of December 31, 2019 are reported as assigned fund balance in the General Fund.

INDEPENDENT AUDIT

The City of Blue Ash contracted with the Auditor of the State of Ohio to audit the basic financial statements of the City. Their unmodified opinion has been included in this report.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Blue Ash, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2018. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government finance reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Blue Ash has received a Certificate of Achievement for the last thirty-two consecutive years (fiscal years ended 1987-2018). We believe our current report will again meet the Certificate of Achievement program requirements, and it will be submitted to GFOA for consideration.

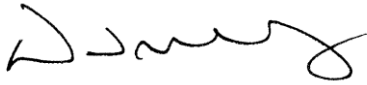
***Letter of Transmittal
For the Year Ended December 31, 2019***

ACKNOWLEDGMENTS

Sincere appreciation is extended to the many individuals who have worked diligently and contributed much time and effort in making this report possible.

Finally, special thanks to the members of City Council and the City Administration whose support is necessary for the City of Blue Ash to conform to reporting requirements established for municipal governments and to maintain the sound financial position that the City has enjoyed for many years.

Respectfully submitted,



David M. Waltz
City Manager



Sherry L. Poppe, CPA
Treasurer/Administrative
Services Director



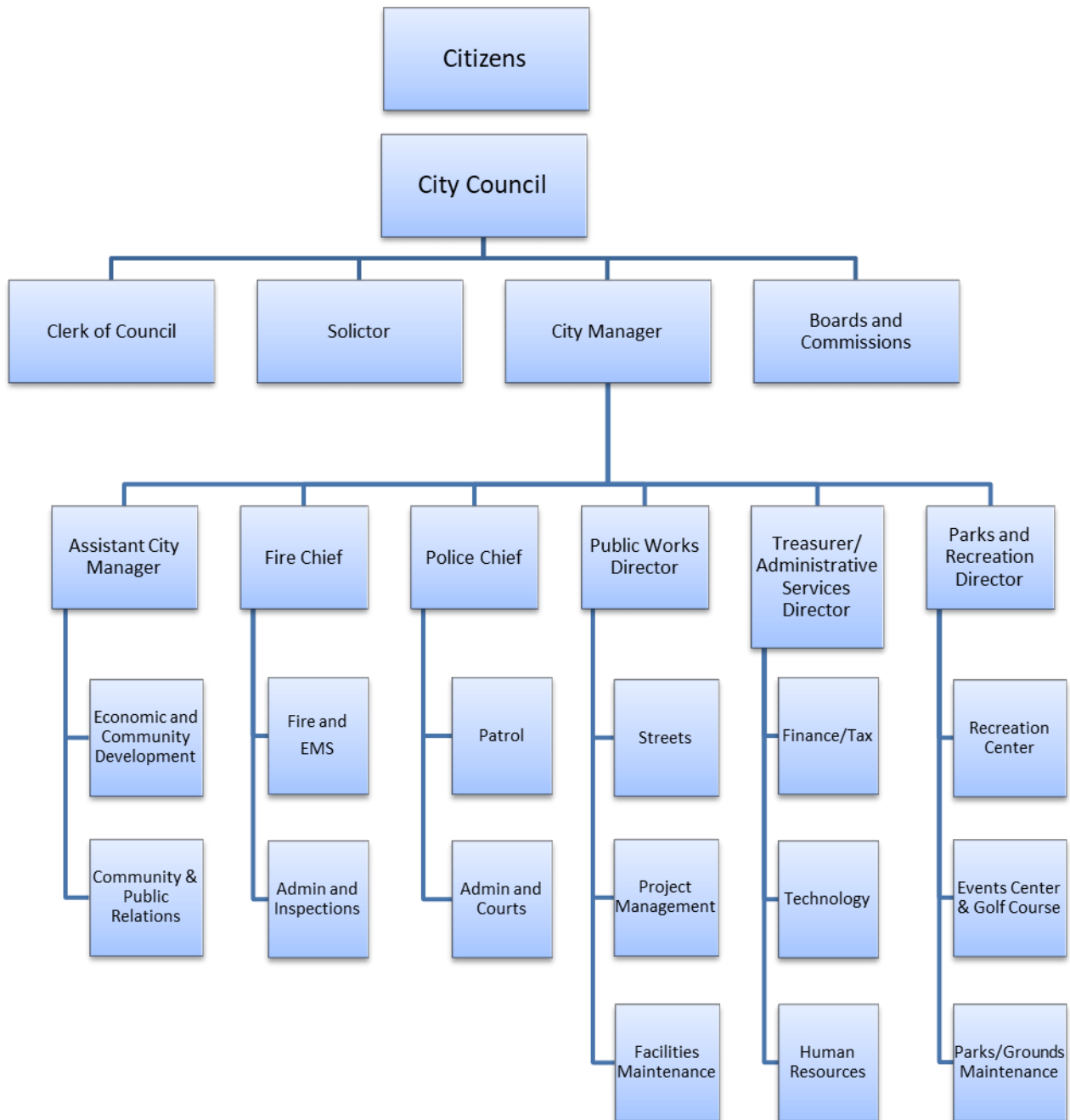
Natasha Dempsey
Finance Officer

CITY OF BLUE ASH, OHIO

***List of Principal Officials
For the Year Ended December 31, 2019***

OFFICE HELD	NAME OF OFFICIAL
Administration:	
City Manager	David M. Waltz
Assistant City Manager	Kelly M. Harrington
Treasurer/Administrative Services Director	Sherry L. Poppe
Parks and Recreation Director	Brian Kruse
Public Works Director	Gordon M. Perry
Fire Chief	Chris Theders
Police Chief	Scott D. Noel
City Council:	
Mayor, Ward 5	Marc Sirkin
Vice Mayor, Ward 3	Pramod Jhaveri
At Large	Lee Czerwonka
At Large	Nikki Yasbeck
Ward 1	Katie Schneider
Ward 2	Joe Leet
Ward 4	Jeff Capell
Solicitor	Bryan E. Pacheco
Clerk of Council	Jamie K. Eifert

**City Organizational Chart
For the Year Ended December 31, 2019**



***Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting***



Government Finance Officers Association

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

Presented to

**City of Blue Ash
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO





Financial Section





On the Financial Section Divider:

Veterans Memorial Park

Golf Cart at Blue Ash Golf Course

Playground at Summit Park

Tree Lined Street

OHIO AUDITOR OF STATE KEITH FABER



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

INDEPENDENT AUDITOR'S REPORT

City of Blue Ash
Hamilton County
4343 Cooper Rd
Blue Ash, Ohio 45242

To City Council:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Blue Ash, Hamilton County, Ohio, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Street Construction Maintenance and Repair, and Park and Recreation funds 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 19 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the City'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 18, 2020, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Keith Faber
Auditor of State

Columbus, Ohio

June 18, 2020



***Management's Discussion and Analysis
For the Year Ended December 31, 2019 Unaudited***

The discussion and analysis of the City of Blue Ash's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2019. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2019 are as follows:

- ❑ In total, net position increased \$18,821,034. Net position of governmental activities increased \$19,662,182, which represents a 19.8% increase from 2018. Net position of business-type activities decreased \$841,148 from 2018.
- ❑ General revenues accounted for \$46,258,756 in revenue or 84.1% of all revenues. Program specific revenues in the form of charges for services, grants and contributions accounted for \$8,763,730 or 15.9% of all revenues.
- ❑ The City had \$31,327,925 in expenses related to governmental activities; only \$4,731,351 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$46,258,756 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$41,606,190 in revenues and other financing sources and \$33,921,724 in expenditures and other financing uses. The balance of the General Fund increased by \$7,681,651 to \$49,651,585.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

***Management's Discussion and Analysis
For the Year Ended December 31, 2019 Unaudited***

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net position (the difference between the City's assets and liabilities) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or declining, respectively.
- To assess the overall health of the City the reader needs to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's programs and services are reported here including security of persons and property, leisure time activities, community environment, transportation and general government.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's golf course, clubhouse and event center is reported as a business type activity.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

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

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

CITY OF BLUE ASH, OHIO

**Management’s Discussion and Analysis
For the Year Ended December 31, 2019 Unaudited**

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City’s own programs. All of the City’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a comparison of the City’s net position as of December 31, 2019 and 2018:

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$69,923,616	\$61,724,716	\$520,486	\$595,167	\$70,444,102	\$62,319,883
Capital assets, Net	143,447,528	145,006,233	10,603,502	11,091,207	154,051,030	156,097,440
Total assets	213,371,144	206,730,949	11,123,988	11,686,374	224,495,132	218,417,323
Deferred Outflows of Resources	11,525,257	6,688,438	656,203	345,074	12,181,460	7,033,512
Net Pension Liability	34,460,456	24,563,945	1,985,380	1,195,375	36,445,836	25,759,320
Net OPEB Liability	8,672,736	20,980,935	964,143	843,421	9,636,879	21,824,356
Long-term debt outstanding	50,775,788	56,453,629	42,198	13,716	50,817,986	56,467,345
Other liabilities	2,512,724	2,616,905	236,917	324,916	2,749,641	2,941,821
Total liabilities	96,421,704	104,615,414	3,228,638	2,377,428	99,650,342	106,992,842
Deferred Inflows of Resources	9,653,312	9,644,770	120,962	382,281	9,774,274	10,027,051
Net position						
Net investment in capital assets	96,166,559	92,979,884	10,603,502	11,091,207	106,770,061	104,071,091
Restricted	6,182,184	6,841,107	0	0	6,182,184	6,841,107
Unrestricted	16,472,642	(661,788)	(2,172,911)	(1,819,468)	14,299,731	(2,481,256)
Total net position	\$118,821,385	\$99,159,203	\$8,430,591	\$9,271,739	\$127,251,976	\$108,430,942

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

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan’s *net pension liability* or *net OPEB liability*.

***Management's Discussion and Analysis
For the Year Ended December 31, 2019 Unaudited***

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.

CITY OF BLUE ASH, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2019 Unaudited**

Changes in Net position – The following table shows the changes in net position for fiscal year 2019 and 2018:

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charges for Services and Sales	\$2,521,965	\$2,371,673	\$4,032,379	\$4,011,659	\$6,554,344	\$6,383,332
Operating Grants and Contributions	2,080,704	1,385,724	0	0	2,080,704	1,385,724
Capital Grants and Contributions	128,682	270,800	0	0	128,682	270,800
General revenues:						
Income Taxes	34,524,308	34,310,895	0	0	34,524,308	34,310,895
Property Taxes	6,663,381	5,916,573	0	0	6,663,381	5,916,573
Other Local Taxes	1,209,481	1,211,323	0	0	1,209,481	1,211,323
Grants and Entitlements not Restricted to Specific Programs	1,215,161	1,224,980	0	0	1,215,161	1,224,980
Investment Earnings	1,002,399	611,746	0	0	1,002,399	611,746
Miscellaneous	1,644,026	1,103,433	0	0	1,644,026	1,103,433
Total revenues	50,990,107	48,407,147	4,032,379	4,011,659	55,022,486	52,418,806
Program Expenses						
Security of Persons and Property	854,258	13,166,319	0	0	854,258	13,166,319
Leisure Time Activities	8,172,050	6,969,294	0	0	8,172,050	6,969,294
Community Development	1,683,183	2,303,218	0	0	1,683,183	2,303,218
Transportation	5,535,883	6,340,958	0	0	5,535,883	6,340,958
General Government	13,353,653	12,872,579	0	0	13,353,653	12,872,579
Debt Service:						
Interest and Fiscal Charges	1,728,898	2,109,202	0	0	1,728,898	2,109,202
Golf Course and Event Center	0	0	4,873,527	4,810,484	4,873,527	4,810,484
Total expenses	31,327,925	43,761,570	4,873,527	4,810,484	36,201,452	48,572,054
Excess (deficiency) before Transfers	19,662,182	4,645,577	(841,148)	(798,825)	18,821,034	3,846,752
Transfers	0	(284,395)	0	284,395	0	0
Total Change in Net Position	19,662,182	4,361,182	(841,148)	(514,430)	18,821,034	3,846,752
Beginning Net Position	99,159,203	94,798,021	9,271,739	9,786,169	108,430,942	104,584,190
Ending Net Position	\$118,821,385	\$99,159,203	\$8,430,591	\$9,271,739	\$127,251,976	\$108,430,942

CITY OF BLUE ASH, OHIO

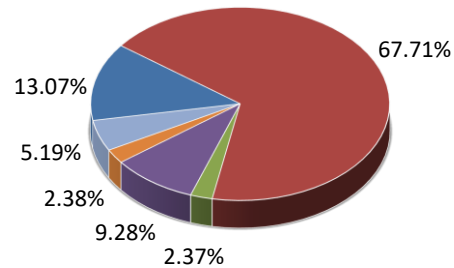
**Management’s Discussion and Analysis
For the Year Ended December 31, 2019 Unaudited**

Governmental Activities

Net position of the City’s governmental activities increased by \$19,662,182 in 2019. Revenues increased by \$2,582,960 and expenses decreased \$12,433,645 from 2018 to 2019. If you remove the large negative Police and Fire OPEB expense of \$11.9 million (recorded as security of persons and property), 2019 activity generally followed previous years where revenues continue to outpace expenses.

Property taxes and income taxes made up 13.07% and 67.71% respectively of revenues for governmental activities for the City in fiscal year 2019. The City’s reliance upon tax revenues is demonstrated by the following graph indicating 80.78% of total revenues from general tax revenues:

Revenue Sources	2019	Percent of Total
Property Taxes	\$6,663,381	13.07%
Income Taxes	34,524,308	67.71%
Other Local Taxes	1,209,481	2.37%
Program Revenues	4,731,351	9.28%
Grants and Entitlements not Restricted to Specific Programs	1,215,161	2.38%
General Other	2,646,425	5.19%
Total Revenue	\$50,990,107	100.00%



Business-Type Activities

Net position of the business-type activities decreased by \$841,148. The absence of transfers from the General Fund accounted for 34% of the decrease. Although expenses exceeded revenues in 2019, \$635,686 represents depreciation expense meaning that the golf course continues to make a profit on the cash basis of accounting.

CITY OF BLUE ASH, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2019 Unaudited**

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$56,288,053, which is an increase from last year's balance of \$49,185,445. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2019 and 2018:

	Fund Balance December 31, 2019	Fund Balance December 31, 2018	Increase (Decrease)
General	\$49,651,585	\$41,969,934	\$7,681,651
Street Construction, Maintenance & Repair	1,166,587	1,964,385	(797,798)
Park and Recreation	438,130	174,965	263,165
General Bond Retirement	23,173	13,277	9,896
TIF Carver Road Bond Retirement	879,991	897,862	(17,871)
Other Governmental	4,128,587	4,165,022	(36,435)
Total	\$56,288,053	\$49,185,445	\$7,102,608

Of the City's \$56,288,053 year ended fund balances for governmental activities, 82.8% is unassigned, which allows it for spending at the government's discretion. Of the remaining 17.2%, \$6 million has external restrictions primarily for grant use, debt and construction projects. \$639,829 is in nonspendable form (prepaid items and supplies inventory), \$368,162 is committed to parks and the balance of \$2.7 million is assigned by City management to cover outstanding purchase orders and future budget needs.

General Fund – General Fund – The City's General Fund balance increased due to revenues and other financing sources exceeding expenditures and other financing uses. Transfers decreased in 2019 due to the completion of Summit Park construction in 2018. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2019 Revenues	2018 Revenues	Increase (Decrease)
Property Taxes	\$2,086,149	\$2,183,171	(\$97,022)
Municipal Income Tax	34,494,737	34,152,647	342,090
Other Local Taxes	1,209,481	1,211,323	(1,842)
Intergovernmental Revenues	605,319	595,928	9,391
Charges for Services	833,914	772,875	61,039
Licenses and Permits	959,979	854,440	105,539
Investment Earnings	946,096	551,268	394,828
Fines and Forfeitures	138,010	119,667	18,343
All Other Revenue	15,365	5,390	9,975
Total	\$41,289,050	\$40,446,709	\$842,341

General Fund revenues reflected a 2.1% increase in 2019 compared to 2018. Income taxes showed a one percent increase. Licenses and Permits increased reflecting new building projects and the many renovations occurring within the City. Investment Earnings also contributed to the overall increase in revenue.

***Management’s Discussion and Analysis
For the Year Ended December 31, 2019 Unaudited***

	2019	2018	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Security of Persons and Property	\$10,957,973	\$11,230,417	(\$272,444)
Community Development	1,810,455	2,667,195	(856,740)
General Government	<u>8,482,341</u>	<u>9,258,218</u>	<u>(775,877)</u>
Total	<u>\$21,250,769</u>	<u>\$23,155,830</u>	<u>(\$1,905,061)</u>

General Fund expenditures decreased by 8.2% or \$1.9 million below 2018 expenditures. Expenditures were down across all functions. The decrease in Community Development is due mainly to a decrease in economic development incentives offered in 2019.

Street Construction, Maintenance and Repair Fund – The fund decreased in 2019 primarily due to decreased General Fund transfers into the fund to cover encumbrances and expenditures. There were less street projects outstanding at the end of 2019. The SCM&R Fund is partially supported by the General Fund each year through transfers.

Park and Recreation Fund –The Park and Recreation Fund is partially supported by the General Fund each year through transfers. Transfers are made throughout the year with the final transfer(s) allowing for the year-end cash fund balance to reflect the amount of encumbrances outstanding at year-end. The increase in fund balance is a reflection of the change in departmental needs during the year.

General Bond Retirement Fund – This fund typically varies little from year to year as it is primarily funded by the amount of transfers necessary (after other revenue sources are accounted for) to cover the year’s debt service requirements.

TIF Carver Road Bond Retirement Fund – This fund typically varies little from year to year as it is primarily funded by the amount of payments in lieu of taxes (reported as property taxes) necessary to cover the year’s debt service requirement.

The City’s budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2019 the City amended its General Fund budget several times, as approved by City Council.

For the General Fund, final budget basis revenue and other financing sources of \$38.2 million increased from the original budget estimates of \$38 million. However, the City budgets conservatively and actual revenues are typically higher than the budgeted figures as evident in the collection of \$40.8 million in revenue yielding a \$2.9 million positive variance over final budget. The expense budget increased \$1.6 million during 2019 due mainly to advances out. Actual expenditures of \$38.3 million were below the final budgeted number of \$43 million because of conservative budgeting and prudent spending which led to lower than anticipated transfers out to other funds. The General Fund maintained an adequate fund balance to cover expenditures.

***Management's Discussion and Analysis
For the Year Ended December 31, 2019 Unaudited***

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2019 the City had \$154,051,030 net of accumulated depreciation invested in land, construction in progress, buildings, improvements other than buildings, infrastructure and machinery and equipment. Of this total, \$143,447,528 was related to governmental activities and \$10,603,502 to the business-type activities. The following table shows fiscal year 2019 and 2018 balances:

	Governmental Activities		Increase (Decrease)
	2019	2018	
Land	\$38,452,464	\$38,397,469	\$54,995
Construction In Progress	3,851,903	12,749,814	(8,897,911)
Buildings	71,429,287	61,495,954	9,933,333
Improvements Other than Buildings	32,147,058	31,036,045	1,111,013
Infrastructure	40,155,928	38,905,065	1,250,863
Machinery and Equipment	16,033,803	16,102,450	(68,647)
Less: Accumulated Depreciation	<u>(58,622,915)</u>	<u>(53,680,564)</u>	<u>(4,942,351)</u>
Totals	<u>\$143,447,528</u>	<u>\$145,006,233</u>	<u>(\$1,558,705)</u>

	Business-Type Activities		Increase (Decrease)
	2019	2018	
Land	\$1,124,764	\$1,124,764	\$0
Buildings	9,752,596	9,706,734	45,862
Improvements Other than Buildings	4,440,744	4,440,744	0
Machinery and Equipment	1,991,458	1,930,326	61,132
Less: Accumulated Depreciation	<u>(6,706,060)</u>	<u>(6,111,361)</u>	<u>(594,699)</u>
Totals	<u>\$10,603,502</u>	<u>\$11,091,207</u>	<u>(\$487,705)</u>

The most significant changes in capital assets occurred in construction in progress and buildings for governmental activities. Phase 1 and Phase 2 of Summit Park construction was capitalized in 2019. Business-type activity was limited to buildings and machinery and equipment for the golf course.

As of December 31, 2019, the City has construction commitments of \$4.3 million due to various projects taking place throughout the City. Detail on the construction commitments can be found in Note 15. Additional information on the City's capital assets can be found in Note 9.

CITY OF BLUE ASH, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2019 Unaudited**

Debt

At December 31, 2019, the City had \$47,880,654 in bonds outstanding, \$5,081,775 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Governmental Activities:		
Bonds Payable	\$47,880,654	\$53,089,512
OPWC Loan	774,082	1,085,385
Capital Lease	485,000	639,604
Compensated Absences	<u>1,636,052</u>	<u>1,639,128</u>
Total Governmental Activities	<u>\$50,775,788</u>	<u>\$56,453,629</u>
Business-Type Activities:		
Compensated Absences	<u>\$42,198</u>	<u>\$39,816</u>
Total Business-Type Activities	<u>42,198</u>	<u>39,816</u>
Totals	<u>\$50,817,986</u>	<u>\$56,493,445</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. At December 31, 2019, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 12.

