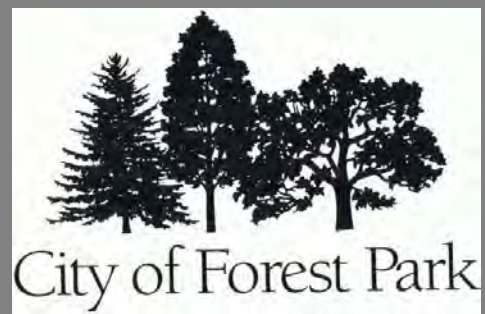


CITY OF FOREST PARK, OHIO

2016 COMPREHENSIVE ANNUAL FINANCIAL REPORT



Charles H. Johnson, *Mayor*

Wynndel T. Burns, 1st Vice-Mayor

J. Denise Jarnigan_Holt, 2nd Vice-Mayor

Council Members

Regina Collins

Sheila J. Cottle

Diana J. Herbe

Charles Southall, Jr.

Ray H. Hodges, *City Manager*



For Year Ending December 31, 2016



Dave Yost • Auditor of State

Members of Council
City of Forest Park
1201 West Kemper Road
Forest Park, Ohio 45240

We have reviewed the *Independent Auditor's Report* of the City of Forest Park, Hamilton County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2016 through December 31, 2016. 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 Forest Park is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 4, 2017

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CITY OF FOREST PARK, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

**PREPARED BY:
DEPARTMENT OF FINANCE
HARLITA H. Tomlinson
DIRECTOR OF FINANCE**

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INTRODUCTORY SECTION

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City of Forest Park

FINANCE DEPARTMENT - Income Tax Office

June 28, 2017

The Citizens of Forest Park, Ohio,
Honorable Mayor and Members of City Council,
Lenders and Other Interested Parties,

THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

We are pleased to present our 2016 Comprehensive Annual Financial Report (CAFR) for the City of Forest Park for your review. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and is audited in accordance with generally accepted auditing standards. State law requires that every general purpose local government publish a complete set of financial statements. This report is published to fulfill that requirement for the year ended December 31, 2016. This report contains the basic financial statements and other financial and statistical data that provide a complete and full disclosure of all material financial aspects of the City of Forest Park.

A complete CAFR is not required to be prepared, but by doing so it represents a commitment by the City of Forest Park (the City) to achieve the highest nationally recognized standards of excellence in financial reporting as established by the Government Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Auditor of the State of Ohio. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2016 are free of material misstatement. The independent audit involved 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. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the

City's financial statements for the fiscal year ended December 31, 2016, are fairly presented in conformity with GAAP. The independent auditor's opinion is presented as the first component of the financial section of this report.

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

CITY OVERVIEW

The City is located in the southwestern portion of the State of Ohio between the cities of Cincinnati and Dayton, and is entirely within the County of Hamilton. The City traces its roots to the mid-1950's when the Federal Government encouraged the development of a second greenbelt community in the Cincinnati area. The Village of Greenhills (Greenhills) was the first greenbelt community, a concept patterned after the famed garden cities of England. In contrast to Greenhills, however, development of Forest Park was handled through private enterprise, specifically the Warner-Kanter Corporation. That was in 1954. Within two years, the first homes were ready for occupancy. Forest Park progressed rapidly with the formation of a civic association in 1958, a volunteer fire department and incorporation as a village in 1961, and city status (population in excess of 5,000) in 1968 with the adoption of a Home Rule Charter that same year. The City of Forest Park was also the site of Homearama in 1963 and 1971.

As of the 2010 U. S. Census Report, Forest Park was the third largest city in Hamilton County, with a population of 18,720. Its 62 miles of streets and 3,800-plus acres are bounded by Hamilton Avenue to the west, Springfield Pike (Route 4) to the east, Sharon Road to the south and the Hamilton County line north of I-275 to the north. Forest Park is 14 miles north of downtown Cincinnati, 35 miles south of Dayton, and within 125 miles of the cities of Columbus, Indianapolis, Lexington, and Louisville. Via I-275, the City is only 35 minutes from the Greater Cincinnati International Airport. Because of this ideal location, the City enjoys a reputation as a premier site for both residential and commercial development.

The City operates under the City Manager-Council plan pursuant to its Charter, but is also subject to the general statutes of the State of Ohio governing municipalities. In addition, the City may exercise all powers of local self-government under Article XVIII, Section 3, of the Ohio Constitution. The legislative authority of the City is vested in a seven member Council whose members are elected to four-year overlapping terms with an election of three (or four in alternate council election years) council seats every two years. The Council enacts ordinances and resolutions to provide for city services, to levy taxes, to make appropriations, to borrow money, to set salaries of all employees of the City, whether elected or appointed, to adopt a budget and to perform such other duties and exercise such other rights, not inconsistent with the City Charter, as may be granted to the legislative authority of any municipality of Ohio. The presiding officer of the Council is the Mayor, who is chosen by the council every two years under the Charter. All Council members are from the City at large.

The City Manager is the chief executive, administrative, and law enforcement officer of the City. The Manager is charged with responsibility for enforcing the laws and ordinances of the City. The Manager appoints and removes all heads of departments and all subordinate officers and employees of the City, except the City Law Director and Clerk of Council. He exercises control over all departments created by the City Council. The Law Director serves as legal advisor and attorney for the City and performs duties as provided under the Charter and general laws of Ohio pertaining to municipal legal advisors. The Director of Finance is appointed by the City Manager with the concurrence of the City Council to supervise the Department of Finance and performs the powers, duties and functions of the fiscal officer of the City pursuant to the Charter and general laws of Ohio.

The City provides numerous services including police, fire and emergency services protection, the construction and maintenance of highways and streets; parks and recreational program services, and stormwater management.

ECONOMIC CONDITIONS AND OUTLOOK

Forest Park continues to face a fair amount of competition for business investment. While the city has seen a great deal of success with regards to economic development, a sluggish suburban office market and struggling retail sector continue to slow the community's ongoing recovery. Yet in spite of these challenges, Forest Park remains a true destination for business investment, and its redevelopment campaign continues to produce impressive results with a number of vacant or underdeveloped buildings converted into true community assets that produce revenue and create jobs. **Collectively local companies invested close to \$15 million on projects involving the creation or retention of more than 500 jobs during the past year.**

Much of this success can be linked to the community's implementation of a "cluster-driven" recruitment strategy (a proactive program designed to attract investment from several "job-generating" industries including engineering, medical, finance, insurance, technology, call/data center etc.) and an aggressive retention/business calling program. Another contributing factor is the city's innovative redevelopment program that rewards companies for revitalizing vacant buildings. Key investments in public infrastructure (much of which was funded by leveraging the city's own limited resources with outside sources of funding) created the first class environment needed to attract these projects.

Several new companies relocated to Forest Park in the past year including Red Leonard, UFCW, Kung Fu University, Wingate Mechanical, Liberty Dialysis and Park Place Restaurant. Existing Forest Park companies that expanded their operations included CPG, AE Door and Window, Mercy Physicians, and VXI. Several of these projects included the conversion of vacant or underperforming properties into revenue and job generators. Red Leonard, UFCW and Wingate renovated buildings in the Kemper Meadow Business Center. Park Place, Mercy Physicians and Liberty Dialysis renovated buildings on Winton Road. VXI, AE Door and CPG announced plans to renovate existing buildings on Waycross Road, Sharon Road, and Northland Boulevard.

