

City of Amherst
Lorain County, Ohio

*Reports Issued Pursuant to
Government Auditing Standards*

For the Year Ended
December 31, 2018

OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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(800) 282-0370

City Council
City of Amherst
480 Park Avenue
Amherst, OH 44001

We have reviewed the *Independent Auditor's Report* of the City of Amherst, Lorain County, prepared by Rea & Associates, Inc., for the audit period January 1, 2018 through December 31, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Amherst is responsible for compliance with these laws and regulations.

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

Keith Faber
Auditor of State
Columbus, Ohio

August 14, 2019

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Lorain County, Ohio
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June 22, 2019

To the City Council
City of Amherst
Lorain County, Ohio
206 S. Main St.
Amherst, OH 44001

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Amherst, Lorain County, Ohio (the City) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 22, 2019, in which we noted the City restated beginning net position balances to account for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hea & Associates, Inc.

Medina, Ohio

Comprehensive Annual
Financial Report



For the Year Ended
December 31, 2018

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**CITY OF AMHERST
LORAIN COUNTY, OHIO**

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

Prepared by:
Derek M. Pittak, City Auditor

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City of Amherst
Lorain County, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018

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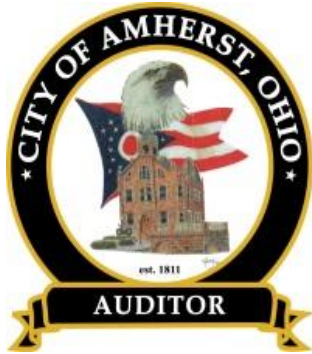
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INTRODUCTORY SECTION



City of Amherst AUDITOR's Office
480 Park Avenue
Amherst, OH 44001

Telephone: (440) 988-3742 Fax: (440) 984-2808
E-mail Address: auditor@amherstohio.org

Derek M. Pittak, Auditor

June 22, 2019

Honorable Mayor

Members of City Council and

Citizens of Amherst, Ohio

We are pleased to submit to you the City of Amherst's (the City) seventeenth Comprehensive Annual Financial Report (CAFR) using the reporting model required by Governmental Accounting Standards Board Statement Number 34 for the year ended December 31, 2018.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects, that it is present in a manner designed to present fairly the financial position and results of the operations of the City as measured by financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding to the City's financial activity have been included.

The City of Amherst's financial statements have been audited by Rea & Associates, Inc., a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Amherst for the year ended December 31, 2018, are free of material misstatement. An independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon the results of the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2018 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

This transmittal letter should be read in conjunction with Management's Discussion and Analysis, which provides a narrative introduction, overview, and analysis of the basic financial statements.

The Reporting Entity

The City has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board (GASB) Statement No.14 "The financial Reporting Entity" as amended by

GASB Statement No.'s 34, 39, 61, 68 and 75. In evaluating how to define the City of Amherst for financial reporting purposes, management has considered all agencies, departments and organizations making up the City (the primary government) and its potential component units.

Numerous entities operate within the City's geographical boundaries. These entities have been excluded from the accompanying financial statements because the City cannot legally access their resources, the City has no obligation to finance deficits to provide financial support to them and the City is not obligated for their debts.

General Introduction

The City is located in Lorain County in northeastern Ohio, approximately 28 miles west of Cleveland. The Village of Amherst was founded in 1811, and was incorporated in 1962.

The City's 2010 population of 12,021 placed it as the sixth largest city in the County.

The City's area is approximately 5.26 square miles, broken down by land use as follows:

Percent of Assessed Valuation of Real Property (Collection Year 2018):

Residential	81.02%
Commercial/Industrial	18.09%
Public Utility	00.89%
Undeveloped	(a)

(a) Included in above categories. Source: County Auditor

The City is served by diversified transportation facilities, including three State and US highways and I-90 and I-80 (Ohio Turnpike).

The City features a good mix of high-tech business, a quaint downtown, an excellent school system and a safe place to learn and live. The City is served by several medical centers:

1. Mercy Health – Lorain Hospital is 3.5 miles north of the City
2. University Hospitals Siedman Cancer Center at Mercy Cancer Center is 5 miles east of the City
3. Mercy Health - Allen Hospital is 7.5 miles south of the City
4. University Hospitals Elyria Medical Center is 15 miles from the City
5. University Hospital Amherst which is served by Metro Health medical Center Life Flight and Life Care ambulance service.

The City owns and operates five parks including the 72 acres Amherst Beaver Creek Reservation in conjunction with the Lorain County Metropolitan Park District. The City also operates one public swimming pool and various soccer fields and Vietnam Veteran Memorial throughout the City.

Banking and financial services are provided to the City residents and businesses by offices of local commercial banks and savings and loan associations such as Fifth third, Northwest Bank, US Bank, JP Morgan Chase, Huntington Bank, PNC Bank and First Federal Savings of Lorain.

The City is within commuting distance of several public and private two-year and four-year colleges and universities which provide a wide range of educational facilities and opportunities. These include Kent State University, the University of Akron, Cleveland State University, and Bowling Green State University (Firelands campus) (four of Ohio's 13 state universities). Lorain County Community College (which includes the University Partnership Program), Cuyahoga Community College, Ashland University, Oberlin

College, Baldwin-Wallace College, John Carroll University and Case Western Reserve University and The Lorain Business College rounds out the colleges in the area.

City Government

The City operates under and is governed by mayor-council format in accordance with general laws. Under the Ohio Constitution the City may exercise all powers of local self-government, and police powers to the extent not in conflict with applicable general laws.

Legislative authority is vested in a seven-member Council. The Council fixes compensation of City officials and employees, and enacts ordinances and resolutions relating to the City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the president of council, who is elected for a two-year term and votes only in case of a tie.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters specifically to that office for a four-year term.

The Mayor appoints the directors of City departments. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers and employees, except Council officers and employees and those of the City Auditor, the City Treasurer and the Director of Law.

The Mayor may veto legislation passed by the council. A veto may be overridden by a two-thirds vote of all members of the Council.

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

City Facilities

The City facilities estimated replacement value is \$58,645,660.

City property is exempt from ad valorem taxation. The estimated values are based on current insurance replacement values.

The City currently carries real property and contents casualty insurance in the amount of \$58,645,660 with a deductible of \$5,000.

Economic and Demographic Information

Population: Recent Census population has been:

<u>Year</u>	<u>City</u>	<u>County</u>	<u>CMSA</u>
1970	9,902	256,843	3,098,513
1980	10,638	274,909	2,938,277
1990	10,332	271,126	2,859,644
2000	11,797	284,664	2,945,831
2010	12,021	301,356	n/a

N/A – Not available at time of report

Utilities; Public Safety and Services

Water service within the City is provided by the City water system and is purchased by the City and distributed by the City to consumers. Sewage collection and disposal is provided by the City. Electricity is purchased and distributed by the City (with approximately 2% of the customers being supplied by Ohio Edison), and natural gas is supplied by Columbia Gas of Ohio, Inc. Fire protection is provided by the City's 35-member Part-Time Fire Department. Solid waste collection is by subscription and is provided by Republic Services. Solid waste is sent to a Lorain County landfill owned by Republic Services.

The City owns and operates a sanitary sewer system consisting of a wastewater treatment plant, 72 miles of sanitary sewers and eight pump stations, and serving approximately 5,093 residential and commercial users living both within and outside the City. In addition, the City has 73 miles of storm sewers. The treatment plant was built in 1927, expanded in 1956, 1970 and 1986, and upgraded in 1990, 1994 and 2005. The City is currently in compliance with State environmental laws. The City has a National Pollutant Discharge Elimination System Permit for both Sewer and Wastewater. With the expanded plant the quantity of sewage permitted to be treated was increased.

The City's electric distribution system consists of two substations, 51 miles of overhead lines and approximately 17 miles of underground lines, and serves approximately 5,956 residential and commercial users within and outside the City. The City began to operate an electric utility during the 1920s. During the 1940s it constructed an electric generating plant and began providing electric service to residential and commercial customers from its generating facilities and electricity purchased from commercial sources. In the early 1950s the City retired its generating plant but continued distributing electric power purchased from other sources. The electric system was renovated in 1972 and 1980. In 1988 the entire system was upgraded with a new substation on the City's west side and in 1999 the City rebuilt the Gordon Avenue substation. In 1992 the City entered into a contract with American Municipal Power – Ohio, Inc. (AMP-Ohio) under which AMP-Ohio agreed to supply 100% of the electricity required by the City. In 2000 the Northeast Service Group entered into a joint venture (JV1) agreement to purchase peak generation. In 2007 the City entered into an agreement with AMP-Ohio to purchase capacity from AMP-Ohio proposed ownership interest in Prairie State Energy Campus and AMP-Ohio Hydroelectric Projects.

The City owns and operates a water distribution system with over 70 miles of water lines. The City purchases water from the Cities of Elyria and Lorain and distributes it to approximately 6,168 residential and commercial users within and outside the City. The system was built in 1922, renovated in 1964, 198 and 1990 and most recently expanded in 1996. The initial terms of the contract with Elyria expire on December 31, 2024, with a right to continue in five year increments until either party wishes to terminate giving a two year notice. The City's contract with Lorain expires on December 31, 2035 with a right to continue in five year increments until either party wishes to terminate giving a three year notice. The price will be readjusted every five years.

Economic Activity

The City is primarily a residential community. However, offices of the Nordson Corporation, an industrial application equipment manufacturer founded by City native Walter G. Nord, are located in the City. Nordson offices located in the City include, among others, divisions of its customer service center, automotive, container systems, electronics and coating business groups. Nordson has offices worldwide and is one of the world's leaders in production of precision dispensing equipment that applies adhesives, sealants and coatings to consumer and industrial products during manufacturing operations.

The Nord Family Foundation, one of the successors to the charitable trust originally established by Walter G. Nord in 1952, is also located in the City. The Foundation has contributed over \$111 million to charitable and philanthropic purposes predominantly in northern Ohio.

University Hospital Amherst is under the umbrella of University Hospitals Elyria Medical Center and now has an emergency room capacity of nine patients.

In 1999 the City annexed 57 acres of land southeast of the City. In 2000 Council voted to maintain the zoning on this land as light industrial use so that the tax base of the City might be expanded and diversified. Work has begun on an industrial park at the location. Restore – Habitat for Humanity has opened operations on the site. The city continues to discuss the possibility of annexing more property in the same southeastern area. Core & Main, a distributor of waterworks, and R E Rice, an excavator contractor, are also located on this site.

Tyson Foods (Cloverdale Farms, LLS) has expanded its operation in the City of Amherst by investing approximately \$3,000,000 to remodel its current site. Tyson Foods currently has 694 employees.

Financial Matters

Introduction

The City's Fiscal Year corresponds with the calendar year.

The main sources of City revenue have been and are property and income taxes, and State distributions as described below.

The responsibilities for the major financial functions of the City are divided among the Mayor, City Auditor (or Fiscal Officer), City Treasurer, and Council. Other important financial functions include general financial recommendations and planning by the Mayor; budget preparation by the Mayor with the assistance of the City Auditor, and express approval of appropriations by Council.

The City Auditor is the City's fiscal and chief accounting officer. Among that officer's duties are to keep the books and accurate statements of all moneys received and expended and of all taxes and assessments at the end of each Fiscal year, or more often if requested by Council, to examine all accounts of City offices and departments; and not to allow the amount set aside for any appropriation to be overdrawn, or the amount appropriated for any one item of expense to be drawn upon for any other purpose, or a voucher to be paid unless sufficient funds are in the City treasury to the credit of the fund on which the voucher is drawn.

The City Treasurer is responsible for receiving, maintaining custody of investing, and disbursing all City funds. Investments and deposits of City funds are governed by the Uniform Depository Law (chapter 135 of the Revised Code) applicable to all subdivisions. The City Treasurer is responsible for those investments and deposits. Under recent and current practices, and the City's adopted investment policy, in addition to deposits evidenced by interest bearing certificates of deposits, investments are made in the State Treasurer's subdivision investment pool (STAR Ohio) and other banking organizations.

For property taxation purposes, assessment of real property is by the County Auditor subject to supervision by the State Tax commissioner, and assessment of public utility property is by the State Tax commissioner. Property taxes and assessments are billed and collected by County officials.

Budgeting, Tax Levy and Appropriations Procedures

Detailed provisions for budgeting, tax levies and appropriations are made in the Revised Code, including a requirement that the City levy a property tax in a sufficient amount, with any other moneys available for the purpose, to pay the debt charges on securities payable from property taxes.

The law requires generally that a subdivision prepare, and then adopt after a public hearing, a tax budget approximately six months before the start of the next fiscal year. The tax budget then is presented for review by the county budget commission, which is comprised of the county auditor, treasurer and prosecuting attorney. However, a county budget commission may waive the requirement for a tax budget and require an alternative form of more limited information required by the commission to perform its duties. The Lorain County Budget Commission waived the tax budget requirements for 2018 and permitted an alternative form of a tax budget from the City.

The Lorain County budget Commission then determines and approves levies for debt charges outside and inside the ten-mil limitation. The Revised Code provides that “if any debt charge is omitted from the budget, the commission shall include it therein.” The Lorain County Budget commission then certifies to each subdivision its action on the tax budget together with the estimate by the county auditor of the tax rates outside and inside the ten-mil limitation. Thereafter, and before the end of the Fiscal Year, the taxing authority (Council in the case of the City) approves the tax levies and certifies them to the county auditor. The approved and certified tax rates are then reflected in the tax bills sent to property owners. Real property taxes are payable in two equal installments, the first usually in February and the second in July.

Council adopts a temporary appropriation measure and then by April 1, a permanent appropriation measure for that Fiscal year. Although called “permanent, the annual appropriation measure may be, and often is, amended during the Fiscal Year. Annual appropriations may not exceed the Lorain County budget commission’s official estimates of resources, and the County Auditor must certify that the City’s appropriation measures do not appropriate moneys in excess of the amounts set forth in those estimates.

Financial Reports and Audits

The City maintains its accounts, appropriations and other fiscal records in accordance with the procedures established and prescribed by the Ohio Auditor of State (the State Auditor). The State Auditor is charged by law with the responsibility of inspecting and supervising the accounts and records of each taxing subdivision and most public agencies and institutions.

City receipts and expenditures are compiled on a cash basis, pursuant to accounting procedures prescribed by the State Auditor which are generally applicable to all Ohio political subdivisions. Beginning with Fiscal Year 1999, the records of these cash receipts and expenditures have been converted annually for reporting purposes to a modified accrual basis of accounting for governmental funds and an accrual basis for proprietary funds. These accounting procedures conform to accounting principles generally accepted on the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) including, most recently, GASB Statement 34. Those principles, among other things, provide for a full accrual basis of accounting for the government-wide financial statements, modified accrual basis of accounting for the general fund, all special revenue funds, capital projects funds, and the debt service (bond retirement) fund and for a full accrual basis of accounting for all other funds, and for the preparation for each fund of balance sheets, statements of revenues and expenditures, and statements showing changes in fund balances.

Awards

The City has issued a Comprehensive Annual Financial Report (CAFR), including General Purpose Financial Statements for each of the years ended December 31, 1999 through 2001 and Basic Financial Statements each of the years ended December 31, 2002 through 2017. The CAFRs through December 31, 2017 were awarded the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting, which is awarded to those governmental reporting agencies that comply with the GFOA reporting standards. The City has submitted its 2018 CAFR to GFOA for consideration.

Audits are made by the State Auditor or by CPAs at the direction of that officer, pursuant to Ohio law and under certain federal program requirements. No other independent examination or audit of the City's financial records is made.

The most recent audit (including compliance audit) of the City's accounts by Rea & Associates, Inc. was completed for the year ended December 31, 2017. The Basic Financial Statements of the City of the year ended December 31, 2018, have been audited by Rea & Associates, Inc., as stated in its report appearing in these statements.

Annual financial reports are prepared by the City, and filed as required by law with the State Auditor after the close of each year.

Internal Control

The management of the City is responsible for establishing and maintaining internal control designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and judgements by management.

As a recipient of federal and state financial assistance, the City also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management.

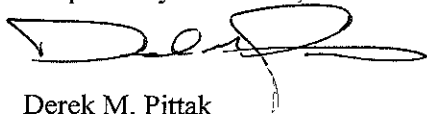
Acknowledgements

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Auditor's Department. I would like to express my appreciation to all staff members who have contributed or assisted in its preparation.

Special appreciation is expressed to Rea & Associates, Inc. for assistance in planning, designing and reviewing this financial report.

In closing, I would also like to thank the Mayor and the members of Amherst City Council, for without your continued support, the preparation of this report to help ensure the continued financial integrity of the City, would not have been possible.

Respectfully submitted,



Derek M. Pittak

Amherst City Auditor



Government Finance Officers Association

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

Presented to

**City of Amherst
Ohio**

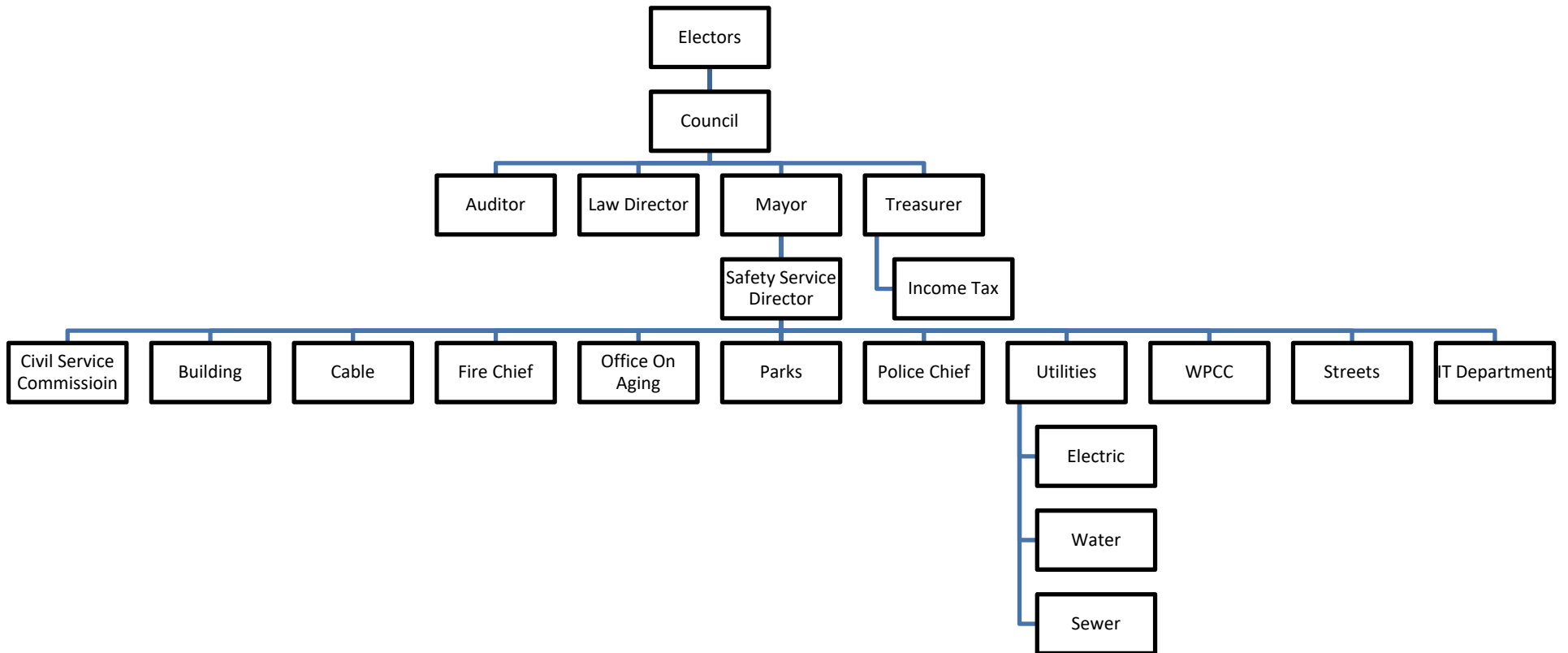
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

City of Amherst
Management Structure
Departmental Organizational Chart



**City of Amherst
Lorain County, Ohio**

*Principal Officials
December 31, 2018*

Elected Officials

Mayor	Mark Costilow
President of Council	Jennifer L. Scott-Wasilk
Council Member - Ward 1	Brian J. Dembinski
Council Member - Ward 2	Edwin R. Cowger
Council Member - Ward 3	Charles S. Winiarski
Council Member - Ward 4	Matthew W. Nahorn
Council Member-at-Large	David Janik
Council Member-at-Large	Joseph A. Miller III
Council Member-at-Large	Philip D. Van Treuren
Auditor	Derek M. Pittak
Director of Law	Anthony R. Pecora
Treasurer	Richard Ramsey

Appointed Officials

Council Clerk	Olga Sivinski
Secretary to the Mayor and Safety/Service Director	Jami L. anderson
Assistant Law Director/Prosecutor	Frank S. Carlson
Safety/Service Director	John Jeffreys
Deputy Auditor	Gwen Melbar
Budgetary Clerk	Carole Shawver
Income Tax Secretary	Laura Kemp
Treasurer's Administrative Assistant	Karen Flynn
Building Inspector	David Macartney
Utilities Superintendent	Ron Merthe
Amherst Area Office on Aging Director	Carrie Adams
Police Chief	Joseph K. Kucirek
Fire Chief	James Wilhelm
Park Commission Chairman	John Jeffreys

FINANCIAL SECTION

June 22, 2019

To the City Council
City of Amherst
Lorain County, Ohio
206 S. Main St.
Amherst, OH 44001

Independent Auditor's Report

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 Amherst, Lorain County, Ohio (the City), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Emphasis of a Matter

As described in Note 2, the City restated the net position balances to account for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, introductory section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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 City's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Medina, Ohio

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City of Amherst
Lorain County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2018

The discussion and analysis of the City of Amherst's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2018. The intent of this discussion and analysis is to look at the City's performance as a whole; readers should also review the 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 2018 are as follows:

- In total, net position decreased \$610,517 which represents a 1 percent decrease from 2017. Net position of governmental activities increased \$859,799. Net position of business-type activities decreased \$1,470,316.
- Total capital assets increased \$2,191,260 during 2018. Capital assets of governmental activities increased \$2,941,522 and capital assets of business-type activities decreased \$750,262.
- Outstanding debt increased from \$9,627,778 to \$10,905,007.
- The City implemented GASB 75, which reduced beginning net position as previously reported by \$4,514,271 and \$1,177,203 for governmental and business-type activities, respectively.

Using this Annual Financial Report

This report is designed to allow the reader to look at the financial activities of the City of Amherst as a whole and is intended to allow the reader to obtain a summary view or a more detailed view of the City's operations, as they prefer.

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2018 and how they affected the operations of the City as a whole.

Reporting the City of Amherst as a Whole

Statement of Net Position and the Statement of Activities

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

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Management's Discussion and Analysis
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A question typically asked about the City's finances "How did we do financially during 2018?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources* and *liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- **Governmental Activities** - Most of the City's programs and services are reported here, including general government, security of persons and property, public health, community and economic development, leisure time activities and transportation.
- **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 water, sewer and electric funds are reported as business activities.

Reporting the City of Amherst's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. The City uses many funds to account for financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund, street improvement income tax fund and Issue II fund.

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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance future 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.

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

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. The accounting used for the fiduciary funds is much like that used for proprietary funds.

The City of Amherst as a Whole

Recall that the Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2018 compared to 2017:

Table 1
Net Position

	Governmental Activities			Business-Type Activities		
	2018	Restated 2017	Change	2018	Restated 2017	Change
Assets						
Current and Other Assets	\$ 12,998,424	\$ 12,032,033	\$ 966,391	\$ 16,033,146	\$ 17,711,268	\$ (1,678,122)
Capital Assets	31,842,019	28,900,497	2,941,522	19,676,412	20,426,674	(750,262)
<i>Total Assets</i>	44,840,443	40,932,530	3,907,913	35,709,558	38,137,942	(2,428,384)
Deferred Outflows of Resources						
Pension & OPEB	1,440,868	2,099,301	(658,433)	736,367	1,099,896	(363,529)
<i>Total Deferred Outflows of Resources</i>	1,440,868	2,099,301	(658,433)	736,367	1,099,896	(363,529)
Liabilities						
Current and Other Liabilities	689,220	1,092,501	(403,281)	1,877,242	1,525,107	352,135
Long-Term Liabilities:						
Due within One Year	3,253,687	448,736	2,804,951	1,485,980	1,705,420	(219,440)
Due in More Than One Year:						
Net Pension Liability	5,609,198	7,547,758	(1,938,560)	1,969,908	2,718,513	(748,605)
Net OPEB Liability	4,654,950	4,542,337	112,613	1,354,533	1,193,399	161,134
Other Amounts	2,513,392	2,326,819	186,573	4,643,119	6,041,235	(1,398,116)
<i>Total Liabilities</i>	16,720,447	15,958,151	762,296	11,330,782	13,183,674	(1,852,892)
Deferred Inflows of Resources						
Property Taxes	1,203,256	1,246,872	(43,616)	0	0	0
Pension & OPEB	1,790,176	119,175	1,671,001	565,222	33,927	531,295
<i>Total Deferred Inflows of Resources</i>	2,993,432	1,366,047	1,627,385	565,222	33,927	531,295
Net Position						
Net Investment in Capital Assets	26,951,753	27,407,624	(455,871)	16,044,057	13,495,776	2,548,281
Restricted	1,404,804	3,959,448	(2,554,644)	0	0	0
Unrestricted	(1,789,125)	(5,659,439)	3,870,314	8,505,864	12,524,461	(4,018,597)
<i>Total Net Position</i>	\$ 26,567,432	\$ 25,707,633	\$ 859,799	\$ 24,549,921	\$ 26,020,237	\$ (1,470,316)

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

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

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.

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

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

As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017, from \$30,221,904 to \$25,707,633 for governmental activities and from \$27,197,440 to \$26,020,237 for business-type activities.

At year end, capital assets represented 64 percent of total assets. Capital assets include land, construction in progress, buildings, improvements other than buildings, machinery and equipment, vehicles, and infrastructure. Capital assets, net of related debt were \$42,995,810 at December 31, 2018, with \$26,951,753 in governmental activities and \$16,044,057 in business-type activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, \$1,404,804 represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position of \$6,716,739, which may be used to meet the government's ongoing obligations to citizens and creditors.

The governmental activities non-depreciable capital assets increased in 2018 primarily due to the Lincoln Sipple project in construction in progress at year end. The long-term liabilities due within one year increased due to a bond anticipation note issued in 2018 that will be repaid with a long-term bond.

Current assets in business-type activities decreased primarily due to decreased cash and investments with escrow agent relating to withdraws from the escrow account for the ongoing utility meter project. Other amounts due in more than one year decreased due to principal payments made during 2018.

For both governmental and business-type activities, the changes reflected in NPL, NOL and deferred outflows/inflows of resources relating to pension and OPEB are based on estimates at the plan level. For additional details on GASB 68 and 75, see aforementioned discussion.

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In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2018 and 2017.

Table 2
Changes in Net Position

	Governmental Activities			Business-Type Activities		
	2018	2017	Change	2018	2017	Change
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 1,229,744	\$ 888,304	\$ 341,440	\$ 18,372,487	\$ 16,553,512	\$ 1,818,975
Operating Grants	738,593	878,782	(140,189)	0	0	0
Capital Grants	689,872	206,557	483,315	0	0	0
<i>General Revenues:</i>						
Property Taxes	1,280,969	1,254,054	26,915	0	0	0
Income Taxes	5,516,304	5,332,862	183,442	0	0	0
Grants and Entitlements	390,064	390,353	(289)	0	0	0
Gain on Disposal of Capital Assets	592	10,308	(9,716)	10,036	32,439	(22,403)
Other Taxes - Hotel	43,219	40,746	2,473	0	0	0
Kilowatt Taxes	442,057	425,036	17,021	0	0	0
OWDA Interest Subsidy	0	0	0	23,021	25,980	(2,959)
Interest	189,612	181,928	7,684	0	14	(14)
Other	47,334	65,418	(18,084)	0	0	0
<i>Total Revenues</i>	<u>10,568,360</u>	<u>9,674,348</u>	<u>894,012</u>	<u>18,405,544</u>	<u>16,611,945</u>	<u>1,793,599</u>
Program Expenses						
General Government	1,742,024	1,502,606	239,418	0	0	0
Security of Persons and Property	4,446,577	4,336,337	110,240	0	0	0
Public Health	143,041	135,452	7,589	0	0	0
Leisure Time Services	240,726	195,778	44,948	0	0	0
Community Development	254,816	297,380	(42,564)	0	0	0
Transportation	2,863,302	2,763,104	100,198	0	0	0
Interest and Fiscal Charges	18,075	51,721	(33,646)	0	0	0
<i>Enterprise Operations:</i>						
Water	0	0	0	2,907,990	2,489,437	418,553
Sewer	0	0	0	3,332,913	2,780,366	552,547
Electric	0	0	0	13,634,957	11,574,181	2,060,776
<i>Total Program Expenses</i>	<u>9,708,561</u>	<u>9,282,378</u>	<u>426,183</u>	<u>19,875,860</u>	<u>16,843,984</u>	<u>3,031,876</u>
<i>Increase (Decrease) in Net Position</i>	859,799	391,970	467,829	(1,470,316)	(232,039)	(1,238,277)
Transfers	0	(395,752)	395,752	0	395,752	(395,752)
<i>Change in Net Position</i>	859,799	(3,782)	863,581	(1,470,316)	163,713	(1,634,029)
<i>Net Position Beginning of Year</i>	25,707,633	30,225,686	(4,518,053)	26,020,237	27,033,727	(1,013,490)
<i>Restatement - See Note 2</i>	0	(4,514,271)	4,514,271	0	(1,177,203)	1,177,203
<i>Net Position End of Year</i>	<u>\$ 26,567,432</u>	<u>\$ 25,707,633</u>	<u>\$ 859,799</u>	<u>\$ 24,549,921</u>	<u>\$ 26,020,237</u>	<u>\$ (1,470,316)</u>

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$44,262 computed under GASB 45. GASB 45 required recognizing OPEB expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the

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2018 statements report OPEB expense of \$414,000. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

	Governmental Activities	Business-Type Activities
Total 2018 Expenses under GASB 75	\$ 9,708,561	\$ 19,875,860
OPEB Expense under GASB 75	(280,415)	(133,585)
2018 Contractually Required Contributions	7,450	0
Adjusted 2018 Expenses	9,435,596	19,742,275
Total 2017 Expenses under GASB 45	9,282,378	16,843,984
Increase/(Decrease) in Expenses not Related to OPEB	\$ 153,218	\$ 2,898,291

The City's overall net position decreased \$610,517 from the prior year. The reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities

Several revenue sources fund the City's governmental activities. These sources are grouped as either program or general revenues. Municipal income tax contributes the largest share of resources for the governmental activities. City Ordinance 67-50 passed on 9-25-67 established Amherst municipal income tax. Chapter 191 of the Codified Ordinances of the City discusses the subject in depth.