ECONOMIC FACTORS

The Blue Ash City Council and Administration has continued monitoring reserves, operational revenues and costs, and capital needs very closely. Controlling costs, defining priorities, forecasting, and encouraging economic development has been the focus. Blue Ash remains committed to maintaining and improving its solid business base.

REQUESTS FOR INFORMATION

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 Natasha Dempsey, Finance Officer.



CITY OF BLUE ASH, OHIO

**Statement of Net Position
December 31, 2019**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 51,697,421	\$ 423,969	\$ 52,121,390
Receivables:			
Taxes	13,858,337	0	13,858,337
Accounts	1,701,090	314	1,701,404
Intergovernmental	1,268,052	441	1,268,493
Interest	88,887	0	88,887
Inventory of Supplies at Cost	383,131	73,389	456,520
Prepaid Items	256,698	22,373	279,071
Restricted Assets:			
Cash and Cash Equivalents	670,000	0	670,000
Capital Assets:			
Capital Assets Not Being Depreciated	42,304,367	1,124,764	43,429,131
Capital Assets Being Depreciated, Net	101,143,161	9,478,738	110,621,899
Total Assets	213,371,144	11,123,988	224,495,132
Deferred Outflows of Resources:			
Pension	9,419,797	580,591	10,000,388
OPEB	2,105,460	75,612	2,181,072
Total Deferred Outflows of Resources	11,525,257	656,203	12,181,460
Liabilities:			
Accounts Payable	668,846	91,757	760,603
Accrued Wages and Benefits	940,438	57,439	997,877
Intergovernmental Payable	100,156	680	100,836
Contracts Payable	307,348	0	307,348
Unearned Revenue	0	87,041	87,041
Accrued Interest Payable	495,936	0	495,936
Long-Term Liabilities:			
Due Within One Year	5,866,574	11,393	5,877,967
Due in More Than One Year:			
Net Pension Liability	34,460,456	1,985,380	36,445,836
Net OPEB Liability	8,672,736	964,143	9,636,879
Other Amounts Due in More Than One Year	44,909,214	30,805	44,940,019
Total Liabilities	96,421,704	3,228,638	99,650,342
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	6,728,498	0	6,728,498
Pension	1,298,395	85,090	1,383,485
OPEB	1,626,419	35,872	1,662,291
Total Deferred Inflows of Resources	9,653,312	120,962	9,774,274

CITY OF BLUE ASH, OHIO

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	96,166,559	10,603,502	106,770,061
Restricted For:			
Capital Projects	1,245,200	0	1,245,200
Debt Service	802,625	0	802,625
Streets and Highways	2,768,543	0	2,768,543
Security of Persons & Property	139,638	0	139,638
TIF Activities	1,226,178	0	1,226,178
Unrestricted (Deficit)	16,472,642	(2,172,911)	14,299,731
Total Net Position	<u>\$ 118,821,385</u>	<u>\$ 8,430,591</u>	<u>\$ 127,251,976</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Activities
For the Year Ended December 31, 2019**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Current:				
Security of Persons and Property	\$ 854,258	\$ 4,507	\$ 195,550	\$ 0
Leisure Time Activities	8,172,050	1,481,903	0	0
Community Development	1,683,183	839,413	0	0
Transportation	5,535,883	57,048	1,885,154	90,000
General Government	13,353,653	139,094	0	38,682
Interest and Fiscal Charges	1,728,898	0	0	0
Total Governmental Activities	31,327,925	2,521,965	2,080,704	128,682
Business-Type Activities:				
Golf Course and Events Center	4,873,527	4,032,379	0	0
Total Business-Type Activities	4,873,527	4,032,379	0	0
Totals	\$ 36,201,452	\$ 6,554,344	\$ 2,080,704	\$ 128,682

General Revenues

Property Taxes Levied for:

General Purposes

Debt Service

Municipal Income Taxes

Other Local Taxes

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (654,201)	\$ 0	\$ (654,201)
(6,690,147)	0	(6,690,147)
(843,770)	0	(843,770)
(3,503,681)	0	(3,503,681)
(13,175,877)	0	(13,175,877)
(1,728,898)	0	(1,728,898)
<u>(26,596,574)</u>	<u>0</u>	<u>(26,596,574)</u>
0	(841,148)	(841,148)
<u>0</u>	<u>(841,148)</u>	<u>(841,148)</u>
<u>(26,596,574)</u>	<u>(841,148)</u>	<u>(27,437,722)</u>
2,086,149	0	2,086,149
4,577,232	0	4,577,232
34,524,308	0	34,524,308
1,209,481	0	1,209,481
1,215,161	0	1,215,161
1,002,399	0	1,002,399
1,644,026	0	1,644,026
<u>46,258,756</u>	<u>0</u>	<u>46,258,756</u>
19,662,182	(841,148)	18,821,034
<u>99,159,203</u>	<u>9,271,739</u>	<u>108,430,942</u>
<u>\$ 118,821,385</u>	<u>\$ 8,430,591</u>	<u>\$ 127,251,976</u>

CITY OF BLUE ASH, OHIO

**Balance Sheet
Governmental Funds
December 31, 2019**

	General	Street Construction, Maintenance and Repair	Park and Recreation	General Bond Retirement
Assets:				
Cash and Cash Equivalents	\$ 44,764,538	\$ 816,975	\$ 554,063	\$ 0
Receivables:				
Taxes	9,246,374	0	0	87,963
Accounts	1,638,888	0	62,202	0
Intergovernmental	309,993	603,784	231	3,000
Interest	64,154	350	0	23,173
Interfund Loans Receivables	1,012,152	0	0	0
Inventory of Supplies, at Cost	14,507	321,156	47,468	0
Prepaid Items	213,236	18,379	22,500	0
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Total Assets	<u>\$ 57,263,842</u>	<u>\$ 1,760,644</u>	<u>\$ 686,464</u>	<u>\$ 114,136</u>
Liabilities:				
Accounts Payable	\$ 387,365	\$ 108,875	\$ 172,606	\$ 0
Accrued Wages and Benefits Payable	783,670	82,430	74,338	0
Intergovernmental Payable	73,575	890	844	0
Contracts Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	<u>1,244,610</u>	<u>192,195</u>	<u>247,788</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Amounts	4,249,039	401,862	546	5,073
Property Tax Levy for Next Fiscal Year	2,118,608	0	0	85,890
Total Deferred Inflows of Resources	<u>6,367,647</u>	<u>401,862</u>	<u>546</u>	<u>90,963</u>
Fund Balances:				
Nonspendable	227,743	339,535	69,968	0
Restricted	0	827,052	0	23,173
Committed	0	0	368,162	0
Assigned	2,659,624	0	0	0
Unassigned	46,764,218	0	0	0
Total Fund Balances	<u>49,651,585</u>	<u>1,166,587</u>	<u>438,130</u>	<u>23,173</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 57,263,842</u>	<u>\$ 1,760,644</u>	<u>\$ 686,464</u>	<u>\$ 114,136</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

TIF Carver Road Bond Retirement	Other Governmental Funds	Total Governmental Funds
\$ 208,420	\$ 5,353,425	\$ 51,697,421
1,900,000	2,624,000	13,858,337
0	0	1,701,090
0	351,044	1,268,052
178	1,032	88,887
0	0	1,012,152
0	0	383,131
1,393	1,190	256,698
<u>670,000</u>	<u>0</u>	<u>670,000</u>
<u>\$ 2,779,991</u>	<u>\$ 8,330,691</u>	<u>\$ 70,935,768</u>
\$ 0	\$ 0	\$ 668,846
0	0	940,438
0	24,847	100,156
0	307,348	307,348
<u>0</u>	<u>1,012,152</u>	<u>1,012,152</u>
<u>0</u>	<u>1,344,347</u>	<u>3,028,940</u>
0	233,757	4,890,277
<u>1,900,000</u>	<u>2,624,000</u>	<u>6,728,498</u>
<u>1,900,000</u>	<u>2,857,757</u>	<u>11,618,775</u>
1,393	1,190	639,829
878,598	4,245,803	5,974,626
0	0	368,162
0	0	2,659,624
<u>0</u>	<u>(118,406)</u>	<u>46,645,812</u>
<u>879,991</u>	<u>4,128,587</u>	<u>56,288,053</u>
<u>\$ 2,779,991</u>	<u>\$ 8,330,691</u>	<u>\$ 70,935,768</u>

CITY OF BLUE ASH, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2019***

Total Governmental Fund Balances		\$ 56,288,053
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		143,447,528
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.		4,890,277
The net pension and OPEB liabilities are not due and payable in the current period; therefore, the liability and related deferred inflows & outflows are not reported in governmental funds.		(34,532,749)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds Payable	(47,880,654)	
Capital Lease Payable	(485,000)	
OPWC Loans	(774,082)	
Compensated Absences Payable	(1,636,052)	
Accrued Interest Payable	(495,936)	(51,271,724)
		<u>\$ 118,821,385</u>
<i>Net Position of Governmental Activities</i>		

See accompanying notes to the basic financial statements



CITY OF BLUE ASH, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019**

	General	Street Construction, Maintenance and Repair	Park and Recreation	General Bond Retirement
Revenues:				
Property Taxes	\$ 2,086,149	\$ 0	\$ 0	\$ 84,574
Municipal Income Tax	34,494,737	0	0	0
Other Local Taxes	1,209,481	0	0	0
Intergovernmental Revenues	605,319	1,221,396	0	606,158
Charges for Services	833,914	55,288	1,487,905	0
Licenses and Permits	959,979	0	0	0
Investment Earnings	946,096	9,312	0	23,173
Fines and Forfeitures	138,010	0	0	0
Special Assessments	0	0	0	0
All Other Revenue	15,365	2,391	609,161	0
Total Revenue	41,289,050	1,288,387	2,097,066	713,905
Expenditures:				
Current:				
Security of Persons and Property	10,957,973	0	0	0
Leisure Time Activities	0	0	4,712,355	0
Community Development	1,810,455	0	0	0
Transportation	0	4,738,296	0	0
General Government	8,482,341	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	5,004,978
Interest & Fiscal Charges	0	0	0	1,757,546
Total Expenditures	21,250,769	4,738,296	4,712,355	6,762,524
Excess (Deficiency) of Revenues Over Expenditures	20,038,281	(3,449,909)	(2,615,289)	(6,048,619)
Other Financing Sources (Uses):				
Sale of Capital Assets	17,140	0	0	0
Transfers In	300,000	2,559,944	2,873,841	6,058,515
Transfers Out	(12,670,955)	0	0	0
Total Other Financing Sources (Uses)	(12,353,815)	2,559,944	2,873,841	6,058,515
Net Change in Fund Balances	7,684,466	(889,965)	258,552	9,896
Fund Balances (Deficits) at Beginning of Year	41,969,934	1,964,385	174,965	13,277
Change in Inventory Reserve	(2,815)	92,167	4,613	0
Fund Balances (Deficits) End of Year	\$ 49,651,585	\$ 1,166,587	\$ 438,130	\$ 23,173

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

TIF Carver Road Bond Retirement	Other Governmental Funds	Total Governmental Funds
\$ 1,646,979	\$ 2,936,863	\$ 6,754,565
0	0	34,494,737
0	0	1,209,481
0	701,832	3,134,705
0	0	2,377,107
0	0	959,979
6,777	17,041	1,002,399
0	2,464	140,474
0	38,682	38,682
0	0	626,917
<u>1,653,756</u>	<u>3,696,882</u>	<u>50,739,046</u>
0	247,955	11,205,928
0	0	4,712,355
0	0	1,810,455
0	300,000	5,038,296
1,005,627	1,982,024	11,469,992
0	2,081,993	2,081,993
290,000	0	5,294,978
<u>376,000</u>	<u>0</u>	<u>2,133,546</u>
<u>1,671,627</u>	<u>4,611,972</u>	<u>43,747,543</u>
(17,871)	(915,090)	6,991,503
0	0	17,140
0	1,460,000	13,252,300
0	(581,345)	(13,252,300)
<u>0</u>	<u>878,655</u>	<u>17,140</u>
(17,871)	(36,435)	7,008,643
897,862	4,165,022	49,185,445
0	0	93,965
<u>\$ 879,991</u>	<u>\$ 4,128,587</u>	<u>\$ 56,288,053</u>

CITY OF BLUE ASH, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For the Year Ended December 31, 2019***

Net Change in Fund Balances - Total Governmental Funds \$ 7,008,643

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. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Outlay	4,319,331	
Depreciation Expense	<u>(5,787,862)</u>	(1,468,531)

The statement of activities reports activity arising from the disposal of capital assets. (90,174)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 251,061

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 2,178,814

Except for amounts reported as deferred inflows/outflows, changes in the net pension and OPEB liabilities are reported as pension/OPEB expense in the statement of activities: 6,067,990

Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

General Obligation Bond Principal Payment	4,829,071	
OPWC Loans Payment	311,303	
Capital Leases Principal Payment	154,604	
Amortization of Bond Premium	<u>379,787</u>	5,674,765

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 24,861

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Compensated Absences	(79,212)	
Change in Inventory	<u>93,965</u>	<u>14,753</u>

Change in Net Position of Governmental Activities **\$ 19,662,182**

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, 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, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 2,097,620	\$ 2,097,620	\$ 2,086,149	\$ (11,471)
Municipal Income Tax	32,100,000	32,100,000	34,342,921	2,242,921
Other Local Taxes	1,175,000	1,175,000	1,160,884	(14,116)
Intergovernmental Revenue	542,184	548,184	590,906	42,722
Charges for Services	447,900	449,900	801,461	351,561
Licenses and Permits	755,800	945,800	960,478	14,678
Investment Earnings	450,000	450,000	732,650	282,650
Fines and Forfeitures	98,000	98,000	139,094	41,094
All Other Revenues	15,100	15,100	15,306	206
Total Revenues	<u>37,681,604</u>	<u>37,879,604</u>	<u>40,829,849</u>	<u>2,950,245</u>
Expenditures:				
Current:				
Security of Persons and Property	12,084,617	12,099,117	11,354,582	744,535
Community Development	2,838,822	3,028,821	2,936,640	92,181
General Government	12,251,505	12,417,506	10,302,162	2,115,344
Total Expenditures	<u>27,174,944</u>	<u>27,545,444</u>	<u>24,593,384</u>	<u>2,952,060</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,506,660	10,334,160	16,236,465	5,902,305
Other Financing Sources (Uses):				
Sale of Capital Assets	25,000	25,000	17,140	(7,860)
Transfers In	300,000	300,620	300,620	0
Transfers Out	(14,210,594)	(14,401,594)	(12,670,955)	1,730,639
Advances In	27,090	27,090	27,090	0
Advances Out	0	(1,018,720)	(1,018,720)	0
Total Other Financing Sources (Uses):	<u>(13,858,504)</u>	<u>(15,067,604)</u>	<u>(13,344,825)</u>	<u>1,722,779</u>
Net Change in Fund Balance	(3,351,844)	(4,733,444)	2,891,640	7,625,084
Fund Balance at Beginning of Year	37,261,930	37,261,930	37,261,930	0
Prior Year Encumbrances	1,302,264	1,302,264	1,302,264	0
Fund Balance at End of Year	<u>\$ 35,212,350</u>	<u>\$ 33,830,750</u>	<u>\$ 41,455,834</u>	<u>\$ 7,625,084</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Street Construction, Maintenance and Repair Fund
For the Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenue	\$ 718,350	\$ 918,350	\$ 1,147,158	\$ 228,808
Charges for Services	12,000	31,000	57,048	26,048
Investment Earnings	5,000	5,000	10,185	5,185
All Other Revenues	1,650	1,650	2,055	405
Total Revenues	<u>737,000</u>	<u>956,000</u>	<u>1,216,446</u>	<u>260,446</u>
Expenditures:				
Current:				
Transportation	6,044,679	6,294,679	5,796,219	498,460
Total Expenditures	<u>6,044,679</u>	<u>6,294,679</u>	<u>5,796,219</u>	<u>498,460</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,307,679)	(5,338,679)	(4,579,773)	758,906
Other Financing Sources (Uses):				
Transfers In	3,287,850	3,318,850	2,559,944	(758,906)
Total Other Financing Sources (Uses):	<u>3,287,850</u>	<u>3,318,850</u>	<u>2,559,944</u>	<u>(758,906)</u>
Net Change in Fund Balance	(2,019,829)	(2,019,829)	(2,019,829)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	2,019,829	2,019,829	2,019,829	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Park and Recreation Fund
For the Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 1,362,778	\$ 1,362,778	\$ 1,483,057	\$ 120,279
All Other Revenues	567,750	567,750	599,405	31,655
Total Revenues	<u>1,930,528</u>	<u>1,930,528</u>	<u>2,082,462</u>	<u>151,934</u>
Expenditures:				
Current:				
Leisure Time Activities	5,511,184	5,556,184	5,214,087	342,097
Total Expenditures	<u>5,511,184</u>	<u>5,556,184</u>	<u>5,214,087</u>	<u>342,097</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,580,656)	(3,625,656)	(3,131,625)	494,031
Other Financing Sources (Uses):				
Transfers In	3,322,872	3,367,872	2,873,841	(494,031)
Total Other Financing Sources (Uses):	<u>3,322,872</u>	<u>3,367,872</u>	<u>2,873,841</u>	<u>(494,031)</u>
Net Change in Fund Balance	(257,784)	(257,784)	(257,784)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	257,784	257,784	257,784	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Net Position
Proprietary Fund
December 31, 2019**

	Business-Type Activities Enterprise Fund
	<u>Golf Course and Events Center</u>
Assets:	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 423,969
Receivables:	
Accounts	314
Intergovernmental	441
Inventory of Supplies at Cost	73,389
Prepaid Items	<u>22,373</u>
<i>Total Current Assets</i>	520,486
<i>Non Current Assets:</i>	
Capital Assets:	
Capital Assets Not Being Depreciated	1,124,764
Capital Assets Being Depreciated, Net	<u>9,478,738</u>
Total Assets	<u>11,123,988</u>
Deferred Outflows of Resources:	
Pension	580,591
OPEB	<u>75,612</u>
Total Deferred Outflow of Resources	<u>656,203</u>
Liabilities:	
<i>Current Liabilities:</i>	
Accounts Payable	91,757
Accrued Wages and Benefits	57,439
Intergovernmental Payable	680
Unearned Revenue	87,041
Compensated Absences - Current	<u>11,393</u>
<i>Total Current Liabilities</i>	248,310
<i>Long Term Liabilities:</i>	
Compensated Absences Payable	30,805
Net Pension Liability	1,985,380
Net OPEB Liability	<u>964,143</u>
Total Liabilities	<u>3,228,638</u>
Deferred Inflows of Resources:	
Pension	85,090
OPEB	<u>35,872</u>
Total Deferred Inflows of Resources	<u>120,962</u>
Net Position:	
Net Investment in Capital Assets	10,603,502
Unrestricted	<u>(2,172,911)</u>
Total Net Position	<u>\$ 8,430,591</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2019**

	Business-Type Activities Enterprise Fund
	Golf Course and Events Center
Operating Revenues:	
Charges for Services	\$ 3,778,099
Total Operating Revenues	<u>3,778,099</u>
Operating Expenses:	
Personal Services	1,688,241
Contractual Services	1,704,686
Materials and Supplies	600,611
Depreciation	635,686
Total Operating Expenses	<u>4,629,224</u>
Operating Income (Loss)	(851,125)
Nonoperating Revenue (Expenses):	
Loss on Disposal of Capital Assets	(595)
Other Nonoperating Revenue	254,280
Other Nonoperating Expense	(243,708)
Total Nonoperating Revenues (Expenses)	<u>9,977</u>
Change in Net Position	(841,148)
Net Position Beginning of Year	9,271,739
Net Position End of Year	<u>\$ 8,430,591</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2019**

	Business-Type Activities Enterprise Fund
	<u>Golf Course and Events Center</u>
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$3,745,768
Cash Payments for Goods and Services	(2,291,586)
Cash Payments to Employees	(1,356,003)
Net Cash Provided by Operating Activities	<u>98,179</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>	
Acquisition and Construction of Assets	(172,314)
Net Cash Used for Capital and Related Financing Activities	<u>(172,314)</u>
Net Increase in Cash and Cash Equivalents	(74,135)
Cash and Cash Equivalents at Beginning of Year	498,104
Cash and Cash Equivalents at End of Year	<u>\$423,969</u>
<u>Reconciliation of Operating Loss to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Loss	(\$851,125)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation Expense	635,686
Miscellaneous Nonoperating Income	254,144
Miscellaneous Nonoperating Expense	(243,708)
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	(174)
Increase in Inventory	16,705
Increase in Prepaid Items	(15,849)
Decrease in Deferred Outflows - Pension	(297,584)
Increase in Deferred Outflows - OPEB	(13,545)
Increase in Accounts Payable	(13,195)
Increase in Accrued Wages and Benefits	7,085
Decrease in Unearned Revenues	(32,157)
Decrease in Intergovernmental Payable	106
Increase in Compensated Absences	2,382
Increase in Deferred Inflows - Pension	(225,033)
Increase in Deferred Inflows - OPEB	(36,286)
Decrease in Net Pension Liability	790,005
Increase in Net OPEB Liability	120,722
Total Adjustments	<u>949,304</u>
Net Cash Provided by Operating Activities	<u>\$98,179</u>

Schedule of Noncash Investing, Capital and Financing Activities:

For the year ended December 31, 2019, the Golf Course and Events Center Fund had outstanding liabilities of \$9,382 for the purchase of certain capital assets at December 31, 2019.