Unfortunately these successes were somewhat offset by the ongoing disappointing performance of retail properties throughout the community. As the retail industry continues to be rocked by store

closures and changing trends such as online shopping, the demand for space has decreased dramatically. Consequently suburban communities that once had thriving retail districts (such as Forest Park) must now try to reposition these properties for future success. In some cases (such as Mercy Physicians and Liberty Dialysis), this may involve “repurposing” properties, converting them from retail to some other use. No doubt as we tackle significant retail redevelopment projects throughout all three commercial corridors, such conversions will be needed.

A prime target for redevelopment is Forest Fair Village, an 80-plus acre retail property that is home to a 1.6 million square foot mega-mall. The facility has struggled in recent years as occupancy fell and property maintenance issues rose. The current owner has put the mall on the market for sale, at an asking price of \$55 million. We are working closely with our regional economic development partners and the commercial brokers involved to identify a new owner or partner with the management and financial resources needed to reposition this important gateway property.

In short, the City of Forest Park still faces some significant challenges. However pro-active strategies have allowed us to overcome many of these obstacles creating opportunities for future development. Forest Park remains strong in several key demographic areas. From 2016 to 2021:

- Population is forecasted to rise slightly from 18,710 in 2015 to 18,841 in 2016, which is an indication that the City is maintaining a stable population base.
- During this time, median household income is projected to rise by 10 % (\$50,745 to \$56,117).
- Average household income will increase by 9.5% (\$58,557 to \$64,165).
- Per capita income is expected to rise by almost 10% (\$22,721 to \$24,972).
- Average home values will rise more than 11% (\$131,795 to \$146,862).

Source: ERSI 2016 Study

Not only do these numbers compare quite favorably with neighboring communities, they demonstrate that the City of Forest Park continues to be a desirable destination for residents and businesses alike. A strong economic development program generates a substantial return on each dollar of taxpayer money invested, and upward trends in housing and income demonstrate that residents continue to find value in the city. In spite of the challenges, Forest Park remains “Positioned for Progress”.

BUSINESS INCENTIVES

The Governmental Accounting Standards Board released Statement No. 77 in August of 2015. This new standard requires all governmental entities to disclose essential information about the nature and amount of tax revenue abatements granted by local jurisdictions. The details of the tax abatements for the City of Forest Park are disclosed in Note 20 entitled “Tax Abatements”. The standard focuses only on tax revenue lost; this is only one side of the story. There are benefits derived from the City participating in business incentives programs.

The City of Forest Park participates in the Ohio Enterprise Zone program. Business incentives are tools that cities can utilize to entice a business to commit to making investments to improve or

construct buildings and also to create or retain jobs within a community. The Ohio Enterprise Zone Program is administered through Hamilton County and legislated by Ohio Revised Code Sections 5709.61 through 5709.85. One of the goals of the program is to increase private investment in Forest Park for the zones established within the City. Another goal is to bring new income and foster growth within the City by retaining or creating new employment opportunities for residents.

The process begins with a potential business submitting an application to the City. After reviewing the application, the City can accept, amend or deny a business request based upon specific goals and objectives the City would like to achieve, such as a specific level of new payroll, or retained payroll; or a specific level of capital investment in the community. The City will then prepare legislation and publicly discuss and make recommendations to City Council on how any decisions were made. City council has the authority to confirm or deny the City's request within the passage or failure of legislation put before them. When an agreement impacts Winton Woods School District, a long-standing agreement exists that the City will share some of the new income tax revenue within the school district.

For 2016, the economic benefit of the business incentives allowed by the City resulted in real property investment slightly over \$19 million within the City of Forest Park. Financially, the City retained 592 jobs and gained 145 new employment opportunities. Another benefit of participation in business incentive programs resulted in the City gaining the ability to generate additional property tax revenue of \$625,837 for all overlapping taxing districts. Additionally, because the City of Forest Park offered business incentives, the loss of \$774,492 in municipal income tax revenue did not occur and Forest Park businesses did not relocate to neighboring communities that offer business incentives.

LONG-TERM FINANCIAL PLANNING

The general fund year-end balance is at 25.33 percent of total revenues, which exceeds the City's targeted goal to maintain a general fund balance of at least 20%. The City's ability to maintain a fund balance in excess of 20% reflects our financial strength and quantifies the ability of the general fund to support all other City funds. The City will strive to maintain this ideal percentage of carryover despite future demands placed on the general fund.

FINANCIAL INFORMATION

The City utilizes a fully-automated accounting system. The Finance Department audits each voucher prior to payment and ensures that the financial information is both accurate and reliable. All funds are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is at the department level and within each department at the levels of personal services, contractual services and supplies and materials. Budgetary control is maintained by encumbering the estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders that result in overruns of budgeted balances are not released until additional appropriations are made available through transfers or council action. Appropriations, initial and supplemental, must be authorized by City Council. As demonstrated by the statements and schedules included in the financial section of this

Comprehensive Annual Financial Report, the City continues to meet its responsibility for sound fiscal management.

CITY INCOME TAX

From 2007 through 2012, the tax rate for Forest Park was 1.5% with 100% credit allowed for taxes paid to another jurisdiction. In November of 2013, City Council passed legislation to reduce the amount of credit for tax paid to other jurisdictions over a two year period with the year first being retroactive to 1/1/2013. For 2013 returns filed in 2014 residents received 75% credit for taxes paid to another jurisdiction up to a maximum of 1.125% of total wages. Beginning 1/1/2014 and forward, residents receive 25% credit for taxes paid to another jurisdiction with a maximum credit of .375% of total wages. The results of this change are evident in the table below where income tax revenue increased by 25.01% from 2013 to 2016. The income tax revenues help fund operating expenses in the General Fund as well as provide debt service for the General Obligation Bonds. Revenues from this tax are directly related to employment levels and the general economic conditions in the Cincinnati area. It also applies to net income of business organizations derived from business activities conducted in the City. Revenues for the past four years as reported in the General Fund are as follows:

	<u>Revenues</u>
2016.....	\$9,748,448
2015.....	\$9,258,358
2014.....	\$8,560,758
2013.....	\$7,310,090

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Forest Park for its comprehensive annual financial report for the fiscal year ended December 31, 2015. This was the twenty-third consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENTS

This report is the culmination of months of hard work by many individuals. I want to thank the Office Associate II for accounts payable, Jaimele Bettis, Office Associate for accounts receivable, Sherry Powell, Office Associate II for payroll, Renetta Edwards, Deputy Finance Director, Andrew Levandusky and my Assistant to the Finance Director, Joy Vetere. I also wish to thank Maria Scott, Business Auditor for income tax collections, and my three Office Associates for income tax collection, Diane Mathews, Brenda Reinert and Calvin Robinson, for their assistance with this Comprehensive Annual Financial Report and their continued high-quality work in diligently carrying out their responsibilities within the Finance Department. Additionally, we wish to thank the independent accounting firm of Plattenburg and Associates, Certified Public Accountants for their assistance with the GAAP conversion and independent audit. Members of the Plattenburg firm contributed to the preparation and examination of these financial statements along with the City's finance department staff.