Although the municipal income tax produces the largest share of revenue in the governmental activities, only approximately 20 percent of the residents in the City pay the 1.5 percent income tax. Residents working outside of the City are forgiven 1 percent of the 1.5 percent – "It is the intent of this section that a resident who pays tax to another municipality shall not pay tax to the City on the same income in excess of one-half of one percent" (191.16(a)).

The one-half percent that those residents do pay to the City "shall be appropriated to a separate fund established for the purposes of street resurfacing, the installation and maintenance of improvements and appurtenances necessary thereto and the purchase of equipment necessary therefore. (Ordinance 90-16; passed 4-9-90)." The one-half percent "forgiveness" portion; and a voted half percent increase in the general income tax "for the purpose of street resurfacing, the installation and maintenance of improvements and appurtenances necessary thereto and the purchase of equipment necessary therefore" that was effective January 1, 1991, with a limitation of 10 years renewed to December 31, 2010 were reported in the Street Improvement Income Tax Fund. Each year the Street Improvement Income Tax Fund funds the street resurfacing projects. In addition, the Street Improvement Income Tax Fund provides matching funds for the City's Issue II projects. This means the City has had an aggressive street improvement program for the past 15 years. The one-half percent was renewed commencing January 1, 2010 for a period of 10 years terminating on December 31, 2019. The use of which will be divided equally as per Ordinance 09-24 passed June 22, 2010, with 0.25 percent being reported in the Street Improvement Income Tax Fund for the purpose of street resurfacing, the installation and maintenance of improvements, and the purchase of equipment, with the remaining 0.25 percent to be allocated to the General Fund.

The municipal income tax has two basic weaknesses: 1) The small percentage of residents actually paying the full 1.5 percent income tax and contributing to the General Fund and 2) the instability of that income in a poor economy.

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General property and other taxes are also a significant source of revenues and are a much more stable tax. In addition to general property and other taxes, the City has a one-mill levy for the Fire Apparatus Levy Fund. Although the operating expenses of the Fire Department come from the General Fund, the Fire Apparatus Levy Fund provides resources for all equipment and facility maintenance.

Intergovernmental revenues, particularly local government subsidies have, in the past, provided a very stable, predictable and significant contribution to the City's General Fund. Over the past several years, local government subsidies have become less stable with State Budget cuts.

Miscellaneous forms of income are becoming more important in the current economic climate. The City has been diligent recently about making efforts to see that charges for services we provide, particularly to other governmental entities, completely cover the cost of providing those services.

The City has pursued grants and donations to help fund particular projects that might have been funded through the General Fund. Grants have helped fund park projects, police work, renovations of City Hall, beautification efforts, and downtown revitalization.

The City saw an increase in capital grants due to grant funding for the Lincoln Sipple project.

The largest program function of the City is for security of persons and property, which includes the police department, which increased slightly from increases in wages.

Transportation expense is the second largest component of total expenses and increase from prior year due to repair and maintenance projects completed in 2018 that did not qualify to be capitalized.

Business-Type Activities

The City provides water, sewer and electric services to the residents and businesses within the City limits whose revenue is generated primarily from charges for services. The City is a participant along with 35 other subdivisions within the State of Ohio in a joint venture to provide supplemental reserve electric power to the participants on a cooperative basis. This electric service is at a cost savings to the users.

Operating revenues within the Water and Sewer Fund remained fairly consistent with the prior year. The increases to Electric are a result of increasing rates in an attempt to cover operating expenses.

Expenses increased, in part, due to the ongoing meter project. Additionally the City has a refund payable at December 31, 2018 as it relates to overpayments made by utility customers in 2018 due to rate reductions. Purchased power increased as a result of power cost adjustments as determined by AMP Ohio and the City's public utility consultant.

Transfers in decreased from 2017 as the City retained kilowatt tax revenue in the general fund in 2018.

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The City's Funds

Governmental Funds

As noted earlier, the City's governmental funds are accounted for using the modified accrual method of accounting. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

The general fund is the chief operating fund of the City. The fund balance of the general fund increased by \$590,927 during the current fiscal year as revenues continue to outpace expenditures.

The street improvement income tax fund had a \$16,661 increase in fund balance.

The fund balance of the Issue II fund increased by \$652,197 due to unspent bond anticipation notes and grant proceeds relating to the Lincoln Sipple project.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for the business-type activities, but in more detail.

Unrestricted net position of the water fund at the end of the year was \$1,348,474, the sewer fund was \$1,429,261 and the electric fund was \$5,728,129. Total decrease in net position for these funds was \$189,660, \$795,809 and \$484,847, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the business-type activities.

General Fund Budgeting Highlights

The City's budget is prepared according to the laws of the State of Ohio and is based on accounting for certain transactions on a cash basis for receipts, expenditures, and encumbrances. The City of Amherst is somewhat different than many other Ohio cities of its size in that the general fund is not our most significant fund. Our budget is adopted at the object level within each department. Any budgetary modifications at that level may only be made by Council action.

During the course of 2018, the City amended its general fund budget on various occasions. All recommendations for appropriation changes come to Council from the City Auditor.

Original Budget Compared to Final Budget During the year there was no need for any significant amendments to increase either the original estimated revenues or original budgeted appropriations. However, there was a need to make an amendment to reallocate appropriations among departments at times. Generally, the movement of the appropriations between departments was not significant.

Final Budget Compared to Actual Results The most significant differences between estimated revenues and actual revenues were as follows:

City of Amherst
Lorain County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2018

The City saw unexpected increases in fees, licenses and permits during 2018 due to increases in construction of residential homes and the construction of several commercial buildings.

Expenditures within the general fund were lower than budgets in general government, security of persons and property, and capital outlay. This was primarily due to projects that were planned but uncompleted during the year.

Transfers in the general fund relate to income tax revenues allocated to the general fund. With income tax revenue higher than anticipated during 2018, coupled with cost savings within the general fund as discussed above, not all budgeted transfers were determined necessary.

Capital Assets and Debt Administration

Capital Assets

Table 3 shows fiscal year 2018 balances compared with 2017. See Note 9 for additional information about the capital assets of the City.

Table 3
Capital Assets at December 31
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 1,408,648	\$ 1,398,148	\$ 65,121	\$ 65,121	\$ 1,473,769	\$ 1,463,269
Construction in Progress	2,661,817	0	13,200	49,939	2,675,017	49,939
Buildings	2,171,111	2,132,279	4,000,810	4,181,178	6,171,921	6,313,457
Improvements Other Than Buildings	180,338	209,194	1,075,154	1,234,891	1,255,492	1,444,085
Machinery and Equipment	1,477,431	1,332,155	3,556,327	3,512,678	5,033,758	4,844,833
Vehicles	839,745	882,580	432,505	525,903	1,272,250	1,408,483
Infrastructure	23,102,929	22,946,141	10,533,295	10,856,964	33,636,224	33,803,105
<i>Total</i>	<u>\$ 31,842,019</u>	<u>\$ 28,900,497</u>	<u>\$ 19,676,412</u>	<u>\$ 20,426,674</u>	<u>\$ 51,518,431</u>	<u>\$ 49,327,171</u>

Debt

Table 4 summarizes outstanding debt. See Note 14 for additional details.

Table 4
Outstanding Debt, at December 31

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
General Obligation Bonds	\$ 655,000	\$ 970,000	\$ 355,000	\$ 650,000	\$ 1,010,000	\$ 1,620,000
Bond Anticipation Note	3,000,000	0	0	0	3,000,000	0
911 Improvement Loan	29,200	43,800	0	0	29,200	43,800
OPWC Loans	1,307,026	1,141,866	13,028	19,466	1,320,054	1,161,332
OWDA Loans	0	0	3,190,070	3,657,633	3,190,070	3,657,633
AMP-Ohio	0	0	435,297	491,275	435,297	491,275
Capital Leases	125,347	0	1,795,039	2,653,738	1,920,386	2,653,738
<i>Total</i>	<u>\$ 5,116,573</u>	<u>\$ 2,155,666</u>	<u>\$ 5,788,434</u>	<u>\$ 7,472,112</u>	<u>\$ 10,905,007</u>	<u>\$ 9,627,778</u>

City of Amherst
Lorain County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2018

Current Issues

The City is currently in a positive cash position having a total equity in pooled cash and investments (excluding Fiduciary Funds) of \$18,900,902 as of December 31, 2018. The major strength of the cash balance is in the General Fund, Street Improvement Income Tax Fund and in the Enterprise Funds. Both of these areas continue to have extensive capital projects underway. Each year since its inception in 1999, the Street Improvement Income Tax Fund has financed an aggressive street improvement program. All roads have been repaired and are in good working order. The second water tower has been upgraded and renovated; however, a study is continuing to determine pressure problems in the system that may have to be corrected. Water meters are currently being replaced with electronic read meters.

Economic Factors

The City is predominantly a residential community. The City has only one major manufacturing facility within its boundary. Nordson Corporation was founded by a native Amherst resident and continues to operate. It is a clean industry with a pleasant, well-landscaped facility. There has been some concern about major cutbacks in employees within the corporation, which substantially affected the City's revenues. However, the company seems to have stabilized. Cloverdale Farms, Inc., which is now operating under the name Tyson Foods is also a major manufacturer in the City. It has increased the number of employees from 101 to approximately 694 over the past several years. Amherst Hospital, another large employer in the community was experiencing some financial difficulties, reorganized its operation, and now seems to be stable as it was taken over by University Hospitals in late 2014 and has an employee count of approximately 250.

Although the City is land locked on the north by the City of Lorain; that is not the case on the southern edge of town. In 1999 the City annexed 57 acres of land on the southeastern edge of the City. This property was zoned for light industrial use by the township. In 2000, the City council voted to maintain this zoning so that the tax base of the City might be expanded and diversified. Currently, work is being done to build a light industrial park at that location. Several companies have opened there. This is the area that would be impacted by the Turnpike Exit on Route 58. At this point it is still undetermined just what the situation will be with that expansion.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and to show the City's accountability for all money it receives, spends or invests. If you have questions about this report or need financial information, contact the Auditor, Derek M. Pittak, City of Amherst, 480 Park Avenue, Amherst, Ohio 44001; telephone 440-988-3742; email auditor@amherstohio.org.

City of Amherst
Lorain County, Ohio
Statement of Net Position
December 31, 2018

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 8,783,486	\$ 10,117,416	\$ 18,900,902
Cash and Cash Equivalents with Escrow Agents	0	473,876	473,876
Accounts Receivable	98,486	4,110,704	4,209,190
Intergovernmental Receivable	531,438	11,134	542,572
Property Taxes Receivable	1,222,524	0	1,222,524
Income Taxes Receivable	1,984,150	0	1,984,150
Recovered Purchase Power Receivable	0	435,297	435,297
Investment in Joint Venture	0	247,488	247,488
Prepaid Items	114,156	30,574	144,730
Materials and Supplies Inventory	264,184	362,061	626,245
Restricted Assets	0	244,596	244,596
Non-Depreciable Capital Assets	4,070,465	78,321	4,148,786
Depreciable Capital Assets, Net	27,771,554	19,598,091	47,369,645
<i>Total Assets</i>	<u>44,840,443</u>	<u>35,709,558</u>	<u>80,550,001</u>
Deferred Outflows of Resources			
Pension	1,015,836	591,718	1,607,554
OPEB	425,032	144,649	569,681
<i>Total Deferred Outflows of Resources</i>	<u>1,440,868</u>	<u>736,367</u>	<u>2,177,235</u>
Liabilities			
Accounts Payable	95,698	917,047	1,012,745
Accrued Wages	126,749	77,401	204,150
Contracts Payable	58,381	0	58,381
Retainage Payable	80,624	0	80,624
Intergovernmental Payable	100,330	274,750	375,080
Accrued Interest Payable	0	11,134	11,134
Claims Payable	227,438	0	227,438
Customer Deposits	0	244,596	244,596
Refund Payable	0	352,314	352,314
Long-Term Liabilities:			
Due Within One Year	3,253,687	1,485,980	4,739,667
Due In More Than One Year:			
Net Pension Liability	5,609,198	1,969,908	7,579,106
Net OPEB Liability	4,654,950	1,354,533	6,009,483
Other Amounts Due in More Than One Year	2,513,392	4,643,119	7,156,511
<i>Total Liabilities</i>	<u>16,720,447</u>	<u>11,330,782</u>	<u>28,051,229</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	1,203,256	0	1,203,256
Pension	1,232,858	464,318	1,697,176
OPEB	557,318	100,904	658,222
<i>Total Deferred Inflows of Resources</i>	<u>2,993,432</u>	<u>565,222</u>	<u>3,558,654</u>
Net Position			
Net Investment in Capital Assets	26,951,753	16,044,057	42,995,810
Restricted for:			
Capital Projects	305,344	0	305,344
Debt Service	225,016	0	225,016
Street Maintenance & Repair	362,060	0	362,060
Park Trust	154,887	0	154,887
Cable Television	76,404	0	76,404
Other Purposes	281,093	0	281,093
Unrestricted	(1,789,125)	8,505,864	6,716,739
<i>Total Net Position</i>	<u>\$ 26,567,432</u>	<u>\$ 24,549,921</u>	<u>\$ 51,117,353</u>

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Statement of Activities
For the Year Ended December 31, 2018

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 1,742,024	\$ 357,897	\$ 1,000	\$ 2,036	\$ (1,381,091)	\$ 0	\$ (1,381,091)
Security of Persons and Property	4,446,577	158,580	3,631	0	(4,284,366)	0	(4,284,366)
Public Health	143,041	58,998	462	0	(83,581)	0	(83,581)
Leisure Time Services	240,726	146,416	22,880	0	(71,430)	0	(71,430)
Community Development	254,816	504,386	570	0	250,140	0	250,140
Transportation	2,863,302	3,467	710,050	687,836	(1,461,949)	0	(1,461,949)
Interest and Fiscal Charges	18,075	0	0	0	(18,075)	0	(18,075)
<i>Total Governmental Activities</i>	<u>9,708,561</u>	<u>1,229,744</u>	<u>738,593</u>	<u>689,872</u>	<u>(7,050,352)</u>	<u>0</u>	<u>(7,050,352)</u>
Business-Type Activities							
Water	2,907,990	2,718,330	0	0	0	(189,660)	(189,660)
Sewer	3,332,913	2,514,083	0	0	0	(818,830)	(818,830)
Electric	13,634,957	13,140,074	0	0	0	(494,883)	(494,883)
<i>Total Business-Type Activities</i>	<u>19,875,860</u>	<u>18,372,487</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,503,373)</u>	<u>(1,503,373)</u>
<i>Total</i>	<u>\$ 29,584,421</u>	<u>\$ 19,602,231</u>	<u>\$ 738,593</u>	<u>\$ 689,872</u>	<u>(7,050,352)</u>	<u>(1,503,373)</u>	<u>(8,553,725)</u>
General Revenues:							
Property Taxes Levied for:							
				818,103	0	818,103	
				208,414	0	208,414	
				254,452	0	254,452	
Income Taxes Levied for:							
				4,211,920	0	4,211,920	
				1,304,384	0	1,304,384	
				390,064	0	390,064	
				592	10,036	10,628	
				43,219	0	43,219	
				442,057	0	442,057	
				0	23,021	23,021	
				189,612	0	189,612	
				47,334	0	47,334	
<i>Total General Revenues</i>				<u>7,910,151</u>	<u>33,057</u>	<u>7,943,208</u>	
<i>Change in Net Position</i>				859,799	(1,470,316)	(610,517)	
<i>Net Position Beginning of Year (Restated, see Note 2)</i>				<u>25,707,633</u>	<u>26,020,237</u>	<u>51,727,870</u>	
<i>Net Position End of Year</i>				<u>\$ 26,567,432</u>	<u>\$ 24,549,921</u>	<u>\$ 51,117,353</u>	

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Balance Sheet
Governmental Funds
December 31, 2018

	General	Street Improvement Income Tax	Issue II	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$ 3,700,109	\$ 1,160,235	\$ 424,155	\$ 3,233,478	\$ 8,517,977
Accounts Receivable	98,486	0	0	0	98,486
Intergovernmental Receivable	157,922	0	0	373,516	531,438
Property Taxes Receivable	881,516	0	0	341,008	1,222,524
Income Taxes Receivable	1,513,533	470,617	0	0	1,984,150
Prepaid Items	60,620	0	0	18,853	79,473
Materials and Supplies Inventory	166,400	0	0	97,784	264,184
<i>Total Assets</i>	<u>\$ 6,578,586</u>	<u>\$ 1,630,852</u>	<u>\$ 424,155</u>	<u>\$ 4,064,639</u>	<u>\$ 12,698,232</u>
Liabilities					
Accounts Payable	\$ 50,658	\$ 10,923	\$ 4,545	\$ 29,572	\$ 95,698
Accrued Wages	108,314	0	0	18,435	126,749
Contracts Payable	0	0	48,381	10,000	58,381
Retainage Payable	0	40,624	40,000	0	80,624
Intergovernmental Payable	87,606	0	0	12,724	100,330
<i>Total Liabilities</i>	<u>246,578</u>	<u>51,547</u>	<u>92,926</u>	<u>70,731</u>	<u>461,782</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	870,648	0	0	332,608	1,203,256
Unavailable Revenue - Other	32,580	0	0	0	32,580
Unavailable Revenue - Income Taxes	861,195	297,999	0	0	1,159,194
Unavailable Revenue - Delinquent Taxes	10,868	0	0	4,291	15,159
Unavailable Revenue - Grants	123,549	0	0	251,897	375,446
<i>Total Deferred Inflows of Resources</i>	<u>1,898,840</u>	<u>297,999</u>	<u>0</u>	<u>588,796</u>	<u>2,785,635</u>
Fund Balances					
Nonspendable	227,020	0	0	116,637	343,657
Restricted	0	1,281,306	331,229	3,251,175	4,863,710
Committed	0	0	0	37,300	37,300
Assigned	1,183,756	0	0	0	1,183,756
Unassigned	3,022,392	0	0	0	3,022,392
<i>Total Fund Balances</i>	<u>4,433,168</u>	<u>1,281,306</u>	<u>331,229</u>	<u>3,405,112</u>	<u>9,450,815</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 6,578,586</u>	<u>\$ 1,630,852</u>	<u>\$ 424,155</u>	<u>\$ 4,064,639</u>	<u>\$ 12,698,232</u>

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2018

Total Governmental Fund Balances \$ 9,450,815

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 31,842,019

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Delinquent Property Taxes	\$ 15,159	
Income Tax	1,159,194	
Intergovernmental	375,446	
Other	32,580	
	1,582,379	1,582,379

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 72,754

The net pension liability and net OPEB liability are not due and payable in the current period, therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.

Deferred Outflows - Pension	1,015,836	
Deferred Outflows - OPEB	425,032	
Deferred Inflows - Pension	(1,232,858)	
Deferred Inflows - OPEB	(557,318)	
Net Pension Liability	(5,609,198)	
Net OPEB Liability	(4,654,950)	
	(10,613,456)	(10,613,456)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

General Obligation Bonds	(655,000)	
OPWC Loans	(1,307,026)	
Bond Anticipation Notes	(3,000,000)	
911 Improvement Loan	(29,200)	
Capital Leases	(125,347)	
Compensated Absences	(650,506)	
	(5,767,079)	(5,767,079)

Net Position of Governmental Activities \$ 26,567,432

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2018

	General	Street Improvement Income Tax	Issue II	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property and Other Local Taxes	\$ 813,988	\$ 0	\$ 0	\$ 505,128	\$ 1,319,116
Income Taxes	4,224,744	1,282,390	0	0	5,507,134
Special Assessments	0	0	5,293	0	5,293
Charges for Services	248,046	0	0	226,249	474,295
Fees, Licenses and Permits	532,733	0	0	81,630	614,363
Fines and Forfeitures	26,738	0	0	961	27,699
Intergovernmental	331,154	0	682,543	813,761	1,827,458
Interest	189,612	0	0	3,068	192,680
Kilowatt Taxes	442,057	0	0	0	442,057
Other	41,840	0	0	87,301	129,141
<i>Total Revenues</i>	<u>6,850,912</u>	<u>1,282,390</u>	<u>687,836</u>	<u>1,718,098</u>	<u>10,539,236</u>
Expenditures					
Current:					
General Government	1,196,258	0	0	72,337	1,268,595
Security of Persons and Property	3,865,874	0	0	133,266	3,999,140
Public Health	57,696	0	0	76,775	134,471
Leisure Time Services	0	0	0	197,981	197,981
Community Development	226,644	0	0	31,300	257,944
Transportation	0	253,159	249,747	910,309	1,413,215
Capital Outlay	128,928	871,692	3,030,178	747,380	4,778,178
Debt Service:					
Principal Retirement	0	140,878	0	312,939	453,817
Interest and Fiscal Charges	0	0	0	20,111	20,111
<i>Total Expenditures</i>	<u>5,475,400</u>	<u>1,265,729</u>	<u>3,279,925</u>	<u>2,502,398</u>	<u>12,523,452</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,375,512</u>	<u>16,661</u>	<u>(2,592,089)</u>	<u>(784,300)</u>	<u>(1,984,216)</u>
Other Financing Sources (Uses)					
Inception of Capital Lease	0	0	0	170,438	170,438
Proceeds from Sale of Assets	0	0	0	592	592
Issuance of OPWC Loans	0	0	244,286	0	244,286
Issuance of Bond Anticipation Note	0	0	3,000,000	0	3,000,000
Transfers In	0	0	0	784,585	784,585
Transfers Out	(784,585)	0	0	0	(784,585)
<i>Total Other Financing Sources (Uses)</i>	<u>(784,585)</u>	<u>0</u>	<u>3,244,286</u>	<u>955,615</u>	<u>3,415,316</u>
<i>Net Change in Fund Balance</i>	590,927	16,661	652,197	171,315	1,431,100
<i>Fund Balance Beginning of Year</i>	<u>3,842,241</u>	<u>1,264,645</u>	<u>(320,968)</u>	<u>3,233,797</u>	<u>8,019,715</u>
<i>Fund Balance End of Year</i>	<u>\$ 4,433,168</u>	<u>\$ 1,281,306</u>	<u>\$ 331,229</u>	<u>\$ 3,405,112</u>	<u>\$ 9,450,815</u>

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2018*

Net Change in Fund Balances - Total Governmental Funds		\$ 1,431,100
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	\$ 4,564,386	
Current Year Depreciation	(1,622,864)	2,941,522
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	5,072	
Income Tax	9,170	
Intergovernmental	(18,290)	
Licenses and Permits	32,580	28,532
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	315,000	
OPWC Loans	79,126	
911 Improvement Loan	14,600	
Capital Lease	45,091	453,817
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
OPWC Loans	(244,286)	
Bond Anticipation Note	(3,000,000)	(3,244,286)
Inception of capital lease in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
		(170,438)
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable		2,036
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	549,061	
OPEB	7,450	556,511
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(779,583)	
OPEB	(280,415)	(1,059,998)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		(48,380)
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 governmental funds.		
Compensated Absences		(30,617)
<i>Change in Net Position of Governmental Activities</i>		\$ 859,799

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
Revenues				
Property Taxes	\$ 807,846	\$ 807,846	\$ 813,988	\$ 6,142
Income Taxes	1,200,000	1,200,000	1,324,248	124,248
Kilowatt Taxes	460,000	460,000	442,057	(17,943)
Charges for Services	399,675	399,675	269,687	(129,988)
Fees, Licenses and Permits	175,900	175,900	493,551	317,651
Fines and Forfeitures	32,000	32,000	27,603	(4,397)
Intergovernmental	333,186	333,186	331,432	(1,754)
Interest	175,000	175,000	354,114	179,114
Other	18,500	17,500	42,840	25,340
<i>Total Revenues</i>	<u>3,602,107</u>	<u>3,601,107</u>	<u>4,099,520</u>	<u>498,413</u>
Expenditures				
Current:				
General Government	1,501,180	1,492,827	1,115,146	377,681
Security of Persons and Property	4,211,236	4,340,573	3,907,294	433,279
Public Health	66,000	66,000	57,696	8,304
Community Development	262,627	265,769	226,966	38,803
Capital Outlay	377,470	395,568	161,059	234,509
<i>Total Expenditures</i>	<u>6,418,513</u>	<u>6,560,737</u>	<u>5,468,161</u>	<u>1,092,576</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,816,406)</u>	<u>(2,959,630)</u>	<u>(1,368,641)</u>	<u>1,590,989</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	0	1,000	0	(1,000)
Advances In	159,400	159,400	0	(159,400)
Transfers In	2,170,000	2,170,000	1,627,500	(542,500)
Advances Out	(159,400)	(159,400)	0	159,400
Transfers Out	(257,922)	(144,198)	(97,085)	47,113
<i>Total Other Financing Sources (Uses)</i>	<u>1,912,078</u>	<u>2,026,802</u>	<u>1,530,415</u>	<u>(496,387)</u>
<i>Net Change in Fund Balance</i>	(904,328)	(932,828)	161,774	1,094,602
<i>Fund Balance Beginning of Year</i>	1,044,463	1,044,463	1,044,463	0
Prior Year Encumbrances Appropriated	58,380	58,380	58,380	0
<i>Fund Balance End of Year</i>	<u>\$ 198,515</u>	<u>\$ 170,015</u>	<u>\$ 1,264,617</u>	<u>\$ 1,094,602</u>

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2018

	Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Electric	Total	
Assets					
<i>Current Assets:</i>					
Equity in Pooled Cash and Investments	\$ 1,868,955	\$ 2,644,263	\$ 5,604,198	\$ 10,117,416	\$ 265,509
Cash and Cash Equivalents with Escrow Agents	94,774	189,551	189,551	473,876	0
Accounts Receivable	660,721	612,819	2,837,164	4,110,704	0
Intergovernmental Receivable	0	11,134	0	11,134	0
Recovered Purchase Power Receivable	0	0	60,000	60,000	0
Prepaid Items	4,765	11,437	14,372	30,574	34,683
Materials and Supplies Inventory	44,395	143,733	173,933	362,061	0
<i>Total Current Assets</i>	<u>2,673,610</u>	<u>3,612,937</u>	<u>8,879,218</u>	<u>15,165,765</u>	<u>300,192</u>
<i>Non-Current Assets:</i>					
<i>Restricted Assets:</i>					
Customer Deposits	64,595	27,039	152,962	244,596	0
Recovered Purchase Power Receivable	0	0	375,297	375,297	0
Investment in Joint Venture	0	0	247,488	247,488	0
Non-Depreciable Capital Assets	58,200	13,121	7,000	78,321	0
Depreciable Capital Assets, Net	3,542,612	11,009,128	5,046,351	19,598,091	0
<i>Total Non-Current Assets</i>	<u>3,665,407</u>	<u>11,049,288</u>	<u>5,829,098</u>	<u>20,543,793</u>	<u>0</u>
<i>Total Assets</i>	<u>6,339,017</u>	<u>14,662,225</u>	<u>14,708,316</u>	<u>35,709,558</u>	<u>300,192</u>
Deferred Outflows of Resources					
Pension	132,519	232,673	226,526	591,718	0
OPEB	41,458	47,674	55,517	144,649	0
<i>Total Deferred Outflows of Resources</i>	<u>173,977</u>	<u>280,347</u>	<u>282,043</u>	<u>736,367</u>	<u>0</u>
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	20,160	19,553	877,334	917,047	0
Accrued Wages	12,547	30,577	34,277	77,401	0
Intergovernmental Payable	231,559	22,779	20,412	274,750	0
Accrued Interest Payable	0	11,134	0	11,134	0
Refund Payable	0	0	352,314	352,314	0
Claims Payable	0	0	0	0	227,438
Compensated Absences Payable	3,373	6,374	8,462	18,209	0
Capital Leases Payable	170,383	340,766	364,833	875,982	0
AMP Ohio Payable	0	0	60,000	60,000	0
OPWC Loans Payable	0	2,005	0	2,005	0
OWDA Loans Payable	0	484,784	0	484,784	0
General Obligation Bonds Payable	45,000	0	0	45,000	0
Deposits Held and Due to Others	64,595	27,039	152,962	244,596	0
<i>Total Current Liabilities</i>	<u>547,617</u>	<u>945,011</u>	<u>1,870,594</u>	<u>3,363,222</u>	<u>227,438</u>
<i>Long-Term Liabilities:</i>					
Compensated Absences Payable - Net of Current Portion	59,738	112,867	149,851	322,456	0
Capital Leases Payable - Net of Current Portion	173,773	347,547	397,737	919,057	0
AMP Ohio Payable - Net of Current Portion	0	0	375,297	375,297	0
OPWC Loans Payable - Net of Current Portion	0	11,023	0	11,023	0
OWDA Loans Payable - Net of Current Portion	0	2,705,286	0	2,705,286	0
General Obligation Bonds Payable - Net of Current Portion	310,000	0	0	310,000	0
Net Pension Liability	419,129	796,346	754,433	1,969,908	0
Net OPEB Liability	288,199	547,577	518,757	1,354,533	0
<i>Total Long-Term Liabilities</i>	<u>1,250,839</u>	<u>4,520,646</u>	<u>2,196,075</u>	<u>7,967,560</u>	<u>0</u>
<i>Total Liabilities</i>	<u>1,798,456</u>	<u>5,465,657</u>	<u>4,066,669</u>	<u>11,330,782</u>	<u>227,438</u>
Deferred Inflows of Resources					
Pension	98,780	187,713	177,825	464,318	0
OPEB	21,469	40,791	38,644	100,904	0
<i>Total Deferred Inflows of Resources</i>	<u>120,249</u>	<u>228,504</u>	<u>216,469</u>	<u>565,222</u>	<u>0</u>
Net Position					
Net Investment in Capital Assets	3,245,815	7,819,150	4,979,092	16,044,057	0
Unrestricted	1,348,474	1,429,261	5,728,129	8,505,864	72,754
<i>Total Net Position</i>	<u>\$ 4,594,289</u>	<u>\$ 9,248,411</u>	<u>\$ 10,707,221</u>	<u>\$ 24,549,921</u>	<u>\$ 72,754</u>