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Net Position
Fiduciary Funds
December 31, 2019**

	<u>Custodial</u>
Assets:	
Cash and Cash Equivalents	\$ 1,535
Restricted Assets:	
Cash and Cash Equivalents with Fiscal Agent	<u>5,645</u>
Total Assets	<u>7,180</u>
Liabilities:	
Intergovernmental Payable	1,535
Due to Others	<u>5,645</u>
Total Liabilities	<u>\$ 7,180</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

***Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2019***

	<u>Custodial</u>
Additions:	
Charges for Services	\$ 20,819
Fines and Forfeitures	<u>62,590</u>
Total Additions	<u>83,409</u>
Deductions:	
Other Distributions	<u>83,409</u>
Total Deductions	<u>83,409</u>
Change in Net Position	0
Net Position at Beginning of Year	0
Net Position End of Year	<u>\$ 0</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Blue Ash, Ohio (the City) is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council/Manager form of government, was adopted in 1961 and has been amended six times (1967, 1976, 1980, 1988, 1989 and 2006).

The financial statements are presented as of December 31, 2019 and for the year then ended and have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to local governments. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 61 *"The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34,"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which includes the following services: police and fire protection, emergency medical response, parks and recreation, planning, zoning, street maintenance, residential refuse collection (on a contractual basis) and other governmental services. In addition, the City owns and operates an event center, public golf course and associated restaurant which is reported as an enterprise fund.

B. Basis of Presentation - Fund Accounting

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

For financial statement presentation purposes, the various funds of the City are grouped into the following generic fund types:

Governmental Funds - Those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary fund) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

General Fund - This fund is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio, and the limitations of the City Charter.

Street Construction, Maintenance and Repair Fund – This fund is used to account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

Park and Recreation Fund – This fund is used to account for the user charges collected from the operation of public recreational facilities and for the maintenance of same.

General Bond Retirement Fund – This fund is used to account for payments of principal and interest on the City's general obligation bonds.

TIF Carver Road Bond Retirement Fund - This fund is used to account for payments of principal and interest on the City's tax increment financing bonds issued in 2006.

Proprietary Funds

The proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

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 operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Enterprise Fund - This fund is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise fund is the Golf Course and Events Center fund which accounts for the City's operation of an events center, public golf course and a restaurant.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's only fiduciary funds are custodial funds. The City's custodial funds account for funds flowing through the Mayor's Court and building standards assessments.

C. Basis of Presentation – Financial Statements

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.

Interfund receivables and payables between governmental and business-type activities have been eliminated in the government-wide Statement of Net Position. Transfers between governmental funds are eliminated on the government-wide Statement of Activities. These eliminations minimize the duplicating effect on assets, liabilities, revenues, and expenditures within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

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

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is considered to be 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, and state levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance). Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenue, is recorded as revenue when received in cash because it is generally not measurable until actually received.

Property taxes measurable as of December 31, 2019 but which are not intended to finance 2019 operations and delinquent property taxes, whose availability is indeterminate, are recorded as a deferred inflow of resources. Property taxes are further described in Note 6.

The accrual basis of accounting is utilized for reporting purposes by the governmental activities, the proprietary fund and fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The annual budgetary process is prescribed by Charter and by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year.

All funds, other than agency funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control is by fund at the major object level (personal services, materials and supplies, contractual services, capital outlay, and transfers) by department. Budgetary control is maintained by not permitting expenditures to exceed appropriations at the major object level for each department within each fund without the approval of City Council. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications above the major object level by fund may only be made by resolution of the City Council. During 2019, all appropriations were approved as required and all funds and departments completed the year within their legally authorized appropriations.

1. Tax Budget

By July 15, the City Manager submits an annual tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20th of each year, for the period January 1 to December 31 of the following year.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. 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 Budget Commission then certifies its actions to the City by September 1st of each year. By October 1st of each year, the City accepts, by resolution, the tax rate as determined by the Budget Commission. As part of the certification process, the City receives an official certificate of estimated resources which states the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed or fall short of current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2019.

3. Appropriations

A temporary appropriation resolution to control expenditures may be passed on or about January 1st of each year for the period January 1 through March 31. An annual appropriation resolution must be passed by April 1st of each year for the period January 1 through December 31. The appropriation resolution establishes spending controls at the fund, department and object level, and may only be modified during the year by resolution of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the object level. During the year, several supplemental appropriations were necessary to budget contingency funds, bond proceeds and intergovernmental grants. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual (Non-GAAP Budgetary Basis)" for the General Fund and the Street Construction, Maintenance and Repair Fund are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

4. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than accounting principles generally accepted in the United States of America. The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Also under the budgetary basis, encumbrances are recognized as expenditures and debt proceeds are recognized as an other financing source. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" for the General Fund and Major Special Revenue Funds:

	Net Change in Fund Balance		
	General Fund	Street Construction, Maintenance and Repair Fund	Park and Recreation Fund
GAAP Basis (as reported)	\$7,684,466	(\$889,965)	\$258,552
Increase (Decrease):			
Accrued Revenues at December 31, 2019 received during 2020	(6,129,920)	(202,272)	(61,887)
Accrued Revenues at December 31, 2018 received during 2019	4,640,288	130,331	47,283
Accrued Expenditures at December 31, 2019 paid during 2020	1,244,610	192,195	247,788
Accrued Expenditures at December 31, 2018 paid during 2019	(1,319,193)	(416,509)	(176,818)
2018 Prepays for 2019	65,918	1,745	1,386
2019 Prepays for 2020	(213,236)	(18,379)	(22,500)
Outstanding Encumbrances	(3,081,293)	(816,975)	(551,588)
Budget Basis	<u>\$2,891,640</u>	<u>(\$2,019,829)</u>	<u>(\$257,784)</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

During fiscal year 2019, cash and cash equivalents included amounts in demand deposits and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is a very liquid investment and is reported as a cash equivalent in the basic financial statements.

The City pools its cash for investment and resource management purposes. Each fund's equity in cash and cash equivalents represents the balance on hand as if each had maintained its own cash and cash investment account. For purposes of the statement of cash flows, the proprietary fund considers its share of equity in STAR Ohio to be cash equivalents. See Note 5, "Cash and Cash Equivalents."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" and GASB Statement No. 72, "Fair Value Measurement and Application," the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements.

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. See Note 5, "Cash, Cash Equivalents and Investments."

The City's investment in the State Treasury Asset Reserve of Ohio (STAR 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 and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. For fiscal year 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

H. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and proprietary fund. The costs of inventory items are recorded as expenditures in governmental funds when purchased and expenses in the proprietary fund when used.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2019, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

J. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,500 and an estimated useful life threshold of five or more years.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at acquisition value at the date received. Capital assets include land, construction in progress, buildings, improvements other than buildings, infrastructure and machinery and equipment. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, curbs and gutters, streets and sidewalks, and drainage systems. Estimated historical costs for governmental activities capital asset values were initially determined at December 31, 1985 by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition or construction.

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at acquisition value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation on newly acquired/constructed streets begins in the year of acquisition. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Estimated Lives (in years)
Buildings	15 - 25
Improvements other than Buildings	15 - 25
Machinery, Equipment, Furniture and Fixtures	3 - 10
Infrastructure	15 - 100

K. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	General Obligation Bond Retirement Fund, Summit Park Fund
OPWC Loans	General Obligation Bond Retirement Fund
Tax Increment Financing Bonds	TIF Carver Road Retirement Fund
Capital Leases	General Obligation Bond Retirement Fund
Compensated Absences/Net Pension Liability/Net OPEB Liability	General Fund Street Construction, Maintenance and Repair Fund Park and Recreation Fund Golf Course and Events Center Fund

L. Compensated Absences

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Compensated Absences (Continued)

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

For governmental funds, 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 absence payable” in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. In the government wide statement of net position, “Compensated Absences Payable” is recorded within the “Due within one year” account and the long-term portion of the liability is recorded within the “Due in more than one year” account. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

M. Net Position

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

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

N. Pension/OPEB

The provision for pension/OPEB cost is recorded when the related payroll is accrued and the obligation is incurred. For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB systems. 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 systems report investments at fair value.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Interfund Transactions

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

- Transfers are reported as "Other Financing Sources and Uses" in the governmental funds, as "Transfers In" by the recipient fund, and "Transfers Out" by the disbursing fund.

Transactions that would be treated as revenues and expenditures/expenses if they involved organizations external to the City are similarly treated when involving other funds of the City. The City also advances cash from one fund to another as necessary to meet current obligations.

P. Intergovernmental Revenues

In governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis, and shared revenues are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

Q. Interfund Assets/Liabilities

Receivables and payables arising between funds for goods provided or services rendered are classified as "Due From/To Other Funds" on the balance sheet. Short-term interfund loans are classified as "Interfund Loan Receivables/Payables," while long-term interfund loans are classified as "Advances to/from Other Funds."

R. Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Fund Balance (Continued)

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of legislation passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Charter authorizes the Finance Director to assign fund balance. Assigned balances consist of encumbrances.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed.

S. Estimates

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

T. Restricted Assets

Cash and cash equivalents being held for debt retirements are classified as restricted assets on the statement of net position and the governmental balance sheet because these funds are being held for specified purposes.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports for deferred pension/OPEB amounts. Deferred outflows of resources are reported for pension/OPEB amounts on the government-wide and proprietary funds statement of net position. See Notes 10 and 11.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows.

In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide and proprietary funds statement of net position. See Notes 10 and 11.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE

For 2019, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 83, “Certain Asset Retirement Obligations,” Statement No. 84, “Fiduciary Activities,” Statement No. 88, “Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements,” and Statement No. 90, “Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61.”

GASB Statement No. 83 establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations.

GASB Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments.

GASB Statement No. 88 revises the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements.

GASB Statement No. 90 establishes criteria for reporting a government’s majority equity interest in a legally separate organization.

These changes were incorporated in the City’s 2019 financial statements; however, there was no effect on beginning net position/fund balance.

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 3 – FUND BALANCE CLASSIFICATION

Fund balance is classified as nonspendable, restricted, committed, assigned and unassigned 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 constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Street Construction, Maintenance and Repair	Park and Recreation	General Bond Retirement	TIF Carver Road Bond Retirement	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepaid Items	\$14,507	\$18,379	\$22,500	\$0	\$1,393	\$1,190	\$57,969
Supplies Inventory	213,236	321,156	47,468	0	0	0	581,860
Total Nonspendable	<u>227,743</u>	<u>339,535</u>	<u>69,968</u>	<u>0</u>	<u>1,393</u>	<u>1,190</u>	<u>639,829</u>
Restricted:							
Transportation Projects	0	827,052	0	0	0	942,150	1,769,202
Debt Service	0	0	0	23,173	0	534	23,707
Law Enforcement	0	0	0	0	0	138,816	138,816
TIF Projects	0	0	0	0	878,598	1,435,004	2,313,602
Capital Improvements	0	0	0	0	0	1,729,299	1,729,299
Total Restricted	<u>0</u>	<u>827,052</u>	<u>0</u>	<u>23,173</u>	<u>878,598</u>	<u>4,245,803</u>	<u>5,974,626</u>
Committed:							
Leisure Time Activities	0	0	368,162	0	0	0	368,162
Total Committed	<u>0</u>	<u>0</u>	<u>368,162</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>368,162</u>
Assigned:							
Goods and Services	2,659,624	0	0	0	0	0	2,659,624
Total Assigned	<u>2,659,624</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,659,624</u>
Unassigned	46,764,218	0	0	0	0	(118,406)	46,645,812
Total Fund Balances	<u>\$49,651,585</u>	<u>\$1,166,587</u>	<u>\$438,130</u>	<u>\$23,173</u>	<u>\$879,991</u>	<u>\$4,128,587</u>	<u>\$56,288,053</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 4 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position of governmental activities as reported in the government-wide statement of net position. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Other long-term assets not available to pay for current-period expenditures:

Deferred Tax Revenue	\$3,888,690
Charges for Services	156,866
Intergovernmental Revenue Receivable	844,721
	<u>\$4,890,277</u>

Net pension and OPEB liabilities/deferred inflows/outflows:

Deferred Outflows - Pension	\$9,419,797
Deferred Outflows - OPEB	2,105,460
Net Pension Liability	(34,460,456)
Net OPEB Liability	(8,672,736)
Deferred Inflows - Pension	(1,298,395)
Deferred Inflows - OPEB	(1,626,419)
	<u>(\$34,532,749)</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Governmental revenues not reported in the funds:

Decrease in Tax Revenue	(\$61,613)
Increase in Intergovernmental Revenue Receivable	251,160
Increase in Charges for Services	61,514
	<u>\$251,061</u>

Contractually required contributions reported as deferred outflows:

Pension	(\$2,149,087)
OPEB	(29,727)
	<u>(\$2,178,814)</u>

Pension and OPEB expense:

Pension	\$5,390,441
OPEB	(11,458,431)
	<u>(\$6,067,990)</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 5 - CASH AND CASH EQUIVALENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments.

Statutes require the classification of funds held by the City into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 5 - CASH AND CASH EQUIVALENTS (Continued)

Custodial credit risk is the risk that in the event of bank failure, the City’s deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute.

Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

A. Deposits

At year end the carrying amount of the City’s deposits was \$19,962,794 and the bank balance was \$20,476,444. Federal depository insurance covered \$505,278 of the bank balance and \$19,971,166 was uninsured and collateralized with securities held in the Ohio Pooled Collateral System.

B. Investments

The City's investments at December 31, 2019 were as follows:

	Fair Value	Credit Rating	Investment Maturities (In Years)		
			less than 1	1-3	3-5
Commercial Paper	\$2,417,777	A-1	\$2,417,777	\$0	\$0
STAR Ohio	20,627,268	AAAm	20,627,268	0	0
Negotiable Certificates of Deposit	5,806,433	N/A	498,236	4,280,072	1,028,125
US Treasury Notes	1,284,681	AA ⁺	0	1,284,681	0
FHLMC	2,298,873	AA ⁺	1,006,733	603,217	688,923
FHLB	400,744	AA ⁺	0	400,744	0
Total Investments	<u>\$32,835,776</u>		<u>\$24,550,014</u>	<u>\$6,568,714</u>	<u>\$1,717,048</u>

Credit Rating - Standard & Poor’s

The City’s investments in government agency securities are classified as Level 2 of the fair value hierarchy which are valued using valuation techniques that incorporate market data for similar types of investments, broker quotes and inactive transaction prices. These prices are obtained by our custodian banks from various pricing sources.

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The City has no policy on interest rate risk and is governed by Ohio Revised Code.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 5 - CASH AND CASH EQUIVALENTS (Continued)

B. Investments (Continued)

Investment Credit Risk – The City has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

The City places no limit on the amount the City may invest in one issuer. Of the City’s total investments, 7.4% is Commercial Paper, 62.8% is STAR Ohio, 17.7% are Negotiable Certificates of Deposit, 3.9% are US Treasury Notes, 7% are FHLMC and 1.2% are FHLB.

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 City has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

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. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Level 2 inputs are significant other observable inputs. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices. Level 3 inputs are significant unobservable inputs.

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. Certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	Cash and Cash Equivalents	Investments
Per Financial Statements	\$52,798,570	\$0
Commercial Paper	(2,417,777)	2,417,777
STAR Ohio	(20,627,268)	20,627,268
Negotiable Certificates of Deposit	(5,806,433)	5,806,433
US Treasury Notes	(1,284,681)	1,284,681
Federal Home Loan Mortgage Corporation	(2,298,873)	2,298,873
Federal Home Loan Bank	(400,744)	400,744
Per GASB Statement No. 3	<u>\$19,962,794</u>	<u>\$32,835,776</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 6 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2019 were levied after October 1, 2018 on assessed values as of January 1, 2018, the lien date. Assessed values were established by the County Auditor at 35 percent of appraised fair value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last reappraisal was completed in 2018. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Blue Ash. The County Auditor periodically remits to the City its portion of the taxes collected.

The full tax rate for all City operations for the year ended December 31, 2019 was \$3.08 per \$1,000 of assessed value. The assessed value upon which the 2019 levy was based was \$797,271,780. This amount constitutes \$767,804,450 in real property assessed value and \$29,467,330 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .308% (3.08 mills) of assessed value.

B. Income Tax

The City levies a tax of 1.25% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a full credit for taxes paid to another municipality up to 1.25% of those wages actually taxed by the other municipality.

Employers within the City are required to withhold income tax on employees' compensation and remit the tax to the City either monthly or quarterly, as required. Taxpayers are required to pay their estimated tax quarterly and file a declaration annually. All income tax proceeds are received by the General Fund.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 7 - RECEIVABLES

Receivables at December 31, 2019 consisted of taxes, interest, accounts receivable and intergovernmental receivables arising from shared revenues. All receivables are considered collectible in full. Those receivables that relate to amounts not intended to finance the current fiscal year are offset by deferred inflows of resources.

NOTE 8 - TRANSFERS AND INTERFUND BALANCES

A. Transfers

Following is a summary of transfers in and out for all funds for 2019:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds:		
General Fund	\$300,000	\$12,670,955
Street Construction, Maintenance & Repair Fund	2,559,944	0
Park and Recreation Fund	2,873,841	0
General Bond Retirement Fund	6,058,515	0
Other Governmental Funds	1,460,000	581,345
Total All Funds	<u>\$13,252,300</u>	<u>\$13,252,300</u>

Transfers are used to move revenues from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided, or to debt service if required, once a project is completed.

B. Interfund Balances

Individual interfund balances at December 31, 2019 are as follows:

<u>Fund</u>	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
General Fund	\$1,012,152	\$0
Other Governmental Funds	0	1,012,152
Totals	<u>\$1,012,152</u>	<u>\$1,012,152</u>

The interfund loan receivable/payable on the Governmental Balance Sheet is a loan to the OVI Fund to assist with cash flow issues and a loan to the Urban Redevelopment #1 Construction Fund to provide seed money for construction.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2019:

Historical Cost:

Class	December 31, 2018	Additions	Deletions	December 31, 2019
Capital assets not being depreciated:				
Land	\$38,397,469	\$54,995	\$0	\$38,452,464
Construction in Progress	12,749,814	1,975,039	(10,872,950)	3,851,903
Subtotal	51,147,283	2,030,034	(10,872,950)	42,304,367
Capital assets being depreciated:				
Buildings	61,495,954	10,140,673	(207,340)	71,429,287
Improvements Other than Buildings	31,036,045	1,111,013	0	32,147,058
Infrastructure	38,905,065	1,250,863	0	40,155,928
Machinery and Equipment	16,102,450	659,698	(728,345)	16,033,803
Subtotal	147,539,514	13,162,247	(935,685)	159,766,076
Total Cost	\$198,686,797	\$15,192,281	(\$11,808,635)	\$202,070,443

Accumulated Depreciation:

Class	December 31, 2018	Additions	Deletions	December 31, 2019
Buildings	(\$25,005,563)	(\$2,457,868)	\$205,598	(\$27,257,833)
Improvements Other than Buildings	(6,207,512)	(1,190,382)	0	(7,397,894)
Infrastructure	(12,022,584)	(925,661)	0	(12,948,245)
Machinery and Equipment	(10,444,905)	(1,213,951)	639,913	(11,018,943)
Total Depreciation	(\$53,680,564)	(\$5,787,862)	\$845,511	(\$58,622,915)

Net Value: \$145,006,233 \$143,447,528

* Depreciation expenses were charged to governmental functions as follows:

Leisure Time Activities	\$3,134,977
Transportation	1,269,885
General Government	<u>1,383,000</u>
Total Depreciation Expense	<u>\$5,787,862</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2019:

Historical Cost:

Class	December 31, 2018	Additions	Deletions	December 31, 2019
Capital assets not being depreciated:				
Land	\$1,124,764	\$0	\$0	\$1,124,764
Capital assets being depreciated:				
Buildings	9,706,734	49,577	(3,715)	9,752,596
Improvements Other than Buildings	4,440,744	0	0	4,440,744
Machinery and Equipment	1,930,326	98,999	(37,867)	1,991,458
Subtotal	16,077,804	148,576	(41,582)	16,184,798
Total Cost	\$17,202,568	\$148,576	(\$41,582)	\$17,309,562

Accumulated Depreciation:

Class	December 31, 2018	Additions	Deletions	December 31, 2019
Buildings	(\$2,587,328)	(\$395,682)	\$3,120	(\$2,979,890)
Improvements Other than Buildings	(2,097,752)	(127,245)	0	(2,224,997)
Machinery and Equipment	(1,426,281)	(112,759)	37,867	(1,501,173)
Total Depreciation	(\$6,111,361)	(\$635,686)	\$40,987	(\$6,706,060)
Net Value:	\$11,091,207			\$10,603,502

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 10 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

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

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

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.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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:

	<u>State and Local</u>
2019 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2019 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$1,036,660 for 2019. Of this amount, \$96,519 is reported as an intergovernmental payable.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

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

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2019 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2019 through December 31, 2019	12.25 %	12.25 %
2019 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2019 through December 31, 2019	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$1,250,623 for 2019. Of this amount, \$156,577 is reported as an intergovernmental payable.