Finally, a special word of thanks is necessary to recognize the efforts of members of City Council and the City Administration past and present whose conservative fiscal management and solid decision-making are reflected in the sound financial position of the City of Forest Park. As a result of their hard work model format, this report presents information in an organized manner to provide greater insight regarding the City's finances. We hope readers of this financial report will find the report beneficial in understanding the City's financial organization, financial position and condition, net assets and results of operations.

Sincerely,



Harlita R. Tomlinson, CPA, ACPFA, ACPFIM
Director of Finance & Tax Commissioner

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**CITY OF FOREST PARK, OHIO
PUBLIC OFFICIALS**

LEGISLATIVE

MAYOR
Charles Johnson

COUNCIL MEMBERS

Wynndel T. Burns, 1st Vice Mayor
I. Denise Jarnigan-Holt, 2nd Vice Mayor
Diana J. Herbe

Sheila J. Cottle
Regina Collins
Charles Southall Jr.

APPOINTED OFFICIALS

City Manager
Building Department Director
Community Development Director
Economic Development Director
Director of Finance
Fire Chief
Human Resources Director
Police Chief
Public Works & Stormwater Utility Director
Law Director
Clerk of Council
Information Systems Administrator
Recreation Coordinator
Environmental Awareness Program Manager

Ray H. Hodges
Rafic M. Nakouzi
Christopher A. Anderson
Paul W. Brehm
Harlita R. Tomlinson
Alfonza Jones II
Tye R. Smith
Phillip L. Cannon
David L. Buesking
John R. Wykoff
Sally D. Derkson
Robert G. Silber
Taffy A. Jackson
Wright H. Gwyn

DEPARTMENT OF FINANCE

Harlita R. Tomlinson
Andrew T. Levandusky
Joy H. Vetere

Director & Tax Commissioner
Deputy Director
Assistant to the Finance Director

DIVISION OF ACCOUNTING

Sherry A. Powell
Jaimele Bettis
Renetta C. Edwards

Finance Associate - Receivables
Finance Associate - Payables
Finance Associate – Payroll

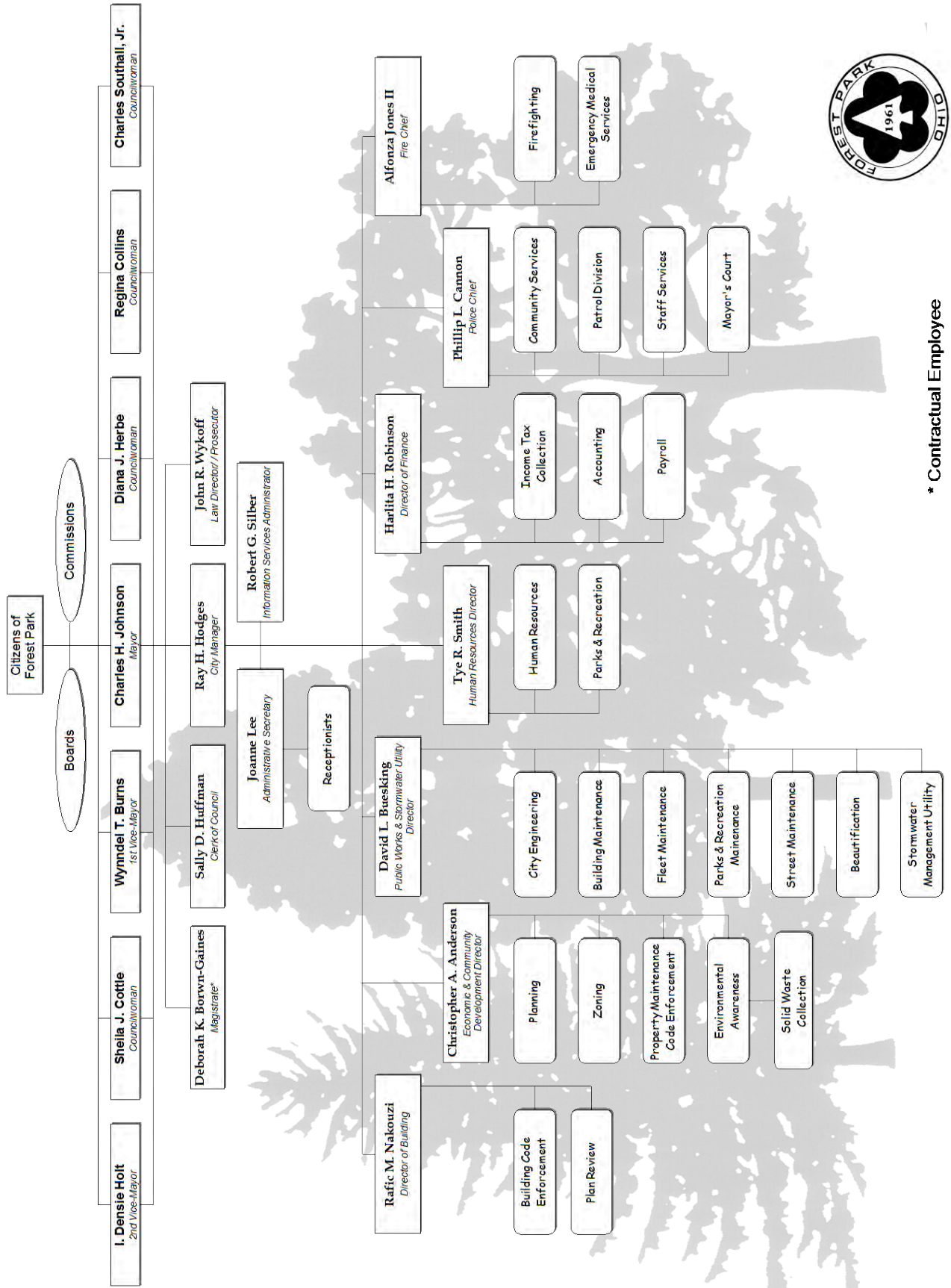
DIVISION OF TAXATION

Diane M. Mathews
Maria L. Scott
Calvin Robinson
Brenda S. Reinert

Tax Associate
Tax Associate
Tax Associate
Tax Associate

City of Forest Park

Organizational Chart



* Contractual Employee



Government Finance Officers Association

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

Presented to

**City of Forest Park
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015



Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

City Council
City of Forest Park
Hamilton County
1201 West Kemper Road
Forest Park, Ohio 45240

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 Forest Park, Ohio (the City) as of and for the year ended December 31, 2016, 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 entity'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 entity'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, as of December 31, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and schedules of net pension liabilities and pension contributions 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.