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2018

	Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Electric	Total	
Operating Revenues					
Charges for Services	\$ 2,718,330	\$ 2,514,083	\$ 13,140,074	\$ 18,372,487	\$ 1,126,580
<i>Total Operating Revenues</i>	<u>2,718,330</u>	<u>2,514,083</u>	<u>13,140,074</u>	<u>18,372,487</u>	<u>1,126,580</u>
Operating Expenses					
Personal Services	584,667	1,078,355	886,611	2,549,633	0
Contractual Services	1,481,682	279,423	11,055,162	12,816,267	303,289
Materials and Supplies	632,316	1,221,777	1,318,756	3,172,849	0
Claims	0	0	0	0	871,671
Depreciation	180,021	625,419	219,970	1,025,410	0
<i>Total Operating Expenses</i>	<u>2,878,686</u>	<u>3,204,974</u>	<u>13,480,499</u>	<u>19,564,159</u>	<u>1,174,960</u>
<i>Operating Income (Loss)</i>	<u>(160,356)</u>	<u>(690,891)</u>	<u>(340,425)</u>	<u>(1,191,672)</u>	<u>(48,380)</u>
Non-Operating Revenues (Expense)					
OWDA Interest Subsidy	0	23,021	0	23,021	0
Gain on Sale of Capital Assets	0	0	10,036	10,036	0
Loss on Investment in Joint Venture	0	0	(127,001)	(127,001)	0
Interest and Fiscal Charges	(29,304)	(127,939)	(27,457)	(184,700)	0
<i>Total Non-Operating Revenues (Expense)</i>	<u>(29,304)</u>	<u>(104,918)</u>	<u>(144,422)</u>	<u>(278,644)</u>	<u>0</u>
<i>Change in Net Position</i>	(189,660)	(795,809)	(484,847)	(1,470,316)	(48,380)
<i>Net Position Beginning of Year (Restated, see Note 2)</i>	<u>4,783,949</u>	<u>10,044,220</u>	<u>11,192,068</u>	<u>26,020,237</u>	<u>121,134</u>
<i>Net Position End of Year</i>	<u>\$ 4,594,289</u>	<u>\$ 9,248,411</u>	<u>\$ 10,707,221</u>	<u>\$ 24,549,921</u>	<u>\$ 72,754</u>

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2018

	Enterprise Funds				Governmental
	Water	Sewer	Electric	Total	Activities - Internal Service Fund
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 2,631,498	\$ 2,387,714	\$13,369,514	\$18,388,726	\$ 1,126,580
Cash Received from Customer Deposits	124	130	400	654	0
Cash Payments to Suppliers for Goods and Services	(622,548)	(1,161,881)	(1,401,262)	(3,185,691)	0
Cash Payments to Employees for Services and Benefits	(490,666)	(940,785)	(718,936)	(2,150,387)	0
Cash Payments for Contractual Services	(1,386,944)	(284,578)	(11,031,009)	(12,702,531)	(328,681)
Cash Payments for Claims	0	0	0	0	(800,708)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>131,464</u>	<u>600</u>	<u>218,707</u>	<u>350,771</u>	<u>(2,809)</u>
Cash Flows from Noncapital Financing Activities					
Principal Payments on Noncapital Debt	(167,058)	(334,117)	(390,095)	(891,270)	0
Interest Payments on Noncapital Debt	(10,174)	(20,346)	(10,346)	(40,866)	0
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>(177,232)</u>	<u>(354,463)</u>	<u>(400,441)</u>	<u>(932,136)</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities					
OWDA Interest Subsidy	0	24,514	0	24,514	0
Acquisition of Capital Assets	(147,155)	(219,910)	(55,206)	(422,271)	0
Proceeds from Sale of Capital Assets	0	0	10,036	10,036	0
Principal Payments on Debt	(130,000)	(539,001)	(123,407)	(792,408)	0
Interest Payments on Debt	(2,987)	(42,972)	(3,351)	(49,310)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(280,142)</u>	<u>(777,369)</u>	<u>(171,928)</u>	<u>(1,229,439)</u>	<u>0</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	(325,910)	(1,131,232)	(353,662)	(1,810,804)	(2,809)
<i>Cash and Investments Beginning of Year</i>	<u>2,354,234</u>	<u>3,992,085</u>	<u>6,300,373</u>	<u>12,646,692</u>	<u>268,318</u>
<i>Cash and Investments End of Year</i>	<u>\$ 2,028,324</u>	<u>\$ 2,860,853</u>	<u>\$ 5,946,711</u>	<u>\$10,835,888</u>	<u>\$ 265,509</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Operating Income (Loss)	\$ (160,356)	\$ (690,891)	\$ (340,425)	\$ (1,191,672)	\$ (48,380)
Adjustments:					
Depreciation	180,021	625,419	219,970	1,025,410	0
(Increase)/ Decrease in Assets and Deferred Outflows:					
Accounts Receivable	(69,841)	(60,129)	(108,921)	(238,891)	9,291
Prepaid Items	659	313	(468)	504	(34,683)
Materials and Supplies Inventory	(14,965)	(3,424)	(60,378)	(78,767)	0
Recovered Purchased Power Receivable	0	0	55,978	55,978	0
Deferred Outflows - Pension/OPEB	45,493	179,006	139,030	363,529	0
Increase/ (Decrease) in Liabilities and Deferred Inflows:					
Accounts Payable	(114,143)	(8,060)	(35,609)	(157,812)	0
Accrued Wages	(2,893)	2,071	12,721	11,899	0
Refund Payable	0	0	352,314	352,314	0
Claims Payable	0	0	0	0	70,963
Deposits Held Due to Others	124	130	400	654	0
Compensated Absences Payable	9,859	27,941	28,322	66,122	0
Intergovernmental Payable	217,266	3,711	(23,298)	197,679	0
Deferred Inflows - Pension/OPEB	113,479	214,335	203,481	531,295	0
Net Pension Liability	(123,312)	(338,996)	(286,297)	(748,605)	0
Net OPEB Liability	50,073	49,174	61,887	161,134	0
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ 131,464</u>	<u>\$ 600</u>	<u>\$ 218,707</u>	<u>\$ 350,771</u>	<u>\$ (2,809)</u>

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2018

	Private Purpose Trust	Agency Funds
Assets		
Equity in Pooled Cash and Investments	\$ 4,357	\$ 55,634
<i>Total Assets</i>	<u>4,357</u>	<u>\$ 55,634</u>
Liabilities		
Accounts Payable	0	\$ 7,050
Deposits Held and Due to Others	0	48,519
Undistributed Monies	0	65
<i>Total Liabilities</i>	<u>0</u>	<u>\$ 55,634</u>
Net Position		
Held in Trust for Private Purposes	264	
Held in Trust for Cemetery	4,093	
<i>Total Net Position</i>	<u>\$ 4,357</u>	

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Fund
For the Year Ended December 31, 2018

	Private Purpose Trust
Additions	
Interest	\$ 70
<i>Total Additions</i>	70
 <i>Change in Net Position</i>	 70
 <i>Net Position Beginning of Year</i>	 4,287
 <i>Net Position End of Year</i>	 \$ 4,357

See accompanying notes to the basic financial statements.

City of Amherst
Lorain County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2018

Note 1: The Reporting Entity

The City of Amherst (the "City") is a municipal corporation established and operated under the laws of the State of Ohio. The City was first incorporated in 1962. The City provides for a Mayor-Council form of government. Elected officials include eight council members, mayor, law director, auditor, and treasurer.

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Amherst, this includes the departments that provide the following services: police and fire protection, the construction and maintenance of highways, streets and infrastructure, recreational activities, family and child health care, senior services, community planning, zoning and development, water, sewer, electric, and sanitation.

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

The City is associated with the Lorain County General Health District, a jointly governed organization and the Ohio Municipal Electric Generation Agency (JV2) joint venture. These organizations are discussed in Notes 15 and 16 of the basic financial statements.

Note 2: Summary of Significant Accounting Policies

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

Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The effect of similar internal events that are, in effect, allocations of overhead expenses from one function to another or within the same function are also eliminated. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

City of Amherst
Lorain County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2018

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

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

Fund Accounting

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

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

General Fund - The General Fund accounts for all financial resources not accounted for and reported in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City of Amherst and/or the general laws of Ohio.

Street Improvement Income Tax Fund - This Capital Projects Fund is used to account for 0.5% of the Municipal Income Tax to be used for improvements to the various City roads. The primary source of revenue for this fund is income tax revenue.

Issue II Fund - This Capital Projects Fund is used to account for funds received from the Ohio Public Works Commission and local match monies for capital projects.

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

City of Amherst
Lorain County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2018

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

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

Water Fund - The Water Fund accounts for the provision of water service to the residents and commercial users located within the City. The primary source of revenue for this fund is water service charges.

Sewer Fund - The Sewer Fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City. The primary source of revenue for this fund is sewer service charges.

Electric Fund - The Electric Fund accounts for the provision of electric light and power service to the residents and commercial users located within the City. The primary source of revenue for this fund is electric service charges.

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

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's only trust fund is a private purpose trust which accounts for the perpetual care and maintenance of an individual family's burial plots in the City's cemetery through an endowment. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for street opening fees, building assessment fees, sales tax collections, and developers' deposits and fees.

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, liabilities and deferred inflows/outflows of resources associated with the operation of the City are included on the Statement of Net Position, except for fiduciary funds. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

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

City of Amherst
Lorain County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2018

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

The private purpose trust fund is reported using a flow of economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual bases of accounting arise in the recognition of revenue, the recording of unavailable revenue, the presentation of expenses versus expenditures, the recording of deferred inflows and outflows of resources related to net pension/OPEB liabilities, and the recording of net pension/OPEB liabilities.

Revenues - Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Measurable means the amount of the transaction can be determined and available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. The available period for the City is sixty days after year-end.

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

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, licenses and permits, interest, grants and rentals.

Deferred Outflows and Deferred Inflows of Resources - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 10 and 11.

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In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance 2019 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue may include delinquent property taxes, income taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balances to net position of governmental activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 10 and 11).

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

Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of budgetary control is at the object level within each department. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources in effect when the final appropriations were passed by Council. The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "equity in pooled cash and investments."

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Investments are reported at fair value, with the exception of nonparticipating repurchase agreements, which are reported at cost.

During 2018, investments were limited to State Treasury Asset Reserve of Ohio (STAR Ohio), Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Home Loan Banks, commercial paper, negotiable certificates of deposit, and the Government Obligation Fund.

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

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

The City also invests in STAR Plus, a federally insured cash account powered by the Federally Insured Cash Account (FICA) program. STAR Plus enables political subdivisions to generate a competitive yield on cash deposits in a network of carefully-selected FDIC-insured banks via a single, convenient account. STAR Plus offers attractive yields with no market or credit risk, weekly liquidity and penalty free withdrawals. All deposits with STAR Plus have full FDIC insurance with no term commitment on deposits.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2018 amounted to \$189,612, where \$116,989 was assigned from other funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are presented on the basic financial statements as "equity in pooled in cash and investments."

The City maintains a separate bank account for unexpended proceeds from a lease-purchase agreement for contractor payments and this amount is reported as "Cash and Cash Equivalents with Escrow Agents" on the financial statements.

Inventory

Inventories are stated at cost on the first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

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Restricted Assets

Water, sewer, and electric customer deposits have been restricted because the deposit remains the property of the customer. The restricted asset account is balanced by a customer deposits payable liability account.

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, irrigation systems and water, sewer and electric lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings	10 - 65 years
Improvements other Than Buildings	10 - 50 years
Machinery and Equipment	3 - 30 years
Vehicles	3 - 30 years
Infrastructure	10 - 65 years

Interfund Balances

On the fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." Interfund transactions which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the Statement of Net Position, except for any residual amounts due between governmental and business-type activities, which are presented as internal balances.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation when earned for all employees with more than one year of service.

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Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

Accrued Liabilities and Long-Term Obligations

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

Fund Balance

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

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

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, City Council has provided the City Auditor with the authority to record assigned amounts which is primarily done through the issuance of purchase orders. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

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

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

Net Position

Net position represents the difference between assets, liabilities and deferred inflows/outflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings and the effect of deferred inflows/outflows related to the acquisition, construction, or improvement of those assets. Net position is 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. Net position restricted for other purposes include several grants and city planning.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Of the City's restricted net position, none is restricted for enabling legislation.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer and electric services and premiums for self-insurance programs. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting these definitions are reported as non-operating.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. Transfers within governmental activities and within business-type activities are eliminated on the Statement of Activities.

Estimates

The preparation of the 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.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of

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employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

Implementation of New Accounting Principles and Restatement of Net Position

For the fiscal year ended December 31, 2018, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial reporting for Postemployment Benefits other than Pensions*, GASB Statement No. 85, *Omnibus 2017* and GASB Statement No. 86, *Certain Debt Extinguishments*.

GASB Statement No. 75 requires recognition of the entire net postemployment benefits other than pensions (other postemployment benefits or OPEB) liability and a more comprehensive measure of postemployment benefits expense for OPEB provided to the employees of state and local governmental employers through OPEB plans that are administered through trusts or equivalent arrangements. The implementation of GASB Statement No. 75 resulted in the inclusion of net OPEB liability and OPEB expense components on the accrual financial statements. See below for the effect on net position as previously reported.

	Governmental Activities	Business-Type Activities
Net Position, December 31, 2017	\$ 30,221,904	\$ 27,197,440
Adjustments:		
Net OPEB Liability	(4,542,337)	(1,193,399)
Deferred Outflow-Payments		
Subsequent to Measurement Date	28,066	16,196
Restated Net Position, December 31, 2017	\$ 25,707,633	\$ 26,020,237

	Water	Sewer	Electric	Total Enterprise Funds
Net Position, December 31, 2017	\$ 5,018,843	\$ 10,535,859	\$ 11,642,738	\$ 27,197,440
Adjustments:				
Net OPEB Liability	(238,126)	(498,403)	(456,870)	(1,193,399)
Deferred Outflow-Payments				
Subsequent to Measurement Date	3,232	6,764	6,200	16,196
Restated Net Position, December 31, 2017	\$ 4,783,949	\$ 10,044,220	\$ 11,192,068	\$ 26,020,237

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

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

GASB Statement No. 86 addresses the reporting and disclosure requirements of certain debt extinguishments including in-substance defeasance transactions and prepaid insurance associated with debt that is extinguished. The implementation of GASB Statement No. 86 did not have an effect on the financial statements of the City.

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Note 3: Budgetary Basis of Accounting

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

1. Revenues and other financing sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a restricted, committed, or assigned fund balance (GAAP).
4. Some funds are included in the general fund, (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

	General
GAAP Basis	\$ 590,927
Net Adjustment for Revenue Accruals	185,942
Net Adjustment for Expenditure Accruals	28,453
Funds Budgeted Elsewhere *	(491,122)
Adjustment for Encumbrances	(152,426)
Budget Basis	\$ 161,774

* As part of Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the municipal income tax and Downtown Director fund.

Note 4: Deposits and Investments

Monies held by the City are classified by State statute into three categories.

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days and two hundred seventy days, respectively, in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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Undeposited Cash

At year-end, the City had \$1,100 undeposited cash on hand which is included as part of “equity in pooled cash and investments.”

Deposits

Custodial credit risk is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$1,574,317 of the City’s bank balance of \$4,818,776 was exposed to custodial credit risk. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the Federal Deposit Insurance Corporation.

The City does not have a deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be 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 required 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.

At December 31, 2018, the financial institution still maintained its own collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured.

Investments

As of December 31, 2018, the City had the following investment and maturity:

Rating	Investment	Measurement Amount	Investment Maturities in Months			% of Investments
			0-12	13-36	Over 36	
	Net Asset Value (NAV):					
AAAm	STAR Ohio	\$ 3,379,444	\$3,379,444	\$ 0	\$ 0	23%
AAAm	Federated Government Obligation Fund	1,372,294	1,372,294	0	0	9%
	Fair Value:					
N/A	Negotiable Certificates of Deposit	4,625,890	1,481,044	2,194,096	950,750	31%
P-1	Commercial Paper	386,164	386,164	0	0	3%
AA+	Federal National Mortgage Assoc.	1,751,423	994,965	756,458	0	12%
AA+	Federal Home Loan Bank Bonds	672,001	0	0	672,001	4%
AA+	Federal Home Loan Mortgage	2,752,595	1,038,872	1,467,823	245,900	18%
	Total	<u>\$ 14,939,811</u>	<u>\$8,652,783</u>	<u>\$ 4,418,377</u>	<u>\$ 1,868,651</u>	<u>100%</u>

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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. The above table identifies the City's recurring fair value measurements as of December 31, 2018. The City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio. The weighted average maturity of STAR Ohio is 45 days. The City has no specific investment policy dealing with interest rate risk.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Investments in STAR Ohio were rated AAAM by S&P Global Ratings. Investments in Federal Home Loan Mortgage Association, Federal National Mortgage Association, and Federal Home Loan Bank were rated AA+ by S&P Global Ratings and Aaa by Moody's. The City's investments in individual marketable certificates of deposit are fully insured by the Federal Deposit Insurance Corporation. The commercial paper was rated P-1 by Moody's. The City's investment policy does not address credit risk beyond the requirements of the Ohio Revised Code. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

Custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal national mortgage association notes, federal home loan mortgage corporation notes, and the federal home loan bank notes are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the City's name.

The City has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single user. The City's investment policy allows investments in those authorized under the Ohio Revised Code.

Note 5: Receivables

Receivables at December 31, 2018, consisted of accounts (billings for user charged services, including unbilled utility services), property taxes, income taxes, intergovernmental receivables arising from grants, entitlements and shared revenues, and recovered purchase power receivable.

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No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables are expected to be collected within one year, except for recovered purchase power receivable (see Note 16), and property taxes. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Note 6: Property Tax

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2018 for real and public utility property taxes represents collections of the 2017 taxes. 2018 real property taxes are levied after October 1, 2018, on the assessed value as of January 1, 2018, the lien date. Assessed values are established by State law at 35% of appraised market value. 2018 real property taxes are collected in and intended to finance 2019.

The full tax rate for all City operations for the year ended December 31, 2018, was \$4.77 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2017 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
<i>Real Property</i>	
Agricultural/Residential	\$ 248,270,620
Commerical/Industrial/Mineral	55,438,480
<i>Tangible Personal Property</i>	
Public Utility	<u>2,736,440</u>
Total Assessed Value	<u>\$ 306,445,540</u>

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

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Amherst. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2018 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2018 operations is offset to deferred inflows of resources – property taxes levied for the next year. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Note 7: Income Tax

The City levies a municipal income tax of one and one-half percent on substantially all income earned within the City; in addition, residents are required to pay tax on income earned outside of the City. The City allows a credit of one percent of the income taxed by another taxing entity.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds were credited to the General Fund and Street Improvement Income Tax Capital Projects Fund.

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Note 8: Transfers

Interfund transfers for the year ended December 31, 2018 consisted of the general fund transferring \$784,585 to nonmajor governmental funds to provide additional resources for current operations. These transfers comply with all applicable laws.

Note 9: Capital Assets

A summary of changes in capital assets during 2018 follows:

	Balance 12/31/2017	Additions	Adjustments*	Deletions	Balance 12/31/2018
Governmental Activities:					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 1,398,148	\$ 0	\$ 10,500	\$ 0	\$ 1,408,648
Construction in Progress	0	2,661,817	0	0	2,661,817
<i>Total Capital Assets, Not Being Depreciated</i>	<u>1,398,148</u>	<u>2,661,817</u>	<u>10,500</u>	<u>0</u>	<u>4,070,465</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings	4,943,421	175,501	0	0	5,118,922
Improvements other than Buildings	1,177,185	20,703	0	0	1,197,888
Machinery and Equipment	4,313,402	287,532	16,653	(86,025)	4,531,562
Vehicles	3,657,346	255,164	0	(105,077)	3,807,433
Infrastructure					
Roads	36,150,505	1,136,516	0	0	37,287,021
<i>Total Capital Assets, Being Depreciated</i>	<u>50,241,859</u>	<u>1,875,416</u>	<u>16,653</u>	<u>(191,102)</u>	<u>51,942,826</u>
<i>Less Accumulated Depreciation:</i>					
Buildings	(2,811,142)	(136,669)	0	0	(2,947,811)
Improvements other than Buildings	(967,991)	(50,034)	475	0	(1,017,550)
Machinery and Equipment	(2,981,247)	(196,370)	37,461	86,025	(3,054,131)
Vehicles	(2,774,766)	(151,123)	(146,876)	105,077	(2,967,688)
Infrastructure					
Roads	(13,204,364)	(1,252,342)	272,614	0	(14,184,092)
<i>Total Accumulated Depreciation</i>	<u>(22,739,510)</u>	<u>(1,786,538)</u>	<u>163,674</u>	<u>191,102</u>	<u>(24,171,272)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>27,502,349</u>	<u>88,878</u>	<u>180,327</u>	<u>0</u>	<u>27,771,554</u>
<i>Total Governmental Activities Capital Assets, Net</i>	<u>\$ 28,900,497</u>	<u>\$ 2,750,695</u>	<u>\$ 190,827</u>	<u>\$ 0</u>	<u>\$ 31,842,019</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 312,971
Security of Persons and Property	115,760
Transportation	1,332,240
Public Health	1,820
Leisure Time Services	23,747
Total Depreciation Expense	<u>\$ 1,786,538</u>

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	Balance 12/31/2017	Additions	Adjustments*	Deletions	Balance 12/31/2018
Business-Type Activities:					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 65,121	\$ 0	\$ 0	\$ 0	\$ 65,121
Construction in Progress	49,939	13,200	0	(49,939)	13,200
<i>Total Capital Assets, Not Being Depreciated</i>	<u>115,060</u>	<u>13,200</u>	<u>0</u>	<u>(49,939)</u>	<u>78,321</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings	7,041,630	22,178	(193,067)	0	6,870,741
Improvements other than Buildings	3,445,469	0	(29,326)	0	3,416,143
Machinery and Equipment	8,973,771	337,879	(49,710)	0	9,261,940
Vehicles	1,103,456	25,000	(19,552)	(83,550)	1,025,354
Infrastructure					
Water Lines	4,388,265	0	(1,200)	0	4,387,065
Sewer Lines	9,464,924	17,831	(2,000)		9,480,755
Electric Lines	4,651,522	6,183	(4,711)	0	4,652,994
<i>Total Capital Assets, Being Depreciated</i>	<u>39,069,037</u>	<u>409,071</u>	<u>(299,566)</u>	<u>(83,550)</u>	<u>39,094,992</u>
<i>Less Accumulated Depreciation:</i>					
Buildings	(2,860,452)	(141,667)	132,188	0	(2,869,931)
Improvements other than Buildings	(2,210,578)	(170,380)	39,969	0	(2,340,989)
Machinery and Equipment	(5,461,093)	(265,238)	20,718	0	(5,705,613)
Vehicles	(577,553)	(109,163)	10,317	83,550	(592,849)
Infrastructure					
Water Lines	(2,310,062)	(61,174)	215	0	(2,371,021)
Sewer Lines	(4,398,882)	(163,530)	(41,080)	0	(4,603,492)
Electric Lines	(938,803)	(114,258)	40,055	0	(1,013,006)
<i>Total Accumulated Depreciation</i>	<u>(18,757,423)</u>	<u>(1,025,410)</u>	<u>202,382</u>	<u>83,550</u>	<u>(19,496,901)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>20,311,614</u>	<u>(616,339)</u>	<u>(97,184)</u>	<u>0</u>	<u>19,598,091</u>
<i>Total Business-Type Activities Capital Assets, Net</i>	<u>\$ 20,426,674</u>	<u>\$ (603,139)</u>	<u>\$ (97,184)</u>	<u>\$ (49,939)</u>	<u>\$ 19,676,412</u>

* Adjustments represent changes in values of capital assets needed to report capital assets in accordance with appraised amounts. Amount not deemed significant to restate.

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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)

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

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

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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 who retired prior to January 7, 2013, the COLA will continue to be a three percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index (CPI), capped at three percent.

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

	<u>State and Local</u>
2018 Statutory Maximum Contribution Rates	
Employer	14.00 %
Employee	10.00 %
2018 Actual Contribution Rates	
Employer:	
Pension	14.00 %
Post-Employment Health Care Benefits	0.00 %
Total Employer	<u>14.00 %</u>
Employee	<u>10.00 %</u>

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Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$501,792 for 2018. Of this amount, \$61,186 is reported as an intergovernmental payable.

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

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

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

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$283,111 for 2018. Of this amount, \$48,162 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2017, and was determined by rolling forward the total pension liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS	OPF	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.026716%	0.055199%	
Prior Measurement Period	0.027776%	0.062502%	
Change in Proportion	-0.001060%	-0.007303%	
Proportionate Share of the Net			
Pension Liability	\$ 4,191,293	\$ 3,387,813	\$ 7,579,106
Pension Expense	\$ 873,349	\$ 315,844	\$ 1,189,193

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	OPERS	OPF	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ 4,280	\$ 51,412	\$ 55,692
Changes of Assumptions	500,886	147,625	648,511
Changes in Proportionate Share	118,448	0	118,448
City Contributions Subsequent to the Measurement Date	501,792	283,111	784,903
Total Deferred Outflows of Resources	<u>\$ 1,125,406</u>	<u>\$ 482,148</u>	<u>\$ 1,607,554</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 82,597	\$ 6,129	\$ 88,726
Net Difference between Projected and Actual Earnings on Pension Plan Investments	899,814	117,192	1,017,006
Changes in Proportionate Share	195,047	396,397	591,444
Total Deferred Inflows of Resources	<u>\$ 1,177,458</u>	<u>\$ 519,718</u>	<u>\$ 1,697,176</u>

\$784,903 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OPF	Total
2019	\$ 349,839	\$ 6,405	\$ 356,244
2020	(141,708)	(24,404)	(166,112)
2021	(392,227)	(145,788)	(538,015)
2022	(369,748)	(119,845)	(489,593)
2023	0	(30,029)	(30,029)
Thereafter	0	(7,020)	(7,020)
	<u>\$ (553,844)</u>	<u>\$ (320,681)</u>	<u>\$ (874,525)</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.

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

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Valuation Date	December 31, 2017
Wage Inflation	3.25 percent
Projected Salary Increases, including wage inflation	3.25 percent to 10.75 percent (includes wage inflation at 3.25 percent)
Investment Rate of Return	7.50 percent
Actuarial Cost Method	Individual Entry Age
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00 percent Simple Post-1/7/2013 Retirees: 3.00 percent Simple through 2018, then 2.15 percent Simple

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

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

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

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

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

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	23.00 %	2.20 %
Domestic Equities	19.00	6.37
Real Estate	10.00	5.26
Private Equity	10.00	8.97
International Equities	20.00	7.88
Other Investments	18.00	5.26
Total	<u>100.00 %</u>	<u>5.66 %</u>

Discount Rate The discount rate used to measure the total pension liability was 7.50 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 contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.50 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 (6.50 percent) or one-percentage-point higher (8.50 percent) than the current rate:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
City's Proportionate Share of the Net Pension Liability	\$ 7,442,668	\$ 4,191,293	\$ 1,480,626

Actuarial Assumptions – OP&F

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2017, are presented below:

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Actuarial Cost Method	Entry Age (Level Percent of Payroll)
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Increases	3.25 percent (inflation plus productivity increase)
Inflation Assumptions	2.75 percent
Cost-of-Living Adjustments	3.00 percent simple; 2.20 percent simple for increases based on lesser of the increase in CPI and 3.00 percent

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

Age	Police
67 or less	77
68-77	105
78 and up	115

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

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

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 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 real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2017, are summarized below:

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

Note: Assumptions are geometric.

* Levered 2x

** Numbers are net of expected inflation

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

Discount Rate The total pension liability was calculated using the discount rate of 8.00 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 earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, OP&F'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.

	<u>1% Decrease (7.00%)</u>	<u>Current Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
City's Proportionate Share of the Net Pension Liability	\$ 4,696,396	\$ 3,387,813	\$ 2,320,542

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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.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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.

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

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City had no contractually required contribution for 2018.

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

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.

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

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

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

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

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

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

The City's contractually required contribution to OP&F was \$7,450 for 2018. Of this amount, \$1,267 is reported as an intergovernmental payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2017, and was determined by rolling forward the total OPEB liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

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	OPERS	OPF	Total
Proportion of the Net OPEB Liability:			
Current Measurement Period	0.026539%	0.055199%	
Prior Measurement Period	0.027414%	0.062502%	
Change in Proportion	<u>-0.000875%</u>	<u>-0.007303%</u>	
Proportionate Share of the Net			
OPEB Liability	\$ 2,881,985	\$ 3,127,498	\$ 6,009,483
OPEB Expense	\$ 213,022	\$ 200,978	\$ 414,000

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

	OPERS	OPF	Total
Deferred Outflows of Resources			
Differences between Expected and			
Actual Experience	\$ 2,245	\$ 0	\$ 2,245
Changes of Assumptions	209,839	305,177	515,016
Changes in Proportionate Share	44,970	0	44,970
City Contributions Subsequent			
to the Measurement Date	<u>0</u>	<u>7,450</u>	<u>7,450</u>
Total Deferred Outflows of Resources	<u>\$ 257,054</u>	<u>\$ 312,627</u>	<u>\$ 569,681</u>
Deferred Inflows of Resources			
Differences between Expected and			
Actual Experience	\$ 0	\$ 15,774	\$ 15,774
Net Difference between Projected and Actual			
Earnings on OPEB Plan Investments	214,689	20,586	235,275
Changes in Proportionate Share	104,732	302,441	407,173
Total Deferred Inflows of Resources	<u>\$ 319,421</u>	<u>\$ 338,801</u>	<u>\$ 658,222</u>

\$7,450 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OPF	Total
2019	\$ 19,152	\$ (7,052)	\$ 12,100
2020	21,124	(7,052)	14,072
2021	(48,970)	(7,052)	(56,022)
2022	(53,673)	(7,050)	(60,723)
2023	0	(1,905)	(1,905)
Thereafter	<u>0</u>	<u>(3,513)</u>	<u>(3,513)</u>
	<u>\$ (62,367)</u>	<u>\$ (33,624)</u>	<u>\$ (95,991)</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.

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

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

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

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

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

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

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

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discretionary benefit. The table below displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

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

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

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

	1% Decrease (2.85%)	Current Discount Rate (3.85%)	1% Increase (4.85%)
City's Proportionate Share of the Net OPEB Liability	\$ 3,828,841	\$ 2,881,985	\$ 2,115,988

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.

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

	1% Decrease	Current Trend Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 2,757,445	\$ 2,881,985	\$ 3,010,631

Actuarial Assumptions – OP&F

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

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

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

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

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Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent
Single discount rate:	
Current measurement date	3.24 percent
Prior measurement date	3.79 percent
Cost of Living Adjustments	3.00 percent simple; 2.20 percent simple for increased based on the lesser of the increase in CPI and 3.00 percent

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

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

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

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

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, 2017, are summarized below:

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

Note: Assumptions are geometric.

* Levered 2x

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

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

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

	1% Decrease (2.24%)	Current Discount Rate (3.24%)	1% Increase (4.24%)
City's Proportionate Share of the Net OPEB Liability	\$ 3,909,410	\$ 3,127,498	\$ 2,525,851

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

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

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

	1% Decrease	Current Trend Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 2,429,497	\$ 3,127,498	\$ 4,068,168

Changes between Measurement Date and Report Date

In March 2018, the OP&F Board of Trustees approved the implementation date and framework for a new health care model. Beginning January 1, 2019, the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. The impact to the City’s NOL is not known.