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$14,893,031	\$21,552,805	\$36,445,836
Proportion of the Net Pension Liability-2019	0.054378%	0.264042%	
Proportion of the Net Pension Liability-2018	0.057290%	0.273266%	
Percentage Change	<u>(0.002912%)</u>	<u>(0.009224%)</u>	
Pension Expense	\$3,021,398	\$2,774,627	\$5,796,025

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$1,296,476	\$571,394	\$1,867,870
Differences between expected and actual experience	687	885,518	886,205
Net difference between projected and actual earnings on pension plan investments	2,021,399	2,655,288	4,676,687
Change in proportionate share	0	282,343	282,343
City contributions subsequent to the measurement date	<u>1,036,660</u>	<u>1,250,623</u>	<u>2,287,283</u>
Total Deferred Outflows of Resources	<u><u>\$4,355,222</u></u>	<u><u>\$5,645,166</u></u>	<u><u>\$10,000,388</u></u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$195,554	\$20,125	\$215,679
Change in proportionate share	<u>442,991</u>	<u>724,815</u>	<u>1,167,806</u>
Total Deferred Inflows of Resources	<u><u>\$638,545</u></u>	<u><u>\$744,940</u></u>	<u><u>\$1,383,485</u></u>

\$2,287,283 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2020	\$1,057,618	\$1,181,820	\$2,239,438
2021	494,776	601,185	1,095,961
2022	187,528	711,211	898,739
2023	940,095	1,102,490	2,042,585
2024	<u>0</u>	<u>52,897</u>	<u>52,897</u>
Total	<u><u>\$2,680,017</u></u>	<u><u>\$3,649,603</u></u>	<u><u>\$6,329,620</u></u>

Actuarial Assumptions - OPERS

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2018 and December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2018
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2018. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2017
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2018. 2.15 percent simple, thereafter
Investment Rate of Return	7.5 percent
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 rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and 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 a loss of 2.94% for 2018.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent. 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 statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability	\$22,001,339	\$14,893,031	\$8,985,965

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF’s total pension liability as of December 31, 2018 is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2018, compared with January 1, 2017, are presented below.

	January 1, 2018	January 1, 2017
Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

For the January 1, 2018 valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

For the January 1, 2018 valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2018 are summarized below:

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2018, the total pension liability was calculated using the discount rate of 8.00 percent. The discount rate used for 2017 was 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$28,329,676	\$21,552,805	\$15,889,749

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 11 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

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

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

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 11 - 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 2019, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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 0 percent during calendar year 2019. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2019.

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.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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 2019, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

Beginning January 1, 2019, OP&F changed its retiree health care model to 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 City's contractually required contribution to OP&F was \$29,727 for 2019. Of this amount, \$4,218 is reported as an intergovernmental payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2018, and was determined by rolling forward the total OPEB liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$7,232,371	\$2,404,508	\$9,636,879
Proportion of the Net OPEB Liability-2019	0.055473%	0.264042%	
Proportion of the Net OPEB Liability-2018	<u>0.058397%</u>	<u>0.273266%</u>	
Percentage Change	<u>(0.00292%)</u>	<u>(0.009224%)</u>	
OPEB Expense	\$516,997	(\$11,904,537)	(\$11,387,540)

CITY OF BLUE ASH, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

At December 31, 2019, 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			
Changes in assumptions	\$233,180	\$1,246,381	\$1,479,561
Differences between expected and actual experience	2,448	0	2,448
Net difference between projected and actual earnings on OPEB plan investments	331,563	81,396	412,959
Change in proportionate share	0	256,377	256,377
City contributions subsequent to the measurement date	0	29,727	29,727
Total Deferred Outflows of Resources	<u>\$567,191</u>	<u>\$1,613,881</u>	<u>\$2,181,072</u>
Deferred Inflows of Resources			
Changes in assumptions	\$0	\$665,682	\$665,682
Differences between expected and actual experience	19,624	64,422	84,046
Change in proportionate share	249,541	663,022	912,563
Total Deferred Inflows of Resources	<u>\$269,165</u>	<u>\$1,393,126</u>	<u>\$1,662,291</u>

\$29,727 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2020	\$120,825	\$39,653	\$160,478
2021	(41,245)	39,653	(1,592)
2022	51,414	39,654	91,068
2023	167,032	64,276	231,308
2024	0	25,460	25,460
2025	0	(7,014)	(7,014)
2026	0	(10,654)	(10,654)
Total	<u>\$298,026</u>	<u>\$191,028</u>	<u>\$489,054</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions - OPERS

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

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

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.96 percent
Prior Measurement date	3.85 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior Measurement date	6.50 percent
Municipal Bond Rate:	
Current measurement date	3.71 percent
Prior Measurement date	3.31 percent
Health Care Cost Trend Rate:	
Current measurement date	10.0 percent, initial 3.25 percent, ultimate in 2029
Prior Measurement date	7.5 percent, initial 3.25 percent, ultimate in 2028
Actuarial Cost Method	Individual Entry Age

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 5.60 percent for 2018.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

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

Discount Rate A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.71 percent.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

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

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
City's proportionate share of the net OPEB liability	\$9,252,896	\$7,232,371	\$5,625,517

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.00 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$6,951,876	\$7,232,371	\$7,555,423

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OP&F

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

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

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

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

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Single discount rate	4.66 percent	3.24 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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 4.66 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 4.13 percent at December 31, 2018 and 3.16 percent at December 31, 2017, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 4.66 percent.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.66 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.66 percent), or one percentage point higher (5.66 percent) than the current rate.

	1% Decrease (3.66%)	Current Discount Rate (4.66%)	1% Increase (5.66%)
City's proportionate share of the net OPEB liability	\$2,929,347	\$2,404,508	\$1,963,950

CITY OF BLUE ASH, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 12 - LONG-TERM OBLIGATIONS

Detail of the changes in the long-term obligations of the City for the year ended December 31, 2019 is as follows:

		Balance December 31, 2018	Issued	(Retired)	Balance December 31, 2019	Amount Due Within One Year
Governmental Activities:						
Bonds Payable:						
5.00% Carver Road Tax Increment Financing Bonds (\$9,790,000)	2006	\$7,520,000	\$0	(\$290,000)	\$7,230,000	\$305,000
4.00% Recreation Center Construction Bonds (\$9,975,000)	2007	2,840,000	0	(710,000)	2,130,000	710,000
5.0% Real Estate Acquisition Bonds (\$18,913,325)	2007	15,918,579	0	(454,071)	15,464,508	476,775
2.00 - 4.00% Golf Clubhouse Construction Bonds (\$9,775,000)	2010	2,655,000	0	(885,000)	1,770,000	885,000
Premium on Golf Clubhouse Bonds		133,152	0	(44,385)	88,767	0
1.00 - 4.00% Osborne/Access Road Bonds (\$3,125,000)	2011	2,400,000	0	(150,000)	2,250,000	150,000
1.00 - 3.00% Summit Park Phase I Bonds (\$9,705,000)	2014	6,020,000	0	(955,000)	5,065,000	965,000
Premium on Summit Park Phase I Bonds		119,486	0	(19,914)	99,572	0
2.00 - 3.50% Summit Park Phase II Bonds (\$9,800,000)	2014	7,485,000	0	(605,000)	6,880,000	615,000
Premium on Summit Park Phase II Bonds		143,538	0	(13,049)	130,489	0
2.00- 5.00% Income Tax Revenue Bonds (\$8,560,000)	2016	6,645,000	0	(780,000)	5,865,000	975,000
Premium on Income Tax Revenue Bonds	2016	1,209,757	0	(302,439)	907,318	0
Total Bonds Payable		<u>53,089,512</u>	<u>0</u>	<u>(5,208,858)</u>	<u>47,880,654</u>	<u>5,081,775</u>
0.0% OPWC Loan (\$1,445,000)	2008	72,250	0	(72,250)	0	0
0.0% OPWC Loan (\$1,027,339)	2009	162,211	0	(108,141)	54,070	54,070
0.0% OPWC Loan (\$1,309,116)	2013	850,924	0	(130,912)	720,012	130,912
Total OPWC Loans		<u>1,085,385</u>	<u>0</u>	<u>(311,303)</u>	<u>774,082</u>	<u>184,982</u>
Capital Lease (\$1,500,000)	2012	639,604	0	(154,604)	485,000	158,083
Compensated Absences		1,639,128	1,636,052	(1,639,128)	1,636,052	441,734
Total Governmental Activities		<u>\$56,453,629</u>	<u>\$1,636,052</u>	<u>(\$7,313,893)</u>	<u>\$50,775,788</u>	<u>\$5,866,574</u>
Business-Type Activities						
Compensated Absences		<u>\$39,816</u>	<u>\$42,198</u>	<u>(\$39,816)</u>	<u>\$42,198</u>	<u>\$11,393</u>
Total Business-Type Activities		<u>\$39,816</u>	<u>\$42,198</u>	<u>(\$39,816)</u>	<u>\$42,198</u>	<u>\$11,393</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 12 - LONG-TERM OBLIGATIONS (Continued)

The Ohio Revised Code provides that the net debt of a municipal corporation, when 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 taxable value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. The City has no debt within the 5.5% unvoted debt limitation or the 10.5% overall debt limitation. The City's total debt margin at December 31, 2019 was \$83,713,537.

A. Principal and Interest Requirements

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

Years	General Obligation Bonds		OPWC Loans	
	Principal	Interest	Principal	Interest
2020	\$5,081,775	\$1,959,110	\$184,982	\$0
2021	5,185,613	1,789,085	130,912	0
2022	4,285,644	1,600,341	130,912	0
2023	3,711,926	1,438,215	130,912	0
2024	3,869,523	1,292,881	130,912	0
2025-2029	11,995,465	4,647,473	65,452	0
2030-2034	9,100,444	2,221,613	0	0
2035-2036	3,424,118	242,635	0	0
Totals	<u>\$46,654,508</u>	<u>\$15,191,353</u>	<u>\$774,082</u>	<u>\$0</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2019***

NOTE 12 - LONG-TERM OBLIGATIONS (Continued)

B. Conduit Debt

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, the liens are released. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2019, there was one Industrial Revenue Bond outstanding, with an original issue amount of \$15,475,000.

C. Tax Increment Financing Bonds

To encourage economic development, an agreement was crafted between the City, Duke Realty Ohio (the Developer), and the Sycamore Community School District to utilize Tax Increment Financing to construct two public parking garages associated with the 22 acre Landings Development on Carver Road. During 2006, Carver Road Tax Increment Financing Bonds in the principal amount of \$9,790,000 were issued to retire a construction related Bond Anticipation Note, to fund the project's completion, and also to provide funding for the cost of bond issuance, a debt reserve, and capitalized interest expense. The long term obligation of the Tax Increment Financing Bonds do not represent a claim against the full faith and credit of the issuer, the City of Blue Ash. The agreements in place, supported as required by legislation passed by City Council, provide for the Developer to make payments in lieu of property taxes (P.I.L.O.T.S.) over the life of the 30 year tax exemption, with those payments to be utilized as the primary source of funds for the retirement of the debt. The Developer is contractually obligated to make minimum service payments so that principal and interest are retired on a timely basis. Any surplus derived through payments in lieu of taxes not required for retirement of the TIF debt are to be paid to the Sycamore Community School District as defined in the Agreement. Upon completion of the two public parking garages, the TIF Construction Fund was closed, any remaining fund balance was deposited into the TIF Carver Road Bond Retirement Fund. All payments and disbursements relating to the retirement of debt will be via the TIF Carver Road Bond Retirement Fund.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 13 - CAPITAL LEASES

The City is party to one lease accounted for as a capital lease. The governmental activity lease is to finance energy saving facility improvements. The cost of the equipment obtained under this lease is valued at \$1.5 million. The equipment is capitalized as machinery and equipment within capital assets. The liability for this lease is recorded on the Statement of Net Position as due within one year and due in more than one year. The following is a schedule of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of December 31, 2019:

<u>Year Ending December 31,</u>	<u>Capital Leases</u>
2020	\$168,995
2021	168,995
2022	<u>168,995</u>
Minimum Lease Payments	506,985
Less amount representing interest at the at the City's incremental borrow rate	<u>(21,985)</u>
Present value of minimum lease payments	<u><u>\$485,000</u></u>

NOTE 14 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1992 the City entered into a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) with other local cities. As of December 31, 2019, the pool has twenty one members. The pool has been operational since December of 1988 and was formed in accordance with Section 2744 of the Ohio Revised Code. This jointly governed organization provides real and personal property, crime, surety, general liability, boiler and machinery, employment practices liability, police professional and public official liability coverage up to the limits stated below. Membership in MVRMA is intended to provide broad based coverage up to the limits stated below, with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate. MVRMA is a non-profit corporation governed by a twenty one member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote.

Management is provided by an Executive Director, who is assisted by a Claims Manager, a full-time Loss Control Manager and office staff. The board is responsible for its own financial matters and the corporation maintains its own books of account. Budgeting and financing of MVRMA is subject to the approval of the board, and the organization is covered by policies, procedures, and formally adopted bylaws.

The individual MVRMA, Inc. members are not considered "participants having equity interest" as defined by GASB Statement No. 14 since members have no rights to any assets of MVRMA, Inc. other than possible residual claims upon dissolution. The risk of loss is transferred from the City to the pool. Therefore, MVRMA, Inc. is a multi-jurisdictional arrangement that has the characteristics of a joint venture but has additional features that distinguish it, for financial reporting purposes, from the traditional joint venture defined in GASB Statement No. 14.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 14 - RISK MANAGEMENT (Continued)

The following is a summary of insurance coverages at year end:

Pollution Liability	\$2,000,000	per occurrence
Public Officials/Personal Injury	12,000,000	per occurrence
Property	1,000,000,000	per occurrence
Boiler and Machinery	100,000,000	per occurrence
Flood	25,000,000	per occurrence and aggregate
Cyber Liability	2,000,000	per occurrence and aggregate
Earthquake (Property)	25,000,000	per occurrence and aggregate

The member deductible per occurrence for all types of claims is \$2,500.

MVRMA issues a stand-alone financial report that includes financial statements and required supplementary information for MVRMA, Inc. Interested parties may obtain a copy by making a written request to 4625 Presidential Way, Kettering, Ohio 45429-5706

Workers' Compensation claims are covered under the State of Ohio Bureau of Workers' Compensation. The City participates in the Ohio Association of Public Treasurer's Group Rating Program to benefit from the shared risk of a pooled group. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on the group's accident history and administrative costs. The City also pays unemployment claims to the State of Ohio as incurred.

The City continues to carry commercial insurance for other risks of loss, including group employee health and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

NOTE 15 - CONSTRUCTION COMMITMENTS

As of December 31, 2019, the City had the following commitments with respect to capital projects:

Project	Remaining Construction Commitment	Expected Date of Completion
Urban Redevelopment/Reed Hartman Highway	\$2,096,581	Summer 2020
City Hall Roof Replacement	924,260	Summer 2020
Railroad Maintenance Services	577,876	Spring 2020
Ham-Plainfield Roundabouts	264,337	Fall 2022
Oak Park Renovations	165,472	Spring 2020
Downtown Streetscape	224,247	Summer 2020
Total	<u>\$4,252,773</u>	

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 16 - CONTINGENCIES

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

For the period January 1, 2019 to December 31, 2019, the City received federal and state grants for specific purposes that are subject to reviews and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

NOTE 17 – SIGNIFICANT ENCUMBRANCES

At December 31, 2019 the City had the following significant encumbrances outstanding:

<u>Fund</u>	<u>Total Encumbrances</u>	<u>Significant Encumbrances</u>	<u>Explanation</u>
Major Funds:			
General Fund	\$ 3,081,293	\$ 97,341	Professional Services
		85,903	Trash Collection and Recycling Services
		212,444	Downtown Streetscape
		1,016,211	Economic Development
		924,260	Roof Replacement
Street Construction, Maintenance and Repair Fund	816,975	61,803	Downtown Streetscape
		577,876	Railroad Maintenance Services
Other Governmental Funds	3,099,588	2,199,752	Urban Development/Reed Hartman Highway
		264,337	Ham-Plainfield Roundabouts
		165,472	Oak Park Renovations

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2019**

NOTE 18 – TAX ABATEMENT DISCLOSURES

As of December 31, 2019, the City of Blue Ash provides tax incentives under a Residential Community Reinvestment Area (RCRA) program.

Real Estate Tax Abatements

Pursuant to Ohio Revised Code Chapter 3735.66, the City established a Residential Community Reinvestment Area in 2014. Various portions of the community are covered by this RCRA. The City authorizes incentives based upon each residence’s attributes, and through a contractual application process with each property owner, including proof that the improvements have been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient’s property tax bill. The establishment of the RCRA gave the City the ability to maintain and improve residences located in the City by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved real estate.

Below is the City portion of the real property taxes abated in 2019:

	Total Amount of Taxes Abated (Incentives Abated) For the Year 2019 (In Actual Dollars)
<u>Residential Community Reinvestment Area (RCRA)</u>	
Residential	\$7,247

NOTE 19 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City’s investment portfolio and investments of the pension and other employee benefit plan in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BLUE ASH, OHIO

***Schedule of City's Proportionate Share of the Net Pension Liability
Last Six Years***

Ohio Public Employees Retirement System

Year	2013	2014	2015
City's proportion of the net pension liability (asset)	0.0560050%	0.0560050%	0.0575734%
City's proportionate share of the net pension liability (asset)	\$6,602,259	\$6,754,829	\$9,972,436
City's covered payroll	\$7,100,669	\$6,982,792	\$7,160,250
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	92.98%	96.74%	139.27%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2013	2014	2015
City's proportion of the net pension liability (asset)	0.2607314%	0.2607314%	0.2546727%
City's proportionate share of the net pension liability (asset)	\$12,698,438	\$13,506,974	\$16,383,273
City's covered payroll	\$5,630,410	\$5,168,767	\$5,222,325
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	225.53%	261.32%	313.72%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2013 is not available.

CITY OF BLUE ASH, OHIO

<u>2016</u>	<u>2017</u>	<u>2018</u>
0.0594396%	0.0572903%	0.0543780%
\$13,497,727	\$8,987,740	\$14,893,031
\$7,677,725	\$7,582,192	\$7,461,336
175.80%	118.54%	199.60%
77.25%	84.66%	74.70%

<u>2016</u>	<u>2017</u>	<u>2018</u>
0.2731701%	0.2732662%	0.2640420%
\$17,302,319	\$16,771,580	\$21,552,805
\$5,667,309	\$5,989,119	\$6,017,384
305.30%	280.03%	358.18%
68.36%	70.91%	63.07%

CITY OF BLUE ASH, OHIO

**Schedule of City Pension Contributions
Last Seven Years**

Ohio Public Employees Retirement System

Year	2013	2014	2015
Contractually required contribution	\$923,087	\$837,935	\$859,230
Contributions in relation to the contractually required contribution	923,087	837,935	859,230
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$7,100,669	\$6,982,792	\$7,160,250
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2013	2014	2015
Contractually required contribution	\$961,674	\$1,052,361	\$1,091,554
Contributions in relation to the contractually required contribution	961,674	1,052,361	1,091,554
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$5,630,410	\$5,168,767	\$5,222,325
Contributions as a percentage of covered payroll	17.08%	20.36%	20.90%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2013 is not available.

CITY OF BLUE ASH, OHIO

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$921,327	\$985,685	\$1,044,587	\$1,036,660
<u>921,327</u>	<u>985,685</u>	<u>1,044,587</u>	<u>1,036,660</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,677,725	\$7,582,192	\$7,461,336	\$7,404,714
12.00%	13.00%	14.00%	14.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$1,182,940	\$1,256,630	\$1,263,543	\$1,250,623
<u>1,182,940</u>	<u>1,256,630</u>	<u>1,263,543</u>	<u>1,250,623</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,667,309	\$5,989,119	\$6,017,384	\$6,003,827
20.87%	20.98%	21.00%	20.83%



CITY OF BLUE ASH, OHIO

***Schedule of City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability
Last Three Years***

Ohio Public Employees Retirement System

Year	2016	2017	2018
City's proportion of the net OPEB liability (asset)	0.059423%	0.058397%	0.055473%
City's proportionate share of the net OPEB liability (asset)	\$6,001,962	\$6,341,478	\$7,232,371
City's covered payroll	\$7,677,725	\$7,582,192	\$7,461,336
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	78.17%	83.64%	96.93%
Plan fiduciary net position as a percentage of the total OPEB liability	54.50%	54.14%	46.33%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2016	2017	2018
City's proportion of the net OPEB liability (asset)	0.2731701%	0.2732662%	0.2640420%
City's proportionate share of the net OPEB liability (asset)	\$12,966,770	\$15,482,878	\$2,404,508
City's covered payroll	\$5,667,309	\$5,989,119	\$6,017,384
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	228.80%	258.52%	39.96%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2016 is not available.

CITY OF BLUE ASH, OHIO

***Schedule of City's Other Postemployment Benefit (OPEB) Contributions
Last Seven Years***

Ohio Public Employees Retirement System

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$71,007	\$139,656	\$143,205
Contributions in relation to the contractually required contribution	<u>71,007</u>	<u>139,656</u>	<u>143,205</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$7,100,669	\$6,982,792	\$7,160,250
Contributions as a percentage of covered payroll	1.00%	2.00%	2.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$187,507	\$25,844	\$26,112
Contributions in relation to the contractually required contribution	<u>187,507</u>	<u>25,844</u>	<u>26,112</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$5,630,410	\$5,168,767	\$5,222,325
Contributions as a percentage of covered payroll	3.33%	0.50%	0.50%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2013 is not available.