Supplementary and 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 introductory section, combining and individual nonmajor fund financial statements and schedules 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 nonmajor 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 nonmajor 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 28, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Cincinnati, Ohio
June 28, 2017

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

The City of Forest Park's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ended December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

Financial Highlights

Key financial highlights for 2016 are as follows:

- In total, net position increased \$247,166.
- General revenues accounted for \$17,578,043 in revenue or 82% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$3,821,498 or 18% of total revenues of \$21,399,541.
- The City had \$19,814,538 in expenses related to governmental activities; only \$2,263,385 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues and transfers of \$17,385,331 provided for the remainder of these programs.
- Business-type operations reflected an operating income of \$393,448.

Overview of the Financial Statements

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

The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. Major 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 the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Government-Wide Financial Statements

The analysis of the City as a whole begins with the Government-Wide Financial Statements. These reports provide information that will help the reader to determine if the City of Forest Park is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes to those assets. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well-being. Some of these factors include the City's tax base and the condition of capital assets.

In the Government-Wide Financial Statements, the overall financial position of the City is presented in the following manner:

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

Fund Financial Statements

Information about the City's major funds is presented in the Fund Financial Statements (see table of contents). Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the City, with approval of the Council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General Fund, Fire Fund, Carillon Business Park TIF Fund, and Economic Development Fund.

Governmental Funds - The City's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. 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 to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

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

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the Government-Wide Financial Statements because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position.

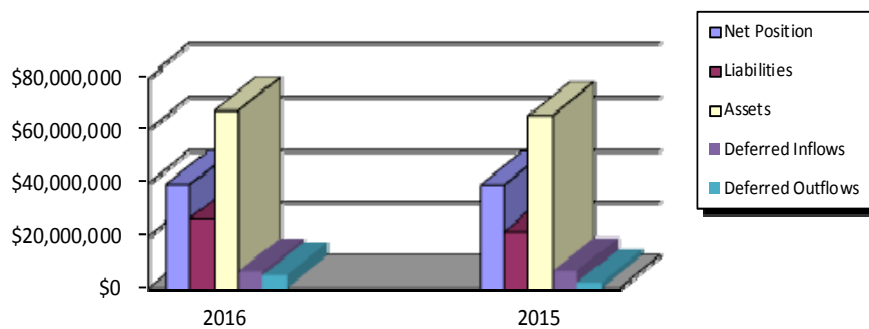
City of Forest Park, Ohio
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The City as a Whole

As stated previously, the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2016 compared to 2015.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets:						
Current and Other Assets	\$20,052,215	\$18,700,419	\$2,366,560	\$2,548,624	22,418,775	\$21,249,043
Capital Assets	44,305,535	43,047,918	2,058,487	1,394,968	46,364,022	44,442,886
Total Assets	64,357,750	61,748,337	4,425,047	3,943,592	68,782,797	65,691,929
Deferred Outflows of Resources:						
Pension	4,981,252	2,076,809	170,844	60,600	5,152,096	2,137,409
Total Deferred Outflows of Resources	4,981,252	2,076,809	170,844	60,600	5,152,096	2,137,409
Liabilities:						
Long-Term Liabilities	21,760,212	16,793,012	486,201	369,972	22,246,413	17,162,984
Other Liabilities	4,178,007	4,548,912	83,069	23,747	4,261,076	4,572,659
Total Liabilities	25,938,219	21,341,924	569,270	393,719	26,507,489	21,735,643
Deferred Inflows of Resources:						
Property Taxes	5,263,180	5,125,030	0	0	5,263,180	5,125,030
Revenue in Lieu of Taxes	2,374,802	1,606,815	0	0	2,374,802	1,606,815
Pension	222,558	45,312	8,516	5,356	231,074	50,668
Total Deferred Inflows of Resources	7,860,540	6,777,157	8,516	5,356	7,869,056	6,782,513
Net Position:						
Net Investment In Capital Assets	38,374,278	37,781,761	2,058,487	1,394,968	40,432,765	39,176,729
Restricted	4,391,715	4,126,984	0	0	4,391,715	4,126,984
Unrestricted	(7,225,750)	(6,202,680)	1,959,618	2,210,149	(5,266,132)	(3,992,531)
Total Net Position	\$35,540,243	\$35,706,065	\$4,018,105	\$3,605,117	\$39,558,348	\$39,311,182



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Net position of the City's governmental activities decreased \$165,822. The City had an unrestricted net position balance of \$(7,225,750). A positive unrestricted net position balance may be used to meet the government's ongoing obligations to citizens and creditors. Current and Other Assets increased mainly due to an increase in cash. Long-Term Liabilities increased mainly due to the increase in net pension liability.

Table 2 shows the changes in net position for the year ended December 31, 2016, and revenue and expense comparisons to 2015.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Program Revenues:						
Charges for Services	\$838,619	\$939,634	\$1,558,113	\$1,515,200	\$2,396,732	\$2,454,834
Operating Grants and Contributions	964,973	1,321,790	0	219,122	964,973	1,540,912
Capital Grants and Contributions	459,793	2,953,697	0	0	459,793	2,953,697
Total Program Revenues	2,263,385	5,215,121	1,558,113	1,734,322	3,821,498	6,949,443
General Revenues:						
Income Taxes	10,018,234	9,558,642	0	0	10,018,234	9,558,642
Property Taxes	5,057,103	3,594,398	0	0	5,057,103	3,594,398
Grants and Entitlements	0	793,226	0	0	0	793,226
Investment Earnings	61,981	25,004	19,540	18,233	81,521	43,237
Other Revenues	2,248,013	3,195,299	173,172	145,072	2,421,185	3,340,371
Total General Revenues	17,385,331	17,166,569	192,712	163,305	17,578,043	17,329,874
Total Revenues	19,648,716	22,381,690	1,750,825	1,897,627	21,399,541	24,279,317
Program Expenses:						
General Government	4,059,028	4,270,853	0	0	4,059,028	4,270,853
Public Safety	11,110,462	9,818,991	0	0	11,110,462	9,818,991
Community Environment	732,759	652,778	0	0	732,759	652,778
Leisure Time Activities	303,191	292,263	0	0	303,191	292,263
Public Works and Streets	3,497,574	2,756,159	0	0	3,497,574	2,756,159
Public Health and Welfare	0	878	0	0	0	878
Interest and Other Charges	111,524	94,460	0	0	111,524	94,460
Stormwater Management Utility	0	0	276,435	445,916	276,435	445,916
Solid Waste Collection	0	0	1,061,402	990,907	1,061,402	990,907
Total Program Expenses	19,814,538	17,886,382	1,337,837	1,436,823	21,152,375	19,323,205
Increase (Decrease) in Net Position before Transfers	(165,822)	4,495,308	412,988	460,804	247,166	4,956,112
Transfers - Internal Activities	0	34,000	0	(34,000)	0	0
Change in Net Position	(165,822)	4,529,308	412,988	426,804	247,166	4,956,112
Net Position - Beginning of Year, Restated	35,706,065	31,176,757	3,605,117	3,178,313	39,311,182	34,355,070
Net Position - End of Year	\$35,540,243	\$35,706,065	\$4,018,105	\$3,605,117	\$39,558,348	\$39,311,182

Governmental Activities

The City receives an income tax, which is based on 1.5% of all salaries, wages, commissions, and other compensation and on net profits earned from businesses and residents living within the City.