Note 12: Employee Benefits

Compensated Absences

The criteria for determining vested vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees can earn five to twenty-five days of vacation per year, depending upon length of service. Earned, unused vacation time is paid upon termination of employment.

All employees earn 4.6 hours of sick leave per each completed bi-weekly pay period in active status. Sick leave accrual is continuous, without limit. The payment of accrued sick leave to a retired employee is specified in the employee’s legislated contract. At the present time, the various contracts for the City’s employees stipulate that a retiring employee may receive payment for anywhere from a minimum of one-quarter of unused sick hours to a maximum of one thousand hours of accrued sick leave depending upon the employee’s department and longevity.

Severance

Per City Ordinance, certain employees with retirement payouts exceeding defined balance amounts are to be paid over a three year period. This liability is reported as severance liability within these financial statements.

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Note 13: Risk Management

Property and Liability

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. During 2018, the City contracted with a private insurance carrier for various types of insurance as follows:

<u>Type of Liability Coverage</u>	<u>Carrier</u>	<u>Coverage</u>
Property	U.S. Specialty	\$ 58,645,660
General	U.S. Specialty	1,000,000 per occurrence
	U.S. Specialty	3,000,000 general aggregate
Automobile Fleet	U.S. Specialty	1,000,000 per occurrence
Stop Gap	U.S. Specialty	1,000,000 per occurrence
Employee Benefits	U.S. Specialty	1,000,000
Employment Practices	U.S. Specialty	1,000,000 annual aggregate
Public Officials	U.S. Specialty	1,000,000 / 1,000,000
Umbrella	U.S. Specialty	10,000,000
Law Enforcement	U.S. Specialty	1,000,000

The City carries commercial insurance coverage for all risks. There has not been a significant reduction of coverage from the prior year and settled claims have not exceeded commercial coverage in any of the last three years.

Workers' Compensation

Workers' Compensation coverage is provided by the State. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Medical

The City has elected to provide employees' major medical, hospitalization, and prescription coverage through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. All full time employees receive dental, vision, hearing and life coverage through AFSCME.

The City purchases a stop-loss insurance policy premium cost of \$297,959 in aggregate for all employees. The claims liability of \$227,438 reported in the self-insurance fund at December 31, 2018, is estimated by the third party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustments expenses and does not include other allocated or unallocated claim adjustment expenses.

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Changes in the fund's claims liability amount for the last three years follow:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2016	\$ 107,395	\$ 698,206	\$ 661,392	\$ 144,209
2017	144,209	838,506	826,240	156,475
2018	156,475	871,671	800,708	227,438

Note 14: Long-Term Obligations

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

General Obligation Bonds

Various Purpose	2006	3.50 - 4.10%	\$ 2,275,000	12/1/2025
Police and Jail facility	2003	2.00 - 4.25%	2,195,000	12/1/2018
Capital Purpose	1998	3.50 - 4.55%	545,000	12/1/2018
Water Capital Purpose Bonds	1999	4.55%	1,165,000	12/1/2018
Sewer Capital Purpose Bonds	1999	4.55%	835,000	12/1/2018
Electric Capital Purpose Bonds	1999	4.55%	1,455,000	12/1/2018
Bond Anticipation Note	2018	2.35%	3,000,000	4/12/2019

Loans

911 Loan	2015	0.00%	73,000	4/1/2020
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OPWC Loans

Milan Avenue	2004	0.00%	78,496	1/1/2024
Martin Avenue	1999	0.00%	88,698	1/1/2019
North Lake Street	2006	0.00%	53,283	1/1/2026
Park Avenue Reconstruction	2006	0.00%	135,847	7/1/2026
Henry & Tenney	2005	0.00%	40,094	7/1/2025
Church Street	2007	0.00%	163,000	7/1/2027
Jackson Street Bridge	2008	0.00%	69,556	1/1/2028
State Route 58	2008	0.00%	128,736	7/1/2028
South Lake Street	2010	0.00%	38,620	1/1/2020
South Downtown Storm Sewer Interceptor	2014	0.00%	300,000	1/1/1934
OPWC - Cooper Foster Park Road	2016	0.00%	74,016	7/1/1939
OPWC - Cooper Foster Park Road	2016	0.00%	240,474	7/1/1936
OPWC - Cooper Foster Park Road	2017	0.00%	271,526	7/1/1937
Elyria Avenue Resurfacing	2017	0.00%	207,500	*
Lincoln and Sipple Area Resurfacing	2018	0.00%	250,000	*

OWDA Loan	2003	3.65%	8,419,656	1/1/2025
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* Project not complete and therefore a maturity date is not provided.

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A schedule of changes in bonds and other long-term obligations of the City during 2018 follows:

	Restated Balance 12/31/2017	Additions	(Reductions)	Balance 12/31/2018	Due in One Year
Governmental Activities:					
<i>General Obligation Bonds</i>					
Police and Jail Facility	\$ 195,000	\$ 0	\$ (195,000)	\$ 0	\$ 0
Capital Purpose	40,000	0	(40,000)	0	0
Various Purpose	735,000	0	(80,000)	655,000	85,000
Total General Obligation Bonds	970,000	0	(315,000)	655,000	85,000
Bond Anticipation Notes	0	3,000,000	0	3,000,000	3,000,000
OPWC Loans	1,141,866	244,286	(79,126)	1,307,026	79,127
Capital Lease	0	170,438	(45,091)	125,347	40,190
911 Improvement Loan	43,800	0	(14,600)	29,200	14,600
Compensated Absences	619,889	59,148	(28,531)	650,506	34,770
Net Pension Liability	7,547,758	0	(1,938,560)	5,609,198	0
Net OPEB Liability	4,542,337	112,613	0	4,654,950	0
<i>Total Governmental Activities</i>	<u>\$ 14,865,650</u>	<u>\$ 3,586,485</u>	<u>\$ (2,420,908)</u>	<u>\$ 16,031,227</u>	<u>\$ 3,253,687</u>
Business-Type Activities:					
<i>General Obligation Bonds</i>					
Water Capital Purpose Bonds	\$ 85,000	\$ 0	\$ (85,000)	\$ 0	\$ 0
Water Various Purpose Bonds	400,000	0	(45,000)	355,000	45,000
Sewer Capital Purpose Bonds	65,000	0	(65,000)	0	0
Electric Capital Purpose Bonds	100,000	0	(100,000)	0	0
Total General Obligation Bonds	650,000	0	(295,000)	355,000	45,000
AMP-Ohio Payable	491,275	0	(55,978)	435,297	60,000
Capital Lease	2,653,738	0	(858,699)	1,795,039	875,982
OPWC Loans	19,466	0	(6,438)	13,028	2,005
OWDA - WWYP Upgrade	3,657,633	0	(467,563)	3,190,070	484,784
Compensated Absences	274,543	81,064	(14,942)	340,665	18,209
Net Pension Liability	2,718,513	0	(748,605)	1,969,908	0
Net OPEB Liability	1,193,399	161,134	0	1,354,533	0
<i>Total Business-Type Activities</i>	<u>\$ 11,658,567</u>	<u>\$ 242,198</u>	<u>\$ (2,447,225)</u>	<u>\$ 9,453,540</u>	<u>\$ 1,485,980</u>

The City issued \$2,275,000 (\$1,475,000 for governmental activities and \$800,000 for Water fund purposes) in various purpose general obligation bonds on March 15, 2006 to maintain storm sewers and related drainage facilities, reconstruct and improve Jackson Street Bridge, and rehabilitate an existing water tower and water pumping station. These bonds are being paid out of the Street Construction fund and Water fund.

Governmental activity general obligation bonds and OPWC loans are direct obligations of the City and will be paid from taxes received in the General Obligation Bond Retirement Debt Service fund and Street Improvement Income Tax fund.

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OWDA loans issued in 2003. Proceeds from the loans provided financing for the construction of the wastewater treatment facilities upgrade. The loans are payable solely from sewer customer net revenues and are payable through 2025. The total principal and interest remaining to be paid on the loans is \$3,581,030. Principal and interest paid for the current year was \$573,817.

Total net customer revenues was a negative \$42,451, resulting in a negative percent of principal and interest payments to net revenues of 1,356 percent. Excluding current year impact of GASB 68 and 75 accruals, these amounts would be \$61,068 and 943 percent.

Compensated absences liability will be paid from the General Fund, Street Construction, Maintenance and Repair, Park and Pool and Office on Aging Special Revenue Funds and Water, Sewer and Electric Enterprise Funds. There are no repayment schedules for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund and water, sewer, and electric funds. For additional information related to the net pension liability and net OPEB liability see Notes 10 and 11.

As more fully described in Note 19, the City has capital leases which are being repaid from the Street Maintenance Repair Fund and the Water, Sewer, and Electric Enterprise Funds.

The Water, Sewer, and Electric Enterprise Fund general obligation bonds will be repaid from water, sewer and electric user funds. The AMP-Ohio payable will be paid by the Electric Fund. The OPWC and OWDA loans will be repaid by the sewer fund.

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2018 are as follows:

	Governmental Activities					
	General Obligation Bonds		OPWC	911	Total	
	Various Purpose		Loans*	Loan	Principal	Interest
	Principal	Interest	Principal	Principal	Principal	Interest
2019	\$ 85,000	\$ 26,405	\$ 79,127	\$ 14,600	\$ 178,727	\$ 26,405
2020	85,000	23,005	75,264	14,600	174,864	23,005
2021	90,000	19,605	75,264	0	165,264	19,605
2022	95,000	16,005	75,264	0	170,264	16,005
2023	95,000	12,205	75,265	0	170,265	12,205
2024-2028	205,000	12,710	312,798	0	517,798	12,710
2029-2033	0	0	219,090	0	219,090	0
2034-2038	0	0	93,666	0	93,666	0
2039	0	0	1,610	0	1,610	0
Totals	\$ 655,000	\$ 109,935	\$ 1,007,348	\$ 29,200	\$ 1,691,548	\$ 109,935

* The OPWC Loan balance does not tie to the amount on the previous page due to the Elyria Avenue Resurfacing and Lincoln and Sipple Area Resurfacing projects not being completed and no amortization schedule being available.

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	Business-Type Activities						
	Water		Sewer			Total	Total
	General Obligation Bonds		OWDA Loan		OPWC		
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2019	\$ 45,000	\$ 14,310	\$ 484,784	\$ 112,054	\$ 2,005	\$ 531,789	\$ 126,364
2020	45,000	12,510	502,641	94,197	2,004	549,645	106,707
2021	50,000	10,710	521,154	75,684	2,005	573,159	86,394
2022	50,000	8,710	540,350	56,488	2,005	592,355	65,198
2023	55,000	6,710	560,252	36,586	2,005	617,257	43,296
2024-2028	110,000	6,765	580,889	15,950	3,004	693,893	22,715
Totals	<u>\$ 355,000</u>	<u>\$ 59,715</u>	<u>\$3,190,070</u>	<u>\$ 390,959</u>	<u>\$ 13,028</u>	<u>\$3,558,098</u>	<u>\$ 450,674</u>

Note 15: Jointly Governed Organization

The Lorain County General Health District provides health services to the citizens within the Health District. The Health District is governed by the Board of Health which represents the area served by the Health District and oversees the operation of the Health District. The Board of Health members are appointed to staggered four-year terms. One member is appointed by the City of North Ridgeville, one member is jointly appointed by the Cities of Amherst and Oberlin, and one member is elected jointly by the Cities of Avon and Sheffield Lake. The remaining four members are appointed by the various mayors of villages, chairmen of the township trustees and the County Commissioners. The City contributed \$42,116 during 2018 for the operation of the Health District. Complete financial statements can be obtained from the Lorain County General Health District, 9880 South Murray Ridge Road, Elyria, Ohio 44035.

Note 16: Joint Venture

Ohio Municipal Electric Generation Agency Joint Venture 2 (JV2)

The City of Amherst is a Non-Financing Participant and an Owner Participant with an ownership percentage of 3.73% and shares participation with thirty-five other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency (OMEGA JV2). Owner Participants own undivided interests, as tenants in common, in the OMEGA JV2 Project in the amount of their respective Project Shares. Purchaser Participants agree to purchase the output associated with their respective Project shares, ownership of which is held in trust for such Purchaser Participants.

Pursuant to the OMEGA JV2 Agreement, the participants jointly undertook as either Financing Participants or Non-Financing Participants and as either Owner Participants or Purchaser Participants, the acquisition, construction, and equipping of OMEGA JV2, including such portions of OMEGA JV2 as have been acquired, constructed or equipped by AMP and to pay or incur the costs of the same in accordance with the JV2 Agreement.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081MW is the participant's entitlement and 4.569MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis.

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OMEGA JV2 is managed by AMP, which acts as the joint venture’s agent. During 2001, AMP issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the \$31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP’s revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero, with the remaining principal balance now residing on the AMP credit facility. As of December 31, 2018, the outstanding debt was \$3,781,466. The City’s net investment and its share of operating results of OMEGA JV2 are reported in the City’s electric fund (an enterprise fund). The City’s net investment in OMEGA JV2 was \$247,488 at December 31, 2018. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor’s website at www.auditor.state.oh.us.

The thirty-six participating subdivisions and their respective ownership shares at December 31, 2018 are:

Municipality	Percent Ownership	KW Entitlement	Municipality	Percent Ownership	KW Entitlement
Hamilton	23.87%	32,000	Grafton	0.79%	1,056
Bowling Green	14.32%	19,198	Brewster	0.75%	1,000
Niles	11.49%	15,400	Monroeville	0.57%	764
Cuyahoga Falls	7.46%	10,000	Milan	0.55%	737
Wadsworth	5.81%	7,784	Oak Harbor	0.55%	737
Painesville	5.22%	7,000	Elmore	0.27%	364
Dover	5.22%	7,000	Jackson Center	0.22%	300
Galion	4.29%	5,753	Napoleon	0.20%	264
Amherst	3.73%	5,000	Lodi	0.16%	218
St. Mary’s	2.98%	4,000	Genoa	0.15%	199
Montpelier	2.98%	4,000	Pemberville	0.15%	197
Shelby	1.89%	2,536	Lucas	0.12%	161
Versailles	1.24%	1,660	South Vienna	0.09%	123
Edgerton	1.09%	1,460	Bradner	0.09%	119
Yellow Springs	1.05%	1,408	Woodville	0.06%	81
Oberlin	0.91%	1,217	Haskins	0.05%	73
Pioneer	0.86%	1,158	Arcanum	0.03%	44
Seville	0.79%	1,066	Custar	0.00%	4
	<u>95.20%</u>	<u>127,640</u>		<u>4.80%</u>	<u>6,441</u>
			Grand Total	<u>100.00%</u>	<u>134,081</u>

The City is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project was intended to develop a pulverized coal power plant in Meigs County, Ohio. The City’s project share was 5,000 kilowatts (kW) of a total 771,281 kW, giving the City a 0.65 percent project share. The AMPGS Project required participants to sign “take or pay” contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. All project costs incurred prior to the cancellation and related to the cancellation were therefore deemed impaired and participants were obligated to pay those incurred costs. In prior years, payment of these costs was not required due to AMP’s pursuit of legal action to collect them from Bechtel. As a result of a March 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City’s estimated share of the impaired costs at March 31, 2014 was \$870,998. The City received a credit

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of \$94,567 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$226,124 related to the AMPGS costs deemed to have future benefit for the project participants, classified as Plant Held for Future Use (PHFU), leaving an estimated net impaired costs balance of \$550,307. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City's net impaired cost balance either positively or negatively. These amounts will be recorded as they become estimable.

In late 2016, AMP reached a Settlement in the Bechtel Corporation litigation. On December 8, 2016, at the AMPGS Participants meeting, options for the allocation of the Settlement funds were approved. The AMPGS Participants and the AMP Board of Trustees voted to allocate the Settlement among the participants and the AMP General Fund based on each participant's original project share in kW including the AMP General Fund's project share.

Since March 31, 2014 the City has made payments of \$95,194 to AMP toward its net impaired cost estimate. Also since March 31, 2014, the City's allocation of additional costs incurred by the project is \$10,290 and interest expense incurred on AMP's line-of-credit of \$25,872, resulting in a net impaired cost estimate of \$491,275. The City does have a potential PHFU Liability of \$236,772 resulting in a net total potential liability of \$728,047, assuming the assets making up the PHFU (principally the land comprising the Meigs County site) have no value and also assuming the City's credit balance would earn zero interest. Stranded costs as well as PHFU costs are subject to change, including future borrowing costs on the AMP line of credit. Activities include items such negative items as property taxes as well as positive items revenue from leases or sale of all or a portion of the Meigs County site property.

The City intends to recover these costs and repay AMP over the next 8 years through a power cost adjustment, thus this incurred cost has been capitalized and reported as a regulated asset, as allowed by GASB Codification Re10. The City has agreed to pay \$5,000 per month through the year 2025.

The following are the latest projects and purchase commitments of AMP:

Prairie State Energy Campus (PSEC)

On December 20, 2007, AMP acquired a 23.26% undivided ownership interest (the "PSEC Ownership Interest") in PSEC, a two-unit, supercritical coal-fired power plant designed to have a net rated capacity of approximately 1,582 MW and associated facilities in southwest Illinois. The PSEC Ownership Interest is held by AMP 368 LLC, a single-member Delaware limited liability company ("AMP 368 LLC"). AMP is the owner of the sole membership interest in AMP 368 LLC. Construction of the PSEC commenced in October 2007. Unit 1 of the PSEC commenced operations in the second quarter of 2012 and Unit 2 of the PSEC commenced operations in the fourth quarter of 2012.

From July 2008 through September 2010, AMP issued five series of Prairie State Energy Campus Revenue Bonds (collectively, the "Initial Prairie State Bonds") to finance PSEC project costs and PSEC related expenses. The Initial Prairie State Bonds consist of tax-exempt, taxable and tax advantaged Build America Bonds issued in the original aggregate principal amount of \$1,696,800,000. On January 14, 2015 and November 30, 2017, AMP issued bonds to refund all of the callable tax-exempt Initial Prairie State Bonds issued in 2008 and 2009. As of December 31, 2018, AMP had \$1,537,430,000 aggregate principal amount of Prairie State Bonds.

AMP sells the power and energy from the PSEC Ownership Interest pursuant to a take-or-pay power sales contract with 68 Members (the "Prairie State Participants"). The Prairie State Bonds are net revenue obligations of AMP, secured by a master trust indenture, payable primarily from the payments to be made by the Prairie State Participants under the terms of the Prairie State Power Sales Contract.

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The City has executed a take-or-pay power sales contract with AMP as a participant of the PSEC of 4,976 kW or 1.35% of capacity and associated energy from the PSEC.

AFEC

On July 28, 2011, AMP acquired from FirstEnergy Generation Corporation (“FirstEnergy”) the AFEC, then nearing completion of construction and located in Fremont, Sandusky County, Ohio. Following completion of the commissioning and testing, AMP declared AFEC to be in commercial operation as of January 20, 2012. The AMP Fremont Energy Center is a natural gas fired, combined cycle, electric power generation plant with a capacity of 512 MW (unfired)/675 MW (fired), consisting of two combustion turbines, two heat recovery steam generators and one steam turbine and condenser.

AMP subsequently sold a 5.16% undivided ownership interest in AFEC to Michigan Public Power Agency and entered into a power sales contract with the Central Virginia Electric Cooperative for the output associated with a 4.15% undivided ownership interest in AFEC. The output of AFEC associated with the remaining 90.69% undivided ownership interest (the “90.69% Interest”) is sold to AMP Members pursuant to a take-or-pay power sales contract with 87 of its members (the “AFEC Power Sales Contract”).

To provide permanent financing for the 90.69% Interest, in 2012, AMP issued, in two series \$546,085,000 of its AMP Fremont Energy Center Project Revenue Bonds (the “AFEC Bonds”), consisting of taxable and tax-exempt obligations. The AFEC Bonds are net revenue obligations of AMP, secured by a master trust indenture and payable from amounts received by AMP under the AFEC Power Sales Contract. On December 20, 2017, AMP issued bonds to refund all of the callable tax-exempt AFEC Bonds issued in 2012. As of December 31, 2018, \$499,105,000 aggregate principal amount of AFEC Bonds was outstanding.

The City has executed a take-or-pay power sales contract with AMP as a participant of the AFEC of 880 kW or 0.19% of capacity and associated energy from the AFEC.

Combined Hydroelectric Projects

AMP owns and operates three hydroelectric projects, the Cannelton, the Smithland and the Willow Island hydroelectric generating facilities (the “Combined Hydroelectric Projects”), all on the Ohio River, with an aggregate generating capacity of approximately 208 MW. Each of the Combined Hydroelectric Projects is in commercial operation and consists of run-of-the-river hydroelectric generating facilities on existing Army Corps dams and includes associated transmission facilities. AMP holds the licenses from FERC for the Combined Hydroelectric Projects.

To provide financing for the Combined Hydroelectric Projects, AMP has issued eight series of its Combined Hydroelectric Projects Revenue Bonds (the “Combined Hydroelectric Bonds”), in an original aggregate principal amount of \$2,254,955,000 and consisting of taxable, tax-exempt and tax advantaged obligations (Build America Bonds, Clean Renewable Energy Bonds and New Clean Renewable Energy Bonds). The Combined Hydroelectric Bonds are secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 79 of its Members. As of December 31, 2018, \$2,222,975,882 aggregate principal amount of the Combined Hydroelectric Bonds and approximately \$126.9 million aggregate principal amount of subordinate obligations, consisting of notes evidencing draws on the Line of Credit, were outstanding under the indenture securing the Combined Hydroelectric Bonds.

The City has executed a take-or-pay power sales contract with AMP as a participant of the Combined Hydroelectric Projects of 2,398 kW or 1.15% of capacity and associated energy from the Combined Hydroelectric Projects.

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Meldahl Hydroelectric Project

AMP owns and, together with the City of Hamilton, Ohio, an AMP Member, developed and constructed a 108.8 MW, three-unit hydroelectric generation facility on the Captain Anthony Meldahl Locks and Dam, an existing Army Corps dam on the Ohio River, and related equipment and associated transmission facilities (the “Meldahl Project”). The Meldahl Project is operated by the City of Hamilton. In order to finance the construction of the Meldahl Project and related costs, AMP issued seven series of its Meldahl Hydroelectric Project Revenue Bonds (“Meldahl Bonds”) in an original aggregate principal amount of \$820,185,000 consisting of taxable, tax-exempt and tax advantaged obligations (Build America Bonds, Clean Renewable Energy Bonds and New Clean Renewable Energy Bonds). The Meldahl Bonds are secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 48 of its Members. As of December 31, 2018, \$685,215,000 aggregate principal amount of the Meldahl Bonds and approximately \$2.4 million aggregate principal amount of subordinate obligations, consisting of notes evidencing draws on the Line of Credit, were outstanding under the indenture securing the Meldahl Bonds.

The City has executed a take-or-pay power sales contract with AMP as a participant of the Meldahl Project of 756 kW or 0.72% of capacity and associated energy from the Meldahl Project.

Greenup Hydroelectric Project

In connection with the development of the Meldahl Project, Hamilton agreed to sell and AMP agreed to purchase a 48.6% undivided ownership interest (the “AMP Interest”) in the Greenup Hydroelectric Facility. On May 11, 2016, AMP issued \$125,630,000 aggregate principal amount of its Greenup Hydroelectric Project Revenue Bonds, Series 2016A (the “2016 Greenup Bonds”) and, with a portion of the proceeds thereof, acquired the AMP Interest. The 2016 Greenup Bonds are secured by a separate power sales contract that has been executed by the same Members (with the exception of Hamilton, which retained title to a 51.4% ownership interest in the Greenup Hydroelectric Facility) that executed the Meldahl Power Sales Contract. As of December 31, 2018, \$125,300,000 aggregate principal amount of the 2016 Greenup Bonds and approximately \$2.6 million aggregate principal amount of subordinate obligations, consisting of notes evidencing draws on the Line of Credit, were outstanding under the indenture securing the 2016 Greenup Bonds.

The City has executed a take-or-pay power sales contract with AMP as a participant of the Greenup Hydroelectric Facility of 495 kW or 1.45% of capacity and associated energy from the Greenup Hydroelectric Facility.

Note 17: Contingencies

Grants

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

Litigation

The City is not currently party to legal proceedings seeking damages or injunctive relief generally incidental to its operations.

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Note 18: Fund Balance

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

	General Fund	Street Improvement Income Tax Fund	Issue II Fund	Other Governmental Funds	Total
Nonspendable for:					
Inventory	\$ 166,400	\$ 0	\$ 0	\$ 97,784	\$ 264,184
Prepaid Items	<u>60,620</u>	<u>0</u>	<u>0</u>	<u>18,853</u>	<u>79,473</u>
Total Nonspendable	<u>227,020</u>	<u>0</u>	<u>0</u>	<u>116,637</u>	<u>343,657</u>
Restricted for:					
Road Improvements	0	1,281,306	0	786,396	2,067,702
Safety Forces	0	0	0	102,458	102,458
Leisure Time Services	0	0	0	399,426	399,426
Community Development	0	0	0	34,752	34,752
Capital Outlay	0	0	331,229	661,346	992,575
Debt Service	0	0	0	489,585	489,585
Other Purposes	<u>0</u>	<u>0</u>	<u>0</u>	<u>777,212</u>	<u>777,212</u>
Total Restricted	<u>0</u>	<u>1,281,306</u>	<u>331,229</u>	<u>3,251,175</u>	<u>4,863,710</u>
Committed for:					
Other Purposes	<u>0</u>	<u>0</u>	<u>0</u>	<u>37,300</u>	<u>37,300</u>
Total Committed	<u>0</u>	<u>0</u>	<u>0</u>	<u>37,300</u>	<u>37,300</u>
Assigned:					
Encumbrances					
General Government	53,633	0	0	0	53,633
Security of Persons & Property	36,141	0	0	0	36,141
Community Development	4,192	0	0	0	4,192
Capital Outlay	32,131	0	0	0	32,131
Subsequent Year Appropriations	<u>1,057,659</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,057,659</u>
Total Assigned	<u>1,183,756</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,183,756</u>
Unassigned	<u>3,022,392</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,022,392</u>
Total Fund Balance	<u>\$ 4,433,168</u>	<u>\$ 1,281,306</u>	<u>\$ 331,229</u>	<u>\$ 3,405,112</u>	<u>\$9,450,815</u>

City of Amherst
Lorain County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2018

Note 19: Capital Lease

During a prior year, the City entered into a capital lease for an electric truck and a meter project. In 2018 the City entered into a capital lease for a wheel loader. The terms of the agreements provide options to bargain purchase the equipment. The leases meet the criteria of a capital lease as defined by GASB Statement No. 62. Capital lease payments have been reclassified and are reflected as debt service in the basic financial statements for the Street Maintenance and Repair Fund and the Water, Sewer, and Electric Enterprise Funds. These expenditures are reflected as program/object expenditures on a budgetary basis in these funds.

The electric truck and wheel loader acquired by the leases has been capitalized in the statement of net position for business-type and governmental activities in the amount of \$120,429 and \$160,288, respectively, which is equal to the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded on the statement of net position. As of December 31, 2018, \$473,876 is held in escrow for a meter project; however, the assets do not meet the capitalization criteria of the City and were not capitalized. Principal payments in fiscal year 2018 totaled \$45,091 in the governmental funds and \$858,699 in business-type funds. As of December 31, 2018, the leased assets had depreciated in the amount of \$23,579.

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

		Governmental Activities	Business-Type Activities
Year ending December 31,	2019	\$ 45,091	\$ 912,319
	2020	45,091	912,319
	2021	45,091	26,161
Minimum lease payments		135,273	1,850,799
Less: amount representing interest		(9,926)	(55,760)
Present value of net minimum lease payments		\$ 125,347	\$ 1,795,039

Note 20: Significant Commitments

Encumbrance Commitments

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

Fund	Amount
<i>Governmental Funds</i>	
General Fund	126,097
Street Improvement Income Tax	390,097
Other Governmental Funds	773,696
	\$ 1,289,890

City of Amherst
Lorain County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2018

Contractual Commitments

<u>Project</u>	<u>Contract Amount</u>	<u>Expended</u>	<u>Outstanding Commitment</u>
Elyria Avenue Resurfacing	\$ 550,000	\$ 480,707	\$ 69,293
2017 Street Program	791,148	781,148	10,000
Ohio Turnpike Mitigation	270,000	240,051	29,949
Lincoln Sipple Phase 2	1,209,532	770,193	439,339
Sidewalk Improvements	500,000	352,435	147,565
2018 Street Program	765,593	626,914	138,679
	<u>\$ 4,086,273</u>	<u>\$ 3,251,448</u>	<u>\$ 834,825</u>

Contractual commitments identified above may or may not be included in the outstanding encumbrance commitments previously disclosed in this note. Reasons for this may include timing of when contracts are encumbered and contracts paid from enterprise funds, which are not required to disclose encumbrance commitments.

Note 21: Subsequent Event

General Obligation Bonds of \$4,890,000 were issued in February 2019 to pay off a \$3,000,000 Bond Anticipation Note. These bonds were issued at interests rates ranging from 2.00 percent to 4.00 percent and final maturity on December 1, 2038.