CITY OF BLUE ASH, OHIO

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$153,555	\$75,822	\$0	\$0
<u>153,555</u>	<u>75,822</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,677,725	\$7,582,192	\$7,461,336	\$7,404,714
2.00%	1.00%	0.00%	0.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$28,337	\$29,946	\$30,087	\$29,727
<u>28,337</u>	<u>29,946</u>	<u>30,087</u>	<u>29,727</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,667,309	\$5,989,119	\$6,017,384	\$6,003,827
0.50%	0.50%	0.50%	0.50%

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2019***

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2019.

Changes in assumptions:

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

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

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality Table.

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

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2019.

Changes in assumptions:

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

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

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%
- For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006
- For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006

2019: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2019***

NET OPEB LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the periods 2018-2019.

Changes in assumptions:

For 2018, the single discount rate changed from 4.23% to 3.85%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

2019: The retiree health care model and the current self-insured health care plan were replaced with a stipend-based health care model.

Changes in assumptions:

2018: There were no changes in assumptions.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.24% to 4.66%.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, AND
FIDUCIARY FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Municipal Motor Vehicle License Tax Fund

To account for county-levied motor vehicle registration fees designated for street construction, maintenance and repair.

State Highway Fund

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for street maintenance and repair of state highways within the City.

Law Enforcement Assistance Fund

To account for the funds associated with the State mandated police officer annual training.

Operating a Vehicle Intoxicated (OVI) Task Force Fund

To account for resources associated with administering the regional OVI task force.

Federal Law Enforcement Fund

To account for the proceeds from the confiscation of contraband - Federal fund.

State Law Enforcement Fund

To account for the proceeds from the confiscation of contraband - State fund.

Drug Law Enforcement Fund

To account for mandatory fines collected for drug offenses.

Education Enforcement (DUI) Fund

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

Plainfield Road TIF Fund

To account for resources related to the Tax Increment Financing area established along Plainfield Road.

Osborne Area Improvement TIF Fund

To account for resources related to the Tax Increment Financing area established along Osborne Boulevard.

Forest TIF Fund

To account for resources related to the Tax Increment Financing area established along Kenwood Road.

(Continued)

Nonmajor Governmental Funds (Continued)

Special Revenue Funds (Continued)

Shell TIF Fund

To account for resources related to the Tax Increment Financing area established at the corner of Plainfield Road and Hunt Road.

Hills Development TIF Fund

To account for resources related to the Tax Increment Financing area established along Hunt Road in Downtown Blue Ash.

Michelman TIF Fund

To account for resources related to the Tax Increment Financing area established for the Michelman Chemicals Inc. property.

Hampton Inn TIF Fund

To account for resources related to the Tax Increment Financing area established in the vicinity of the intersection of Creek and Kenwood Roads.

10900 Kenwood Road TIF Fund

To account for the resources related to the Tax Increment Financing area established in the vicinity of the intersection of Osborne Boulevard and Kenwood Road and Creek and Kenwood Roads.

IEL TIF Fund

To account for the resources related to the Tax Increment Financing area established to include a roundabout at the intersection of Malsbary and Alliance Roads, a connector roadway spanning the western border of the IEL property from Cooper Road to Malsbary Road, and an extension of Malsbary Road to Kenwood Road.

Energy Special Improvement District (ESID) Fund

To account for the collection and disbursement of funds related to the Energy Special Improvement District. (The balance sheet for this fund is not presented because there are no assets or liabilities at year end.)

Debt Service Funds

Debt Service Funds are used to account for retirement of the City's general obligation and special assessment bonds.

TIF Reed Hartman Highway/Osborne Road Fund

To account for payments of principal and interest on the City's tax increment financing bonds issued in 2011. Revenues for this purpose include payments in lieu of taxes and investment income.

(Continued)

Nonmajor Governmental Funds(Continued)

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

HAM-Plainfield Road Roundabouts Fund

To account for the costs associated with the construction of infrastructure improvements by adding several roundabouts along Plainfield Road.

Park Road Improvements Fund

To account for the costs associated with the construction of infrastructure improvements in the vicinity of Summit Park.

Urban Redevelopment #1 Construction Fund

To account for the costs associated with the construction portion of an urban redevelopment project in the vicinity of Reed Hartman Highway and I-275.

Summit Park Fund

To account for the financial resources accumulated for the purchase of land at the Blue Ash Airport and the eventual development of a public park.

CITY OF BLUE ASH, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 2,410,876	\$ 534	\$ 2,942,015	\$ 5,353,425
Receivables:				
Taxes	2,294,000	330,000	0	2,624,000
Intergovernmental	351,044	0	0	351,044
Interest	709	0	323	1,032
Prepaid Items	1,190	0	0	1,190
Total Assets	<u>\$ 5,057,819</u>	<u>\$ 330,534</u>	<u>\$ 2,942,338</u>	<u>\$ 8,330,691</u>
Liabilities:				
Intergovernmental Payable	\$ 24,847	\$ 0	\$ 0	\$ 24,847
Contracts Payable	0	0	307,348	307,348
Interfund Loans Payable	12,152	0	1,000,000	1,012,152
Total Liabilities	<u>36,999</u>	<u>0</u>	<u>1,307,348</u>	<u>1,344,347</u>
Deferred Inflows of Resources:				
Unavailable Amounts	233,757	0	0	233,757
Property Tax Levy for Next Fiscal Year	2,294,000	330,000	0	2,624,000
Total Deferred Inflows of Resources	<u>2,527,757</u>	<u>330,000</u>	<u>0</u>	<u>2,857,757</u>
Fund Balances:				
Nonspendable	1,190	0	0	1,190
Restricted	2,515,970	534	1,729,299	4,245,803
Unassigned	(24,097)	0	(94,309)	(118,406)
Total Fund Balances	<u>2,493,063</u>	<u>534</u>	<u>1,634,990</u>	<u>4,128,587</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,057,819</u>	<u>\$ 330,534</u>	<u>\$ 2,942,338</u>	<u>\$ 8,330,691</u>

CITY OF BLUE ASH, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2019**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 2,610,971	\$ 325,892	\$ 0	\$ 2,936,863
Intergovernmental Revenues	611,832	0	90,000	701,832
Investment Earnings	11,498	0	5,543	17,041
Fines and Forfeitures	2,464	0	0	2,464
Special Assessments	38,682	0	0	38,682
Total Revenue	<u>3,275,447</u>	<u>325,892</u>	<u>95,543</u>	<u>3,696,882</u>
Expenditures:				
Current:				
Security of Persons and Property	247,955	0	0	247,955
Transportation	300,000	0	0	300,000
General Government	1,889,269	92,755	0	1,982,024
Capital Outlay	0	0	2,081,993	2,081,993
Total Expenditures	<u>2,437,224</u>	<u>92,755</u>	<u>2,081,993</u>	<u>4,611,972</u>
Excess (Deficiency) of Revenues Over Expenditures	838,223	233,137	(1,986,450)	(915,090)
Other Financing Sources (Uses):				
Transfers In	0	0	1,460,000	1,460,000
Transfers Out	(300,000)	(233,123)	(48,222)	(581,345)
Total Other Financing Sources (Uses)	<u>(300,000)</u>	<u>(233,123)</u>	<u>1,411,778</u>	<u>878,655</u>
Net Change in Fund Balance	538,223	14	(574,672)	(36,435)
Fund Balances at Beginning of Year	<u>1,954,840</u>	<u>520</u>	<u>2,209,662</u>	<u>4,165,022</u>
Fund Balances End of Year	<u>\$ 2,493,063</u>	<u>\$ 534</u>	<u>\$ 1,634,990</u>	<u>\$ 4,128,587</u>

CITY OF BLUE ASH, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019**

	Municipal Motor Vehicle License Tax Fund	State Highway Fund	Law Enforcement Assistance Fund	Federal Law Enforcement Fund
Assets:				
Cash and Cash Equivalents	\$ 202,805	\$ 633,622	\$ 12,679	\$ 38,806
Receivables:				
Taxes	0	0	0	0
Intergovernmental	266,166	48,876	0	0
Interest	169	540	0	0
Prepaid Items	0	0	0	156
Total Assets	<u>\$ 469,140</u>	<u>\$ 683,038</u>	<u>\$ 12,679</u>	<u>\$ 38,962</u>
Liabilities:				
Intergovernmental Payable	\$ 0	\$ 0	\$ 0	\$ 0
Interfund Loans Payable	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Amounts	177,444	32,584	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources:	<u>177,444</u>	<u>32,584</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Nonspendable	0	0	0	156
Restricted	291,696	650,454	12,679	38,806
Unassigned	0	0	0	0
Total Fund Balances	<u>291,696</u>	<u>650,454</u>	<u>12,679</u>	<u>38,962</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 469,140</u>	<u>\$ 683,038</u>	<u>\$ 12,679</u>	<u>\$ 38,962</u>

CITY OF BLUE ASH, OHIO

State Law Enforcement Fund	OVI Task Force Fund	Drug Law Enforcement Fund	Education Enforcement (DUI) Fund	Plainfield Road TIF Fund	Osborne Area Improvement TIF Fund
\$ 60,424	\$ 0	\$ 15,632	\$ 11,904	\$ 208,826	\$ 107,170
0	0	0	0	130,000	145,000
0	35,881	64	57	0	0
0	0	0	0	0	0
1,034	0	0	0	0	0
<u>\$ 61,458</u>	<u>\$ 35,881</u>	<u>\$ 15,696</u>	<u>\$ 11,961</u>	<u>\$ 338,826</u>	<u>\$ 252,170</u>
\$ 0	\$ 24,097	\$ 750	\$ 0	\$ 0	\$ 0
0	12,152	0	0	0	0
<u>0</u>	<u>36,249</u>	<u>750</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	23,729	0	0	0	0
0	0	0	0	130,000	145,000
<u>0</u>	<u>23,729</u>	<u>0</u>	<u>0</u>	<u>130,000</u>	<u>145,000</u>
1,034	0	0	0	0	0
60,424	0	14,946	11,961	208,826	107,170
0	(24,097)	0	0	0	0
<u>61,458</u>	<u>(24,097)</u>	<u>14,946</u>	<u>11,961</u>	<u>208,826</u>	<u>107,170</u>
<u>\$ 61,458</u>	<u>\$ 35,881</u>	<u>\$ 15,696</u>	<u>\$ 11,961</u>	<u>\$ 338,826</u>	<u>\$ 252,170</u>

(Continued)

CITY OF BLUE ASH, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019**

	Forest TIF Fund	Shell TIF Fund	Hills Development TIF Fund	Michelman TIF Fund
Assets:				
Cash and Cash Equivalents	\$ 460,063	\$ 19,899	\$ 100,688	\$ 94,974
Receivables:				
Taxes	365,000	14,000	700,000	75,000
Intergovernmental	0	0	0	0
Interest	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 825,063</u>	<u>\$ 33,899</u>	<u>\$ 800,688</u>	<u>\$ 169,974</u>
Liabilities:				
Intergovernmental Payable	\$ 0	\$ 0	\$ 0	\$ 0
Interfund Loans Payable	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	0
Property Tax Levy for Next Fiscal Year	365,000	14,000	700,000	75,000
Total Deferred Inflows of Resources:	<u>365,000</u>	<u>14,000</u>	<u>700,000</u>	<u>75,000</u>
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	460,063	19,899	100,688	94,974
Unassigned	0	0	0	0
Total Fund Balances	<u>460,063</u>	<u>19,899</u>	<u>100,688</u>	<u>94,974</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 825,063</u>	<u>\$ 33,899</u>	<u>\$ 800,688</u>	<u>\$ 169,974</u>

CITY OF BLUE ASH, OHIO

Hampton Inn TIF Fund	10900 Kenwood Rd. TIF	IEL TIF	Total Nonmajor Special Revenue Funds
\$ 99,257	\$ 269,288	\$ 74,839	\$ 2,410,876
165,000	530,000	170,000	2,294,000
0	0	0	351,044
0	0	0	709
0	0	0	1,190
<u>\$ 264,257</u>	<u>\$ 799,288</u>	<u>\$ 244,839</u>	<u>\$ 5,057,819</u>
\$ 0	\$ 0	\$ 0	\$ 24,847
0	0	0	12,152
0	0	0	36,999
0	0	0	233,757
165,000	530,000	170,000	2,294,000
<u>165,000</u>	<u>530,000</u>	<u>170,000</u>	<u>2,527,757</u>
0	0	0	1,190
99,257	269,288	74,839	2,515,970
0	0	0	(24,097)
<u>99,257</u>	<u>269,288</u>	<u>74,839</u>	<u>2,493,063</u>
<u>\$ 264,257</u>	<u>\$ 799,288</u>	<u>\$ 244,839</u>	<u>\$ 5,057,819</u>

CITY OF BLUE ASH, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	Municipal Motor Vehicle License Tax Fund	State Highway Fund	Law Enforcement Assistance Fund	Federal Law Enforcement Fund
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	329,960	81,727	0	0
Investment Earnings	3,934	7,564	0	0
Fines and Forfeitures	0	0	0	650
Special Assessments	0	0	0	0
Total Revenue	<u>333,894</u>	<u>89,291</u>	<u>0</u>	<u>650</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	3,850	21,627
Transportation	300,000	0	0	0
General Government	0	0	0	0
Total Expenditures	<u>300,000</u>	<u>0</u>	<u>3,850</u>	<u>21,627</u>
Excess (Deficiency) of Revenues Over Expenditures	33,894	89,291	(3,850)	(20,977)
Other Financing Sources (Uses):				
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	33,894	89,291	(3,850)	(20,977)
Fund Balances at Beginning of Year	<u>257,802</u>	<u>561,163</u>	<u>16,529</u>	<u>59,939</u>
Fund Balances End of Year	<u>\$ 291,696</u>	<u>\$ 650,454</u>	<u>\$ 12,679</u>	<u>\$ 38,962</u>

CITY OF BLUE ASH, OHIO

State Law Enforcement Fund	OVI Task Force Fund	Drug Law Enforcement Fund	Education Enforcement (DUI) Fund	Plainfield Road TIF Fund	Osborne Area Improvement TIF Fund
\$ 0	\$ 0	\$ 0	\$ 0	\$ 118,925	\$ 136,153
0	200,145	0	0	0	0
0	0	0	0	0	0
606	0	491	717	0	0
0	0	0	0	0	0
<u>606</u>	<u>200,145</u>	<u>491</u>	<u>717</u>	<u>118,925</u>	<u>136,153</u>
13,527	195,607	13,293	51	0	0
0	0	0	0	0	0
0	0	0	0	159,477	88,382
<u>13,527</u>	<u>195,607</u>	<u>13,293</u>	<u>51</u>	<u>159,477</u>	<u>88,382</u>
(12,921)	4,538	(12,802)	666	(40,552)	47,771
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(12,921)	4,538	(12,802)	666	(40,552)	47,771
74,379	(28,635)	27,748	11,295	249,378	59,399
<u>\$ 61,458</u>	<u>\$ (24,097)</u>	<u>\$ 14,946</u>	<u>\$ 11,961</u>	<u>\$ 208,826</u>	<u>\$ 107,170</u>

(Continued)

CITY OF BLUE ASH, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	Forest TIF Fund	Shell TIF Fund	Hills Development TIF Fund	Michelman TIF Fund
Revenues:				
Property Taxes	\$ 356,085	\$ 12,690	\$ 675,921	\$ 69,791
Intergovernmental Revenues	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	0
Special Assessments	0	0	0	0
Total Revenue	<u>356,085</u>	<u>12,690</u>	<u>675,921</u>	<u>69,791</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Transportation	0	0	0	0
General Government	242,254	8,633	459,942	47,598
Total Expenditures	<u>242,254</u>	<u>8,633</u>	<u>459,942</u>	<u>47,598</u>
Excess (Deficiency) of Revenues Over Expenditures	113,831	4,057	215,979	22,193
Other Financing Sources (Uses):				
Transfers Out	0	0	(300,000)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(300,000)</u>	<u>0</u>
Net Change in Fund Balance	113,831	4,057	(84,021)	22,193
Fund Balances at Beginning of Year	<u>346,232</u>	<u>15,842</u>	<u>184,709</u>	<u>72,781</u>
Fund Balances End of Year	<u>\$ 460,063</u>	<u>\$ 19,899</u>	<u>\$ 100,688</u>	<u>\$ 94,974</u>

CITY OF BLUE ASH, OHIO

<u>Hampton Inn TIF</u>	<u>10900 Kenwood Rd. TIF</u>	<u>IEL TIF</u>	<u>Energy Special Improvement District</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 165,723	\$ 841,650	\$ 234,033	\$ 0	\$ 2,610,971
0	0	0	0	611,832
0	0	0	0	11,498
0	0	0	0	2,464
0	0	0	38,682	38,682
<u>165,723</u>	<u>841,650</u>	<u>234,033</u>	<u>38,682</u>	<u>3,275,447</u>
0	0	0	0	247,955
0	0	0	0	300,000
<u>112,745</u>	<u>572,362</u>	<u>159,194</u>	<u>38,682</u>	<u>1,889,269</u>
<u>112,745</u>	<u>572,362</u>	<u>159,194</u>	<u>38,682</u>	<u>2,437,224</u>
52,978	269,288	74,839	0	838,223
0	0	0	0	(300,000)
0	0	0	0	(300,000)
52,978	269,288	74,839	0	538,223
46,279	0	0	0	1,954,840
<u>\$ 99,257</u>	<u>\$ 269,288</u>	<u>\$ 74,839</u>	<u>\$ 0</u>	<u>\$ 2,493,063</u>

CITY OF BLUE ASH, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2019**

	HAM - Plainfield Rd. Roundabouts Fund	Park Road Improvements Fund	Urban Redevelopment #1 Construction Fund	Summit Park Fund	Total Nonmajor Capital Projects Funds
Assets:					
Cash and Cash Equivalents	\$ 10,530	\$ 307,685	\$ 2,201,117	\$ 422,683	\$ 2,942,015
Receivables:					
Interest	0	0	0	323	323
Total Assets	\$ 10,530	\$ 307,685	\$ 2,201,117	\$ 423,006	\$ 2,942,338
Liabilities:					
Contracts Payable	\$ 104,839	\$ 193,262	\$ 0	\$ 9,247	\$ 307,348
Interfund Loans Payable	0	0	1,000,000	0	1,000,000
Total Liabilities	104,839	193,262	1,000,000	9,247	1,307,348
Fund Balances:					
Restricted	0	114,423	1,201,117	413,759	1,729,299
Unassigned	(94,309)	0	0	0	(94,309)
Total Fund Balances	(94,309)	114,423	1,201,117	413,759	1,634,990
Total Liabilities and Fund Balances	\$ 10,530	\$ 307,685	\$ 2,201,117	\$ 423,006	\$ 2,942,338

CITY OF BLUE ASH, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2019**

	HAM - Plainfield Rd. Roundabouts Fund	Park Road Improvements Fund	Urban Redevelopment #1 Construction Fund	Summit Park Fund	Total Nonmajor Capital Project Funds
Revenues:					
Intergovernmental Revenues	\$ 0	\$ 0	\$ 0	\$ 90,000	\$ 90,000
Investment Earnings	0	0	0	5,543	5,543
Total Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>95,543</u>	<u>95,543</u>
Expenditures:					
Capital Outlay	844,309	817,212	78,883	341,589	2,081,993
Total Expenditures	<u>844,309</u>	<u>817,212</u>	<u>78,883</u>	<u>341,589</u>	<u>2,081,993</u>
Excess (Deficiency) of Revenues Over Expenditures	(844,309)	(817,212)	(78,883)	(246,046)	(1,986,450)
Other Financing Sources (Uses):					
Transfers In	0	360,000	1,100,000	0	1,460,000
Transfers Out	0	0	0	(48,222)	(48,222)
Total Other Financing Sources (Uses)	<u>0</u>	<u>360,000</u>	<u>1,100,000</u>	<u>(48,222)</u>	<u>1,411,778</u>
Net Change in Fund Balance	(844,309)	(457,212)	1,021,117	(294,268)	(574,672)
Fund Balances at Beginning of Year	<u>750,000</u>	<u>571,635</u>	<u>180,000</u>	<u>708,027</u>	<u>2,209,662</u>
Fund Balances End of Year	<u>\$ (94,309)</u>	<u>\$ 114,423</u>	<u>\$ 1,201,117</u>	<u>\$ 413,759</u>	<u>\$ 1,634,990</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 2,097,620	\$ 2,097,620	\$ 2,086,149	\$ (11,471)
Municipal Income Taxes	32,100,000	32,100,000	34,342,921	2,242,921
Other Local Taxes	1,175,000	1,175,000	1,160,884	(14,116)
Intergovernmental Revenues	542,184	548,184	590,906	42,722
Charges for Services	447,900	449,900	801,461	351,561
Licenses and Permits	755,800	945,800	960,478	14,678
Investment Earnings	450,000	450,000	732,650	282,650
Fines and Forfeitures	98,000	98,000	139,094	41,094
All Other Revenues	15,100	15,100	15,306	206
Total Revenues	<u>37,681,604</u>	<u>37,879,604</u>	<u>40,829,849</u>	<u>2,950,245</u>
Expenditures:				
Security of Persons and Property:				
Police Division:				
Personal Services	5,871,722	5,871,722	5,478,970	392,752
Materials and Supplies	140,372	142,372	134,141	8,231
Contractual Services	424,526	430,526	423,445	7,081
Capital Outlay	221,134	227,634	216,265	11,369
Total Police Division	<u>6,657,754</u>	<u>6,672,254</u>	<u>6,252,821</u>	<u>419,433</u>
Fire Division:				
Personal Services	4,658,725	4,658,725	4,340,448	318,277
Materials and Supplies	90,637	90,637	86,716	3,921
Contractual Services	320,980	320,980	318,239	2,741
Capital Outlay	356,521	356,521	356,358	163
Total Fire Division	<u>5,426,863</u>	<u>5,426,863</u>	<u>5,101,761</u>	<u>325,102</u>
Total Security of Persons and Property	<u>12,084,617</u>	<u>12,099,117</u>	<u>11,354,582</u>	<u>744,535</u>
Community Development:				
Building Division:				
Personal Services	457,819	457,819	450,692	7,127
Materials and Supplies	1,605	1,605	1,208	397
Contractual Services	752,521	942,520	921,209	21,311
Capital Outlay	1,626,877	1,626,877	1,563,531	63,346
Total Building Division	<u>2,838,822</u>	<u>3,028,821</u>	<u>2,936,640</u>	<u>92,181</u>
Total Community Development	<u>2,838,822</u>	<u>3,028,821</u>	<u>2,936,640</u>	<u>92,181</u>