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Property taxes and income taxes made up 77% of revenues for governmental activities for the City during 2016. The City's reliance upon tax revenues is demonstrated by the chart below indicating approximately 77% of total revenues from municipal income and property taxes:

	<u>2016</u>	<u>Percent of Total</u>
Charges for Services	\$838,619	4.3%
Operating Grants and Contributions	964,973	4.9%
Capital Grants and Contributions	459,793	2.3%
Municipal Income Taxes	10,018,234	51.1%
Property Taxes	5,057,103	25.7%
Revenue in Lieu of Taxes	2,029,961	10.3%
Investment Earnings	61,981	0.3%
Other Revenues	218,052	1.1%
Total Revenues	<u>\$19,648,716</u>	<u>100.0%</u>

General Government includes legislative and administration expenses, including City Council, the City Manager's office, the Law Director, Finance, Human Resources, Building Maintenance, Fleet Maintenance, Public Works Administration and various non-department charges.

Income tax revenue increased mainly due to an increase in income tax receipt collections. Public Works and Streets increased mainly due to an increase in street repairs and maintenance throughout the City.

Business-Type Activities

Business-type activities include Stormwater Management Utility and Solid Waste Collection. These programs had operating revenues of \$1,731,285 and expenses of \$1,337,837 for fiscal year 2016. Business activities receive no support from tax revenues. The business activities net position at the end of the year was \$4,018,105, which increased \$412,988 from 2015.

The Stormwater Management Utility fund had operating income of \$340,112 in 2016. The Solid Waste Collection fund had operating income of \$53,336 in 2016.

The City has four major governmental funds: the General Fund, the Fire Fund, the Carillon Business Park TIF Fund, and the Economic Development Fund. Assets of these funds comprised \$16,341,482 (80%) of the total \$20,323,550 governmental funds' assets.

General Fund: Fund balance at December 31, 2016 was \$5,126,885, an increase in fund balance of \$1,211,674 from 2015. The fund balance increased due to an increase in income taxes revenue in 2016 as compared to 2015.

Fire Fund: Fund balance at December 31, 2016 was \$1,320,961, an increase in fund balance of \$952,150 from 2015. The fund balance increased due to an increase in property tax receipts in 2016 as compared to 2015.

City of Forest Park, Ohio
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Carillon Business Park TIF Fund: Fund balance at December 31, 2016 was \$(552,343), an increase in fund balance of \$217,422 from 2015. The fund balance increased due to an increase in revenues in lieu of taxes received in 2016 as compared to 2015.

Economic Development Fund: Fund balance at December 31, 2016 was \$(1,609,338), a decrease in fund balance of \$281,709. The fund balance decreased mainly due to a decrease in intergovernmental revenue from grant monies received in 2016.

General Fund Budgeting Highlights

The City's General Fund budget is formally adopted at the expenditure legal level of control for each fund (activity within a program within a fund). Financial reports, which compare actual performance with the budget, are prepared monthly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls.

As the City completed the year, its General Fund balance reported an actual fund balance of \$4,466,393, on a Non-GAAP Budgetary Basis.

Variations from the final budget amounts to the original amounts are primarily due to the following reasons: The City underestimated the public safety and general government expenditures for 2016. Variations from actual expenditures to the final budget expenditures are primarily due to the following reasons: The City overestimated the public safety, general government and public works and streets expenditures for 2016.

Capital Assets and Debt Administration

Capital Assets

At year end, the City had \$46,364,022 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2016 balances compared to 2015:

Table 3
Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$14,385,479	\$14,098,228	\$179,780	\$102,798	\$14,565,259	\$14,201,026
Construction in Progress	0	2,473,239	8,955	51,573	8,955	2,524,812
Buildings and Improvements	8,045,246	8,208,802	48,616	48,616	8,093,862	8,257,418
Equipment	8,699,647	7,978,314	64,278	75,764	8,763,925	8,054,078
Infrastructure	45,033,243	40,762,050	2,065,578	1,343,834	47,098,821	42,105,884
Accumulated Depreciation	(31,858,080)	(30,472,715)	(308,720)	(227,617)	(32,166,800)	(30,700,332)
Total Net Capital Assets	<u>\$44,305,535</u>	<u>\$43,047,918</u>	<u>\$2,058,487</u>	<u>\$1,394,968</u>	<u>\$46,364,022</u>	<u>\$44,442,886</u>

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The increase in Capital Assets is mainly due to current year depreciation expense being less than current year additions.

See Note 6 to the basic financial statements for further details on the City's capital assets.

Debt

At December 31, 2016, the City had \$2,486,257 general obligation bonds, notes and leases outstanding, \$702,574 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2016 and 2015:

Table 4
Outstanding Debt at Year End

		<u>2016</u>	<u>2015</u>
Governmental Activities:			
Unvoted General Obligation Bonds:			
Refunding Various Purpose	3.89%	\$775,000	\$1,015,000
Premium on Refunding		37,739	51,892
Technology Equipment Note	2.50%	0	75,000
Capital Leases	2.37%	<u>1,673,518</u>	<u>329,265</u>
 Total Governmental Activities		 <u><u>\$2,486,257</u></u>	 <u><u>\$1,471,157</u></u>

The general obligation bonds and notes will be paid with available revenue in the Carillion Business Park TIF, and the Debt Service Fund.

See Note 9 and 10 to the basic financial statements for further details on the City's long-term debt.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, customers and investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Director of Finance, City of Forest Park, 1201 West Kemper Road, Forest Park, Ohio 45240.

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City of Forest Park, Ohio
Statement of Net Position
December 31, 2016

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$8,697,315	\$2,046,713	\$10,744,028
Receivables (Net):			
Taxes	7,896,049	0	7,896,049
Accounts	193,950	315,359	509,309
Interest	10,902	2,745	13,647
Intergovernmental	3,202,236	0	3,202,236
Prepaid Items	51,763	1,743	53,506
Nondepreciable Capital Assets	14,385,479	188,735	14,574,214
Depreciable Capital Assets, Net	29,920,056	1,869,752	31,789,808
Total Assets	64,357,750	4,425,047	68,782,797
Deferred Outflows of Resources:			
Pension	4,981,252	170,844	5,152,096
Total Deferred Outflows of Resources	4,981,252	170,844	5,152,096
Liabilities:			
Accounts Payable	143,323	65,622	208,945
Accrued Wages and Benefits	572,633	17,447	590,080
Accrued Interest Payable	17,051	0	17,051
General Obligation Notes Payable	3,445,000	0	3,445,000
Long-Term Liabilities:			
Due Within One Year	828,494	5,826	834,320
Due In More Than One Year			
Net Pension Liability	18,887,416	440,723	19,328,139
Other Amounts	2,044,302	39,652	2,083,954
Total Liabilities	25,938,219	569,270	26,507,489
Deferred Inflows of Resources:			
Property Taxes	5,263,180	0	5,263,180
Revenue in Lieu of Taxes	2,374,802	0	2,374,802
Pension	222,558	8,516	231,074
Total Deferred Inflows of Resources	7,860,540	8,516	7,869,056
Net Position:			
Net Investment in Capital Assets	38,374,278	2,058,487	40,432,765
Restricted for:			
Capital Projects	839,850	0	839,850
Street Improvements	1,169,865	0	1,169,865
State Highway	237,874	0	237,874
Fire	1,858,729	0	1,858,729
Other Purposes	285,397	0	285,397
Unrestricted	(7,225,750)	1,959,618	(5,266,132)
Total Net Position	\$35,540,243	\$4,018,105	\$39,558,348