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City of Amherst
Lorain County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Five Years (1)

	2018	2017	2016	2015	2014
<i>Ohio Public Employees' Retirement System (OPERS)</i>					
City's Proportion of the Net Pension Liability	0.026716%	0.027776%	0.026865%	0.027831%	0.027831%
City's Proportionate Share of the Net Pension Liability	\$ 4,191,293	\$ 6,307,457	\$ 4,653,357	\$ 3,356,730	\$ 3,280,912
City's Covered Payroll	\$ 3,759,277	\$ 3,788,067	\$ 3,512,092	\$ 3,488,342	\$ 3,699,946
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	111.49%	166.51%	132.50%	96.23%	88.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.66%	77.25%	81.08%	86.45%	86.36%
<i>Ohio Police and Fire Pension Fund (OPF)</i>					
City's Proportion of the Net Pension Liability	0.055199%	0.062502%	0.063420%	0.063863%	0.063863%
City's Proportionate Share of the Net Pension Liability	\$ 3,387,813	\$ 3,958,814	\$ 4,079,853	\$ 3,389,915	\$ 3,184,200
City's Covered Payroll	\$ 1,339,226	\$ 1,493,553	\$ 1,432,016	\$ 1,370,632	\$ 1,728,401
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	252.97%	265.06%	284.90%	247.32%	184.23%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.91%	68.36%	66.77%	71.71%	72.53%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

City of Amherst
Lorain County, Ohio
Required Supplementary Information
Schedule of the City's Contributions - Pension
Last Ten Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 501,792	\$ 488,706	\$ 454,568	\$ 421,451
Contributions in Relation to the Contractually Required Contribution	<u>(501,792)</u>	<u>(488,706)</u>	<u>(454,568)</u>	<u>(421,451)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 3,584,229	\$ 3,759,277	\$ 3,788,067	\$ 3,512,092
Contributions as a Percentage of Covered Payroll	14.00%	13.00%	12.00%	12.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 283,111	\$ 254,453	\$ 283,775	\$ 272,083
Contributions in Relation to the Contractually Required Contribution	<u>(283,111)</u>	<u>(254,453)</u>	<u>(283,775)</u>	<u>(272,083)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 1,490,056	\$ 1,339,226	\$ 1,493,553	\$ 1,432,016
Contributions as a Percentage of Covered Payroll	19.00%	19.00%	19.00%	19.00%

(n/a) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 418,601	\$ 480,993	n/a	n/a	n/a	n/a
<u>(418,601)</u>	<u>(480,993)</u>	n/a	n/a	n/a	n/a
<u>\$ 0</u>	<u>\$ 0</u>	n/a	n/a	n/a	n/a
\$ 3,488,342	\$ 3,699,946	n/a	n/a	n/a	n/a
12.00%	13.00%	n/a	n/a	n/a	n/a
\$ 260,420	\$ 274,470	\$ 246,016	\$ 238,984	\$ 260,003	\$ 255,102
<u>(260,420)</u>	<u>(274,470)</u>	<u>(246,016)</u>	<u>(238,984)</u>	<u>(260,003)</u>	<u>(255,102)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 1,370,632	\$ 1,728,401	\$ 1,929,537	\$ 1,874,384	\$ 2,039,239	\$ 2,000,800
19.00%	15.88%	12.75%	12.75%	12.75%	12.75%

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City of Amherst
Lorain County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Last Two Years (1)

	<u>2018</u>	<u>2017</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>		
City's Proportion of the Net OPEB Liability	0.026539%	0.027414%
City's Proportionate Share of the Net OPEB Liability	\$ 2,881,985	\$ 2,768,907
City's Covered Payroll	\$ 3,759,277	\$ 3,788,067
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	76.66%	73.10%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	54.14%	54.04%
<i>Ohio Police and Fire Pension Fund (OPF)</i>		
City's Proportion of the Net OPEB Liability	0.055199%	0.062502%
City's Proportionate Share of the Net OPEB Liability	\$ 3,127,498	\$ 2,966,829
City's Covered Payroll	\$ 1,339,226	\$ 1,493,553
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	233.53%	198.64%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.13%	15.96%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

City of Amherst
Lorain County, Ohio
Required Supplementary Information
Schedule of the City's Contributions - OPEB
Last Ten Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 0	\$ 37,577	\$ 75,788	n/a
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>(37,577)</u>	<u>(75,788)</u>	n/a
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	n/a
City's Covered Payroll (1)	\$ 3,584,229	\$ 3,759,277	\$ 3,788,067	n/a
Contributions as a Percentage of Covered Payroll	0.00%	1.00%	2.00%	n/a
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 7,450	\$ 6,685	\$ 7,455	\$ 7,260
Contributions in Relation to the Contractually Required Contribution	<u>(7,450)</u>	<u>(6,685)</u>	<u>(7,455)</u>	<u>(7,260)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 1,490,056	\$ 1,339,226	\$ 1,493,553	\$ 1,432,016
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

(n/a) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
\$ 7,105	\$ 50,865	\$ 85,122	\$ 82,689	\$ 89,961	\$ 88,316
<u>(7,105)</u>	<u>(50,865)</u>	<u>(85,122)</u>	<u>(82,689)</u>	<u>(89,961)</u>	<u>(88,316)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 1,370,632	\$ 1,728,401	\$ 1,929,537	\$ 1,874,384	\$ 2,039,239	\$ 2,000,800
0.50%	2.94%	4.41%	4.41%	4.41%	4.41%

See accompanying notes to the required supplementary information.

City of Amherst
Lorain County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2018

Note 1 - Net Pension Liability

Changes in Assumptions – OPERS

Amounts reported in calendar year 2017 reflect an adjustment of the rates of withdrawal, disability, retirement and mortality to more closely reflect actual experience. The expectation of retired life mortality was based on RP-2014 Healthy Annuitant mortality table and RP-2014 Disabled mortality table. The following reductions were also made to the actuarial assumptions:

- Discount rate from 8.00 percent to 7.50 percent
- Wage inflation rate from 3.75 percent to 3.25 percent
- Price inflation from 3.00 percent to 2.50 percent

Changes in Assumptions – OP&F

For 2017, the single discount rate changed from 8.25 percent to 8.00 percent.

Note 2 - Net OPEB Liability

Changes in Assumptions - OPERS

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

Changes in Assumptions – OPF

For 2018, the single discount rate changed from 3.79 percent to 3.24 percent.

**COMBINING STATEMENTS
AND
INDIVIDUAL FUND SCHEDULES**

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City of Amherst
Lorain County, Ohio

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific sources that are legally restricted or committed to expenditure for specified purposes other than debt service or capital projects. The title of each special revenue fund is descriptive of the activities accounted for therein. A description of the City's special revenue funds follows:

Street Maintenance Repair Fund

This fund is used to account for street maintenance and repair. The primary source of revenue for this fund is intergovernmental revenue.

State Highway Fund

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

Street Maintenance and Repair Permissive Fund

To account for local license fees designated for the maintenance of streets within the City.

Park and Pool Fund

To account for hotel tax monies used to operate the park and pool.

Office on Aging Fund

To account for revenues and expenditures of the Office on Aging.

Planning Commission Fund

To account for the revenue collected from developers for engineering studies of subdivisions and the expenditures the planning commission incurred for those engineering studies.

Park Trust Fund

To account for the impact fees and the interest earned from them to maintain the park.

Assistance to Firefighters Fund

To account for Federal grant monies for the purchase of materials and supplies for the Amherst fire department.

Fire Act Grant Program Fund

To account for grant monies received for the Ohio BWC fire safety grant.

Cable Television Fund

To account for the revenues received from Media One and the expenditures incurred running the cable station.

CPT Grant Fund

To account for monies received from the Continuing Professional Training Grant, as required by the Ohio Revised Code.

City of Amherst
Lorain County, Ohio
Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds (continued)

Law Enforcement Fund

To account for monies received from the Federal Law Enforcement Agencies designated for law enforcement related purposes, as required by the Ohio Revised Code.

Drug Law Enforcement Fund

To account for the portion of the fine money awarded to the City as a result of a drug conviction and earmarked for drug law enforcement.

DUI Enforcement Fund

To account for fines for DUI convictions awarded by the court which may be used for enforcement, education, or equipment relating to the DUI enforcement laws.

Bullet Proof Vest Fund

To account for the Federal grant monies to purchase bullet proof vests for officers.

Disabled Parking Fund

To account for the monies collected from tickets issued to motorists parking in disabled parking spaces.

Housing Program Fund

To account for funds returned from homeowners from the original Community Housing Improvement Projects.

Community Improvement Fund

To account for funds received from a long term easement agreement with Tristar Investors for the use of land for a cell tower.

Nonmajor Debt Service Fund

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including construction or acquisition of major capital facilities and other capital assets.

General Obligation Bond Retirement Fund

This fund accounts for transfers in and tax levies that are utilized for the repayment of general obligation debt.

City of Amherst
Lorain County, Ohio
Combining Statements – Nonmajor Funds

Nonmajor Capital Projects Funds

Capital projects funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the construction or acquisition of major capital facilities and other capital assets.

Fire Apparatus Levy Fund

To account for the money collected from the Fire Apparatus Levy and intended to be spent for capital improvements in the fire department.

CDBG Improvements Fund

To account for federal grant monies designated for community development within the City and the restoration of City Hall.

Lorain County CDBG Fund

To account for a downtown parking lot expansion project.

City Hall Auditorium Fund

To account for renovations and improvements to the City Hall Auditorium.

Funds Reported Separately for Budgetary Purposes

Municipal Income Tax Fund

To account for taxes collected to be used for general operations, maintenance of equipment, enlargement and improvements of municipal services and facilities and capital improvement.

Downtown Director Fund

To account for federal monies designated for downtown restoration.

City of Amherst
Lorain County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 2,082,259	\$ 489,585	\$ 661,634	\$ 3,233,478
Intergovernmental Receivable	361,168	8,389	3,959	373,516
Property Taxes Receivable	4,109	52,375	284,524	341,008
Prepaid Items	18,853	0	0	18,853
Materials and Supplies Inventory	97,784	0	0	97,784
<i>Total Assets</i>	<u>\$ 2,564,173</u>	<u>\$ 550,349</u>	<u>\$ 950,117</u>	<u>\$ 4,064,639</u>
Liabilities				
Accounts Payable	\$ 29,284	\$ 0	\$ 288	\$ 29,572
Accrued Wages	18,435	0	0	18,435
Contracts Payable	10,000	0	0	10,000
Intergovernmental Payable	12,724	0	0	12,724
<i>Total Liabilities</i>	<u>70,443</u>	<u>0</u>	<u>288</u>	<u>70,731</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	0	51,660	280,948	332,608
Unavailable Revenue - Delinquent Taxes	0	715	3,576	4,291
Unavailable Revenue - Grants	239,549	8,389	3,959	251,897
<i>Total Deferred Inflows of Resources</i>	<u>239,549</u>	<u>60,764</u>	<u>288,483</u>	<u>588,796</u>
Fund Balances				
Nonspendable	116,637	0	0	116,637
Restricted	2,100,244	489,585	661,346	3,251,175
Committed	37,300	0	0	37,300
Assigned	0	0	0	0
Unassigned	0	0	0	0
<i>Total Fund Balances</i>	<u>2,254,181</u>	<u>489,585</u>	<u>661,346</u>	<u>3,405,112</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 2,564,173</u>	<u>\$ 550,349</u>	<u>\$ 950,117</u>	<u>\$ 4,064,639</u>

City of Amherst
Lorain County, Ohio

*Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Nonmajor Governmental Funds
For the Year Ended December 31, 2018*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$ 43,219	\$ 208,923	\$ 252,986	\$ 505,128
Charges for Services	226,249	0	0	226,249
Fees, Licenses and Permits	81,630	0	0	81,630
Fines and Forfeitures	961	0	0	961
Intergovernmental	746,035	59,856	7,870	813,761
Interest	1,032	0	2,036	3,068
Other	87,301	0	0	87,301
<i>Total Revenues</i>	<u>1,186,427</u>	<u>268,779</u>	<u>262,892</u>	<u>1,718,098</u>
Expenditures				
Current:				
General Government	68,823	3,514	0	72,337
Security of Persons and Property	33,027	0	100,239	133,266
Public Health	76,775	0	0	76,775
Leisure Time Services	197,981	0	0	197,981
Community Development	31,300	0	0	31,300
Transportation	910,309	0	0	910,309
Capital Outlay	496,187	0	251,193	747,380
Debt Service:				
Principal Retirement	77,939	235,000	0	312,939
Interest and Fiscal Charges	6,753	13,358	0	20,111
<i>Total Expenditures</i>	<u>1,899,094</u>	<u>251,872</u>	<u>351,432</u>	<u>2,502,398</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(712,667)</u>	<u>16,907</u>	<u>(88,540)</u>	<u>(784,300)</u>
Other Financing Sources (Uses)				
Inception of Capital Lease	170,438	0	0	170,438
Proceeds from Sale of Assets	592	0	0	592
Transfers In	784,585	0	0	784,585
<i>Total Other Financing Sources (Uses)</i>	<u>955,615</u>	<u>0</u>	<u>0</u>	<u>955,615</u>
<i>Net Change in Fund Balance</i>	242,948	16,907	(88,540)	171,315
<i>Fund Balance Beginning of Year</i>	<u>2,011,233</u>	<u>472,678</u>	<u>749,886</u>	<u>3,233,797</u>
<i>Fund Balance End of Year</i>	<u>\$ 2,254,181</u>	<u>\$ 489,585</u>	<u>\$ 661,346</u>	<u>\$ 3,405,112</u>

City of Amherst
Lorain County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2018

	Street Maintenance and Repair Fund	State Highway Fund	Street Maintenance and Repair Permissive	Park and Pool Fund	Office on Aging Fund
Assets					
Equity in Pooled Cash and Investments	\$ 513,520	\$ 59,478	\$ 152,101	\$ 61,837	\$ 148,989
Intergovernmental Receivable	287,323	23,296	50,549	0	0
Property Taxes Receivable	0	0	0	4,109	0
Prepaid Items	14,508	0	0	2,833	1,027
Materials and Supplies Inventory	97,784	0	0	0	0
<i>Total Assets</i>	<u>\$ 913,135</u>	<u>\$ 82,774</u>	<u>\$ 202,650</u>	<u>\$ 68,779</u>	<u>\$ 150,016</u>
Liabilities					
Accounts Payable	\$ 21,301	\$ 1,848	\$ 0	\$ 70	\$ 2,084
Accrued Wages	16,849	0	0	0	1,586
Contracts Payable	10,000	0	0	0	0
Intergovernmental Payable	10,324	0	0	1,491	909
<i>Total Liabilities</i>	<u>58,474</u>	<u>1,848</u>	<u>0</u>	<u>1,561</u>	<u>4,579</u>
Deferred Inflows of Resources					
Unavailable Revenue - Grants	190,685	15,461	33,403	0	0
Fund Balance					
Nonspendable	112,292	0	0	2,833	1,027
Restricted	551,684	65,465	169,247	64,385	144,410
Committed	0	0	0	0	0
<i>Total Fund Balance (Deficit)</i>	<u>663,976</u>	<u>65,465</u>	<u>169,247</u>	<u>67,218</u>	<u>145,437</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 913,135</u>	<u>\$ 82,774</u>	<u>\$ 202,650</u>	<u>\$ 68,779</u>	<u>\$ 150,016</u>

(continued)

City of Amherst
Lorain County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2018

	Planning Commission Fund	Park Trust Fund	Assistance to Firefighters Fund	Fire Act Grant Fund	Cable Television Fund
Assets					
Equity in Pooled Cash and Investments	\$ 279,837	\$ 336,576	\$ 1,793	\$ 0	\$ 354,661
Intergovernmental Receivable	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0
Prepaid Items	0	0	0	0	485
Materials and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 279,837</u>	<u>\$ 336,576</u>	<u>\$ 1,793</u>	<u>\$ 0</u>	<u>\$ 355,146</u>
Liabilities					
Accounts Payable	\$ 0	\$ 1,535	\$ 0	\$ 0	\$ 1,946
Accrued Wages	0	0	0	0	0
Contracts Payable	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>1,535</u>	<u>0</u>	<u>0</u>	<u>1,946</u>
Deferred Inflows of Resources					
Unavailable Revenue - Grants	0	0	0	0	0
Fund Balance					
Nonspendable	0	0	0	0	485
Restricted	279,837	335,041	1,793	0	352,715
Committed	0	0	0	0	0
<i>Total Fund Balance (Deficit)</i>	<u>279,837</u>	<u>335,041</u>	<u>1,793</u>	<u>0</u>	<u>353,200</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 279,837</u>	<u>\$ 336,576</u>	<u>\$ 1,793</u>	<u>\$ 0</u>	<u>\$ 355,146</u>

(continued)

City of Amherst
Lorain County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2018

	CPT Grant Fund	Law Enforcement Fund	Drug Law Enforcement Fund	DUI Enforcement Fund	Bullet Proof Vest Fund
Assets					
Equity in Pooled Cash and Investments	\$ 16,505	\$ 62,584	\$ 9,341	\$ 12,129	\$ 606
Intergovernmental Receivable	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 16,505</u>	<u>\$ 62,584</u>	<u>\$ 9,341</u>	<u>\$ 12,129</u>	<u>\$ 606</u>
Liabilities					
Accounts Payable	\$ 0	\$ 500	\$ 0	\$ 0	\$ 0
Accrued Wages	0	0	0	0	0
Contracts Payable	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources					
Unavailable Revenue - Grants	0	0	0	0	0
Fund Balance					
Nonspendable	0	0	0	0	0
Restricted	16,505	62,084	9,341	12,129	606
Committed	0	0	0	0	0
<i>Total Fund Balance (Deficit)</i>	<u>16,505</u>	<u>62,084</u>	<u>9,341</u>	<u>12,129</u>	<u>606</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 16,505</u>	<u>\$ 62,584</u>	<u>\$ 9,341</u>	<u>\$ 12,129</u>	<u>\$ 606</u>

(continued)

City of Amherst
Lorain County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2018

	Disabled Parking Fund	Housing Program Fund	Community Improvement Fund	Total Nonmajor Special Revenue Funds
Assets				
Equity in Pooled Cash and Investments	\$ 250	\$ 34,752	\$ 37,300	\$ 2,082,259
Intergovernmental Receivable	0	0	0	361,168
Property Taxes Receivable	0	0	0	4,109
Prepaid Items	0	0	0	18,853
Materials and Supplies Inventory	0	0	0	97,784
<i>Total Assets</i>	<u>\$ 250</u>	<u>\$ 34,752</u>	<u>\$ 37,300</u>	<u>\$ 2,564,173</u>
Liabilities				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 29,284
Accrued Wages	0	0	0	18,435
Contracts Payable	0	0	0	10,000
Intergovernmental Payable	0	0	0	12,724
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>70,443</u>
Deferred Inflows of Resources				
Unavailable Revenue - Grants	0	0	0	239,549
Fund Balance				
Nonspendable	0	0	0	116,637
Restricted	250	34,752	0	2,100,244
Committed	0	0	37,300	37,300
<i>Total Fund Balance (Deficit)</i>	<u>250</u>	<u>34,752</u>	<u>37,300</u>	<u>2,254,181</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 250</u>	<u>\$ 34,752</u>	<u>\$ 37,300</u>	<u>\$ 2,564,173</u>

City of Amherst
Lorain County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018

	Street Maintenance and Repair Fund	State Highway Fund	Street Maintenance and Repair Permissive	Park and Pool Fund	Office on Aging Fund
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 43,219	\$ 0
Charges for Services	3,467	0	0	91,180	39,230
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	586,560	47,558	78,610	0	0
Interest	0	0	0	0	462
Other	0	0	0	10,805	2,265
<i>Total Revenues</i>	<u>590,027</u>	<u>47,558</u>	<u>78,610</u>	<u>145,204</u>	<u>41,957</u>
Expenditures					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	0	0	0	0	0
Public Health	0	0	0	0	76,775
Leisure Time Services	0	0	0	134,347	0
Community Development	0	0	0	0	0
Transportation	880,132	30,177	0	0	0
Capital Outlay	195,676	0	0	0	0
Debt Service:					
Principal Retirement	45,091	0	18,248	0	0
Interest and Fiscal Charges	0	0	6,753	0	0
<i>Total Expenditures</i>	<u>1,120,899</u>	<u>30,177</u>	<u>25,001</u>	<u>134,347</u>	<u>76,775</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(530,872)	17,381	53,609	10,857	(34,818)
Other Financing Sources (Uses)					
Inception of Capital Lease	170,438	0	0	0	0
Proceeds from Sale of Assets	0	0	0	592	0
Transfers In	697,500	0	0	10,000	75,000
<i>Total Other Financing Sources (Uses)</i>	<u>867,938</u>	<u>0</u>	<u>0</u>	<u>10,592</u>	<u>75,000</u>
<i>Net Change in Fund Balance</i>	337,066	17,381	53,609	21,449	40,182
<i>Fund Balance Beginning of Year</i>	<u>326,910</u>	<u>48,084</u>	<u>115,638</u>	<u>45,769</u>	<u>105,255</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 663,976</u>	<u>\$ 65,465</u>	<u>\$ 169,247</u>	<u>\$ 67,218</u>	<u>\$ 145,437</u>

(continued)

City of Amherst
Lorain County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018

	Planning Commission Fund	Park Trust Fund	Assistance to Firefighters Fund	Fire Act Grant Fund	Cable Television Fund
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Charges for Services	74,800	0	0	0	0
Licenses and Permits	0	0	0	0	81,630
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	0	22,880	0	10,427	0
Interest	0	0	0	0	0
Other	0	74,131	0	0	0
<i>Total Revenues</i>	<u>74,800</u>	<u>97,011</u>	<u>0</u>	<u>10,427</u>	<u>81,630</u>
Expenditures					
Current:					
General Government	0	0	0	0	68,823
Security of Persons and Property	0	0	0	12,512	0
Public Health	0	0	0	0	0
Leisure Time Services	0	63,634	0	0	0
Community Development	27,400	0	0	0	0
Transportation	0	0	0	0	0
Capital Outlay	0	48,361	0	0	252,150
Debt Service:					
Principal Retirement	0	0	0	0	14,600
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>27,400</u>	<u>111,995</u>	<u>0</u>	<u>12,512</u>	<u>335,573</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	47,400	(14,984)	0	(2,085)	(253,943)
Other Financing Sources (Uses)					
Inception of Capital Lease	0	0	0	0	0
Proceeds from Sale of Assets	0	0	0	0	0
Transfers In	0	0	0	2,085	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,085</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	47,400	(14,984)	0	0	(253,943)
<i>Fund Balance Beginning of Year</i>	<u>232,437</u>	<u>350,025</u>	<u>1,793</u>	<u>0</u>	<u>607,143</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 279,837</u>	<u>\$ 335,041</u>	<u>\$ 1,793</u>	<u>\$ 0</u>	<u>\$ 353,200</u>

(continued)

City of Amherst
Lorain County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018

	CPT Grant Fund	Law Enforcement Fund	Drug Law Enforcement Fund	DUI Enforcement Fund	Bullet Proof Vest Fund
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Charges for Services	0	17,572	0	0	0
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	961	0
Intergovernmental	0	0	0	0	0
Interest	0	0	0	0	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>17,572</u>	<u>0</u>	<u>961</u>	<u>0</u>
Expenditures					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	0	18,269	0	0	2,246
Public Health	0	0	0	0	0
Leisure Time Services	0	0	0	0	0
Community Development	3,900	0	0	0	0
Transportation	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>3,900</u>	<u>18,269</u>	<u>0</u>	<u>0</u>	<u>2,246</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,900)	(697)	0	961	(2,246)
Other Financing Sources (Uses)					
Inception of Capital Lease	0	0	0	0	0
Proceeds from Sale of Assets	0	0	0	0	0
Transfers In	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(3,900)	(697)	0	961	(2,246)
<i>Fund Balance Beginning of Year</i>	<u>20,405</u>	<u>62,781</u>	<u>9,341</u>	<u>11,168</u>	<u>2,852</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 16,505</u>	<u>\$ 62,084</u>	<u>\$ 9,341</u>	<u>\$ 12,129</u>	<u>\$ 606</u>

(continued)

City of Amherst
Lorain County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018

	Disabled Parking Fund	Housing Program Fund	Community Improvement Fund	Total Nonmajor Special Revenue Funds
Revenues				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 43,219
Charges for Services	0	0	0	226,249
Licenses and Permits	0	0	0	81,630
Fines and Forfeitures	0	0	0	961
Intergovernmental	0	0	0	746,035
Interest	0	570	0	1,032
Other	0	0	100	87,301
<i>Total Revenues</i>	<u>0</u>	<u>570</u>	<u>100</u>	<u>1,186,427</u>
Expenditures				
Current:				
General Government	0	0	0	68,823
Security of Persons and Property	0	0	0	33,027
Public Health	0	0	0	76,775
Leisure Time Services	0	0	0	197,981
Community Development	0	0	0	31,300
Transportation	0	0	0	910,309
Capital Outlay	0	0	0	496,187
Debt Service:				
Principal Retirement	0	0	0	77,939
Interest and Fiscal Charges	0	0	0	6,753
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,899,094</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	570	100	(712,667)
Other Financing Sources (Uses)				
Inception of Capital Lease	0	0	0	170,438
Proceeds from Sale of Assets	0	0	0	592
Transfers In	0	0	0	784,585
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>955,615</u>
<i>Net Change in Fund Balance</i>	0	570	100	242,948
<i>Fund Balance Beginning of Year</i>	<u>250</u>	<u>34,182</u>	<u>37,200</u>	<u>2,011,233</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 250</u>	<u>\$ 34,752</u>	<u>\$ 37,300</u>	<u>\$ 2,254,181</u>

City of Amherst
Lorain County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2018

	Fire Apparatus Levy Fund	CDBG Improvements Fund	Lorain County CDBG Fund	City Hall Auditorium Fund	Total Nonmajor Capital Projects Totals
Assets					
Equity in Pooled Cash and Investments	\$ 527,826	\$ 1,385	\$ 8,514	\$ 123,909	\$ 661,634
Intergovernmental Receivable	3,959	0	0	0	3,959
Property Taxes Receivable	284,524	0	0	0	284,524
<i>Total Assets</i>	<u>\$ 816,309</u>	<u>\$ 1,385</u>	<u>\$ 8,514</u>	<u>\$ 123,909</u>	<u>\$ 950,117</u>
Liabilities					
Accounts Payable	\$ 288	\$ 0	\$ 0	\$ 0	\$ 288
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	280,948	0	0	0	280,948
Unavailable Revenue - Delinquent Taxes	3,576	0	0	0	3,576
Unavailable Revenue - Grants	3,959	0	0	0	3,959
<i>Total Deferred Inflows of Resources</i>	<u>288,483</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>288,483</u>
Fund Balance					
Restricted	527,538	1,385	8,514	123,909	661,346
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 816,309</u>	<u>\$ 1,385</u>	<u>\$ 8,514</u>	<u>\$ 123,909</u>	<u>\$ 950,117</u>

**City of Amherst
Lorain County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2018*

	Fire Apparatus Levy Fund	CDBG Improvements Fund	Lorain County CDBG Fund	City Hall Auditorium Fund	Total Nonmajor Capital Projects Totals
Revenues					
Property Taxes	\$ 252,986	\$ 0	\$ 0	\$ 0	\$ 252,986
Intergovernmental	7,870	0	0	0	7,870
Interest	0	0	0	2,036	2,036
<i>Total Revenues</i>	<u>260,856</u>	<u>0</u>	<u>0</u>	<u>2,036</u>	<u>262,892</u>
Expenditures					
Current:					
Security of Persons and Property	100,239	0	0	0	100,239
Capital Outlay	251,193	0	0	0	251,193
<i>Total Expenditures</i>	<u>351,432</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>351,432</u>
<i>Net Change in Fund Balance</i>	(90,576)	0	0	2,036	(88,540)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>618,114</u>	<u>1,385</u>	<u>8,514</u>	<u>121,873</u>	<u>749,886</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 527,538</u>	<u>\$ 1,385</u>	<u>\$ 8,514</u>	<u>\$ 123,909</u>	<u>\$ 661,346</u>

City of Amherst
Lorain County, Ohio
Combining Statements – Fiduciary Funds

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Private Purpose Trust Fund

Cemetery Trust Fund

To account for the perpetual care and maintenance of an individual family's burial plot in the City's cemetery through an endowment.

Agency Funds

Street Openings Fund

To account for monies collected and disbursed for a bond and permit fee to assure repair of streets opened for repairs or tap-ins.

Building Standards Assessment Fund

To account for the collection and disbursement of the three percent assessment fee required on all commercial building permits. This three percent is remitted to the State Board of Building Standards monthly.

Sales Tax Revenue Fund

To account for sales tax revenue collected by the park and pool recreation department to be remitted to the State.

Developer's Deposits and Fees Fund

To account for deposits made by developers which are held in escrow by the City until the developments are completed.