(Continued)

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2019***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
General Government:				
Legislative Services:				
Personal Services	136,408	136,408	123,509	12,899
Materials and Supplies	500	500	281	219
Contractual Services	559,393	559,393	456,122	103,271
Total Legislative Services	<u>696,301</u>	<u>696,301</u>	<u>579,912</u>	<u>116,389</u>
Judicial Services:				
Personal Services	120,271	135,271	127,213	8,058
Materials and Supplies	1,170	1,170	1,034	136
Contractual Services	34,882	34,882	25,565	9,317
Total Judicial Services	<u>156,323</u>	<u>171,323</u>	<u>153,812</u>	<u>17,511</u>
Tax and Finance Divisions:				
Personal Services	695,748	695,748	673,100	22,648
Materials and Supplies	4,100	4,100	3,708	392
Contractual Services	117,230	117,230	97,505	19,725
Capital Outlay	6,000	6,000	5,000	1,000
Total Tax and Finance Divisions	<u>823,078</u>	<u>823,078</u>	<u>779,313</u>	<u>43,765</u>
Administrative Services Division:				
Personal Services	1,494,684	1,494,684	1,359,454	135,230
Materials and Supplies	6,908	6,908	5,772	1,136
Contractual Services	80,953	80,954	51,260	29,694
Capital Outlay	2,500	2,500	0	2,500
Total Administrative Services Division	<u>1,585,045</u>	<u>1,585,046</u>	<u>1,416,486</u>	<u>168,560</u>
Facilities Maintenance Division:				
Personal Services	1,535,178	1,535,178	1,348,308	186,870
Materials and Supplies	347,078	347,078	318,105	28,973
Contractual Services	857,937	933,937	884,584	49,353
Capital Outlay	1,124,197	1,124,197	1,124,197	0
Total Facilities Maintenance Division	<u>3,864,390</u>	<u>3,940,390</u>	<u>3,675,194</u>	<u>265,196</u>
Insurance Services Division:				
Contractual Services	280,000	280,000	148,688	131,312
Total Insurance Services Division	<u>280,000</u>	<u>280,000</u>	<u>148,688</u>	<u>131,312</u>

(Continued)

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
General Government Services:				
Personal Services	614,743	614,743	602,608	12,135
Materials and Supplies	37,074	37,074	34,885	2,189
Contractual Services	2,194,323	2,269,323	1,779,370	489,953
Capital Outlay	2,000,228	2,000,228	1,131,894	868,334
Total General Government Services	<u>4,846,368</u>	<u>4,921,368</u>	<u>3,548,757</u>	<u>1,372,611</u>
Total General Government	<u>12,251,505</u>	<u>12,417,506</u>	<u>10,302,162</u>	<u>2,115,344</u>
Total Expenditures	<u>27,174,944</u>	<u>27,545,444</u>	<u>24,593,384</u>	<u>2,952,060</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,506,660	10,334,160	16,236,465	5,902,305
Other Financing Sources (Uses):				
Sale of Capital Assets	25,000	25,000	17,140	(7,860)
Transfers In	300,000	300,620	300,620	0
Transfers Out	(14,210,594)	(14,401,594)	(12,670,955)	1,730,639
Advances In	27,090	27,090	27,090	0
Advances Out	0	(1,018,720)	(1,018,720)	0
Total Other Financing Sources (Uses)	<u>(13,858,504)</u>	<u>(15,067,604)</u>	<u>(13,344,825)</u>	<u>1,722,779</u>
Net Change in Fund Balance	(3,351,844)	(4,733,444)	2,891,640	7,625,084
Fund Balance at Beginning of Year	37,261,930	37,261,930	37,261,930	0
Prior Year Encumbrances	1,302,264	1,302,264	1,302,264	0
Fund Balance at End of Year	<u>\$ 35,212,350</u>	<u>\$ 33,830,750</u>	<u>\$ 41,455,834</u>	<u>\$ 7,625,084</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Special Revenue Fund – Street Construction, Maintenance & Repair Fund
For the Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 718,350	\$ 918,350	\$ 1,147,158	\$ 228,808
Charges for Services	12,000	31,000	57,048	26,048
Investment Earnings	5,000	5,000	10,185	5,185
All Other Revenues	1,650	1,650	2,055	405
Total Revenues	<u>737,000</u>	<u>956,000</u>	<u>1,216,446</u>	<u>260,446</u>
Expenditures:				
Transportation:				
Street Division:				
Personal Services	1,832,067	1,832,067	1,705,189	126,878
Materials and Supplies	469,566	500,566	484,459	16,107
Contractual Services	621,860	640,860	575,213	65,647
Capital Outlay	3,121,186	3,321,186	3,031,358	289,828
Total Expenditures	<u>6,044,679</u>	<u>6,294,679</u>	<u>5,796,219</u>	<u>498,460</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,307,679)	(5,338,679)	(4,579,773)	758,906
Other Financing Sources (Uses):				
Transfers In	3,287,850	3,318,850	2,559,944	(758,906)
Total Other Financing Sources (Uses)	<u>3,287,850</u>	<u>3,318,850</u>	<u>2,559,944</u>	<u>(758,906)</u>
Net Changes in Fund Balance	(2,019,829)	(2,019,829)	(2,019,829)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	2,019,829	2,019,829	2,019,829	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Special Revenue Fund –Park and Recreation Fund
For the Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 1,362,778	\$ 1,362,778	\$ 1,483,057	\$ 120,279
All Other Revenues	567,750	567,750	599,405	31,655
Total Revenues	<u>1,930,528</u>	<u>1,930,528</u>	<u>2,082,462</u>	<u>151,934</u>
Expenditures:				
Leisure Time Activities:				
Recreation Programming Division:				
Personal Services	1,258,460	1,258,460	1,158,234	100,226
Materials and Supplies	232,714	232,714	216,840	15,874
Contractual Services	1,416,009	1,416,009	1,392,519	23,490
Capital Outlay	84,639	84,639	57,246	27,393
Total Recreation Programming Division	<u>2,991,822</u>	<u>2,991,822</u>	<u>2,824,839</u>	<u>166,983</u>
Grounds Maintenance Division:				
Personal Services	942,780	942,780	880,700	62,080
Materials and Supplies	237,698	237,698	222,164	15,534
Contractual Services	715,164	715,164	684,589	30,575
Capital Outlay	623,720	668,720	601,795	66,925
Total Grounds Maintenance Division	<u>2,519,362</u>	<u>2,564,362</u>	<u>2,389,248</u>	<u>175,114</u>
Total Expenditures	<u>5,511,184</u>	<u>5,556,184</u>	<u>5,214,087</u>	<u>342,097</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,580,656)	(3,625,656)	(3,131,625)	494,031
Other Financing Sources (Uses):				
Transfers In	3,322,872	3,367,872	2,873,841	(494,031)
Total Other Financing Sources (Uses)	<u>3,322,872</u>	<u>3,367,872</u>	<u>2,873,841</u>	<u>(494,031)</u>
Net Change in Fund Balance	(257,784)	(257,784)	(257,784)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	257,784	257,784	257,784	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Debt Service Fund – General Obligation Bond Retirement Fund
For the Year Ended December 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 85,039	\$ 84,574	\$ (465)
Intergovernmental Revenues	606,161	606,158	(3)
Investment Earnings	0	13,277	13,277
Total Revenues	<u>691,200</u>	<u>704,009</u>	<u>12,809</u>
Expenditures:			
Debt Service:			
Principal Retirement	5,819,398	5,818,764	634
Interest and Fiscal Charges	944,598	943,760	838
Total Expenditures	<u>6,763,996</u>	<u>6,762,524</u>	<u>1,472</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,072,796)	(6,058,515)	14,281
Other Financing Sources (Uses):			
Transfers In	6,121,017	6,058,515	(62,502)
Total Other Financing Sources (Uses)	<u>6,121,017</u>	<u>6,058,515</u>	<u>(62,502)</u>
Net Change in Fund Balance	48,221	0	(48,221)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 48,221</u>	<u>\$ 0</u>	<u>\$ (48,221)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Debt Service Fund – TIF Carver Road Bond Retirement Fund
For the Year Ended December 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 1,900,000	\$ 1,646,979	\$ (253,021)
Investment Earnings	2,200	6,870	4,670
Total Revenues	<u>1,902,200</u>	<u>1,653,849</u>	<u>(248,351)</u>
Expenditures:			
General Government:			
Contractual Services	1,248,000	1,005,628	242,372
Total General Government	<u>1,248,000</u>	<u>1,005,628</u>	<u>242,372</u>
Debt Service:			
Principal Retirement	290,000	290,000	0
Interest and Fiscal Charges	376,000	376,000	0
Total Expenditures	<u>1,914,000</u>	<u>1,671,628</u>	<u>242,372</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,800)	(17,779)	(5,979)
Fund Balance at Beginning of Year	896,199	896,199	0
Fund Balance at End of Year	<u>\$ 884,399</u>	<u>\$ 878,420</u>	<u>\$ (5,979)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 156,000	\$ 281,468	\$ 125,468
Investment Earnings	1,500	4,022	2,522
Total Revenues	<u>157,500</u>	<u>285,490</u>	<u>127,990</u>
Expenditures:			
Transportation:			
Street Division:			
Personal Services	100,000	100,000	0
Capital Outlay	<u>200,000</u>	<u>200,000</u>	<u>0</u>
Total Expenditures	<u>300,000</u>	<u>300,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(142,500)	(14,510)	127,990
Fund Balance at Beginning of Year	217,315	217,315	0
Fund Balance at End of Year	<u>\$ 74,815</u>	<u>\$ 202,805</u>	<u>\$ 127,990</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 57,350	\$ 75,708	\$ 18,358
Investment Earnings	2,900	7,681	4,781
Total Revenues	<u>60,250</u>	<u>83,389</u>	<u>23,139</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	60,250	83,389	23,139
Fund Balance at Beginning of Year	<u>550,233</u>	<u>550,233</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 610,483</u>	<u>\$ 633,622</u>	<u>\$ 23,139</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Contractual Services	<u> 6,000</u>	<u> 3,850</u>	<u> 2,150</u>
Total Expenditures	<u> 6,000</u>	<u> 3,850</u>	<u> 2,150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u> (6,000)</u>	<u> (3,850)</u>	<u> 2,150</u>
Fund Balance at Beginning of Year	<u> 16,529</u>	<u> 16,529</u>	<u> 0</u>
Fund Balance at End of Year	<u><u> \$ 10,529</u></u>	<u><u> \$ 12,679</u></u>	<u><u> \$ 2,150</u></u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 247,500	\$ 187,993	\$ (59,507)
Total Revenues	<u>247,500</u>	<u>187,993</u>	<u>(59,507)</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Contractual Services	217,500	180,621	36,879
Total Expenditures	<u>217,500</u>	<u>180,621</u>	<u>36,879</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	30,000	7,372	(22,628)
Fund Balance at Beginning of Year	(19,524)	(19,524)	0
Fund Balance at End of Year	<u>\$ 10,476</u>	<u>\$ (12,152)</u>	<u>\$ (22,628)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 650	\$ 650
Total Revenues	<u>0</u>	<u>650</u>	<u>650</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Contractual Services	4,850	1,995	2,855
Capital Outlay	<u>30,416</u>	<u>21,628</u>	<u>8,788</u>
Total Expenditures	<u>35,266</u>	<u>23,623</u>	<u>11,643</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,266)	(22,973)	12,293
Fund Balance at Beginning of Year	56,513	56,513	0
Prior Year Encumbrances	<u>3,766</u>	<u>3,766</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 25,013</u>	<u>\$ 37,306</u>	<u>\$ 12,293</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 606	\$ 606
Total Revenues	<u>0</u>	<u>606</u>	<u>606</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Materials and Supplies	4,000	0	4,000
Contractual Services	24,100	7,010	17,090
Capital Outlay	18,038	8,038	10,000
Total Expenditures	<u>46,138</u>	<u>15,048</u>	<u>31,090</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(46,138)	(14,442)	31,696
Fund Balance at Beginning of Year	64,228	64,228	0
Prior Year Encumbrances	9,138	9,138	0
Fund Balance at End of Year	<u>\$ 27,228</u>	<u>\$ 58,924</u>	<u>\$ 31,696</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 507	\$ 507
Total Revenues	<u>0</u>	<u>507</u>	<u>507</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Materials and Supplies	2,750	2,448	302
Contractual Services	15,595	12,775	2,820
Capital Outlay	7,000	0	7,000
Total Expenditures	<u>25,345</u>	<u>15,223</u>	<u>10,122</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,345)	(14,716)	10,629
Fund Balance at Beginning of Year	25,023	25,023	0
Prior Year Encumbrances	3,045	3,045	0
Fund Balance at End of Year	<u>\$ 2,723</u>	<u>\$ 13,352</u>	<u>\$ 10,629</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 660	\$ 660
Total Revenues	<u>0</u>	<u>660</u>	<u>660</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Contractual Services	2,000	1,551	449
Total Expenditures	<u>2,000</u>	<u>1,551</u>	<u>449</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,000)	(891)	1,109
Fund Balance at Beginning of Year	11,295	11,295	0
Fund Balance at End of Year	<u>\$ 9,295</u>	<u>\$ 10,404</u>	<u>\$ 1,109</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 220,000	\$ 118,925	\$ (101,075)
Total Revenues	<u>220,000</u>	<u>118,925</u>	<u>(101,075)</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	153,800	77,533	76,267
Capital Outlay	<u>112,296</u>	<u>112,296</u>	<u>0</u>
Total Expenditures	<u>266,096</u>	<u>189,829</u>	<u>76,267</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(46,096)	(70,904)	(24,808)
Fund Balance at Beginning of Year	<u>279,730</u>	<u>279,730</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 233,634</u>	<u>\$ 208,826</u>	<u>\$ (24,808)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 135,000	\$ 136,153	\$ 1,153
Total Revenues	<u>135,000</u>	<u>136,153</u>	<u>1,153</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	<u>91,600</u>	<u>88,382</u>	<u>3,218</u>
Total Expenditures	<u>91,600</u>	<u>88,382</u>	<u>3,218</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	43,400	47,771	4,371
Fund Balance at Beginning of Year	<u>59,399</u>	<u>59,399</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 102,799</u>	<u>\$ 107,170</u>	<u>\$ 4,371</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 350,000	\$ 356,085	\$ 6,085
Total Revenues	<u>350,000</u>	<u>356,085</u>	<u>6,085</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	254,000	242,254	11,746
Total Expenditures	<u>254,000</u>	<u>242,254</u>	<u>11,746</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	96,000	113,831	17,831
Fund Balance at Beginning of Year	346,232	346,232	0
Fund Balance at End of Year	<u>\$ 442,232</u>	<u>\$ 460,063</u>	<u>\$ 17,831</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	SHELL TIF FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Revenues:			
Property Taxes	\$ 14,000	\$ 12,690	\$ (1,310)
Total Revenues	<u>14,000</u>	<u>12,690</u>	<u>(1,310)</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	10,250	8,633	1,617
Total Expenditures	<u>10,250</u>	<u>8,633</u>	<u>1,617</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,750	4,057	307
Fund Balance at Beginning of Year	15,842	15,842	0
Fund Balance at End of Year	<u>\$ 19,592</u>	<u>\$ 19,899</u>	<u>\$ 307</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 650,943	\$ 675,921	\$ 24,978
Total Revenues	<u>650,943</u>	<u>675,921</u>	<u>24,978</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	<u>459,942</u>	<u>459,942</u>	<u>0</u>
Total Expenditures	<u>459,942</u>	<u>459,942</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	191,001	215,979	24,978
Other Financing Sources (Uses):			
Transfers Out	<u>(300,000)</u>	<u>(300,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(300,000)</u>	<u>(300,000)</u>	<u>0</u>
Net Changes in Fund Balance	(108,999)	(84,021)	24,978
Fund Balance at Beginning of Year	<u>184,709</u>	<u>184,709</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 75,710</u>	<u>\$ 100,688</u>	<u>\$ 24,978</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 70,000	\$ 69,791	\$ (209)
Total Revenues	<u>70,000</u>	<u>69,791</u>	<u>(209)</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	<u>51,000</u>	<u>47,598</u>	<u>3,402</u>
Total Expenditures	<u>51,000</u>	<u>47,598</u>	<u>3,402</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	19,000	22,193	3,193
Fund Balance at Beginning of Year	<u>72,781</u>	<u>72,781</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 91,781</u>	<u>\$ 94,974</u>	<u>\$ 3,193</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 165,000	\$ 165,723	\$ 723
Total Revenues	<u>165,000</u>	<u>165,723</u>	<u>723</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	121,900	112,745	9,155
Total Expenditures	<u>121,900</u>	<u>112,745</u>	<u>9,155</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	43,100	52,978	9,878
Fund Balance at Beginning of Year	46,279	46,279	0
Fund Balance at End of Year	<u>\$ 89,379</u>	<u>\$ 99,257</u>	<u>\$ 9,878</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 849,900	\$ 841,650	\$ (8,250)
Total Revenues	<u>849,900</u>	<u>841,650</u>	<u>(8,250)</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	<u>579,000</u>	<u>572,362</u>	<u>6,638</u>
Total Expenditures	<u>579,000</u>	<u>572,362</u>	<u>6,638</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	270,900	269,288	(1,612)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 270,900</u>	<u>\$ 269,288</u>	<u>\$ (1,612)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

IEL TIF FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 235,500	\$ 234,033	\$ (1,467)
Total Revenues	<u>235,500</u>	<u>234,033</u>	<u>(1,467)</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	167,500	159,194	8,306
Total Expenditures	<u>167,500</u>	<u>159,194</u>	<u>8,306</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	68,000	74,839	6,839
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 68,000</u>	<u>\$ 74,839</u>	<u>\$ 6,839</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019**

ENERGY SPECIAL IMPROVEMENT DISTRICT FUND			Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Special Assessments	\$ 38,683	\$ 38,682	\$ (1)
Total Revenues	<u>38,683</u>	<u>38,682</u>	<u>(1)</u>
Expenditures:			
General Government:			
Contractual Services	38,683	38,682	1
Total Expenditures	<u>38,683</u>	<u>38,682</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2019**

TIF REED HARTMAN HIGHWAY/OSBORNE ROAD FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 330,000	\$ 325,892	\$ (4,108)
Total Revenues	<u>330,000</u>	<u>325,892</u>	<u>(4,108)</u>
Expenditures:			
General Government:			
Contractual Services	96,800	92,755	4,045
Total Expenditures	<u>96,800</u>	<u>92,755</u>	<u>4,045</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	233,200	233,137	(63)
Other Financing Sources (Uses):			
Transfers Out	(233,123)	(233,123)	0
Total Other Financing Sources (Uses)	<u>(233,123)</u>	<u>(233,123)</u>	<u>0</u>
Net Change in Fund Balance	77	14	(63)
Fund Balance at Beginning of Year	520	520	0
Fund Balance at End of Year	<u>\$ 597</u>	<u>\$ 534</u>	<u>\$ (63)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay	750,000	750,000	0
Total Expenditures	750,000	750,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(750,000)	(750,000)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	750,000	750,000	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay	1,142,716	1,126,152	16,564
Total Expenditures	1,142,716	1,126,152	16,564
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(1,142,716)	(1,126,152)	16,564
Other Financing Sources (Uses):			
Transfers In	360,000	360,000	0
Total Other Financing Sources (Uses)	360,000	360,000	0
Net Change in Fund Balance	(782,716)	(766,152)	16,564
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	782,716	782,716	0
Fund Balance at End of Year	\$ 0	\$ 16,564	\$ 16,564

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2019***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay	2,280,000	2,278,635	1,365
Total Expenditures	2,280,000	2,278,635	1,365
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,280,000)	(2,278,635)	1,365
Other Financing Sources (Uses):			
Transfers In	1,100,000	1,100,000	0
Advances In	1,000,000	1,000,000	0
Total Other Financing Sources (Uses)	2,100,000	2,100,000	0
Net Change in Fund Balance	(180,000)	(178,635)	1,365
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	180,000	180,000	0
Fund Balance at End of Year	\$ 0	\$ 1,365	\$ 1,365

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 0	\$ 90,000	\$ 90,000
Investment Earnings	0	6,028	6,028
Total Revenues	0	96,028	96,028
Expenditures:			
Capital Outlay	436,724	386,597	50,127
Total Expenditures	436,724	386,597	50,127
Excess (Deficiency) of Revenues Over (Under) Expenditures	(436,724)	(290,569)	146,155
Other Financing Sources (Uses):			
Transfers Out	(48,222)	(48,222)	0
Total Other Financing Sources (Uses)	(48,222)	(48,222)	0
Net Changes in Fund Balance	(484,946)	(338,791)	146,155
Fund Balance at Beginning of Year	696,161	696,161	0
Prior Year Encumbrances	25,495	25,495	0
Fund Balance at End of Year	\$ 236,710	\$ 382,865	\$ 146,155

Fiduciary Funds

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

Custodial Funds

Mayor's Court Fund

To account for funds that flow through the Mayor's Court.