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2016

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$4,059,028	\$18,522	\$9,686	\$0
Public Safety	11,110,462	593,707	147,576	33,953
Community Environment	732,759	16,921	0	425,840
Leisure Time Activities	303,191	50,540	0	0
Public Works and Streets	3,497,574	0	807,711	0
Public Health and Welfare	0	158,929	0	0
Interest and Other Charges	111,524	0	0	0
Total Governmental Activities	19,814,538	838,619	964,973	459,793
Business-Type Activities:				
Stormwater Management Utility	276,435	616,502	0	0
Solid Waste Collection	1,061,402	941,611	0	0
Total Business-Type Activities	1,337,837	1,558,113	0	0
Totals	\$21,152,375	\$2,396,732	\$964,973	\$459,793

General Revenues:
Income Taxes
Property Taxes Levied for:
 General Purposes
 Special Revenue Purposes
Revenue in Lieu of Taxes
Investment Earnings
Other Revenues

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$4,030,820)	\$0	(\$4,030,820)
(10,335,226)	0	(10,335,226)
(289,998)	0	(289,998)
(252,651)	0	(252,651)
(2,689,863)	0	(2,689,863)
158,929	0	158,929
(111,524)	0	(111,524)
<u>(17,551,153)</u>	<u>0</u>	<u>(17,551,153)</u>
0	340,067	340,067
<u>0</u>	<u>(119,791)</u>	<u>(119,791)</u>
<u>0</u>	<u>220,276</u>	<u>220,276</u>
<u>(17,551,153)</u>	<u>220,276</u>	<u>(17,330,877)</u>
10,018,234	0	10,018,234
948,910	0	948,910
4,108,193	0	4,108,193
2,029,961	0	2,029,961
61,981	19,540	81,521
<u>218,052</u>	<u>173,172</u>	<u>391,224</u>
<u>17,385,331</u>	<u>192,712</u>	<u>17,578,043</u>
(165,822)	412,988	247,166
<u>35,706,065</u>	<u>3,605,117</u>	<u>39,311,182</u>
<u>\$35,540,243</u>	<u>\$4,018,105</u>	<u>\$39,558,348</u>

City of Forest Park, Ohio
Balance Sheet
Governmental Funds
December 31, 2016

	General	Fire	Carillon Business Park TIF	Economic Development
Assets:				
Equity in Pooled Cash and Investments	\$4,665,555	\$1,764,641	\$200,669	\$92,677
Receivables (Net):				
Taxes	3,095,868	4,800,181	0	0
Accounts	0	193,950	0	0
Interest	6,299	1,879	292	124
Intergovernmental	155,026	179,006	1,148,433	0
Interfund	0	0	0	0
Prepaid Items	34,326	2,556	0	0
Total Assets	7,957,074	6,942,213	1,349,394	92,801
Liabilities:				
Accounts Payable	51,403	19,231	0	0
Accrued Wages and Benefits	357,770	191,774	0	0
Compensated Absences	125,920	0	0	0
Accrued Interest Payable	0	0	3,125	7,063
Interfund Payable	0	275,000	0	0
General Obligation Notes Payable	0	0	750,000	1,695,000
Total Liabilities	535,093	486,005	753,125	1,702,063
Deferred Inflows of Resources:				
Property Taxes	837,829	4,800,181	0	0
Income Taxes	1,340,673	0	0	0
Grants and Other Taxes	112,730	179,006	0	0
Revenue in Lieu of Taxes	0	0	1,148,433	0
Investment Earnings	3,864	1,153	179	76
Accounts	0	154,907	0	0
Total Deferred Inflows of Resources	2,295,096	5,135,247	1,148,612	76
Fund Balances:				
Nonspendable	34,326	2,556	0	0
Restricted	0	1,318,405	0	0
Committed	0	0	0	0
Assigned	115,249	0	0	0
Unassigned	4,977,310	0	(552,343)	(1,609,338)
Total Fund Balances	5,126,885	1,320,961	(552,343)	(1,609,338)
Total Liabilities, Deferred Inflows and Fund Balances	\$7,957,074	\$6,942,213	\$1,349,394	\$92,801

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$1,971,800	\$8,695,342
0	7,896,049
0	193,950
2,308	10,902
1,719,771	3,202,236
275,000	275,000
13,189	50,071
<u>3,982,068</u>	<u>20,323,550</u>
48,294	118,928
23,089	572,633
0	125,920
4,167	14,355
0	275,000
<u>1,000,000</u>	<u>3,445,000</u>
<u>1,075,550</u>	<u>4,551,836</u>
0	5,638,010
0	1,340,673
320,489	612,225
1,226,369	2,374,802
1,416	6,688
<u>0</u>	<u>154,907</u>
<u>1,548,274</u>	<u>10,127,305</u>
13,189	50,071
2,214,831	3,533,236
47,190	47,190
15,943	131,192
<u>(932,909)</u>	<u>1,882,720</u>
<u>1,358,244</u>	<u>5,644,409</u>
<u>\$3,982,068</u>	<u>\$20,323,550</u>

City of Forest Park, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 December 31, 2016

Total Governmental Fund Balance \$5,644,409

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.

Capital assets used in the operation of Governmental Funds 44,305,535

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

Income Taxes	\$1,340,673	
Delinquent Property Taxes	374,830	
Interest	6,688	
Intergovernmental	612,225	
Other Receivables	154,907	
		2,489,323

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

Internal Service Net Position (20,730)

In the statement of net position interest payable is accrued when
 incurred; whereas, in the governmental funds interest is
 reported as a liability only when it will require the use of
 current financial resources.

(2,696)

Some liabilities reported in the statement of net position do not
 require the use of current financial resources and, therefore,
 are not reported as liabilities in governmental funds.

Compensated Absences (260,619)

Deferred outflows and inflows or resources related to pensions
 are applicable to future periods and, therefore, are not
 reported in the funds.

Deferred outflows of resources related to pensions	4,981,252	
Deferred inflows of resources related to pensions	(222,558)	
		4,758,694

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

Net Pension Liability	(18,887,416)	
Other Amounts	(2,486,257)	
		(21,373,673)

Net Position of Governmental Activities \$35,540,243

See accompanying notes to the basic financial statements.