City of Amherst
Lorain County, Ohio
Combining Statement of Assets and Liabilities
Agency Funds
December 31, 2018

	Street Openings Fund	Building Standards Assessment Fund	Sales Tax Revenue Fund	Developer's Deposits and Fees Fund	Total
Assets					
Equity in Pooled Cash and Investments	\$ 8,342	\$ 2,816	\$ 62	\$ 44,414	\$ 55,634
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 7,050	\$ 7,050
Deposits Held and Due to Others	8,277	2,816	62	37,364	48,519
Undistributed Monies	65	0	0	0	65
<i>Total Liabilities</i>	\$ 8,342	\$ 2,816	\$ 62	\$ 44,414	\$ 55,634

City of Amherst
Lorain County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2018

	Beginning Balance 1/1/2018	Additions	Reductions	Ending Balance 12/31/2018
<i>Street Openings Fund</i>				
Assets				
Equity in Pooled Cash and Investments	\$ 8,342	\$ 0	\$ 0	\$ 8,342
Liabilities				
Undistributed Monies	\$ 65	\$ 0	\$ 0	\$ 65
Deposits Held and Due to Others	8,277	0	0	8,277
<i>Total Liabilities</i>	<u>\$ 8,342</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,342</u>
<i>Building Standards Assessment Fund</i>				
Assets				
Equity in Pooled Cash and Investments	\$ 2,918	\$ 7,909	\$ 8,011	\$ 2,816
Liabilities				
Deposits Held and Due to Others	\$ 2,918	\$ 7,909	\$ 8,011	\$ 2,816
<i>Sales Tax Revenue Fund</i>				
Assets				
Equity in Pooled Cash and Investments	\$ 56	\$ 89	\$ 83	\$ 62
Liabilities				
Deposits Held and Due to Others	\$ 56	\$ 89	\$ 83	\$ 62
<i>Developer's Deposits and Fees Fund</i>				
Assets				
Equity in Pooled Cash and Investments	\$ 34,139	\$ 91,842	\$ 81,567	\$ 44,414
Liabilities				
Accounts Payable	\$ 0	\$ 7,050	\$ 0	\$ 7,050
Deposits Held and Due to Others	34,139	84,792	81,567	37,364
<i>Total Liabilities</i>	<u>\$ 34,139</u>	<u>\$ 91,842</u>	<u>\$ 81,567</u>	<u>\$ 44,414</u>
<i>Total Agency Funds</i>				
Assets				
Equity in Pooled Cash and Investments	\$ 45,455	\$ 99,840	\$ 89,661	\$ 55,634
Liabilities				
Accounts Payable	\$ 0	\$ 7,050	\$ 0	\$ 7,050
Deposits Held and Due to Others	45,390	92,790	89,661	48,519
Undistributed Monies	65	0	0	65
<i>Total Liabilities</i>	<u>\$ 45,455</u>	<u>\$ 99,840</u>	<u>\$ 89,661</u>	<u>\$ 55,634</u>

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

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 807,846	\$ 813,988	\$ 6,142
Income Taxes	1,200,000	1,324,248	124,248
Kilowatt Taxes	460,000	442,057	(17,943)
Charges for Services	399,675	269,687	(129,988)
Fees, Licenses and Permits	175,900	493,551	317,651
Fines and Forfeitures	32,000	27,603	(4,397)
Intergovernmental	333,186	331,432	(1,754)
Interest	175,000	354,114	179,114
Other	17,500	42,840	25,340
<i>Total Revenues</i>	<u>3,601,107</u>	<u>4,099,520</u>	<u>498,413</u>
Expenditures			
Current:			
General Government			
Mayor			
Salaries and Wages	112,295	112,012	283
Fringe Benefits	47,530	39,975	7,555
Contractual Services	28,500	8,218	20,282
Materials and Supplies	5,000	1,632	3,368
Total Mayor	<u>193,325</u>	<u>161,837</u>	<u>31,488</u>
Safety Services			
Salaries and Wages	18,456	18,456	0
Fringe Benefits	3,490	2,756	734
Contractual Services	82,200	49,475	32,725
Materials and Supplies	3,200	714	2,486
Total Safety Services	<u>107,346</u>	<u>71,401</u>	<u>35,945</u>
City Council			
Salaries and Wages	79,097	78,145	952
Fringe Benefits	15,198	11,767	3,431
Contractual Services	32,067	9,270	22,797
Materials and Supplies	6,000	3,495	2,505
Total City Council	<u>132,362</u>	<u>102,677</u>	<u>29,685</u>
Auditor			
Salaries and Wages	113,807	111,262	2,545
Fringe Benefits	36,566	28,809	7,757
Contractual Services	73,703	46,208	27,495
Materials and Supplies	8,500	2,827	5,673
Total Auditor	<u>232,576</u>	<u>189,106</u>	<u>43,470</u>
Treasurer			
Salaries and Wages	73,709	71,389	2,320
Fringe Benefits	39,399	29,248	10,151
Contractual Services	28,183	20,276	7,907
Materials and Supplies	16,507	11,046	5,461
Total Treasurer	<u>157,798</u>	<u>131,959</u>	<u>25,839</u>
Law Director			
Salaries and Wages	177,430	175,869	1,561
Fringe Benefits	26,890	22,728	4,162
Contractual Services	60,000	58,359	1,641
Total Law Director	<u>264,320</u>	<u>256,956</u>	<u>7,364</u>

(continued)

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
City Hall			
Contractual Services	35,000	22,222	12,778
Materials and Supplies	20,500	444	20,056
Total City Hall	55,500	22,666	32,834
Civil Service Commission			
Salaries and Wages	2,300	2,192	108
Fringe Benefits	600	331	269
Contractual Services	6,250	0	6,250
Materials and Supplies	250	0	250
Total Civil Service Commission	9,400	2,523	6,877
IT Department			
Salaries and Wages	71,311	65,757	5,554
Fringe Benefits	28,556	27,536	1,020
Contractual Services	112,850	22,588	90,262
Materials and Supplies	42,283	4,152	38,131
Total IT Department	255,000	120,033	134,967
Miscellaneous			
Fringe Benefits	5,000	0	5,000
Contractual Services	70,200	49,988	20,212
Materials and Supplies	10,000	6,000	4,000
Total Miscellaneous	85,200	55,988	29,212
Total General Government	1,492,827	1,115,146	377,681
Security of Persons and Property			
Police Department			
Salaries and Wages	2,357,508	2,168,306	189,202
Fringe Benefits	931,378	808,918	122,460
Contractual Services	292,328	253,454	38,874
Materials and Supplies	106,746	95,360	11,386
Capital Outlay	650	644	6
Total Police Department	3,688,610	3,326,682	361,928
Fire Department			
Salaries and Wages	479,152	459,165	19,987
Fringe Benefits	97,976	69,872	28,104
Contractual Services	72,703	50,982	21,721
Materials and Supplies	2,132	593	1,539
Total Fire Department	651,963	580,612	71,351
Total Security of Persons and Property	4,340,573	3,907,294	433,279
Public Health			
Cemetery			
Contractual Services	18,000	15,580	2,420
County Health District			
Contractual Services	48,000	42,116	5,884
Total Public Health	66,000	57,696	8,304

(continued)

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Community Development			
Building Inspector			
Salaries and Wages	142,198	135,700	6,498
Fringe Benefits	69,830	56,196	13,634
Contractual Services	44,341	29,276	15,065
Materials and Supplies	6,200	4,545	1,655
Total Building Inspector	<u>262,569</u>	<u>225,717</u>	<u>36,852</u>
Planning Commission			
Contractual Services	400	384	16
Materials and Supplies	250	0	250
Total Planning Commission	<u>650</u>	<u>384</u>	<u>266</u>
Board of Zoning Appeals			
Contractual Services	2,150	865	1,285
Materials and Supplies	400	0	400
Total Board of Zoning Appeals	<u>2,550</u>	<u>865</u>	<u>1,685</u>
<i>Total Community Development</i>	<u>265,769</u>	<u>226,966</u>	<u>38,803</u>
Capital Outlay	<u>395,568</u>	<u>161,059</u>	<u>234,509</u>
<i>Total Expenditures</i>	<u>6,560,737</u>	<u>5,468,161</u>	<u>1,092,576</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,959,630)</u>	<u>(1,368,641)</u>	<u>1,590,989</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	1,000	0	(1,000)
Advances In	159,400	0	(159,400)
Advances Out	(159,400)	0	159,400
Transfers In	2,170,000	1,627,500	(542,500)
Transfers Out	(144,198)	(97,085)	47,113
<i>Total Other Financing Sources (Uses)</i>	<u>2,026,802</u>	<u>1,530,415</u>	<u>(496,387)</u>
<i>Net Change in Fund Balance</i>	(932,828)	161,774	1,094,602
<i>Fund Balance (Deficit) Beginning of Year</i>	1,044,463	1,044,463	0
Prior Year Encumbrances Appropriated	<u>58,380</u>	<u>58,380</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 170,015</u>	<u>\$ 1,264,617</u>	<u>\$ 1,094,602</u>

City of Amherst
Lorain County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Improvement Income Tax Fund
For the Year Ended December 31, 2018*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Municipal Income Taxes	\$ 1,235,000	\$ 1,324,249	\$ 89,249
Expenditures			
Current:			
Contractual Services	288,159	239,170	48,989
Capital Outlay	1,742,720	1,275,055	467,665
Debt Service			
Principal Retirement	153,000	140,878	12,122
Interest and Fiscal Charges	24,000	22,852	1,148
<i>Total Expenditures</i>	<u>2,207,879</u>	<u>1,677,955</u>	<u>529,924</u>
<i>Net Change in Fund Balance</i>	(972,879)	(353,706)	619,173
<i>Fund Balance (Deficit) Beginning of Year</i>	812,431	812,431	0
Prior Year Encumbrances Appropriated	<u>268,193</u>	<u>268,193</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 107,745</u>	<u>\$ 726,918</u>	<u>\$ 619,173</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue II Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Special Assessments	\$ 0	\$ 5,293	\$ 5,293
Intergovernmental	3,464,845	557,670	(2,907,175)
<i>Total Revenues</i>	<u>3,464,845</u>	<u>562,963</u>	<u>(2,901,882)</u>
Expenditures			
Current:			
Transportation			
Capital Outlay	3,964,845	3,801,956	162,889
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(500,000)</u>	<u>(3,238,993)</u>	<u>(2,738,993)</u>
Other Financing Sources (Uses)			
Proceeds of OPWC Loans	0	244,286	244,286
Bond Anticipation Notes Issued	500,000	3,000,000	2,500,000
Transfers In	159,400	0	(159,400)
Transfers Out	(159,400)	0	159,400
<i>Total Other Financing Sources (Uses)</i>	<u>500,000</u>	<u>3,244,286</u>	<u>2,744,286</u>
<i>Net Change in Fund Balance</i>	0	5,293	5,293
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 5,293</u>	<u>\$ 5,293</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 2,814,441	\$ 2,648,489	\$ (165,952)
Miscellaneous	7,400	124	(7,276)
<i>Total Revenues</i>	<u>2,821,841</u>	<u>2,648,613</u>	<u>(173,228)</u>
Expenditures			
Water operations:			
Salaries and Wages	391,900	356,570	35,330
Fringe Benefits	165,721	134,096	31,625
Contractual Services	2,272,754	1,409,287	863,467
Materials and Supplies	297,301	250,179	47,122
Capital Outlay	205,433	154,128	51,305
Debt Service			
Principal Retirement	297,058	297,058	0
Interest and Fiscal Charges	31,174	30,152	1,022
<i>Total Expenditures</i>	<u>3,661,341</u>	<u>2,631,470</u>	<u>1,029,871</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(839,500)</u>	<u>17,143</u>	<u>856,643</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(9,203)</u>	<u>0</u>	<u>9,203</u>
<i>Net Change in Fund Balance</i>	(848,703)	17,143	865,846
<i>Fund Balance (Deficit) Beginning of Year</i>	1,972,897	1,972,897	0
Prior Year Encumbrances Appropriated	<u>47,901</u>	<u>47,901</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,172,095</u>	<u>\$ 2,037,941</u>	<u>\$ 865,846</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 2,582,384	\$ 2,453,954	\$ (128,430)
Miscellaneous	0	130	130
<i>Total Revenues</i>	<u>2,582,384</u>	<u>2,454,084</u>	<u>(128,300)</u>
Expenditures			
Sewer operations:			
Salaries and Wages	713,918	679,423	34,495
Fringe Benefits	296,785	261,542	35,243
Contractual Services	781,650	310,812	470,838
Materials and Supplies	632,228	341,961	290,267
Capital Outlay	319,331	262,808	56,523
Debt Service			
Principal Retirement	873,717	873,120	597
Interest and Fiscal Charges	130,846	129,558	1,288
<i>Total Expenditures</i>	<u>3,748,475</u>	<u>2,859,224</u>	<u>889,251</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,166,091)</u>	<u>(405,140)</u>	<u>760,951</u>
Other Financing Sources (Uses)			
OWDA Interest Subsidy	0	24,514	24,514
<i>Net Change in Fund Balance</i>	(1,166,091)	(380,626)	785,465
<i>Fund Balance (Deficit) Beginning of Year</i>	2,813,498	2,813,498	0
Prior Year Encumbrances Appropriated	121,968	121,968	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,769,375</u>	<u>\$ 2,554,840</u>	<u>\$ 785,465</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Electric Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 11,267,597	\$ 13,383,467	\$ 2,115,870
Miscellaneous	0	400	400
<i>Total Revenues</i>	<u>11,267,597</u>	<u>13,383,867</u>	<u>2,116,270</u>
Expenditures			
Electric operations:			
Salaries and Wages	610,000	516,879	93,121
Fringe Benefits	263,900	203,050	60,850
Contractual Services	12,308,820	11,123,718	1,185,102
Materials and Supplies	775,807	565,630	210,177
Capital Outlay	287,419	96,002	191,417
Debt Service			
Principal Retirement	457,524	457,524	0
Interest and Fiscal Charges	27,700	27,650	50
<i>Total Expenditures</i>	<u>14,731,170</u>	<u>12,990,453</u>	<u>1,740,717</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,463,573)</u>	<u>393,414</u>	<u>3,856,987</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	0	10,036	10,036
Transfers Out	(6,615)	0	6,615
<i>Net Change in Fund Balance</i>	<u>(3,470,188)</u>	<u>403,450</u>	<u>3,873,638</u>
<i>Fund Balance (Deficit) Beginning of Year</i>	5,059,132	5,059,132	0
Prior Year Encumbrances Appropriated	69,047	69,047	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,657,991</u>	<u>\$ 5,531,629</u>	<u>\$ 3,873,638</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance Repair Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 507,000	\$ 527,203	\$ 20,203
Charges for Services	350	3,467	3,117
<i>Total Revenues</i>	<u>507,350</u>	<u>530,670</u>	<u>23,320</u>
Expenditures			
Current:			
Transportation			
Street Maintenance and Repair			
Salaries and Wages	551,973	484,754	67,219
Fringe Benefits	249,988	180,733	69,255
Contractual Services	300,508	268,426	32,082
Materials and Supplies	79,023	52,159	26,864
Capital Outlay	510,000	402,509	107,491
<i>Total Expenditures</i>	<u>1,691,492</u>	<u>1,388,581</u>	<u>302,911</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,184,142)</u>	<u>(857,911)</u>	<u>326,231</u>
Other Financing Sources (Uses)			
Transfers In	930,000	697,500	(232,500)
Transfers Out	(6,615)	0	6,615
<i>Total Other Financing Sources (Uses)</i>	<u>923,385</u>	<u>697,500</u>	<u>(225,885)</u>
<i>Net Change in Fund Balance</i>	(260,757)	(160,411)	100,346
<i>Fund Balance (Deficit) Beginning of Year</i>	237,601	237,601	0
Prior Year Encumbrances Appropriated	25,648	25,648	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,492</u>	<u>\$ 102,838</u>	<u>\$ 100,346</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 38,750	\$ 42,746	\$ 3,996
Expenditures			
Current:			
Transportation			
Contractual Services	22,073	17,933	4,140
Materials and Supplies	61,742	20,171	41,571
<i>Total Expenditures</i>	<u>83,815</u>	<u>38,104</u>	<u>45,711</u>
<i>Net Change in Fund Balance</i>	(45,065)	4,642	49,707
<i>Fund Balance (Deficit) Beginning of Year</i>	43,821	43,821	0
Prior Year Encumbrances Appropriated	<u>2,273</u>	<u>2,273</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,029</u>	<u>\$ 50,736</u>	<u>\$ 49,707</u>

City of Amherst
Lorain County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Permissive Fund
For the Year Ended December 31, 2018*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 64,000	\$ 66,624	\$ 2,624
Expenditures			
Current:			
Transportation			
Capital Outlay	125,000	0	125,000
Debt Service			
Principal Retirement	19,000	18,248	752
Interest and Fiscal Charges	6,900	6,753	147
<i>Total Expenditures</i>	<u>150,900</u>	<u>25,001</u>	<u>125,899</u>
<i>Net Change in Fund Balance</i>	(86,900)	41,623	128,523
<i>Fund Balance (Deficit) Beginning of Year</i>	109,599	109,599	0
Prior Year Encumbrances Appropriated	<u>880</u>	<u>880</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 23,579</u></u>	<u><u>\$ 152,102</u></u>	<u><u>\$ 128,523</u></u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Park and Pool Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 39,000	\$ 44,811	\$ 5,811
Charges for Services	88,400	91,180	2,780
Rent	3,000	5,245	2,245
Miscellaneous	4,750	5,560	810
<i>Total Revenues</i>	<u>135,150</u>	<u>146,796</u>	<u>11,646</u>
Expenditures			
Current:			
Leisure Time Activities			
Salaries and Wages	123,504	96,835	26,669
Fringe Benefits	21,658	14,608	7,050
Contractual Services	13,900	8,983	4,917
Materials and Supplies	18,856	13,275	5,581
<i>Total Expenditures</i>	<u>177,918</u>	<u>133,701</u>	<u>44,217</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(42,768)</u>	<u>13,095</u>	<u>55,863</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	0	592	592
Transfers In	10,000	10,000	0
Transfers Out	(959)	0	959
<i>Total Other Financing Sources (Uses)</i>	<u>9,041</u>	<u>10,592</u>	<u>1,551</u>
<i>Net Change in Fund Balance</i>	(33,727)	23,687	57,414
<i>Fund Balance (Deficit) Beginning of Year</i>	37,946	37,946	0
Prior Year Encumbrances Appropriated	6	6	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 4,225</u>	<u>\$ 61,639</u>	<u>\$ 57,414</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Office on Aging Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 30,040	\$ 39,230	\$ 9,190
Contributions and Donations	50	0	(50)
Interest	75	462	387
Miscellaneous	1,250	2,265	1,015
<i>Total Revenues</i>	<u>31,415</u>	<u>41,957</u>	<u>10,542</u>
Expenditures			
Current:			
Public Health and Welfare			
Salaries and Wages	44,726	39,914	4,812
Fringe Benefits	6,800	5,834	966
Contractual Services	37,445	29,178	8,267
Materials and Supplies	5,750	3,545	2,205
<i>Total Expenditures</i>	<u>94,721</u>	<u>78,471</u>	<u>16,250</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(63,306)</u>	<u>(36,514)</u>	<u>26,792</u>
Other Financing Sources (Uses)			
Transfers In	75,000	75,000	0
Transfers Out	(5,162)	0	5,162
<i>Total Other Financing Sources (Uses)</i>	<u>69,838</u>	<u>75,000</u>	<u>5,162</u>
<i>Net Change in Fund Balance</i>	6,532	38,486	31,954
<i>Fund Balance (Deficit) Beginning of Year</i>	108,096	108,096	0
Prior Year Encumbrances Appropriated	556	556	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 115,184</u>	<u>\$ 147,138</u>	<u>\$ 31,954</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Planning Commission Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 15,000	\$ 74,800	\$ 59,800
Expenditures			
Current:			
Community Development			
Contractual Services	30,000	27,400	2,600
Capital Outlay	159,000	0	159,000
<i>Total Expenditures</i>	<u>189,000</u>	<u>27,400</u>	<u>161,600</u>
<i>Net Change in Fund Balance</i>	(174,000)	47,400	221,400
<i>Fund Balance (Deficit) Beginning of Year</i>	227,848	227,848	0
Prior Year Encumbrances Appropriated	<u>4,589</u>	<u>4,589</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 58,437</u></u>	<u><u>\$ 279,837</u></u>	<u><u>\$ 221,400</u></u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Trust Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 0	\$ 22,880	\$ 22,880
Rent	45,000	49,991	4,991
Miscellaneous	2,500	24,140	21,640
<i>Total Revenues</i>	<u>47,500</u>	<u>97,011</u>	<u>49,511</u>
Expenditures			
Current:			
Leisure Time Activities			
Contractual Services	91,047	63,592	27,455
Capital Outlay	50,000	48,361	1,639
<i>Total Expenditures</i>	<u>141,047</u>	<u>111,953</u>	<u>29,094</u>
<i>Net Change in Fund Balance</i>	(93,547)	(14,942)	78,605
<i>Fund Balance (Deficit) Beginning of Year</i>	350,862	350,862	0
Prior Year Encumbrances Appropriated	47	47	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 257,362</u>	<u>\$ 335,967</u>	<u>\$ 78,605</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Assistance to Firefighters Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Expenditures			
Current:			
Security of Persons and Property			
Materials and Supplies	\$ 1,793	\$ 0	\$ 1,793
<i>Net Change in Fund Balance</i>	(1,793)	0	1,793
<i>Fund Balance (Deficit) Beginning of Year</i>	1,793	1,793	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 1,793</u>	<u>\$ 1,793</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Act Grant Program Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 10,427	\$ 10,427	\$ 0
Expenditures			
Current:			
Security of Persons and Property			
Materials and Supplies	12,512	12,512	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,085)	(2,085)	0
Other Financing Sources (Uses)			
Transfers In	2,085	2,085	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cable Television Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Licenses and Permits	\$ 140,000	\$ 121,485	\$ (18,515)
Charges for Services	8,500	0	(8,500)
<i>Total Revenues</i>	<u>148,500</u>	<u>121,485</u>	<u>(27,015)</u>
Expenditures			
Current:			
General Government			
Contractual Services	\$ 97,352	\$ 84,624	\$ 12,728
Materials and Supplies	15,000	3,051	11,949
Capital Outlay	442,577	304,953	137,624
Debt Service			
Principal Retirement	14,600	14,600	0
<i>Total Expenditures</i>	<u>569,529</u>	<u>407,228</u>	<u>162,301</u>
<i>Net Change in Fund Balance</i>	(421,029)	(285,743)	135,286
<i>Fund Balance (Deficit) Beginning of Year</i>	303,553	303,553	0
Prior Year Encumbrances Appropriated	<u>279,183</u>	<u>279,183</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 161,707</u>	<u>\$ 296,993</u>	<u>\$ 135,286</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
CPT Grant Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 0	\$ 7,680	\$ 7,680
Expenditures			
Current:			
Community Environment			
Capital Outlay	12,725	3,900	8,825
<i>Net Change in Fund Balance</i>	(12,725)	3,780	16,505
<i>Fund Balance (Deficit) Beginning of Year</i>	12,725	12,725	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 0	\$ 16,505	\$ 16,505

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 6,500	\$ 17,572	\$ 11,072
Expenditures			
Current:			
Security of Persons and Property			
Capital Outlay	62,779	17,769	45,010
<i>Net Change in Fund Balance</i>	(56,279)	(197)	56,082
<i>Fund Balance (Deficit) Beginning of Year</i>	62,778	62,778	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 6,499	\$ 62,581	\$ 56,082

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 650	\$ 0	\$ (650)
Fines and Forfeitures	75	0	(75)
<i>Total Revenues</i>	<u>725</u>	<u>0</u>	<u>(725)</u>
Expenditures			
Current:			
Security of Persons and Property			
Capital Outlay	9,339	0	9,339
<i>Net Change in Fund Balance</i>	(8,614)	0	8,614
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>9,341</u>	<u>9,341</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 727</u>	<u>\$ 9,341</u>	<u>\$ 8,614</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
DUI Enforcement Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 1,200	\$ 986	\$ (214)
Expenditures			
Current:			
Security of Persons and Property			
Capital Outlay	11,143	0	11,143
<i>Net Change in Fund Balance</i>	(9,943)	986	10,929
<i>Fund Balance (Deficit) Beginning of Year</i>	11,143	11,143	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 1,200	\$ 12,129	\$ 10,929

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Bullet Proof Vest Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 500	\$ 0	(500)
Expenditures			
Current:			
Security of Persons and Property			
Fringe Benefits	2,850	2,246	604
<i>Net Change in Fund Balance</i>	(2,350)	(2,246)	104
<i>Fund Balance (Deficit) Beginning of Year</i>	2,851	2,851	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 501	\$ 605	\$ 104

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Disabled Parking Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Expenditures			
Current:			
Security of Persons and Property			
Materials and Supplies	\$ 250	\$ 0	\$ 250
<i>Net Change in Fund Balance</i>	(250)	0	250
<i>Fund Balance (Deficit) Beginning of Year</i>	250	250	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 250</u>	<u>\$ 250</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Housing Program Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Interest	325	570	245
<i>Net Change in Fund Balance</i>	325	570	245
<i>Fund Balance (Deficit) Beginning of Year</i>	34,182	34,182	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 34,507</u>	<u>\$ 34,752</u>	<u>\$ 245</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Improvement Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Miscellaneous	\$ 0	100	100
Expenditures			
Current:			
Community Development			
Contractual Services	37,200	0	37,200
<i>Net Change in Fund Balance</i>	(37,200)	100	37,300
<i>Fund Balance (Deficit) Beginning of Year</i>	37,200	37,200	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 0	\$ 37,300	\$ 37,300

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 216,163	\$ 208,923	\$ (7,240)
Intergovernmental	23,000	59,856	36,856
<i>Total Revenues</i>	<u>239,163</u>	<u>268,779</u>	<u>29,616</u>
Expenditures			
Current:			
General Government			
Contractual Services	4,600	3,514	1,086
Debt Service			
Principal Retirement	235,000	235,000	0
Interest and Fiscal Charges	12,000	10,108	1,892
Bond Issuance Costs	15,000	3,250	11,750
<i>Total Expenditures</i>	<u>266,600</u>	<u>251,872</u>	<u>14,728</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(27,437)</u>	<u>16,907</u>	<u>44,344</u>
Other Financing Sources (Uses)			
Transfers In	75,000	0	(75,000)
<i>Net Change in Fund Balance</i>	47,563	16,907	(30,656)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>472,678</u>	<u>472,678</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 520,241</u>	<u>\$ 489,585</u>	<u>\$ (30,656)</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Apparatus Levy Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property and Other Taxes	\$ 252,844	\$ 252,986	\$ 142
Intergovernmental	35,000	7,870	(27,130)
<i>Total Revenues</i>	<u>287,844</u>	<u>260,856</u>	<u>(26,988)</u>
Expenditures			
Current:			
Security of Persons and Property			
Contractual Services	15,795	5,861	9,934
Materials and Supplies	141,048	95,887	45,161
Capital Outlay	285,566	252,501	33,065
<i>Total Expenditures</i>	<u>442,409</u>	<u>354,249</u>	<u>88,160</u>
<i>Net Change in Fund Balance</i>	(154,565)	(93,393)	61,172
<i>Fund Balance (Deficit) Beginning of Year</i>	588,013	588,013	0
Prior Year Encumbrances Appropriated	30,102	30,102	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 463,550</u>	<u>\$ 524,722</u>	<u>\$ 61,172</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
CDBG Improvements Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues	\$ 0	\$ 0	\$ 0
Expenditures	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	1,385	1,385	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,385</u>	<u>\$ 1,385</u>	<u>\$ 0</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Lorain County CDBG Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues	\$ 0	\$ 0	\$ 0
Expenditures	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	1,385	8,514	7,129
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,385</u>	<u>\$ 8,514</u>	<u>\$ 7,129</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
City Hall Auditorium Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Interest	\$ 1,000	\$ 2,036	\$ 1,036
Expenditures			
Current:			
General Government			
Contractual Services	25,000	0	25,000
Materials and Supplies	20,000	0	20,000
Capital Outlay	40,000	0	40,000
<i>Total Expenditures</i>	<u>85,000</u>	<u>0</u>	<u>85,000</u>
<i>Net Change in Fund Balance</i>	(84,000)	2,036	86,036
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>121,874</u>	<u>121,874</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 37,874</u>	<u>\$ 123,910</u>	<u>\$ 86,036</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Health Insurance Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 1,415,000	\$ 1,126,580	\$ (288,420)
Expenditures			
Claims	1,000,000	755,177	244,823
Contractual Services	415,000	337,972	77,028
<i>Total Expenditures</i>	<u>1,415,000</u>	<u>1,093,149</u>	<u>321,851</u>
<i>Net Change in Fund Balance</i>	0	33,431	33,431
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>232,079</u>	<u>232,079</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 232,079</u>	<u>\$ 265,510</u>	<u>\$ 33,431</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Trust Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Interest	\$ 40	\$ 70	\$ 30
Expenditures			
Capital Outlay	1,500	0	1,500
<i>Net Change in Fund Balance</i>	(1,460)	70	1,530
<i>Fund Balance (Deficit) Beginning of Year</i>	4,287	4,287	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,827</u>	<u>\$ 4,357</u>	<u>\$ 1,530</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Income Tax Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenues			
Municipal Income Taxes	\$ 2,575,000	\$ 2,927,334	\$ 352,334
Expenditures			
Current:			
Legislative and Executive			
Salaries and Wages	59,809	55,843	3,966
Fringe Benefits	37,154	25,382	11,772
Contractual Services	76,590	21,729	54,861
Materials and Supplies	16,329	12,143	4,186
<i>Total Expenditures</i>	<u>189,882</u>	<u>115,097</u>	<u>74,785</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,385,118</u>	<u>2,812,237</u>	<u>427,119</u>
Other Financing Sources (Uses)			
Transfers Out	(3,104,001)	(2,325,000)	779,001
<i>Total Other Financing Sources (Uses)</i>	<u>(3,104,001)</u>	<u>(2,325,000)</u>	<u>779,001</u>
<i>Net Change in Fund Balance</i>	(718,883)	487,237	1,206,120
<i>Fund Balance (Deficit) Beginning of Year</i>	1,929,648	1,929,648	0
Prior Year Encumbrances Appropriated	<u>7,790</u>	<u>7,790</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,218,555</u>	<u>\$ 2,424,675</u>	<u>\$ 1,206,120</u>

City of Amherst
Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Downtown Director Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget
Expenditures			
Current:			
General Government			
Contractual Services	\$ 10,000	\$ 10,000	\$ 0
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(10,000)</u>	<u>(10,000)</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers In	<u>10,000</u>	<u>10,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

STATISTICAL SECTION

Statistical Section

This part of the City of Amherst, Lorain County'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.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S-2 - S-11
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and the municipal income tax.	S-12 - S-21
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S-22 - S-28
Economic and Demographic Information	
These schedules offer economic and demographic indicators 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.	S-29 - S-33
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the City provides and the activities it performs.	S-34 - S-39

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

NOTE:

With the implementation of GASB No. 54 for 2011, there have been minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes). Prior year amounts have not been adjusted to reflect this change.

During 2013, the City implemented GASB 65. Prior year amounts have not been adjusted to reflect this change.

With the implementation of GASB 68 in 2015, the calculation of pension expense has changed; however, government-wide expenses for 2014 and prior years were not restated to reflect this change.

With the implementation of GASB 75 in 2018, the calculation of pension expense has changed; however, government-wide expenses for 2017 and prior years were not restated to reflect this change.