Ohio Board of Building Standards Assessment Fund

To account for funds from fees as required by Ohio Revised Code.

CITY OF BLUE ASH, OHIO

**Combining Statement of Net Position
Custodial Funds
December 31, 2019**

	Ohio Board of Building Standards	Mayor's Court	Total Custodial Funds
Assets:			
Cash and Cash Equivalents	\$ 1,535	\$ 0	\$ 1,535
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	0	5,645	5,645
Total Assets	<u>1,535</u>	<u>5,645</u>	<u>7,180</u>
Liabilities:			
Intergovernmental Payable	1,535	0	1,535
Due to Others	0	5,645	5,645
Total Liabilities	<u>\$ 1,535</u>	<u>\$ 5,645</u>	<u>\$ 7,180</u>

CITY OF BLUE ASH, OHIO

**Combining Statement of Changes in Net Position
Custodial Funds
For the Year Ended December 31, 2019**

	Ohio Board of Building Standards	Mayor's Court	Total Custodial Funds
Additions:			
Charges for Services	\$ 20,819	\$ 0	\$ 20,819
Fines and Forfeitures	0	62,590	62,590
Total Additions	<u>20,819</u>	<u>62,590</u>	<u>83,409</u>
Deductions:			
Other Distributions	<u>20,819</u>	<u>62,590</u>	<u>83,409</u>
Total Deductions	<u>20,819</u>	<u>62,590</u>	<u>83,409</u>
Change in Net Position	0	0	0
Net Position at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Net Position End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



Statistical Section





On the Statistical Section Divider:

Summit Park Aerial View

Fireworks at Red, White, and Blue Ash July 4th Event

Glass Canopy Reflections at Summit Park

American Legion at Memorial Day Ceremony

STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source, income tax.	
Debt Capacity	S 18 – S 27
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Economic and Demographic Information	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 32 – S 37
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

City of Blue Ash, Ohio

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Governmental Activities:			
Net Investment in Capital Assets	\$52,322,247	\$49,870,997	\$56,238,601
Restricted	3,887,408	8,010,630	4,147,964
Unrestricted	21,877,839	18,694,226	26,706,565
Total Governmental Activities Net Position	<u>\$78,087,494</u>	<u>\$76,575,853</u>	<u>\$87,093,130</u>
Business-type Activities:			
Net Investment in Capital Assets	\$4,363,628	\$11,749,406	\$12,869,854
Unrestricted (Deficit)	(60,056)	87,108	457
Total Business-type Activities Net Position	<u>\$4,303,572</u>	<u>\$11,836,514</u>	<u>\$12,870,311</u>
Primary Government:			
Net Investment in Capital Assets	\$56,685,875	\$61,620,403	\$69,108,455
Restricted	3,887,408	8,010,630	4,147,964
Unrestricted	21,817,783	18,781,334	26,707,022
Total Primary Government Net Position	<u>\$82,391,066</u>	<u>\$88,412,367</u>	<u>\$99,963,441</u>

Source: Finance Office

* Restated

City of Blue Ash, Ohio

2013	2014	2015	2016	2017	2018	2019
				*		
\$63,698,280	\$69,169,689	\$72,296,446	\$75,165,978	\$86,769,015	\$92,979,884	\$96,166,559
2,580,973	3,095,299	3,116,685	8,352,334	7,943,142	6,841,107	6,182,184
33,413,459	20,619,449	27,196,046	25,508,588	85,864	(661,788)	16,472,642
<u>\$99,692,712</u>	<u>\$92,884,437</u>	<u>\$102,609,177</u>	<u>\$109,026,900</u>	<u>\$94,798,021</u>	<u>\$99,159,203</u>	<u>\$118,821,385</u>
\$12,696,832	\$12,151,331	\$12,019,132	\$11,602,415	\$11,597,689	\$11,091,207	\$10,603,502
(37,321)	(869,231)	(672,719)	(477,608)	(1,811,520)	(1,819,468)	(2,172,911)
<u>\$12,659,511</u>	<u>\$11,282,100</u>	<u>\$11,346,413</u>	<u>\$11,124,807</u>	<u>\$9,786,169</u>	<u>\$9,271,739</u>	<u>\$8,430,591</u>
\$76,395,112	\$81,321,020	\$84,315,578	\$86,768,393	\$98,366,704	\$104,071,091	\$106,770,061
2,580,973	3,095,299	3,116,685	8,352,334	7,943,142	6,841,107	6,182,184
33,376,138	19,750,218	26,523,327	25,030,980	(1,725,656)	(2,481,256)	14,299,731
<u>\$112,352,223</u>	<u>\$104,166,537</u>	<u>\$113,955,590</u>	<u>\$120,151,707</u>	<u>\$104,584,190</u>	<u>\$108,430,942</u>	<u>\$127,251,976</u>

City of Blue Ash, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2010	2011	2012
Expenses			
Governmental Activities:			
Security of Persons and Property	\$10,200,445	\$10,106,451	\$11,006,802
Leisure Time Activities	3,965,278	12,798,189	6,478,840
Community Development	1,602,342	1,228,985	1,464,789
Basic Utility Services	79,730	0	0
Transportation	4,058,682	4,916,322	4,518,985
General Government	10,227,100	9,061,273	9,628,004
Interest and Fiscal Charges	1,999,212	2,216,492	2,417,896
<i>Total Governmental Activities Expenses</i>	<u>32,132,789</u>	<u>40,327,712</u>	<u>35,515,316</u>
Business-type Activities:			
Golf Course and Events Center	1,461,696	1,678,250	3,225,981
<i>Total Business-type Activities Expenses</i>	<u>1,461,696</u>	<u>1,678,250</u>	<u>3,225,981</u>
<i>Total Primary Government Expenses</i>	<u>\$33,594,485</u>	<u>\$42,005,962</u>	<u>\$38,741,297</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$39,045	\$30,966	\$20,494
Leisure Time Activities	844,815	903,915	1,015,236
Community Development	266,574	320,669	373,982
Transportation	1,977	9,669	4,553
General Government	188,747	207,794	265,710
Operating Grants and Contributions	1,037,723	965,315	1,676,731
Capital Grants and Contributions	65,390	668,490	3,955,031
<i>Total Governmental Activities Program Revenues</i>	<u>2,444,271</u>	<u>3,106,818</u>	<u>7,311,737</u>

City of Blue Ash, Ohio

2013	2014	2015	2016	2017	2018	2019
\$10,349,278	\$10,101,957	\$10,472,646	\$11,713,893	\$13,095,734	\$13,166,319	\$854,258
5,629,617	5,555,875	5,403,923	5,640,754	6,468,472	6,969,294	8,172,050
965,971	1,051,443	968,522	1,345,380	2,022,567	2,303,218	1,683,183
0	0	0	0	0	0	0
5,723,814	5,771,818	5,227,321	4,868,588	5,184,357	6,340,958	5,535,883
9,075,488	10,218,008	10,286,073	12,307,511	12,107,823	12,872,579	13,353,653
1,828,081	2,320,588	2,194,572	2,419,405	2,262,382	2,109,202	1,728,898
<u>33,572,249</u>	<u>35,019,689</u>	<u>34,553,057</u>	<u>38,295,531</u>	<u>41,141,335</u>	<u>43,761,570</u>	<u>31,327,925</u>
<u>3,836,350</u>	<u>4,246,858</u>	<u>4,580,478</u>	<u>4,732,241</u>	<u>5,024,974</u>	<u>4,810,484</u>	<u>4,873,527</u>
<u>3,836,350</u>	<u>4,246,858</u>	<u>4,580,478</u>	<u>4,732,241</u>	<u>5,024,974</u>	<u>4,810,484</u>	<u>4,873,527</u>
<u>\$37,408,599</u>	<u>\$39,266,547</u>	<u>\$39,133,535</u>	<u>\$43,027,772</u>	<u>\$46,166,309</u>	<u>\$48,572,054</u>	<u>\$36,201,452</u>
\$63,254	\$21,518	\$57,772	\$9,629	\$8,560	\$64,493	\$4,507
1,181,479	996,605	829,843	1,094,815	1,205,475	1,394,991	1,481,903
380,564	440,045	467,770	998,232	559,973	753,914	839,413
38,691	69,329	79,106	47,363	14,204	40,543	57,048
215,567	199,819	166,220	136,979	91,612	117,732	139,094
1,273,776	1,172,806	1,295,689	1,053,207	1,406,746	1,385,724	2,080,704
2,595,936	1,726,881	0	245,100	62,100	270,800	128,682
<u>5,749,267</u>	<u>4,627,003</u>	<u>2,896,400</u>	<u>3,585,325</u>	<u>3,348,670</u>	<u>4,028,197</u>	<u>4,731,351</u>

(continued)

City of Blue Ash, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2010	2011	2012
Business-type Activities:			
Charges for Services			
Golf Course and Events Center	1,001,624	911,220	2,624,062
Capital Grants and Contributions	0	7,371,069	1,046,178
<i>Total Business-type Activities Program Revenues</i>	<u>1,001,624</u>	<u>8,282,289</u>	<u>3,670,240</u>
<i>Total Primary Government Program Revenues</i>	<u>3,445,895</u>	<u>11,389,107</u>	<u>10,981,977</u>
Net (Expense)/Revenue			
Governmental Activities	(29,688,518)	(37,220,894)	(28,203,579)
Business-type Activities	(460,072)	6,604,039	444,259
<i>Total Primary Government Net (Expense)/Revenue</i>	<u><u>(\$30,148,590)</u></u>	<u><u>(\$30,616,855)</u></u>	<u><u>(\$27,759,320)</u></u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Property Taxes Levied for:			
General Purposes	\$2,122,642	\$2,090,590	\$1,951,949
Debt Service	1,172,283	1,042,031	1,297,379
Municipal Income Taxes	27,380,888	30,159,819	32,063,469
Other Local Taxes	875,608	927,172	977,428
Grants and Entitlements not			
Restricted to Specific Programs	3,201,037	1,451,654	1,947,792
Investment Earnings	28,331	18,069	20,212
Miscellaneous	1,129,099	948,821	1,052,165
Transfers	(2,318,347)	(928,903)	(589,538)
<i>Total Governmental Activities</i>	<u>33,591,541</u>	<u>35,709,253</u>	<u>38,720,856</u>
Business-type Activities:			
Transfers	2,318,347	928,903	589,538
<i>Total Business-type Activities</i>	<u>2,318,347</u>	<u>928,903</u>	<u>589,538</u>
<i>Total Primary Government</i>	<u><u>\$35,909,888</u></u>	<u><u>\$36,638,156</u></u>	<u><u>\$39,310,394</u></u>
Change in Net Position			
Governmental Activities	\$3,903,023	(\$1,511,641)	\$10,517,277
Business-type Activities	1,858,275	7,532,942	1,033,797
<i>Total Primary Government Change in Net Position</i>	<u><u>\$5,761,298</u></u>	<u><u>\$6,021,301</u></u>	<u><u>\$11,551,074</u></u>

Source: Finance Office

City of Blue Ash, Ohio

2013	2014	2015	2016	2017	2018	2019
3,219,729	3,533,029	4,026,551	4,020,511	3,940,532	4,011,659	4,032,379
165,631	0	250,000	237,000	0	0	0
<u>3,385,360</u>	<u>3,533,029</u>	<u>4,276,551</u>	<u>4,257,511</u>	<u>3,940,532</u>	<u>4,011,659</u>	<u>4,032,379</u>
<u>9,134,627</u>	<u>8,160,032</u>	<u>7,172,951</u>	<u>7,842,836</u>	<u>7,289,202</u>	<u>8,039,856</u>	<u>8,763,730</u>
(27,822,982)	(30,392,686)	(31,656,657)	(34,710,206)	(37,792,665)	(39,733,373)	(26,596,574)
(450,990)	(713,829)	(303,927)	(474,730)	(1,084,442)	(798,825)	(841,148)
<u><u>(\$28,273,972)</u></u>	<u><u>(\$31,106,515)</u></u>	<u><u>(\$31,960,584)</u></u>	<u><u>(\$35,184,936)</u></u>	<u><u>(\$38,877,107)</u></u>	<u><u>(\$40,532,198)</u></u>	<u><u>(\$27,437,722)</u></u>
\$1,916,073	\$1,944,826	\$1,986,082	\$1,896,330	\$1,976,898	\$2,183,171	\$2,086,149
1,628,551	1,881,376	2,078,330	2,238,652	2,653,092	3,733,402	4,577,232
32,774,748	33,605,111	33,619,607	34,167,742	34,094,570	34,310,895	34,524,308
1,035,261	1,086,938	1,146,178	1,197,802	1,233,405	1,211,323	1,209,481
1,641,422	679,449	658,670	648,002	542,579	1,224,980	1,215,161
11,909	24,479	57,543	243,707	400,832	611,746	1,002,399
1,654,790	1,109,052	2,203,227	988,818	1,271,178	1,103,433	1,644,026
(240,190)	(200,821)	(368,240)	(253,124)	(533,677)	(284,395)	0
<u>40,422,564</u>	<u>40,130,410</u>	<u>41,381,397</u>	<u>41,127,929</u>	<u>41,638,877</u>	<u>44,094,555</u>	<u>46,258,756</u>
240,190	200,821	368,240	253,124	533,677	284,395	0
<u>240,190</u>	<u>200,821</u>	<u>368,240</u>	<u>253,124</u>	<u>533,677</u>	<u>284,395</u>	<u>0</u>
<u><u>\$40,662,754</u></u>	<u><u>\$40,331,231</u></u>	<u><u>\$41,749,637</u></u>	<u><u>\$41,381,053</u></u>	<u><u>\$42,172,554</u></u>	<u><u>\$44,378,950</u></u>	<u><u>\$46,258,756</u></u>
\$12,599,582	\$9,737,724	\$9,724,740	\$6,417,723	\$3,846,212	\$4,361,182	\$19,662,182
(210,800)	(513,008)	64,313	(221,606)	(550,765)	(514,430)	(841,148)
<u><u>\$12,388,782</u></u>	<u><u>\$9,224,716</u></u>	<u><u>\$9,789,053</u></u>	<u><u>\$6,196,117</u></u>	<u><u>\$3,295,447</u></u>	<u><u>\$3,846,752</u></u>	<u><u>\$18,821,034</u></u>

City of Blue Ash, Ohio

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2010	2011	2012
General Fund			
Nonspendable	\$0	\$70,661	\$69,202
Assigned	0	692,613	490,568
Unassigned	0	25,714,464	32,496,633
Reserved	374,763	0	0
Unreserved	20,394,371	0	0
<i>Total General Fund</i>	<u>20,769,134</u>	<u>26,477,738</u>	<u>33,056,403</u>
All Other Governmental Funds			
Nonspendable	0	193,098	244,501
Restricted	0	8,397,036	5,584,468
Committed	0	0	389,934
Unassigned	0	(90,719)	(31,182)
Reserved	10,338,361	0	0
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	502,130	0	0
Capital Projects Funds	3,366,817	0	0
<i>Total All Other Governmental Funds</i>	<u>14,207,308</u>	<u>8,499,415</u>	<u>6,187,721</u>
<i>Total Governmental Funds</i>	<u>\$34,976,442</u>	<u>\$34,977,153</u>	<u>\$39,244,124</u>

Source: Finance Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

City of Blue Ash, Ohio

2013	2014	2015	2016	2017	2018	2019
\$89,710	\$96,793	\$84,210	\$66,171	\$91,385	\$83,240	\$227,743
502,863	1,890,470	8,792,034	6,769,403	4,598,639	3,020,354	2,659,624
38,075,565	41,838,337	37,689,750	36,975,558	36,546,077	38,866,340	46,764,218
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>38,668,138</u>	<u>43,825,600</u>	<u>46,565,994</u>	<u>43,811,132</u>	<u>41,236,101</u>	<u>41,969,934</u>	<u>49,651,585</u>
282,983	356,947	376,105	376,479	235,063	277,535	412,086
2,642,281	15,087,031	7,310,230	15,940,986	8,806,338	6,835,887	5,974,626
0	0	101,482	1,617,548	24,586	130,724	368,162
(1,655,346)	(30,571)	0	(12,133)	(69,100)	(28,635)	(118,406)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>1,269,918</u>	<u>15,413,407</u>	<u>7,787,817</u>	<u>17,922,880</u>	<u>8,996,887</u>	<u>7,215,511</u>	<u>6,636,468</u>
<u>\$39,938,056</u>	<u>\$59,239,007</u>	<u>\$54,353,811</u>	<u>\$61,734,012</u>	<u>\$50,232,988</u>	<u>\$49,185,445</u>	<u>\$56,288,053</u>

City of Blue Ash, Ohio

Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2010	2011	2012	2013
Revenues:				
Taxes				
Property	\$3,210,343	\$3,214,814	\$3,312,909	\$3,515,545
Municipal Income	27,411,890	29,937,730	32,056,490	32,483,012
Other Local	875,608	927,172	977,428	1,035,261
Intergovernmental Revenues	4,296,177	3,196,489	3,744,046	3,817,993
Charges for Services	1,568,165	1,560,635	1,790,370	2,128,525
Licenses and Permits	367,608	425,185	479,189	492,735
Investment Earnings	28,331	18,069	20,212	11,909
Fines and Forfeitures	114,812	144,371	158,158	165,367
Special Assessments	0	0	0	0
All Other Revenue	419,672	292,853	304,423	444,078
Total Revenue	<u>38,292,606</u>	<u>39,717,318</u>	<u>42,843,225</u>	<u>44,094,425</u>
Expenditures:				
Current:				
Security of Persons and Property	10,230,976	10,014,242	10,945,025	10,583,889
Leisure Time Activities	3,823,146	4,081,680	4,199,137	4,503,851
Community Environment	1,601,674	1,220,875	1,464,165	964,866
Basic Utility Services	114,224	0	0	0
Transportation	3,500,677	4,443,374	3,833,354	3,862,519
General Government	7,846,087	7,639,034	8,465,303	7,775,410
Capital Outlay	2,689,388	8,709,260	4,895,275	10,704,764
Debt Service:				
Principal Retirement	2,588,598	3,543,420	3,559,459	3,712,733
Interest and Fiscal Charges	1,955,738	2,273,692	2,168,662	1,891,231
Total Expenditures	<u>34,350,508</u>	<u>41,925,577</u>	<u>39,530,380</u>	<u>43,999,263</u>
Excess (Deficiency) of Revenues Over Expenditures	3,942,098	(2,208,259)	3,312,845	95,162

City of Blue Ash, Ohio

2014	2015	2016	2017	2018	2019
\$3,849,249	\$4,072,528	\$4,161,696	\$4,566,611	\$5,877,911	\$6,754,565
33,566,176	33,413,800	34,066,385	33,882,475	34,152,647	34,494,737
1,086,938	1,146,178	1,197,802	1,233,405	1,211,323	1,209,481
2,128,138	1,996,972	1,947,440	1,968,558	2,803,618	3,134,705
2,003,962	1,762,718	2,752,372	2,194,109	2,246,859	2,377,107
553,898	581,410	1,095,615	701,343	854,440	959,979
24,479	57,543	243,707	400,832	611,746	1,002,399
113,796	136,657	87,065	113,568	160,273	140,474
0	0	0	0	0	38,682
324,382	341,672	247,076	335,023	184,284	626,917
<u>43,651,018</u>	<u>43,509,478</u>	<u>45,799,158</u>	<u>45,395,924</u>	<u>48,103,101</u>	<u>50,739,046</u>
10,044,375	10,312,001	11,630,753	11,341,945	11,531,908	11,205,928
4,421,432	4,431,764	4,672,934	6,477,554	4,785,151	4,712,355
1,034,206	1,642,390	1,882,368	3,170,911	2,667,195	1,810,455
0	0	0	0	0	0
4,850,076	5,129,494	4,911,807	7,452,406	6,127,962	5,038,296
8,850,822	9,066,660	9,389,724	10,545,227	11,764,649	11,469,992
10,223,364	11,417,193	9,160,093	9,608,093	4,491,936	2,081,993
2,860,784	4,446,344	4,587,322	5,198,284	5,292,204	5,294,978
2,344,190	2,286,079	2,556,395	2,438,884	2,286,424	2,133,546
<u>44,629,249</u>	<u>48,731,925</u>	<u>48,791,396</u>	<u>56,233,304</u>	<u>48,947,429</u>	<u>43,747,543</u>
(978,231)	(5,222,447)	(2,992,238)	(10,837,380)	(844,328)	6,991,503

(continued)