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City of Forest Park, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended December 31, 2016

	General	Fire	Carillon Business Park TIF	Economic Development
Revenues:				
Property and Other Taxes	\$980,238	\$4,513,614	\$0	\$0
Income Taxes	9,748,448	0	0	0
Charges for Services	69,158	353,050	0	0
Investment Earnings	45,999	381	1,504	48
Intergovernmental	320,865	332,326	0	213,192
Special Assessments	2,040	0	0	22,570
Fines, Licenses & Permits	318,580	3,471	0	0
Revenue in Lieu of Taxes	19	95	566,266	0
Other Revenues	104,511	10,620	0	10,655
Total Revenues	11,589,858	5,213,557	567,770	246,465
Expenditures:				
Current:				
General Government	2,355,842	0	0	0
Public Safety	5,282,339	4,261,407	0	0
Community Environment	649,902	0	21,815	0
Leisure Time Activities	240,817	0	0	1,410
Public Works and Streets	1,072,409	0	0	19,624
Capital Outlay	0	0	36,405	885,714
Debt Service:				
Principal	0	0	240,000	0
Interest and Other Charges	0	0	52,128	21,426
Total Expenditures	9,601,309	4,261,407	350,348	928,174
Excess of Revenues Over (Under) Expenditures	1,988,549	952,150	217,422	(681,709)
Other Financing Sources (Uses):				
Proceeds of Capital Leases	0	0	0	0
Transfers In	0	0	0	400,000
Transfers (Out)	(776,875)	0	0	0
Total Other Financing Sources (Uses)	(776,875)	0	0	400,000
Net Change in Fund Balance	1,211,674	952,150	217,422	(281,709)
Fund Balance - Beginning of Year	3,915,211	368,811	(769,765)	(1,327,629)
Fund Balance - End of Year	\$5,126,885	\$1,320,961	(\$552,343)	(\$1,609,338)

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$0	\$5,493,852
0	9,748,448
0	422,208
19,812	67,744
1,035,741	1,902,124
0	24,610
12,167	334,218
1,463,581	2,029,961
93,364	219,150
<u>2,624,665</u>	<u>20,242,315</u>
1,281,145	3,636,987
52,245	9,595,991
14,605	686,322
0	242,227
727,879	1,819,912
2,711,825	3,633,944
408,724	648,724
53,548	127,102
<u>5,249,971</u>	<u>20,391,209</u>
<u>(2,625,306)</u>	<u>(148,894)</u>
1,677,977	1,677,977
376,875	776,875
0	(776,875)
<u>2,054,852</u>	<u>1,677,977</u>
(570,454)	1,529,083
<u>1,928,698</u>	<u>4,115,326</u>
<u>\$1,358,244</u>	<u>\$5,644,409</u>

City of Forest Park, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended December 31, 2016

Net Change in Fund Balance - Total Governmental Funds \$1,529,083

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

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	\$3,306,188	
Depreciation Expense	<u>(1,887,879)</u>	
		1,418,309

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss. (160,692)

Governmental funds report City pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

City pension contributions	1,406,583	
Cost of benefits earned net of employee contributions	<u>(2,649,552)</u>	
		(1,242,969)

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

Income Taxes	269,786	
Delinquent Property Taxes	(4,897)	
Interest	(6,862)	
Intergovernmental	(909,210)	
Other	<u>57,584</u>	
		(593,599)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 648,724

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due. 1,425

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	(88,018)	
Amortization of Bond Premium	<u>14,153</u>	
		(73,865)

The internal service fund used by management to charge back costs to individual funds is not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

Change in Net Position - Internal Service Funds		(14,261)
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Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position. (1,677,977)

Change in Net Position of Governmental Activities		<u>(\$165,822)</u>
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See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2016

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Stormwater Management Utility	Solid Waste Collection	Total Business-Type Activities	
Current Assets:				
Equity in Pooled Cash and Investments	\$1,366,558	\$680,155	\$2,046,713	\$1,973
Receivables (Net):				
Accounts	122,634	192,725	315,359	0
Interest	1,938	807	2,745	0
Prepaid Items	1,743	0	1,743	1,692
Total Current Assets	1,492,873	873,687	2,366,560	3,665
Noncurrent Assets:				
Capital Assets:				
Nondepreciable Capital Assets	179,780	8,955	188,735	0
Depreciable Capital Assets, Net	1,840,869	28,883	1,869,752	0
Total Noncurrent Assets	2,020,649	37,838	2,058,487	0
Total Assets	3,513,522	911,525	4,425,047	3,665
Deferred Outflows of Resources:				
Pension	107,682	63,162	170,844	0
Total Deferred Outflows of Resources	107,682	63,162	170,844	0
Liabilities:				
Current Liabilities:				
Accounts Payable	668	64,954	65,622	24,395
Accrued Wages and Benefits	10,891	6,556	17,447	0
Compensated Absences	389	5,437	5,826	0
Total Current Liabilities	11,948	76,947	88,895	24,395
Long-Term Liabilities:				
Compensated Absences	13,107	26,545	39,652	0
Net Pension Liability	277,784	162,939	440,723	0
Total Noncurrent Liabilities	290,891	189,484	480,375	0
Total Liabilities	302,839	266,431	569,270	24,395
Deferred Inflows of Resources:				
Pension	5,368	3,148	8,516	0
Total Deferred Inflows of Resources	5,368	3,148	8,516	0
Net Position:				
Net Investment in Capital Assets	2,020,649	37,838	2,058,487	0
Unrestricted	1,292,348	667,270	1,959,618	(20,730)
Total Net Position	\$3,312,997	\$705,108	\$4,018,105	(\$20,730)

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended December 31, 2016

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Stormwater Management Utility	Solid Waste Collection	Total Business-Type Activities	
Operating Revenues:				
Charges for Services	\$616,502	\$941,611	\$1,558,113	\$244,266
Other Revenues	45	173,127	173,172	0
Total Operating Revenues	616,547	1,114,738	1,731,285	244,266
Operating Expenses:				
Personal Services	85,670	142,581	228,251	0
Contactual Services	0	869,801	869,801	257,259
Materials and Supplies	1,604	2,645	4,249	1,268
Depreciation	189,161	1,775	190,936	0
Other Expense	0	44,600	44,600	0
Total Operating Expenses	276,435	1,061,402	1,337,837	258,527
Operating Income (Loss)	340,112	53,336	393,448	(14,261)
Non-Operating Revenues (Expenses):				
Investment Earnings	14,214	5,326	19,540	0
Total Non-Operating Revenues (Expenses)	14,214	5,326	19,540	0
Change in Net Position	354,326	58,662	412,988	(14,261)
Net Position - Beginning of Year	2,958,671	646,446	3,605,117	(6,469)
Net Position - End of Year	\$3,312,997	\$705,108	\$4,018,105	(\$20,730)