City of Amherst
Lorain County, Ohio
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	2018	2017 (4)	2016	2015 (3)
Governmental Activities				
Net Investment in Capital Assets	\$ 26,951,753	\$ 27,407,624	\$ 25,702,950	\$ 24,654,542
Restricted:				
Capital Projects	305,344	1,470,815	2,060,450	2,628,512
Debt Service	225,016	472,330	491,725	471,269
Other Purposes	874,444	2,016,303	2,063,453	2,084,727
Unrestricted	<u>(1,789,125)</u>	<u>(5,659,439)</u>	<u>(92,892)</u>	<u>(289,662)</u>
<i>Total Governmental Activities Net Position</i>	<u>\$ 26,567,432</u>	<u>\$ 25,707,633</u>	<u>\$ 30,225,686</u>	<u>\$ 29,549,388</u>
Business Type - Activities				
Net Investment in Capital Assets	\$ 16,044,057	\$ 13,495,776	\$ 15,892,973	\$ 15,139,933
Restricted:				
Unrestricted	<u>8,505,864</u>	<u>12,524,461</u>	<u>11,140,754</u>	<u>10,670,782</u>
<i>Total Business-Type Activities Net Position</i>	<u>\$ 24,549,921</u>	<u>\$ 26,020,237</u>	<u>\$ 27,033,727</u>	<u>\$ 25,810,715</u>
Primary Government				
Net Investment in Capital Assets	\$ 42,995,810	\$ 40,903,400	\$ 41,595,923	\$ 39,794,475
Restricted	1,404,804	3,959,448	4,615,628	5,184,508
Unrestricted	<u>6,716,739</u>	<u>6,865,022</u>	<u>11,047,862</u>	<u>10,381,120</u>
<i>Total Primary Government Net Position</i>	<u>\$ 51,117,353</u>	<u>\$ 51,727,870</u>	<u>\$ 57,259,413</u>	<u>\$ 55,360,103</u>

Note: * As Restated in 2010 CAFR

(1) As Restated in 2012 CAFR

(2) 2014 figures were adjusted to reflect a prior period adjustment and the implementation of GASB Statement No. 68

(3) As Restated in 2016 CAFR

(4) 2017 figures were adjusted to reflect a prior period adjustment and the implementation of GASB Statement No. 75

Source: Respective comprehensive annual financial statements

2014 (2)	2013	2012	2011 (1)	2010	2009 (*)
\$ 23,854,006	\$ 23,140,628	\$ 21,025,115	\$ 21,005,542	\$ 19,761,957	\$ 19,316,081
2,978,910	3,724,617	5,301,032	4,892,597	5,203,193	5,873,519
451,068	415,979	415,822	428,456	409,208	354,470
2,133,163	2,366,263	2,422,760	2,434,810	1,637,405	1,333,201
(1,336,068)	3,408,642	3,215,419	2,751,516	4,434,550	4,579,981
<u>\$ 28,081,079</u>	<u>\$ 33,056,129</u>	<u>\$ 32,380,148</u>	<u>\$ 31,512,921</u>	<u>\$ 31,446,313</u>	<u>\$ 31,457,252</u>
\$ 13,696,676	\$ 13,244,106	\$ 12,322,668	\$ 12,329,752	\$ 12,497,793	\$ 12,155,820
12,203,322	13,358,229	13,354,631	13,018,446	12,643,263	11,955,503
<u>\$ 25,899,998</u>	<u>\$ 26,602,335</u>	<u>\$ 25,677,299</u>	<u>\$ 25,348,198</u>	<u>\$ 25,141,056</u>	<u>\$ 24,111,323</u>
\$ 37,550,682	\$ 36,384,734	\$ 33,347,783	\$ 33,335,294	\$ 32,259,750	\$ 31,471,901
5,563,141	6,506,859	8,139,614	7,755,863	7,249,806	7,561,190
10,867,254	16,766,871	16,570,050	15,769,962	17,077,813	16,535,484
<u>\$ 53,981,077</u>	<u>\$ 59,658,464</u>	<u>\$ 58,057,447</u>	<u>\$ 56,861,119</u>	<u>\$ 56,587,369</u>	<u>\$ 55,568,575</u>

City of Amherst
Lorain County, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2018	2017 (4)	2016	2015 (3)
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 357,897	\$ 123,376	\$ 99,634	\$ 74,731
Security of Persons and Property	158,580	389,902	351,526	274,514
Public Health	58,998	23,237	25,693	22,724
Leisure Time Services	146,416	44,954	41,285	37,214
Community Development	504,386	29,954	23,268	13,584
Transportation	3,467	276,881	252,255	214,341
Charges for Services	<u>1,229,744</u>	<u>888,304</u>	<u>793,661</u>	<u>637,108</u>
Operating Grants and Contributions:				
General Government	1,000	64,482	15,960	27,555
Security of Persons and Property	3,631	0	0	3,703
Public Health	462	41,338	42,789	48,452
Leisure Time Services	22,880	105,500	83,280	92,918
Community Development	570	17,674	12,696	2,836
Transportation	710,050	649,788	508,850	535,172
Operating Grants and Contributions	<u>738,593</u>	<u>878,782</u>	<u>663,575</u>	<u>710,636</u>
Capital Grants and Contributions:				
General Government	2,036	0	0	0
Security of Persons and Property	0	132,553	269,909	160,015
Community Development	0	0	0	0
Transportation	687,836	74,004	105,234	62,986
Interest and Fiscal Charges	0	0	0	0
Capital Grants and Contributions	<u>689,872</u>	<u>206,557</u>	<u>375,143</u>	<u>223,001</u>
<i>Total Governmental Activities Program Revenues</i>	<u>2,658,209</u>	<u>1,973,643</u>	<u>1,832,379</u>	<u>1,570,745</u>
Business-Type Activities:				
Charges for Services:				
Water	2,718,330	2,733,616	2,843,667	2,772,009
Sewer	2,514,083	2,541,257	2,539,901	2,481,044
Electric	13,140,074	11,278,639	11,622,572	10,612,139
Charges for Services	<u>18,372,487</u>	<u>16,553,512</u>	<u>17,006,140</u>	<u>15,865,192</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>18,372,487</u>	<u>16,553,512</u>	<u>17,006,140</u>	<u>15,865,192</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 21,030,696</u>	<u>\$ 18,527,155</u>	<u>\$ 18,838,519</u>	<u>\$ 17,435,937</u>
Expenses				
Governmental Activities:				
General Government	\$ 1,742,024	\$ 1,502,606	\$ 1,437,645	\$ 1,045,731
Security of Persons and Property	4,446,577	4,336,337	4,454,885	3,419,372
Public Health	143,041	135,452	141,227	119,309
Leisure Time Services	240,726	195,778	178,348	141,268
Community Development	254,816	297,380	247,036	160,500
Transportation	2,863,302	2,763,104	2,307,241	2,095,314
Interest and Fiscal Charges	18,075	51,721	64,070	76,020
<i>Total Governmental Activities Expenses</i>	<u>9,708,561</u>	<u>9,282,378</u>	<u>8,830,452</u>	<u>7,057,514</u>
Business-Type Activities				
Water	\$ 2,907,990	\$ 2,489,437	\$ 2,676,933	\$ 2,620,169
Sewer	3,332,913	2,780,366	2,259,411	2,646,293
Electric	13,634,957	11,574,181	11,346,328	11,131,893
<i>Total Business-Type Activities Expenses</i>	<u>19,875,860</u>	<u>16,843,984</u>	<u>16,282,672</u>	<u>16,398,355</u>
<i>Total Primary Government Program Expenses</i>	<u>29,584,421</u>	<u>26,126,362</u>	<u>25,113,124</u>	<u>23,455,869</u>

	2014	2013	2012	2011	2010	2009
\$	100,204	\$ 74,303	\$ 75,126	\$ 75,132	\$ 63,034	\$ 62,892
	354,249	296,483	310,235	232,392	268,332	288,073
	28,156	30,555	39,086	32,117	22,630	34,527
	46,481	42,691	55,850	46,043	28,876	45,930
	17,319	14,017	11,165	6,069	9,454	9,737
	222,274	199,224	298,986	237,537	143,830	127,134
	768,683	657,273	790,448	629,290	536,156	568,293
	41,121	29,497	30,039	45,692	43,355	43,875
	10,062	7,462	2,001	3,121	10,348	7,586
	48,916	62,369	57,057	50,963	71,669	117,915
	96,112	99,705	89,394	80,713	108,149	175,749
	0	2,604	5,123	0	9,306	5,519
	455,677	465,290	478,569	416,398	538,701	486,474
	651,888	666,927	662,183	596,887	781,528	837,118
	0	0	0	0	0	0
	62,340	57,731	10,586	61,140	4,316	4,712
	23,759	1,237	0	5,422	0	1,498
	114,089	155,995	33,547	265,455	12,590	143,606
	0	0	0	0	0	40,441
	200,188	214,963	44,133	332,017	16,906	190,257
	1,620,759	1,539,163	1,496,764	1,558,194	1,334,590	1,595,668
	2,944,542	2,833,901	2,758,514	2,324,385	2,752,551	2,037,348
	2,512,968	2,517,070	2,624,620	2,443,723	2,399,136	2,411,085
	11,008,886	10,797,108	10,260,109	10,274,294	10,029,935	9,403,081
	16,466,396	16,148,079	15,643,243	15,042,402	15,181,622	13,851,514
	16,466,396	16,148,079	15,643,243	15,042,402	15,181,622	13,851,514
\$	18,087,155	\$ 17,687,242	\$ 17,140,007	\$ 16,600,596	\$ 16,516,212	\$ 15,447,182
\$	1,284,075	\$ 1,161,096	\$ 1,142,487	\$ 1,253,538	\$ 1,167,524	\$ 1,090,030
	3,858,130	3,812,406	3,622,582	3,630,708	3,685,288	3,561,357
	160,129	166,722	180,141	182,119	181,171	187,020
	217,490	187,167	195,425	208,193	192,890	200,489
	263,640	209,047	138,690	120,958	136,730	141,987
	2,272,946	2,132,285	2,058,750	2,158,982	2,153,207	3,087,723
	102,505	128,543	133,033	156,333	143,550	132,198
	8,158,915	7,797,266	7,471,108	7,710,831	7,660,360	8,400,804
\$	2,810,984	\$ 2,774,393	\$ 2,864,731	\$ 2,455,719	\$ 2,535,722	\$ 2,097,816
	2,518,925	2,338,324	2,457,752	2,211,743	2,455,905	2,312,429
	10,670,785	10,115,871	10,006,040	9,533,399	9,252,218	9,178,966
	16,000,694	15,228,588	15,328,523	14,200,861	14,243,845	13,589,211
	24,159,609	23,025,854	22,799,631	21,911,692	21,904,205	21,990,015

City of Amherst
Lorain County, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2018	2017 (4)	2016	2015 (3)
Net (Expense)/Revenue				
Governmental Activities	(7,050,352)	(7,308,735)	(6,998,073)	(5,486,769)
Business-Type Activities	(1,503,373)	(290,472)	723,468	(533,163)
<i>Total Primary Government Net Expense</i>	<u>(8,553,725)</u>	<u>(7,599,207)</u>	<u>(6,274,605)</u>	<u>(6,019,932)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 818,103	\$ 796,994	\$ 819,592	\$ 773,328
Other Purposes	254,452	247,386	253,969	240,109
Debt Service	208,414	209,674	166,128	175,351
Municipal Income Taxes Levied for:				
General Purposes	4,211,920	4,331,230	4,384,870	3,808,844
Capital Outlay	1,304,384	1,001,632	1,368,306	1,227,654
Grants and Entitlements not Restricted to				
Specific Programs	390,064	390,353	417,401	528,279
Investment Income	189,612	181,928	177,499	98,770
Kilowatt Taxes (1) (2)	485,276	465,782	494,928	483,353
Miscellaneous	47,926	75,726	45,335	60,962
Transfers	0	(395,752)	(453,657)	(441,572)
<i>Total Governmental Activities</i>	<u>7,910,151</u>	<u>7,304,953</u>	<u>7,674,371</u>	<u>6,955,078</u>
Business-Type Activities				
Miscellaneous	33,057	58,433	45,887	2,308
Transfers	0	395,752	453,657	441,572
<i>Total Business-Type Activities</i>	<u>33,057</u>	<u>454,185</u>	<u>499,544</u>	<u>443,880</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>7,943,208</u>	<u>7,759,138</u>	<u>8,173,915</u>	<u>7,398,958</u>
Change in Net Position				
Governmental Activities	859,799	(3,782)	676,298	1,468,309
Business-Type Activities	(1,470,316)	163,713	1,223,012	(89,283)
<i>Total Primary Government Change in Net Position</i>	<u>\$ (610,517)</u>	<u>\$ 159,931</u>	<u>\$ 1,899,310</u>	<u>\$ 1,379,026</u>

Source: Respective comprehensive annual financial reports.

- Note: (1) 2012 was the first year that other taxes were reported separately.
(2) 2015 was the first year that Kilowatt taxes were reported as part of other taxes.
(3) Restated in 2016 CAFR
(4) With the implementation of GASB 75 in 2018, the calculation of pension expense has changed; however, government-wide expenses for 2017 and prior years were not restated to reflect this change.

	2014	2013	2012	2011	2010	2009
	(6,538,156)	(6,258,103)	(5,974,344)	(6,152,637)	(6,325,770)	(6,805,136)
	465,702	919,491	314,720	841,541	937,777	262,303
	(6,072,454)	(5,338,612)	(5,659,624)	(5,311,096)	(5,387,993)	(6,542,833)
\$	775,076	\$ 794,868	\$ 821,602	\$ 895,499	\$ 936,250	\$ 911,564
	240,094	240,148	239,478	244,633	256,654	243,117
	183,582	186,950	196,464	201,799	208,017	195,679
	3,579,967	3,668,851	3,347,157	3,055,377	2,968,455	2,195,005
	1,165,593	1,226,500	1,130,048	975,915	961,087	2,120,497
	653,965	631,703	896,214	670,001	694,228	661,857
	53,622	47,471	49,631	89,343	78,161	408,926
	41,274	43,701	48,618	0	0	0
	86,887	93,892	112,359	86,678	211,979	165,485
	0	0	0	0	0	0
	6,780,060	6,934,084	6,841,571	6,219,245	6,314,831	6,902,130
	2,919	5,545	14,381	21,914	91,956	568,891
	0	0	0	0	0	0
	2,919	5,545	14,381	21,914	91,956	568,891
	6,782,979	6,939,629	6,855,952	6,241,159	6,406,787	7,471,021
	241,904	675,981	867,227	66,608	(10,939)	96,994
	468,621	925,036	329,101	863,455	1,029,733	831,194
\$	710,525	\$ 1,601,017	\$ 1,196,328	\$ 930,063	\$ 1,018,794	\$ 928,188

City of Amherst
Lorain County, Ohio
Fund Balances of Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2018	2017	2016	2015
General Fund				
Reserved	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved	0	0	0	0
Nonspendable	227,020	217,372	184,812	184,842
Assigned	1,183,756	873,135	951,279	52,459
Unassigned	3,022,392	2,751,734	1,917,879	2,581,075
Total General Fund	<u>4,433,168</u>	<u>3,842,241</u>	<u>3,053,970</u>	<u>2,818,376</u>
All Other Governmental Funds				
Reserved	0	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue funds	0	0	0	0
Debt Service funds	0	0	0	0
Capital Projects funds	0	0	0	0
Nonspendable	116,637	76,373	484,896	93,080
Committed	37,300	37,200	49,000	49,000
Restricted	4,863,710	4,384,869	4,597,699	5,132,368
Unassigned	0	(320,968)	(213,152)	0
Total All Other Governmental Funds	<u>5,017,647</u>	<u>4,177,474</u>	<u>4,918,443</u>	<u>5,274,448</u>
Total Governmental Funds	<u>\$ 9,450,815</u>	<u>\$ 8,019,715</u>	<u>\$ 7,972,413</u>	<u>\$ 8,092,824</u>

Note: * As Restated

** Change in Accounting Principles - Implementation of GASB 54

Source: Respective comprehensive annual financial reports.

2014	2013	2012	2011 **	2010	2009 *
\$ 0	\$ 0	\$ 0	\$ 0	\$ 74,392	\$ 100,864
0	0	0	0	2,188,112	2,181,534
168,395	163,773	154,041	153,001	0	0
117,607	7,206	16,106	74,755	0	0
2,253,996	2,355,339	2,295,875	2,096,842	0	0
2,539,998	2,526,318	2,466,022	2,324,598	2,262,504	2,282,398
0	0	0	0	707,709	502,906
0	0	0	0	2,238,470	1,927,504
0	0	0	0	408,420	354,585
0	0	0	0	5,109,556	5,955,187
91,394	65,387	82,491	73,462	0	0
50,000	50,000	50,000	0	0	0
5,402,063	6,195,815	7,891,108	7,547,819	0	0
0	0	0	0	0	0
5,543,457	6,311,202	8,023,599	7,621,281	8,464,155	8,740,182
\$ 8,083,455	\$ 8,837,520	\$ 10,489,621	\$ 9,945,879	\$ 10,726,659	\$ 11,022,580

City of Amherst
Lorain County, Ohio
Changes in Fund Balances of Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2018	2017	2016	2015
Revenues				
Property and Other Local Taxes	\$ 1,319,116	\$ 1,295,873	\$ 1,285,633	\$ 1,237,617
Municipal Income Taxes	5,507,134	5,530,201	5,323,244	5,283,218
Kilowatt Taxes (1)	442,057	425,036	453,657	441,572
Special Assessments	5,293	0	0	0
Charges for Services	474,295	380,009	339,424	330,066
Fees, Licenses and Permits	614,363	471,668	407,343	264,326
Fines and Forfeitures	27,699	36,627	46,893	42,716
Intergovernmental Revenue	1,827,458	1,472,801	1,451,150	1,440,020
Interest	192,680	181,928	177,499	98,770
Contributions and Donations	0	0	0	4,615
Miscellaneous	129,141	65,418	45,335	53,427
<i>Total Revenues</i>	<u>10,539,236</u>	<u>9,859,561</u>	<u>9,530,178</u>	<u>9,196,347</u>
Expenditures				
Current:				
General Government	1,268,595	1,084,465	1,141,232	1,085,642
Security of Persons and Property	3,999,140	3,589,377	3,717,047	3,548,118
Public Health	134,471	128,579	140,557	135,856
Leisure Time Services	197,981	151,903	157,568	156,258
Community Development	257,944	270,802	240,925	216,651
Transportation	1,413,215	1,002,955	931,659	917,677
Capital Outlay	4,778,178	3,036,054	2,530,439	2,565,017
Debt Service:				
Principal Retirement	453,817	392,399	365,079	333,008
Interest and Fiscal Charges	20,111	52,611	64,912	76,837
<i>Total Expenditures</i>	<u>12,523,452</u>	<u>9,709,145</u>	<u>9,289,418</u>	<u>9,035,064</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,984,216)</u>	<u>150,416</u>	<u>240,760</u>	<u>161,283</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	592	16,738	0	12,356
Notes Issued	3,000,000	0	0	73,000
Other Financing Sources	244,286	275,900	92,486	204,302
Inception of Capital Lease	170,438	0	0	0
Transfers In	784,585	399,117	576,277	390,000
Transfers Out	(784,585)	(794,869)	(1,029,934)	(831,572)
<i>Total Other Financing Sources (Uses)</i>	<u>3,415,316</u>	<u>(103,114)</u>	<u>(361,171)</u>	<u>(151,914)</u>
<i>Net Change in Fund Balances</i>	<u>\$ 1,431,100</u>	<u>\$ 47,302</u>	<u>\$ (120,411)</u>	<u>\$ 9,369</u>

Debt Service as a Percentage of Noncapital Expenditures	6%	7%	6%	6%
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Source: Respective comprehensive annual financial reports.

(1) Fiscal year 2015 was the first year that this revenue category was reported.

	2014	2013	2012	2011	2010	2009
\$	1,238,339	\$ 1,246,626	\$ 1,308,812	\$ 1,341,406	\$ 1,395,354	\$ 1,367,188
	4,732,241	4,710,526	4,119,912	4,241,385	4,032,726	4,141,089
	0	0	0	0	0	0
	0	0	0	0	0	0
	400,023	313,445	371,670	274,819	306,221	330,960
	302,645	274,271	320,963	298,857	156,399	159,688
	66,015	69,557	97,815	55,614	73,536	77,645
	1,495,492	1,506,580	1,592,383	1,633,485	1,490,940	1,762,852
	53,622	47,471	49,631	89,343	78,161	408,926
	33,906	14,645	18,515	10,331	19,522	5,060
	59,826	85,653	109,109	82,382	192,457	160,425
	<u>8,382,109</u>	<u>8,268,774</u>	<u>7,988,810</u>	<u>8,027,622</u>	<u>7,745,316</u>	<u>8,413,833</u>
	1,091,763	995,678	975,841	1,064,572	965,526	888,393
	3,609,814	3,558,898	3,494,924	3,337,281	3,356,393	3,320,246
	156,262	163,029	166,855	169,824	177,478	183,327
	198,148	167,203	174,434	189,708	175,803	183,402
	263,640	209,047	138,690	120,958	136,730	141,987
	1,161,236	1,073,319	1,176,587	1,117,085	1,099,304	951,551
	2,314,792	3,622,695	900,285	2,367,753	1,707,790	2,270,411
	327,915	342,826	332,352	315,308	305,308	293,739
	81,323	88,180	97,980	125,913	116,905	125,687
	<u>9,204,893</u>	<u>10,220,875</u>	<u>7,457,948</u>	<u>8,808,402</u>	<u>8,041,237</u>	<u>8,358,743</u>
	<u>(822,784)</u>	<u>(1,952,101)</u>	<u>530,862</u>	<u>(780,780)</u>	<u>(295,921)</u>	<u>55,090</u>
	0	0	0	0	0	0
	0	0	0	0	0	0
	68,719	300,000	12,880	0	0	38,620
	0	0	0	0	0	0
	485,000	577,800	520,000	575,711	773,461	376,113
	<u>(485,000)</u>	<u>(577,800)</u>	<u>(520,000)</u>	<u>(575,711)</u>	<u>(773,461)</u>	<u>(376,113)</u>
	<u>68,719</u>	<u>300,000</u>	<u>12,880</u>	<u>0</u>	<u>0</u>	<u>38,620</u>
\$	<u>(754,065)</u>	<u>(1,652,101)</u>	<u>543,742</u>	<u>(780,780)</u>	<u>(295,921)</u>	<u>93,710</u>
	6%	6%	7%	7%	6%	6%

City of Amherst
Lorain County, Ohio
Enterprise Funds Summary Data
Last Ten Years

	2018	2017	2016	2015 **
Water Fund				
Assets	\$ 6,339,017	\$ 6,640,624	\$ 6,003,776	\$ 5,894,403
Net Position	4,594,289	5,018,843	4,770,081	4,603,347
Operating Revenue	2,718,330	2,733,616	2,843,667	2,772,009
Operating Expense	2,878,686	2,464,225	2,646,470	2,417,698
Operating Income (Loss)	(160,356)	269,391	197,197	354,311
Nonoperating:				
Interest and Fiscal Charges	(29,304)	(25,212)	(30,463)	(35,702)
Other, net	0	4,583	0	1,064
Changes in Net Position/Net Income	(189,660)	248,762	166,734	319,673
Number of Employees	5	5	5	5
Pumpage (millions of gallons)				
Average Day	1.44	1.43	1.58	2
Total Year's Pumpage	526	523	580	593
Sewer Fund				
Assets	\$ 14,662,225	\$ 16,223,435	\$ 15,718,285	\$ 15,827,052
Net Position	9,248,411	10,535,859	10,748,982	10,422,605
Operating Revenue	2,514,083	2,541,257	2,539,901	2,481,044
Operating Expense	3,204,974	2,629,121	2,089,650	2,128,873
Operating Income (Loss)	(690,891)	(87,864)	450,251	352,171
Nonoperating:				
Interest and Fiscal Charges	(127,939)	(151,245)	(169,761)	(187,715)
Other, net	23,021	25,986	45,887	620
Changes in Net Position/Net Income	(795,809)	(213,123)	327,377	165,076
Number of Employees	10	10	10	10
Treatment Data (millions of gallons per day)				
Minimum Day	1.34	1.10	1.18	1.24
Maximum Day	8.53	7.43	8.32	9.95
Average Day	2.53	2.67	2.01	2.16
Maximum Capacity				
Design	3.50	3.50	3.50	3.50
Hydraulic	7.00	7.00	7.00	7.00
Electric Fund				
Assets	\$ 14,708,316	\$ 15,273,883	\$ 13,952,211	\$ 13,243,964
Net Position	10,707,221	11,642,738	11,514,664	10,784,763
Operating Revenue	13,140,074	11,278,639	11,622,572	10,612,139
Operating Expense	13,480,499	11,430,200	11,211,266	10,680,628
Operating Income (Loss)	(340,425)	(151,561)	411,306	(68,489)
Nonoperating:				
Interest and Fiscal Charges	(27,457)	(21,945)	(13,012)	(18,718)
Loss on Investment in Joint Venture	(127,001)	(122,036)	(122,050)	(118,177)
Other, net	10,036	27,864	0	624
Transfers In	0	395,752	453,657	441,572
Changes in Net Position/Net Income	(484,847)	128,074	729,901	236,812
Number of Employees	7	5	7	7

Source: Respective comprehensive annual financial reports.

* - As restated, see Note 20 in 2012 CAFR.

** - As restated, see Note 21 in 2016 CAFR.

	2014	2013	2012	2011 *	2010	2009
\$	5,765,218	\$ 5,727,916	\$ 5,723,917	\$ 5,870,834	\$ 6,058,097	\$ 5,996,590
	4,552,305	4,418,747	4,359,239	4,462,900	4,562,569	4,316,123
	2,944,542	2,833,901	2,761,070	2,328,245	2,782,168	2,105,825
	2,770,450	2,729,566	2,815,635	2,402,743	2,479,134	2,043,406
	174,092	104,335	(54,565)	(74,498)	303,034	62,419
	40,534	(44,827)	(49,096)	(52,976)	(56,588)	(54,410)
	0	0	0	0	0	0
	133,558	59,508	(103,661)	(127,474)	246,446	8,009
	5	5	5	5	5	5
	1.53	1.58	1.75	1.64	1.56	1.52
	559	576	637	600	570	553
\$	16,161,370	\$ 16,646,315	\$ 16,893,805	\$ 17,302,777	\$ 18,837,660	\$ 19,227,423
	10,788,616	10,791,654	10,608,053	10,437,739	11,189,196	11,243,798
	2,515,887	2,521,925	2,628,066	2,447,400	2,401,303	2,601,036
	2,314,024	2,116,774	2,211,439	1,945,078	2,170,078	2,013,053
	201,863	405,151	416,627	502,322	231,225	587,983
	(204,901)	(221,550)	(246,313)	(266,665)	(285,827)	(299,376)
	0	0	0	0	0	0
	(3,038)	183,601	170,314	235,657	(54,602)	288,607
	10	10	10	10	10	10
	1.26	1.17	1.27	1.43	1.15	0.10
	9.40	6.62	12.55	12.34	7.25	9.15
	2.42	2.24	2.27	2.86	2.05	2.13
	3.50	3.50	3.50	3.50	3.50	3.50
	7.00	7.00	7.00	7.00	7.00	7.00
\$	13,108,213	\$ 13,037,768	\$ 12,022,237	\$ 12,075,772	\$ 11,366,856	\$ 10,817,740
	11,730,035	11,391,934	10,710,007	10,447,559	9,389,291	8,551,402
	11,008,886	10,797,798	10,380,939	10,392,271	10,183,315	9,804,010
	10,525,601	9,951,522	9,953,268	9,474,168	9,169,871	9,102,077
	483,285	846,276	427,671	918,103	1,013,444	701,933
	(32,263)	(37,625)	(52,772)	(59,231)	(82,347)	(76,889)
	(112,921)	(126,724)	(112,451)	(103,600)	(93,208)	(90,466)
	0	0	0	0	0	0
	0	0	0	0	0	0
	338,101	681,927	262,448	755,272	837,889	534,578
	7	7	7	7	7	7

City of Amherst
Lorain County, Ohio
Assessed Valuations and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2018	\$ 248,270,620	\$ 55,438,480	\$ 867,740,286	\$ 2,736,440	\$ 3,109,591
2017	247,164,720	54,318,660	861,381,086	2,618,010	2,975,011
2016	246,077,300	53,964,610	857,262,600	2,472,340	2,809,477
2015	245,186,460	53,534,310	853,487,914	2,284,920	2,596,500
2014	243,222,770	54,469,020	850,547,971	2,193,560	2,492,682
2013	240,368,870	55,298,290	844,763,314	1,962,860	2,230,523
2012	258,815,400	57,825,180	904,687,371	1,735,160	1,971,773
2011	259,507,720	57,697,850	906,301,629	1,632,060	1,854,614
2010	258,430,748	57,377,490	902,309,251	1,573,510	1,788,080
2009	270,457,068	56,294,330	933,575,423	1,668,650	1,896,193

Source: Lorain County Auditor

- (1) This amount is calculated based on the following percentages:
 Real property is assessed at thirty-five percent of actual value.
 Public utility is assessed at eighty-eight percent of actual value.
 Tangible personal property is assessed at twenty-five percent of the true value for capital assets and twenty-four percent of true value for inventory.
- (2) House Bill 66 (the State's biennial budget) has phased out the Tangible Personal Property Tax (TPP). The listing percentage was 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009.
- (3) The tangible personal property tax temporarily applies to telephone and inter-exchange telecommunications companies, which was phased out to 10 percent for 2009, 5 percent for 2010 and zero for 2011.

<u>Tangible Personal Property</u>				
<u>General Business</u>		<u>Total</u>		
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>
\$ 0	\$ 0	\$ 306,445,540	\$ 870,849,877	35.19%
40,440	0	304,141,830	864,356,097	35.19
45,210	0	302,559,460	860,072,077	35.18
47,600	0	301,053,290	856,084,414	35.17
45,280	0	299,930,630	853,040,653	35.16
42,250	0	297,672,270	846,993,837	35.14
37,060	0	318,412,800	906,659,144	35.12
35,610	0	318,873,240	908,156,242	35.11
242,563	4,851,260	317,624,311	908,948,591	34.94
243,688	3,899,008	328,663,736	939,370,624	34.99

City of Amherst, Ohio
Property Tax Rates
(Per \$1,000 of Assessed Valuation)
Last Ten Years

Fiscal Year	Effective Rate			General Fund	Bond Retirement		City Fire - Voted
	Class 1 Res/Agr	Class 2 All other	Total Rate		Inside	Voted	
2018 for 2019	57.96	59.18	95.54	3.00	0.20	0.00	1.00
2017 for 2018	61.72	65.46	96.93	3.00	0.20	0.58	1.00
2016 for 2017	62.28	65.57	97.43	3.00	0.20	0.40	1.00
2015 for 2016	62.2	65.59	94.43	3.00	0.20	0.47	1.00
2014 for 2015	62.57	65.23	94.01	3.00	0.20	0.47	1.00
2013 for 2014	62.78	64.89	96.2	3.00	0.20	0.51	1.00
2012 for 2013	61.64	63.33	95.47	3.00	0.20	0.50	1.00
2011 for 2012	53.39	56.83	89.79	3.00	0.20	0.50	1.00
2010 for 2011	52.58	56.02	90.17	3.00	0.20	0.50	1.00
2009 for 2010	50.71	55.61	90.22	3.00	0.20	0.50	1.00

Source: Lorain County Auditor

<u>Health District</u>	<u>Total</u>	<u>County</u>	<u>Amherst Exempted School District</u>	<u>Lorain County Joint Vocational School</u>
0.50	4.70	15.08	73.31	2.45
1.00	5.78	15.82	74.21	2.45
1.00	5.60	15.82	74.30	2.45
1.00	5.67	14.48	74.41	2.45
1.00	5.67	14.48	74.41	2.45
1.00	5.70	14.48	74.57	2.45
1.00	5.70	13.65	74.65	2.45
1.00	5.70	13.69	67.95	2.45
1.00	5.70	13.39	68.63	2.45
1.00	5.70	13.39	68.68	2.45

City of Amherst
Lorain County, Ohio
Property Tax Levies and Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections
2018	\$ 1,441,843	\$ 1,456,370	101.01	\$ 14,344	\$ 1,470,714
2017	1,433,535	1,431,256	99.84	33,078	1,464,334
2016	1,371,851	1,345,703	98.09	68,204	1,413,907
2015	1,385,774	1,369,020	98.79	22,092	1,391,112
2014	1,388,710	1,365,009	98.29	13,248	1,378,257
2013	1,380,673	1,374,191	99.53	26,877	1,401,068
2012	1,454,112	1,446,202	99.46	25,016	1,471,218
2011	1,504,030	1,459,375	97.03	38,006	1,497,381
2010	1,509,548	1,419,521	94.04	40,997	1,460,518
2009	1,534,471	1,448,599	94.40	30,606	1,479,205

Source: Lorain County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The County does not identify delinquent collections by the year for which the tax was levied.