City of Blue Ash, Ohio

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2010	2011	2012	2013
Other Financing Sources (Uses):				
Sale of Capital Assets	13,134	0	0	0
Ohio Public Works Commission Loan	160,307	0	0	805,374
General Obligation Bonds Issued	9,775,000	3,125,000	0	0
Premium on General Obligation Bonds	488,232	0	0	0
Capital Lease Initiated	0	0	1,500,000	0
Transfers In	11,997,678	11,553,238	11,853,301	17,393,733
Transfers Out	(12,342,103)	(12,482,141)	(12,442,839)	(17,633,923)
Total Other Financing Sources (Uses)	<u>10,092,248</u>	<u>2,196,097</u>	<u>910,462</u>	<u>565,184</u>
Net Change in Fund Balance	<u>\$14,034,346</u>	<u>(\$12,162)</u>	<u>\$4,223,307</u>	<u>\$660,346</u>
Debt Service as a Percentage of Noncapital Expenditures	13.86%	14.26%	17.84%	17.70%

Source: Finance Office

City of Blue Ash, Ohio

2014	2015	2016	2017	2018	2019
0	689,917	626,905	0	45,707	17,140
503,742	0	0	0	0	0
19,505,000	0	8,560,000	0	0	0
394,876	0	1,436,587	0	0	0
0	0	0	0	0	0
15,288,053	16,888,747	22,667,254	18,903,634	16,548,981	13,252,300
(15,488,874)	(17,256,987)	(22,920,378)	(19,437,311)	(16,833,376)	(13,252,300)
<u>20,202,797</u>	<u>321,677</u>	<u>10,370,368</u>	<u>(533,677)</u>	<u>(238,688)</u>	<u>17,140</u>
<u>\$19,224,566</u>	<u>(\$4,900,770)</u>	<u>\$7,378,130</u>	<u>(\$11,371,057)</u>	<u>(\$1,083,016)</u>	<u>\$7,008,643</u>
15.83%	19.11%	19.76%	19.65%	18.11%	18.84%

City of Blue Ash, Ohio

*Income Tax Revenues by Source, Governmental Funds
Last Ten Years*

Tax year	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Income Tax Rate	1.25%	1.25%	1.25%	1.25%
Total Tax Collected	\$28,704,462	\$30,833,752	\$32,679,637	\$33,947,202
Income Tax Receipts				
Withholding	22,849,499	24,030,052	26,054,663	26,886,756
Percentage	79.60%	77.93%	79.73%	79.20%
Corporate	4,672,903	5,518,811	5,352,319	5,574,177
Percentage	16.28%	17.90%	16.38%	16.42%
Individuals	1,182,060	1,284,889	1,272,655	1,486,269
Percentage	4.12%	4.17%	3.89%	4.38%

Source: Finance Office

City of Blue Ash, Ohio

2014	2015	2016	2017	2018	2019
1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
\$34,788,642	\$35,145,405	\$35,864,611	\$36,066,950	\$36,198,003	\$35,810,322
27,238,909	28,035,843	28,357,294	28,595,262	28,252,953	28,040,998
78.30%	79.77%	79.07%	79.29%	78.05%	78.30%
5,987,402	5,542,715	5,882,277	5,537,777	6,235,386	5,748,333
17.21%	15.77%	16.40%	15.35%	17.23%	16.05%
1,562,331	1,566,847	1,625,040	1,933,911	1,709,664	2,020,991
4.49%	4.46%	4.53%	5.36%	4.72%	5.65%



City of Blue Ash, Ohio

Income Tax Statistics Current Year and Nine Years Ago

Calendar Year 2019				
<i>Withholding Tax</i>	Number	Percent of	Income Tax	Percent of
Income Tax Filers	of Filers	Total Filers	Collections	Income
Top Ten	10	0.39%	\$8,049,559	28.71%
All Others	2,576	99.61%	19,991,439	71.29%
Total	<u>2,586</u>	<u>100.00%</u>	<u>\$28,040,998</u>	<u>100.00%</u>
<i>Net Profit Tax</i>				
Income Tax Filers	Number of Filers	Percent of Total Filers	Income Tax Collections	Percent of Income
Top Ten	10	0.08%	\$2,180,871	28.07%
All Others	12,130	99.92%	5,588,453	71.93%
Total	<u>12,140</u>	<u>100.00%</u>	<u>\$7,769,324</u>	<u>100.00%</u>
<i>Total Income Tax Collections</i>			<u>\$35,810,322</u>	
Calendar Year 2010				
<i>Withholding Tax</i>	Number	Percent of	Income Tax	Percent of
Income Tax Filers	of Filers	Total Filers	Collections	Income
Top Ten	10	0.42%	\$7,229,458	31.64%
All Others	2,397	99.58%	15,620,041	68.36%
Total	<u>2,407</u>	<u>100.00%</u>	<u>\$22,849,499</u>	<u>100.00%</u>
<i>Net Profit Tax</i>				
Income Tax Filers	Number of Filers	Percent of Total Filers	Income Tax Collections	Percent of Income
Top Ten	10	0.15%	\$2,272,573	38.81%
All Others	6,536	99.85%	3,582,390	61.19%
Total	<u>6,546</u>	<u>100.00%</u>	<u>\$5,854,963</u>	<u>100.00%</u>
<i>Total Income Tax Collections</i>			<u>\$28,704,462</u>	

Source: City Income Tax Department

City of Blue Ash, Ohio

Ratio of Outstanding Debt By Type Last Ten Years

	2010	2011	2012
Governmental Activities ⁽¹⁾			
General Obligation Bonds Payable	\$41,242,645	\$41,227,481	\$38,081,278
Tax Increment Financing Bonds	9,400,000	9,205,000	9,000,000
Income Tax Revenue Bonds Payable	0	0	0
Capital Leases	0	0	1,500,000
Ohio Public Works Commission Loan	2,255,589	2,002,948	1,750,307
Business-type Activities ⁽¹⁾			
Capital Leases	\$0	\$0	\$0
Total Primary Government	<u>\$52,898,234</u>	<u>\$52,435,429</u>	<u>\$50,331,585</u>
 Population ⁽²⁾			
City of Blue Ash	12,114	12,114	12,114
Outstanding Debt Per Capita	\$4,367	\$4,328	\$4,155
 Income ⁽³⁾			
Personal (in thousands)	532,023	555,451	567,916
Percentage of Personal Income	9.94%	9.44%	8.86%

Sources:

- (1) Finance Office
- (2) US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Blue Ash, Ohio

2013	2014	2015	2016	2017	2018	2019
\$34,928,734	\$32,644,532	\$30,328,339	\$28,379,806	\$26,173,565	\$23,946,731	\$21,703,275
8,785,000	8,555,000	8,315,000	8,065,000	7,800,000	7,520,000	7,230,000
0	19,899,876	18,391,913	26,374,927	24,026,354	21,622,781	18,947,379
1,363,067	1,224,741	1,083,302	938,681	790,806	639,604	485,000
2,303,040	2,554,141	2,236,044	1,852,491	1,468,938	1,085,385	774,082
\$0	\$0	\$184,037	\$123,962	\$62,625	\$0	\$0
<u>\$47,379,841</u>	<u>\$64,878,290</u>	<u>\$60,538,635</u>	<u>\$65,734,867</u>	<u>\$60,322,288</u>	<u>\$54,814,501</u>	<u>\$49,139,736</u>
12,114	12,114	12,114	12,114	12,114	12,114	12,114
\$3,911	\$5,356	\$4,997	\$5,426	\$4,980	\$4,525	\$4,056
598,589	608,547	620,588	665,882	688,015	721,522	721,522
7.92%	10.66%	9.76%	9.87%	8.77%	7.60%	6.81%

City of Blue Ash, Ohio

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2010	2011	2012	2013
Population ⁽¹⁾	12,114	12,114	12,114	12,114
Personal Income (in thousands) ⁽²⁾	\$532,023	\$555,451	\$567,916	\$598,589
General Bonded Debt ⁽³⁾				
General Obligation Bonds	\$41,242,645	\$41,227,481	\$38,081,278	\$34,928,734
Resources Available to Pay Principal ⁽⁴⁾	\$550,658	\$500,000	\$64,762	\$766,998
Net General Bonded Debt	\$40,691,987	\$40,727,481	\$38,016,516	\$34,161,736
Ratio of Net Bonded Debt to Estimated Personal Income (in thousands)	7.65%	7.33%	6.69%	5.71%
Net Bonded Debt per Capita	\$3,359.09	\$3,362.02	\$3,138.23	\$2,820.02

Sources:

- (1) U.S. Bureau of Census of Population
- (2) Hamilton County Auditor
- (3) Includes all general obligation bonded debt supported by income taxes
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

City of Blue Ash, Ohio

2014	2015	2016	2017	2018	2019
12,114	12,114	12,114	12,114	12,114	12,114
\$608,547	\$620,588	\$665,882	\$688,015	\$721,522	\$721,522
\$32,644,532	\$30,328,339	\$28,379,806	\$26,173,565	\$23,946,731	\$21,703,275
\$48,593	\$12	\$655,735	\$0	\$13,277	\$23,173
\$32,595,939	\$30,328,327	\$27,724,071	\$26,173,565	\$23,933,454	\$21,680,102
5.36%	4.89%	4.16%	3.80%	3.32%	3.00%
\$2,690.77	\$2,503.58	\$2,288.60	\$2,160.60	\$1,975.69	\$1,789.67



City of Blue Ash, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2019*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Blue Ash</u>	<u>Amount Applicable to the City of Blue Ash</u>
Direct:			
City of Blue Ash	\$49,139,736	100.00%	\$49,139,736
Overlapping:			
Sycamore Community School District	153,629,545	41.86%	64,309,328
Princeton City School District	159,876,458	0.69%	1,103,148
Hamilton County	120,015,000	4.04%	<u>4,848,606</u>
		Subtotal	<u>70,261,082</u>
		Total	<u><u>\$119,400,818</u></u>

Source: Ohio Municipal Advisory Council

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City

City of Blue Ash, Ohio

Debt Limitations Last Ten Years

Tax Year	2010	2011	2012	2013
Total Debt				
Net Assessed Valuation	\$758,327,730	\$706,449,050	\$704,468,110	\$705,662,090
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	79,624,412	74,177,150	73,969,152	74,094,519
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	0	0	0	0
Overall Legal Debt Margin	<u>\$79,624,412</u>	<u>\$74,177,150</u>	<u>\$73,969,152</u>	<u>\$74,094,519</u>
Unvoted Debt				
Net Assessed Valuation	\$758,327,730	\$706,449,050	\$704,468,110	\$705,662,090
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	41,708,025	38,854,698	38,745,746	38,811,415
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	0	0	0	0
Overall Legal Debt Margin	<u>\$41,708,025</u>	<u>\$38,854,698</u>	<u>\$38,745,746</u>	<u>\$38,811,415</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) Debt Service payments on General Obligation Bonds are appropriated annually from lawfully available municipal income taxes.

Source: Finance Office

City of Blue Ash, Ohio

2014	2015	2016	2017	2018	2019
\$712,604,150	\$718,600,920	\$725,001,910	\$779,315,550	\$786,284,450	\$797,271,780
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
74,823,436	75,453,097	76,125,201	81,828,133	82,559,867	83,713,537
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$74,823,436</u>	<u>\$75,453,097</u>	<u>\$76,125,201</u>	<u>\$81,828,133</u>	<u>\$82,559,867</u>	<u>\$83,713,537</u>
\$712,604,150	\$718,600,920	\$725,001,910	\$779,315,550	\$786,284,450	\$797,271,780
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
39,193,228	39,523,051	39,875,105	42,862,355	43,245,645	43,849,948
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$39,193,228</u>	<u>\$39,523,051</u>	<u>\$39,875,105</u>	<u>\$42,862,355</u>	<u>\$43,245,645</u>	<u>\$43,849,948</u>

City of Blue Ash, Ohio

*Pledged Revenue Coverage
Last Ten Years*

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Tax Increment Financing Bonds (1)			
Property Tax Collections	\$1,001,648	\$1,039,471	\$1,160,277
Debt Service			
Principal	190,000	195,000	205,000
Interest	486,963	470,000	460,250
Coverage	1.48	1.56	1.74

(1) In 2006 the City issued \$9,790,000 of Tax Increment Financing Bonds for the Carver Road Project.

Source: Finance Office

City of Blue Ash, Ohio

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$1,158,679	\$1,167,434	\$1,164,991	\$1,161,906	\$1,264,210	\$1,866,695	\$1,646,979
215,000	230,000	240,000	250,000	265,000	280,000	290,000
450,000	439,250	427,750	415,750	403,250	390,000	376,000
1.74	1.74	1.74	1.75	1.89	2.79	2.47

City of Blue Ash, Ohio

Demographic and Economic Statistics Last Ten Years

Calendar Year	2010	2011	2012	2013
Population ⁽¹⁾				
City of Blue Ash	12,114	12,114	12,114	12,114
Hamilton County	802,374	802,374	802,374	802,374
Income ^{(2) (a)}				
Total Personal (in thousands)	532,023	555,451	567,916	598,589
Per Capita	43,918	45,852	46,881	49,413
Unemployment Rate ⁽³⁾				
Federal	9.4%	8.9%	8.1%	7.4%
State	9.6%	8.6%	7.2%	7.4%
Hamilton County	8.5%	8.6%	7.0%	7.1%
Civilian Work Force Estimates ⁽³⁾				
State	5,906,000	5,806,000	5,747,900	5,765,700
Hamilton County	434,700	406,900	400,000	403,300
Daytime Population ⁽⁴⁾	53,000	53,000	53,000	53,000

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation
- (3) State Department of Labor Statistics
- (4) Finance Office

City of Blue Ash, Ohio

2014	2015	2016	2017	2018	2019
12,114	12,114	12,114	12,114	12,114	12,114
802,374	802,374	802,374	802,374	802,374	802,374
608,547	620,588	665,882	688,015	721,522	721,522
50,235	51,229	54,968	56,795	59,561	59,561
6.2%	5.3%	4.9%	4.4%	3.9%	3.7%
5.7%	4.9%	4.9%	5.0%	4.6%	4.1%
5.3%	4.5%	4.3%	4.4%	4.1%	3.8%
5,719,500	5,700,000	5,713,100	5,780,000	5,754,900	5,802,300
404,100	402,700	404,200	411,300	412,200	416,100
53,000	53,000	53,000	53,000	53,000	53,000



City of Blue Ash, Ohio

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	Rank (1) 2019
Ethicon	Surgical Instruments Manufacturer	1
Kroger	Administrative Offices	2
Charter Communications	Cable Company	3
Procter and Gamble	Technical Center - Home Product Division	4
Schlage Lock Co. (Steelcraft)	Steel Products Manufacturer	5
CEI	Health Services	6
Wornick	Pre-Packaged Food Manufacturer	7
Belcan Engineering Services	Engineering Services	8
LSI Industries	Lighting Manufacturer	9
Trustaff	Recruiting and Staffing Agency	10

Employer	Nature of Business	Rank (1) 2010
Ethicon	Surgical Instruments Manufacturer	1
Procter and Gamble	Technical Center - Home Product Division	2
Kroger	Administrative Offices	3
Time Warner Cable Services	Cable Company	4
Ingersoll-Rand (Steelcraft)	Steel Products Manufacturer	5
Citicorp Credit Services	Financial Services	6
Belcan Engineering Services	Engineering Services	7
Mercy Health Systems	Health Services	8
Wornick	Pre-Packaged Food Manufacturer	9
University of Cincinnati (Branch)	Higher Education	10

Sources:

(1) Rankings provided by City Income Tax Department

City of Blue Ash, Ohio

Full Time Equivalent Employees by Function Last Ten Years

	2010	2011	2012	2013	2014
Governmental Activities					
General Government					
Finance/Tax	7.00	7.00	6.50	7.00	7.00
Judicial	2.50	1.50	1.50	1.50	1.50
Administration/General Gov't	14.50	14.00	15.00	13.00	13.75
Facilities Maintenance	17.50	17.00	19.50	20.25	22.75
Security of Persons and Property					
Police	46.75	45.25	43.00	43.00	40.00
Fire	38.75	36.75	36.25	35.75	35.00
Transportation					
Street	17.00	17.50	16.50	19.00	18.25
Leisure Time Activities					
Recreation	40.50	40.00	43.25	41.75	39.50
Parks and Grounds	15.00	16.00	16.00	14.75	14.25
Community Environment					
Community Development	4.50	4.25	4.00	4.00	4.00
Business-Type Activities					
Golf Course and Events Center	22.25	24.25	33.25	35.75	41.00
<i>Total Employees</i>	<u>226.25</u>	<u>223.50</u>	<u>234.75</u>	<u>235.75</u>	<u>237.00</u>

Method: 1.00 for each full-time, 0.50 for each part-time (≥ 700 hours), 0.25 for each seasonal employee (< 700 hours) and 0.0 for each seasonal employee (< 100 hours)

Source: Finance Office

City of Blue Ash, Ohio

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
7.00	7.00	7.50	7.50	8.00
1.50	1.50	1.50	1.50	1.50
13.50	15.75	15.75	15.25	14.50
22.50	23.25	23.25	22.25	23.25
40.50	41.75	43.00	42.00	41.00
37.00	36.00	37.00	36.75	37.00
19.00	19.50	19.25	19.50	18.75
44.00	40.75	41.50	41.50	42.25
16.00	18.00	20.00	18.50	18.50
4.00	4.00	4.50	4.25	4.00
<u>43.25</u>	<u>44.25</u>	<u>39.25</u>	<u>38.25</u>	<u>36.00</u>
<u>248.25</u>	<u>251.75</u>	<u>252.50</u>	<u>247.25</u>	<u>244.75</u>

City of Blue Ash, Ohio

Operating Indicators by Function Last Ten Years

	2010	2011	2012	2013
Governmental Activities				
General Government				
<u>Court</u>				
Number of Citations Heard	1,942	2,148	1,962	1,548
<u>Community Development</u>				
Number of Residential Building Permits Issued	200	163	198	247
Number of Commercial Building Permits Issued	398	438	474	419
Security of Persons and Property				
<u>Police</u>				
Number of Offenses	1,298	1,333	1,163	1,014
Number of Arrests	4,045	3,863	3,320	2,988
Number of Accidents	579	697	709	766
Number of Service Calls/Details	17,440	17,588	19,762	20,654
<u>Fire</u>				
Number of Fire Runs	887	766	838	812
Number of EMS Runs	1,594	1,628	1,779	1,644
Transportation				
<u>Street</u>				
Miles of Streets Resurfaced	3	8	2	2
Feet of Walking/Biking Paths Maintained	755	570	516	266
Leisure Time Activities				
<u>Parks</u>				
Number of Active Recreation Center Memberships	4,944	4,970	4,629	4,659
Business-Type Activities				
<u>Golf Course</u>				
Number of Golf Rounds	32,328	31,799	39,940	41,471
<u>Events Center</u>				
Number of Events	n/a	n/a	207	282

Source: Finance Office

City of Blue Ash, Ohio

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
1,351	1,063	1,136	1,141	1,351	1,519
248	236	313	276	341	308
435	443	497	479	529	507
1,024	1,021	1,036	967	913	878
2,811	2,410	2,408	2,347	2,689	3,181
663	678	713	655	821	721
19,526	17,212	24,848	30,005	24,604	25,635
907	727	812	789	932	702
1,646	1,592	1,670	1,832	1,800	1,897
2.47	10.00	6.90	5.50	4.42	4.50
549	6,004	5,550	5,600	3,380	4,900
4,673	4,674	4,482	4,413	4,930	4,558
38,314	43,800	43,936	44,279	41,208	41,044
313	305	290	316	249	207

City of Blue Ash, Ohio

*Capital Asset Statistics by Function
Last Ten Years*

	2010	2011	2012	2013
Governmental Activities				
General Government				
Public Land and Buildings				
Land (acres)	132	132	132	132
Buildings	8	8	8	8
Security of Persons and Property				
Police				
Stations	1	1	1	1
Vehicles	33	31	35	33
Fire				
Stations	2	2	2	2
Vehicles	14	13	14	14
Transportation				
Street				
Streets (lane miles)	167.3	167.3	167.3	167.3
Street Lights	1,055	1,055	1,055	1,294
Vehicles	28	29	30	31
Leisure Time Activities				
Parks				
Land (acres)	275	275	275	275
Buildings	17	17	17	17
Parks	9	9	10	10
Playgrounds	8	8	8	8
Swimming Pools	2	2	2	2
Tennis Courts	8	8	8	8
Baseball/Softball Diamonds	11	11	11	11
Soccer Fields	5	5	5	5
Business-Type Activities				
Golf Course				
Land (acres)	151	151	151	151
Buildings	6	7	7	7
Vehicles	5	6	6	5

Source: Finance Office

City of Blue Ash, Ohio

2014	2015	2016	2017	2018	2019
132 8	132 8	132 8	132 8	132 8	132 8
1 33	1 30	1 30	1 30	1 30	1 31
2 14	2 14	2 14	2 15	2 15	2 15
167.3 1,294 27	167.3 1,294 29	167.3 1,294 28	167.3 1,294 29	167.3 1,294 30	167.3 1,294 28
275 17 10 8 2 8 11 5	275 17 10 8 2 8 11 5	275 17 10 8 2 8 11 5	275 17 10 8 2 8 11 5	275 20 10 9 2 8 11 5	275 20 10 10 2 8 11 5
151 7 5	151 7 6	151 7 9	151 7 7	151 7 7	151 7 6