<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Total Tax Levy</u>
102.00%	\$ 59,870	4.15%
102.15	50,841	3.55%
103.07	46,082	3.36%
100.39	88,867	6.41%
99.25	82,803	5.96%
101.48	79,188	5.74%
101.18	68,932	4.74%
99.56	63,348	4.21%
96.75	69,484	4.60%
96.40	52,293	3.41%

City of Amherst
Lorain County, Ohio
Principal Property Taxpayers
2018 and 2009

	<i>2018</i>	
Taxpayer	Assessed Valuation (1)	Percentage of Real Assessed Value
Nordson Corp	\$ 4,348,430	1.42%
Amherst Marketplace Station LLC	3,990,360	1.30%
Amherst Manor Company LTD	2,706,870	0.88%
Target Corporation	2,597,350	0.85%
Amherst Plaza Limited Partnership	1,899,250	0.62%
LRF Properties LLC	1,886,050	0.62%
Clovervale Farms LLC	1,613,390	0.53%
Spitzer A Team Limited Partnership	1,549,480	0.51%
Columbia Gas of Ohio Inc.	1,519,940	0.50%
KTM North America Inc.	1,315,140	0.43%
Total	\$ 23,426,260	7.64%
Total Assessed Valuation	\$ 306,445,540	

(1) The amounts presents represent the assessed values upon which 2018 collections were based.

	<i>2009 (2)</i>	
Taxpayer		
Nordson Corp.	\$ 4,530,840	1.38%
Amherst Plaza Limited	2,660,000	0.81%
Spitzer A Team Limited	1,624,390	0.49%
Amherst Manor Company	1,065,850	0.32%
Central Village Ltd. Co.	1,003,530	0.31%
Lilley Britt C. Trustee	908,800	0.28%
Pinecrest Apartments Ltd.	884,880	0.27%
M Six Penvest II Business rust	789,190	0.24%
Barris, Dale A.	658,360	0.20%
Fifth Third Bank	624,730	0.19%
Total	\$ 14,750,570	4.49%
Total Assessed Valuation	\$ 328,663,736	

Source: Medina County Auditor

(2) The amounts presented represent the assessed values upon which 2009 collections were based.

City of Amherst
Lorain County, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

Tax Year (1)	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2018	1.50%	\$ 5,663,570	\$ 3,422,412	60.43%	\$ 618,649	10.92%	\$ 1,622,509	28.65%
2017	1.50%	5,475,316	3,129,828	57.16%	652,293	11.91%	1,693,195	30.92%
2016	1.50%	5,642,523	3,428,523	60.76%	608,366	10.78%	1,605,634	28.46%
2015	1.50%	4,997,901	2,871,810	57.46%	509,473	10.19%	1,616,618	32.35%
2014	1.50%	4,699,828	2,758,977	58.70%	434,982	9.26%	1,505,869	32.04%
2013	1.50%	4,734,985	2,699,203	57.01%	471,685	9.96%	1,564,097	33.03%
2012	1.50%	4,369,746	2,491,129	57.01%	377,846	8.65%	1,500,771	34.34%
2011	1.50%	4,170,867	2,430,851	58.28%	352,133	8.44%	1,387,884	33.28%
2010	1.50%	3,971,792	2,275,471	57.29%	347,396	8.75%	1,348,926	33.96%
2009	1.50%	4,192,827	2,338,619	55.78%	388,570	9.27%	1,465,638	34.96%

Source: City Income Tax Department

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.

(1) All years are shown on a cash basis.

City of Amherst
Lorain County, Ohio
Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years

Year	Governmental Activities				
	General Obligation Bonds	Loans	Capital Leases	OPWC Loans	Notes
2018	\$ 655,000	\$ 29,200	\$ 125,347	\$ 1,307,026	\$ 3,000,000
2017	970,000	43,800	0	1,141,866	0
2016	1,275,000	58,400	461	938,304	0
2015	1,565,000	73,000	3,011	903,747	0
2014	1,845,000	0	5,711	749,753	0
2013	2,098,631	0	8,318	731,342	0
2012	2,362,866	0	10,836	466,650	0
2011	2,622,147	0	0	501,958	0
2010	2,871,015	0	0	537,266	0
2009	3,113,805	0	0	572,574	0

Source: City of Amherst Financial Records

Note: Population and Personal Income data are presented on page S30.

Business-Type Activities							
General Obligation Bonds	Notes Payable	Capital Leases	OWDA Loans	OPWC Loans	Total Debt	Percentage of Personal Income	Per Capita
\$ 355,000	\$ 0	\$ 1,795,039	\$ 3,190,070	\$ 13,028	\$ 10,469,710	3.14%	\$ 871
650,000	0	2,653,738	3,657,633	19,466	9,136,503	2.74%	760
925,000	0	0	4,108,587	27,004	7,332,756	2.20%	610
1,195,000	0	0	4,543,520	35,652	8,318,930	2.50%	692
1,455,000	180,000	0	4,963,002	44,300	9,242,766	2.78%	769
1,700,000	355,000	0	5,367,582	52,948	10,313,821	3.10%	858
1,935,000	515,000	0	5,757,790	61,596	11,109,738	3.34%	924
2,414,996	672,000	0	6,134,135	70,244	12,415,480	3.73%	1,033
2,874,996	832,000	0	6,497,111	78,892	13,691,280	4.11%	1,139
3,314,997	982,000	0	6,847,192	87,540	14,918,108	4.93%	1,265

City of Amherst
Lorain County, Ohio
Ratio of Net General Bonded Debt to
Assessed Value and Net Bonded Debt Per Capita
Last Ten Years

Year	(1) Population		Assessed Valuation(2)	Gross Bonded Debt(3)	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
2018	12,021	b	\$ 870,849,877	\$ 4,010,000	\$ 489,585	\$ 3,520,415	0.40%	\$ 293
2017	12,021	b	864,356,097	1,620,000	472,678	1,147,322	0.13%	95
2016	12,021	b	860,072,077	2,200,000	489,193	1,710,807	0.20%	142
2015	12,021	b	856,084,414	2,760,000	474,230	2,285,770	0.27%	190
2014	12,021	b	853,040,653	3,300,000	450,870	2,849,130	0.33%	237
2013	12,021	b	846,993,837	3,798,631	416,115	3,382,516	0.40%	281
2012	12,021	b	906,659,144	4,297,866	416,255	3,881,611	0.43%	323
2011	12,021	b	908,156,242	5,037,143	428,497	4,608,646	0.51%	383
2010	12,021	a	908,948,591	5,746,011	408,420	5,337,591	0.59%	444
2009	11,797	a	939,370,624	6,428,802	354,585	6,074,217	0.65%	515

(1) Source: U.S. Bureau of Census, Census of Population
(a) 2000 Federal Census
(b) 2010 Federal Census

(2) Source: County Auditor

(3) Includes all general obligation bonded debt with the exception
of Special Assessment debt.

City of Amherst
Lorain County, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2018

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct:			
City of Amherst	\$ 5,116,573	100.00%	\$ 5,116,573
<i>Total Direct Debt</i>	<u>5,116,573</u>		<u>5,116,573</u>
Overlapping:			
Lorain County	36,665	4.56%	1,672
Amherst XI School District	25,790,000	53.00%	13,668,700
Firelands L School District	10,460,000	3.73%	390,158
Lorain County Career Center	2,214,251	5.12%	113,370
<i>Total Overlapping Debt</i>	<u>38,500,916</u>		<u>14,173,900</u>
Total	<u>\$ 43,617,489</u>		<u>\$ 19,290,473</u>

Source: Ohio Municipal Advisory Council

(1) Percentages were determined by dividing the assessed valuation of the portion of the political subdivision located within the City by the total assessed value of the subdivision.

City of Amherst
Lorain County, Ohio
Legal Debt Margin
Last Ten Years

	2018	2017	2016	2015
Total Assessed Property Value	\$ 306,445,540	\$ 304,141,830	\$ 302,559,460	\$ 301,053,290
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	32,176,782	31,934,892	31,768,743	31,610,595
Debt Outstanding:				
General Obligation Bonds	1,010,000	1,620,000	2,200,000	2,760,000
Notes Payable	3,000,000	0	0	0
Loans Payable	29,200	43,800	58,400	73,000
OPWC Loans	1,320,054	1,161,332	965,308	939,399
OWDA Loans	3,190,070	3,657,633	4,108,587	4,543,520
Total Gross Indebtedness	8,549,324	6,482,765	7,332,295	8,315,919
Less:				
General Obligation Bonds	0	(650,000)	(925,000)	(1,195,000)
Special Assessment Bonds	0	0	0	0
OPWC Loans	(1,320,054)	(19,466)	(27,004)	(35,652)
OWDA Loans	(3,190,070)	(3,657,633)	(4,108,587)	(4,543,520)
Amount Available in Bond Retirement Fund	(489,585)	0	0	0
Total Net Debt Applicable to Debt Limit	3,549,615	2,155,666	2,271,704	2,541,747
Legal Debt Margin Within 10 ½ % Limitations	\$ 28,627,167	\$ 29,779,226	\$ 29,497,039	\$ 29,068,848
Legal Debt Margin as a Percentage of the Debt Limit	88.97%	93.25%	92.85%	91.96%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	\$ 16,854,505	\$ 16,727,801	\$ 16,640,770	\$ 16,557,931
Total Gross Indebtedness	8,549,324	6,482,765	7,332,295	8,315,919
Less:				
General Obligation Bonds	0	(650,000)	(925,000)	(1,195,000)
Special Assessment Bonds	0	0	0	0
OPWC Loans	(1,320,054)	(19,466)	(27,004)	(35,652)
OWDA Loans	(3,190,070)	(3,657,633)	(4,108,587)	(4,543,520)
Amount Available in Bond Retirement Fund	(489,585)	0	0	0
Net Debt Within 5 ½ % Limitations	3,549,615	2,155,666	2,271,704	2,541,747
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$ 13,304,890	\$ 14,572,135	\$ 14,369,066	\$ 14,016,184
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	78.94%	87.11%	86.35%	84.65%

Source:
City Financial Records

2014	2013	2012	2011	2010	2009
<u>\$ 299,930,630</u>	<u>\$ 297,672,270</u>	<u>\$ 318,412,800</u>	<u>\$ 318,873,240</u>	<u>\$ 317,624,311</u>	<u>\$ 328,663,736</u>
<u>31,492,716</u>	<u>31,255,588</u>	<u>33,433,344</u>	<u>33,481,690</u>	<u>33,350,553</u>	<u>34,509,692</u>
3,300,000	3,642,906	4,105,000	4,879,996	5,619,996	6,329,997
180,000	355,000	515,000	672,000	832,000	982,000
0	0	0	0	0	0
794,053	784,290	528,246	572,202	616,158	660,114
<u>4,963,002</u>	<u>5,367,582</u>	<u>5,757,790</u>	<u>6,134,135</u>	<u>6,497,111</u>	<u>6,847,192</u>
9,237,055	10,149,778	10,906,036	12,258,333	13,565,265	14,819,303
(1,455,000)	(1,700,000)	(1,935,000)	(2,414,996)	(2,874,996)	(3,314,997)
(180,000)	(355,000)	(515,000)	(672,000)	(832,000)	(982,000)
(44,300)	(52,948)	(61,596)	(70,244)	(78,892)	(87,540)
(4,963,002)	(5,367,582)	(5,757,790)	(6,134,135)	(6,497,111)	(6,847,192)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>2,594,753</u>	<u>2,674,248</u>	<u>2,636,650</u>	<u>2,966,958</u>	<u>3,282,266</u>	<u>3,587,574</u>
<u>\$ 28,897,963</u>	<u>\$ 28,581,340</u>	<u>\$ 30,796,694</u>	<u>\$ 30,514,732</u>	<u>\$ 30,068,287</u>	<u>\$ 30,922,118</u>
91.76%	91.44%	92.11%	91.14%	90.16%	89.60%
<u>\$ 16,496,185</u>	<u>\$ 16,371,975</u>	<u>\$ 17,512,704</u>	<u>\$ 17,538,028</u>	<u>\$ 17,469,337</u>	<u>\$ 18,076,505</u>
9,237,055	10,149,778	10,906,036	12,258,333	13,565,265	14,819,303
(1,455,000)	(1,700,000)	(1,935,000)	(2,414,996)	(2,874,996)	(3,314,997)
(180,000)	(355,000)	(515,000)	(672,000)	(832,000)	(982,000)
(44,300)	(52,948)	(61,596)	(70,244)	(78,892)	(87,540)
(4,963,002)	(5,367,582)	(5,757,790)	(6,134,135)	(6,497,111)	(6,847,192)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>2,594,753</u>	<u>2,674,248</u>	<u>2,636,650</u>	<u>2,966,958</u>	<u>3,282,266</u>	<u>3,587,574</u>
<u>\$ 13,901,432</u>	<u>\$ 13,697,727</u>	<u>\$ 14,876,054</u>	<u>\$ 14,571,070</u>	<u>\$ 14,187,071</u>	<u>\$ 14,488,931</u>
84.27%	83.67%	84.94%	83.08%	81.21%	80.15%

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City of Amherst
Lorain County, Ohio
Principal Employers
2018 and 2009

2018		
Employer	Type of Business	Rank
Nordson Corporation	Manufacturing	1
Amherst Exempted Village Schools	Education	2
Clovervale Farms, Inc.	Manufacturing	3
Mercy Health Physicians	Healthcare	4
City of Amherst	Government	5
Amherst Manor	Healthcare	6
Giant Eagle, Inc.	Grocery Store	7
University Hospitals Health System	Healthcare	8
KTM North America	Auto Sales	9
Premier Toyota	Auto Sales	10

2009		
Employer	Rank	Rank
Nordson Corporation	Manufacturing	1
Amherst Exempted Village Schools	Education	2
Amherst Hospital	Healthcare	3
City of Amherst	Government	4
Giant Eagle, Inc.	Grocery Store	5
Amherst Manor	Healthcare	6
Specialty Hospital of Lorain	Healthcare	7
Clovervale Farms, Inc.	Manufacturing	8
Community Health Partners Physicians	Healthcare	9
KTM North America, Inc.	Auto Sales	10

Source: City Tax Department

Note: Due to legal restrictions and confidentiality requirements, the City cannot disclose the number of employees by employer.

City of Amherst
Lorain County, Ohio
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population (1)</u>		<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>	<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>
2018	12,021	b	\$ 332,981,700	\$ 27,700	\$ 61,458	44.6	3,065
2017	12,021	b	332,981,700	27,700	61,458	44.6	3,065
2016	12,021	b	332,981,700	27,700	61,458	44.6	3,065
2015	12,021	b	332,981,700	27,700	61,458	44.6	3,065
2014	12,021	b	332,981,700	27,700	61,458	44.6	3,065
2013	12,021	b	332,981,700	27,700	61,458	44.6	3,065
2012	12,021	b	332,981,700	27,700	61,458	44.6	3,065
2011	12,021	b	332,981,700	27,700	61,458	44.6	3,065
2010	12,021	b	332,981,700	27,700	61,458	44.6	3,065
2009	11,797	a	302,663,832	25,565	53,513	40.2	1,805

(1) Source: U.S. Census
(a) 2000 Federal Census
(b) 2010 Federal Census

(2) Source: Amherst Exempted Village Board of Education
(3) Source: Ohio Department of Unemployment, Labor Market Information Department
(4) Source: County Auditor
(5) Computed by taking per capital personal income multiplied by population

School Enrollment (2)	Lorain County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
3,551	5.4%	\$ 148,358	\$ 306,445,540
3,756	5.0%	147,916	304,141,830
3,867	5.9%	148,189	302,559,460
3,937	5.4%	148,163	301,053,290
3,937	6.6%	147,927	299,930,630
3,990	8.1%	148,959	297,672,270
4,168	7.7%	159,920	318,412,800
4,274	8.0%	159,668	318,873,240
4,247	9.7%	159,447	317,624,311
4,092	9.5%	159,260	328,663,736

City of Amherst
Lorain County, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2018	2017	2016
General Government			
Council	4.50	4.50	4.50
Finance	3.50	3.50	3.50
Tax	1.00	1.00	1.00
Law	1.50	1.50	2.00
Administration	2.50	2.50	2.50
Engineer	0.00	0.00	0.00
Planning	0.00	0.00	0.00
Civil Service	2.00	2.00	2.00
Court	0.00	0.00	0.00
Public Building/Service Department	0.00	0.00	0.00
Security of Persons and Property			
Police	22.00	21.00	22.00
Police - Dispatchers/Office/Other	9.00	8.00	9.00
Fire (1)	17.00	17.00	16.50
Fire - Secretary - Other	0.00	0.00	0.00
Public Health Services			
Social Services	1.00	1.00	1.00
Leisure Time Activities			
Parks and Recreation	1.00	1.00	1.00
Municipal Pool - Recreation Center	0.00	0.00	0.00
Cable	0.00	1.00	0.00
Community Development			
Building	3.50	3.50	3.50
Economic Development	0.00	0.00	0.00
Transportation			
Service	0.00	0.00	0.00
Street M&R	7.00	7.00	7.00
Basic Utility Services			
Electric	7.00	5.00	7.00
Utility Office	4.00	4.00	4.00
Water	5.00	5.00	5.00
Sanitation	10.00	10.00	10.00
Totals:	<u>101.50</u>	<u>98.50</u>	<u>101.50</u>

Sources:

- (a) Years 2012 through 2018 - City Payroll Department Time Card Proof as of last pay in December.
- (b) Years 2008 through 2011 - City Payroll Department W2 Audit Listing.

Method:

Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

- (1) Beginning in 2015, part-time paid volunteer firefighters are included in the fire total.

2015	2014	2013	2012	2011	2010	2009
4.50	4.50	4.50	4.50	4.50	4.50	4.50
3.00	3.00	3.00	3.50	3.50	3.50	3.50
1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.50	1.50	1.50	1.50	1.50	1.50	1.50
2.50	2.50	2.50	2.50	2.50	2.50	2.50
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.00	2.00	2.00	2.00	2.00	2.00	2.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
26.00	26.00	26.00	26.00	25.00	24.00	24.00
5.50	5.50	5.50	5.50	7.00	7.00	7.00
18.00	18.00	18.00	16.50	16.50	17.50	16.50
0.00	0.00	0.00	0.00	0.00	0.00	0.00
1.50	1.50	1.50	1.50	1.50	2.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.00	3.00	3.00	2.00	2.00	2.00	2.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
7.00	7.00	7.00	7.00	7.00	7.00	7.00
7.00	7.00	7.00	7.00	7.00	7.00	7.00
4.00	5.00	5.00	5.00	5.00	5.00	5.00
5.00	5.00	5.00	5.00	5.00	5.00	5.00
10.00	10.00	10.00	10.00	10.00	10.00	10.00
<u>102.50</u>	<u>103.50</u>	<u>103.50</u>	<u>101.50</u>	<u>102.00</u>	<u>102.50</u>	<u>101.50</u>

City of Amherst
Lorain County, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2018	2017	2016	2015
General Government				
<i>Council and Clerk</i>				
Number of Ordinances Passed	48	59	53	42
Number of Resolutions Passed	10	7	12	10
Number of Planning Commission docket items	15	10	9	8
Zoning Board of Appeals docket items	17	15	19	10
<i>Finance Department</i>				
Number of checks/ vouchers issued	2,949	2,808	3,041	3,036
Amount of checks written	\$ 34,655,092	\$ 29,623,115	\$ 31,419,221	\$ 30,648,728
Interest earnings for fiscal year (cash basis)	\$ 357,252	\$ 232,272	\$ 170,820	\$ 83,551
Number of Receipts issued	781	786	707	677
Number of Journal Entries issued	481	469	489	490
Number of Budget Adjustments issued	4	5	3	5
Agency Ratings - Moody's Financial Services	Aa3	Aa3	Aa3	Aa3
Health Insurance Costs vs General Fund Expenditures %	8.95%	7.65%	4.52%	8.06%
General Fund Receipts (cash basis in thousands)	\$ 5,727	\$ 5,412	\$ 5,800	\$ 6,539
General Fund Expenditures (cash basis in thousands)	\$ 5,413	\$ 5,451	\$ 5,719	\$ 5,478
General Fund Cash Balances (in thousands)	\$ 1,265	\$ 1,044	\$ 1,143	\$ 1,061
<i>Income Tax Department</i>				
Number of Individual Returns	7,584	5,816	6,604	5,530
Number of Business Returns	1,361	1,392	1,422	1,467
Number of business withholding accounts	1,049	1,070	1,032	1,031
Amount of Penalties and Interest Collected	\$ 110,096	\$ 98,855	\$ 83,311	\$ 76,177
Annual number of Corporate withholding forms processed	8,011	7,791	7,314	4,319
Annual number of balance due statements forms processed	3,528	2,149	2,209	2,267
Annual number of estimated payment forms processed	1,288	1,493	1,532	1,587
Annual number of reconciliations of withholdings processed	1,040	1,018	986	1,226
<i>Civil Service</i>				
Number of police entry tests administered	18	0	1	0
Number of police promotional tests administered	0	1	0	0
Number of fire promotional tests administered	0	0	0	2
Number of hires of Police Officers from certified lists	3	2	2	5
Number of promotions from police certified lists	0	1	0	0
Number of promotions from fire certified lists	0	0	0	1
<i>Building Department Indicators</i>				
Construction Permits Issued	1,329	1,056	967	773
Estimated Value of Construction	\$ 4,671,850	\$ 21,227,252	\$ 17,248,597	\$ 8,492,485
Amount of Revenue generated from permits	\$ 688,104	\$ 409,328	\$ 268,521	\$ 119,242
Number of contract registrations issued	512	594	510	423
Security of Persons & Property				
<i>Police</i>				
Total Calls for Services (Amherst City only)	10,800	11,140	11,088	9,262
Number of traffic citations issued	904	1,210	936	2,140
Number of parking citations issued	30	32	14	37
Number of criminal arrests	616	707	676	1,278
Number of accident reports completed	507	446	499	394
Police Dept. Auxiliary hours worked	495	342	433	316
DUI Arrests	42	45	91	83
Prisoners	177	175	201	183
Prisoner Meal Costs	0	\$ 3,370	\$ 5,283	\$ 5,962
Motor Vehicle Accidents	507	446	499	394
Fatalities from Motor Vehicle Accidents	0	2	0	2
Gasoline costs of fleet	\$ 50,793	\$ 44,298	\$ 37,604	\$ 43,162
Community Diversion Program Youths	18	15	20	24
Community Diversion Program - community service hours	126	105	140	168

	2014	2013	2012	2011	2010	2009
	49	36	42	70	65	47
	2	5	9	9	7	5
	1	4	3	8	11	5
	25	18	22	9	35	32
	3,175	3,043	2,975	2,918	2,958	3,094
\$	30,185,144	\$ 30,608,947	\$ 27,707,865	\$ 27,863,437	\$ 26,828,779	\$ 25,073,934
\$	48,876	\$ 55,983	\$ 65,593	\$ 107,092	\$ 67,858	\$ 474,036
	642	577	576	616	641	644
	437	436	422	421	432	441
	2	2	5	5	3	5
	Aa3	Aa3	Aa3	Aa3	Aa3	A-2
	7.97%	8.37%	7.93%	7.78%	7.77%	8.40%
\$	5,071	\$ 5,228	\$ 5,338	\$ 5,100	\$ 4,987	\$ 4,293
\$	5,207	\$ 5,212	\$ 5,011	\$ 4,884	\$ 5,001	\$ 4,719
\$	1,025	\$ 1,124	\$ 1,110	\$ 725	\$ 560	\$ 556
	5,353	5,240	5,139	5,354	5,305	5,356
	1,238	1,193	1,187	1,174	1,136	1,174
	988	950	964	935	997	853
\$	78,039	\$ 71,741	\$ 64,184	\$ 49,690	\$ 39,144	\$ 47,910
	4,235	4,282	4,087	3,993	4,007	3,879
	2,150	2,389	2,186	1,946	2,216	2,163
	2,155	2,428	2,431	2,367	2,130	2,118
	1,008	986	986	904	957	897
	2	1	1	0	1	0
	2	2	2	3	0	0
	0	0	0	0	0	0
	2	1	1	2	0	0
	3	1	1	0	0	0
	0	0	0	0	0	0
	839	941	1,013	989	775	703
\$	10,810,346	\$ 7,972,000	\$ 15,242,707	\$ 11,207,276	\$ 10,490,529	\$ 9,681,151
\$	164,258	\$ 177,628	\$ 241,743	\$ 136,485	\$ 160,595	\$ 173,837
	514	533	468	441	439	429
	10,200	10,442	10,525	8,765	9,698	10,418
	1,675	1,751	2,348	2,005	2,291	2,571
	86	92	42	96	268	223
	710	771	1,003	1,014	1,314	1,385
	425	427	418	441	445	437
	236	293	470	576	900	942
	87	72	54	65	97	108
	199	138	272	225	326	317
\$	3,395	\$ 5,147	\$ 2,834	\$ 1,070	\$ 1,632	\$ 1,086
	425	427	418	441	445	437
	0	2	0	3	1	1
\$	68,530	\$ 65,559	\$ 65,897	\$ 68,243	\$ 55,508	\$ 41,663
	30	29	22	35	41	42
	210	203	154	245	287	294

(continued)

City of Amherst
Lorain County, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2018	2017	2016	2015
Fire				
EMS Calls	267	266	198	151
Fire Calls	446	343	612	357
Fires with Loss	17	10	16	14
Fires with Losses exceeding \$10K	7	4	11	11
Fire Losses \$	\$ 256,150	\$ 125,750	\$ 528,500	\$ 792,000
Fire Inspections	585	540	516	610
Number of times Mutual Aid given to Fire and EMS	23	27	45	35
Number of times Mutual Aid received for Fire and EMS	4	2	9	7
Public Health and Welfare				
Cemetery sale of lots	11	14	10	7
Cemetery receipts	\$ 11,700	\$ 17,525	\$ 15,688	\$ 17,654
Leisure Time Activities				
Recreation				
Recreation Swimming pool receipts	67,952	62,039	60,860	49,776
Recreation Mens & Womens Leagues receipts	10,400	9,700	9,900	8,142
Senior Van Fees	1,250	2,339	1,627	1,062
Beaver Creek Facilities rentals	0	0	0	9,400
Total Recreation Department receipts	<u>\$ 79,602</u>	<u>\$ 74,078</u>	<u>\$ 72,387</u>	<u>\$ 68,380</u>
Community Development				
Grant amounts received due to Economic Development Dept.	\$ 0	\$ 0	\$ 0	\$ 0
Transportation				
Cost of salt purchased	\$ 122,203	\$ 59,744	\$ 188,741	\$ 162,101
Water Department				
Water Rates per 1st 3,000 gallons of water used	16.12	16.12	16.27	16.07
Average number of Water Accounts Billed Monthly	6,284	6,229	6,218	6,194
Total Water Collections Annually (Including P & I)	2,636,229	2,627,417	2,729,167	2,615,867
Payments to Elyria and Lorain for bulk water purchase	1,291,084	1,313,319	1,514,218	1,281,915
Wastewater Department				
Wastewater Rates per 1st 300 Cu ft of water used	\$25.00	\$25.00	\$25.00	\$25.00
Total flow of wastewater treatment plant (Billions of Gallons)	0.925	0.820	0.736	0.789
Tons of dry sludge removed	221.01	219.80	272.88	312.01

Source: City of Amherst Department Records

2014	2013	2012	2011	2010	2009
143	110	130	143	148	151
338	312	334	338	323	378
6	11	10	18	21	20
6	9	8	15	18	13
\$ 211,000	\$ 401,600	\$ 323,000	\$ 640,000	\$ 843,600	\$ 423,500
356	350	390	400	450	320
35	17	28	15	15	30
1	3	7	5	7	7
33	13	7	7	7	20
\$ 27,903	\$ 15,540	\$ 12,420	\$ 10,216	\$ 14,098	\$ 22,976
41,453	48,644	66,724	62,839	63,834	63,888
7,876	8,083	8,274	7,682	9,492	9,113
750	1,072	1,560	2,476	2,858	2,757
20,420	20,265	17,535	17,330	17,275	15,520
\$ 70,499	\$ 78,064	\$ 94,093	\$ 90,327	\$ 93,459	\$ 91,278
\$ 0	\$ 0	\$ 18,270	\$ 32,103	\$ 0	\$ 0
\$ 162,655	\$ 68,598	\$ 146,525	\$ 147,911	\$ 170,138	\$ 118,215
19.60	19.19	13.11	13.11	13.17	12.63
5,916	5,920	5,908	5,909	5,889	5,914
2,868,178	2,567,413	2,510,416	2,234,324	2,111,159	1,855,782
1,797,961	1,704,257	1,726,522	1,417,414	1,176,408	988,583
\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
0.879	0.803	0.830	1.044	0.747	0.777
274.88	222.41	251.78	135.33	276.05	244.38

City of Amherst
Lorain County, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2018	2017	2016	2015
General Government				
Square Footage City Hall	13,002	13,002	13,002	13,002
Administrative Vehicles	0	0	0	0
Inspection Vehicles	0	0	0	0
Municipal Court Vehicles	0	0	0	0
Lands & Buildings Vehicles	1	1	1	0
Police				
Square Footage Police Station	20,000	20,000	20,000	20,000
Vehicles	21	20	19	20
Fire				
Square Footage Station	18,050	18,050	18,050	18,050
Vehicles	9	9	9	9
Recreation				
Number of Parks	6	6	6	6
Number of Pools	1	1	1	1
Number of Tennis Courts	0	0	0	0
Number of Skateboarding Areas	0	0	0	0
Number of Baseball Diamonds	0	0	0	0
Number of Soccer Fields	3	3	3	3
Vehicles	2	3	3	3
Other Public Works				
Streets (miles)	71	71	71	71
Service Vehicles	16	16	16	13
Sanitation				
Square Footage Sanitation Office				
Square Footage Sanitation Office - City Hall				
Wastewater				
Sanitary Sewers (miles)	69	69	69	69
Storm Sewers (miles)	40	40	40	40
Vehicles	6	5	5	4
Water Department				
Square Footage Water Maintenance Office				
Square Footage Water Meter Office				
Square Footage Water Office - City Hall				
Water Lines (miles)	70	70	70	70
Vehicles	5	5	5	6

Source: City of Amherst Department Records

2014	2013	2012	2011	2010	2009
13,002	13,002	13,002	13,002	13,002	13,002
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
20,000	20,000	20,000	20,000	20,000	20,000
20	19	19	19	19	19
18,050	18,050	18,050	18,050	18,050	18,050
9	10	10	10	10	10
6	6	6	6	6	6
1	1	1	1	1	1
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
3	3	3	3	3	3
3	3	3	3	3	3
71	71	71	71	71	71
13	13	13	13	13	13
69	69	69	69	69	69
40	40	40	40	40	40
4	4	4	4	4	4
70	70	70	70	70	70
6	6	6	6	6	6

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OHIO AUDITOR OF STATE
KEITH FABER



CITY OF AMHERST

LORAIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 27, 2019**