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended December 31, 2016

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Stormwater Management Utility	Solid Waste Collection	Total Business-Type Activities	
Cash Flows from Operating Activities:				
Cash Received from Customers	\$526,887	\$1,105,679	\$1,632,566	\$244,266
Cash Payments to Employees	(288,167)	(130,851)	(419,018)	0
Cash Payments to Suppliers	191,371	(852,530)	(661,159)	(244,266)
Net Cash Provided (Used) by Operating Activities	430,091	122,298	552,389	0
Cash Flows from Noncapital Financing Activities:				
Operating Grants Received	132,750	0	132,750	0
Net Cash Provided (Used) by Noncapital Financing Activities	132,750	0	132,750	0
Cash Flows from Capital and Related Financing Activities:				
Payments for Capital Acquisitions	(854,455)	0	(854,455)	0
Net Cash Provided (Used) by Capital and Related Financing Activities	(854,455)	0	(854,455)	0
Cash Flows from Investing Activities:				
Earnings on Investments	17,125	5,956	23,081	0
Net Cash Provided (Used) by Cash Flows from Investing Activities	17,125	5,956	23,081	0
Net Increase (Decrease) in Cash and Cash Equivalents	(274,489)	128,254	(146,235)	0
Cash and Cash Equivalents - Beginning of Year	1,641,047	551,901	2,192,948	1,973
Cash and Cash Equivalents - End of Year	1,366,558	680,155	2,046,713	1,973
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	340,112	53,336	393,448	(14,261)
Adjustments:				
Depreciation	189,161	1,775	190,936	0
Changes in Assets & Liabilities:				
(Increase) Decrease in Receivables	(89,660)	(9,059)	(98,719)	0
(Increase) Decrease in Inventory	0	0	0	(1,692)
(Increase) Decrease in Prepaid Items	(1,743)	0	(1,743)	0
(Increase) Decrease in Deferred Outflows of Resources	(69,486)	(40,758)	(110,244)	0
Increase (Decrease) in Payables	(4,845)	64,516	59,671	15,953
Increase (Decrease) in Accrued Liabilities	(21,083)	1,085	(19,998)	0
Increase (Decrease) in Deferred Inflows of Resources	1,992	1,168	3,160	0
Increase (Decrease) in Net Pension Liability	85,643	50,235	135,878	0
Net Cash Provided (Used) by Operating Activities	\$430,091	\$122,298	\$552,389	\$0

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2016

	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$159,598</u>
Total Assets	<u>159,598</u>
Liabilities:	
Due to Other	<u>159,598</u>
Total Liabilities	<u>\$159,598</u>

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Note 1 – Description of the City and Reporting Entity

The City traces its roots to the mid-1950's when the Federal Government encouraged development of a second greenbelt community in the Cincinnati area.

The City operates as a Home Rule City in accordance with Article XVIII of the Ohio Constitution under a City Manager-Council form of government. The City provides services as authorized by its charter.

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 organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. The City has no component units that meet the above criteria. However, the City is associated with a jointly governed organization. The Waycross Community Programming Board is discussed in Note 13 to the 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 most significant of the City's accounting policies are described below.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Position.

Fund Financial Statements

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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 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.

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

Fund Financial Statements

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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 is reported as fund balance. The following are the City's major governmental funds:

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

Fire Fund - This special revenue fund accounts for expenditures of property tax revenues and other resources in the operation of the City's Fire Department.

Carillon Business Park TIF Fund – This special revenue fund is used to account for the proceeds of the bonds issued for the Tax Increment Financing District with related revenue and expenditures.

Economic Development Fund - This capital project fund has been used to account for the acquisition, construction and debt service for the Kemper Meadow Business Center. It may also be used for the purchase, rehabilitation, and resale of properties.

The other governmental funds of the City account for grants and other resources that are generally restricted to use for a particular purpose.

Proprietary Funds

Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

Stormwater Management Utility Fund – This fund is used to account for the operations of the City's Stormwater Management Utility.

Solid Waste Collection Fund – To account for the operations of solid waste and recycling collection and disposal services for the City.

Internal Service Fund – This fund is used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. The agency funds account for building permit fees collected on behalf of the State and performance bonds pledged by contractors (Refundable Fees Agency Fund) as well as Mayor's court (Mayor's Court Agency Fund) collections that are distributed to the State of Ohio as well as bonds held for individuals. The City's agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City currently has no trust funds.

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

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

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. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Deferred Outflows/Inflows of Resources

Deferred Outflows/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 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 include a deferral on refunding and pension reported in the government-wide statement of net position. A deferral on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 11.

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, income taxes, grants and other taxes, revenue in lieu of taxes, investment earnings, pension and accounts revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance year 2017 operations. Revenue in lieu of taxes includes tax increment financing agreements. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. All other revenues are reported only on the governmental funds balance sheet, and represent receivables which will not be collected within the available period. Deferred inflows of resources related to pension are reported on the governmental-wide statement of net position. (See Note 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.

Equity in Pooled Cash and Investments

To improve cash management the City's cash and investments are pooled. Monies for all funds, except cash and investments held in segregated accounts, 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" on the balance sheet.

Investments are reported at fair value which is based on quoted market prices.

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 also implemented GASB Statement No. 79 for 2016. The

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

implementation of this GASB pronouncement had no effect on beginning net position/fund balance. 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 2016, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Following the Charter and Codified Ordinances of the City as well as the Ohio Revised Code, the City has specified the funds to receive an allocation of interest earnings. Interest revenues during 2016 amounted to \$87,284 on the fund level and \$81,521 on the full-accrual level. Interest revenue on the fund level credited to the General Fund amounted to \$45,999, \$381 credited to the Fire Fund, \$1,504 credited to the Carillon Business Park TIF Fund, \$48 credited to Economic Development, \$19,812 credited to Other Governmental Funds, \$14,214 credited to the Stormwater Management Fund and \$5,326 credited to the Solid Waste Collection Fund.

Capital Assets

Capital assets, which include property, plant, and equipment are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets are depreciated except for land. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	20 to 50 years
Equipment	5 to 20 years
Infrastructure	20 to 50 years

Compensated Absences

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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

The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds, a liability is recorded for compensated absences only if they have matured, for example, as a result of employee resignations and/or retirements.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – spendable resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Committed – spendable resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, City Council. This is done by ordinance by City Council.

Assigned – resources that are intended to be used for specific purposes as approved through the City's formal purchasing procedure by the Finance Director.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenditures for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

The City applies restricted resources first when an expenditure is incurred for purposes, which both restricted and unassigned fund balances are available. The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unassigned fund balance classifications could be used.

Net Position

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$4,391,715 in restricted net position, none was restricted by enabling legislation.

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.

As a general rule, the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated through the process of consolidation.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Estimates

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

Note 3 – Equity in Pooled Cash and Investments

Cash resources of several individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the City into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies - Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies - 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but not limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2016, \$1,641,015 of the City's bank balance of \$1,891,015 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

Investments

As of December 31, 2016, the City had the following investments:

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City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

	Value	Fair Value Hierarchy	Weighted Average Maturity (Years)
Certificates of Deposit	\$8,458,968	Level 2	2.75
Federal Home Loan Mortgage	499,210	Level 2	1.49
STAR Ohio	99,605	N/A	0.13
Money Market Funds	53,331	N/A	0.00
	<u>\$9,111,114</u>		
Portfolio Weighted Average Maturity			2.64

The City categorizes its fair value measurements with 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, 2016. STAR Ohio is reported at its share price (Net Asset value per share).

Interest Rate Risk - 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 to two years, unless matched to a specified obligation or debt of the City.

Credit Risk - It is the City's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in Federal Home Loan Mortgage were rated AA+ by Standard and Poor's and Fitch ratings and Aaa by Moody's Investor Service. Certificates of Deposit and Money Market Funds were not rated. Investments in STAR Ohio were rated AAAM by Standard & Poor's.

Concentration of Credit Risk - The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 92.8% in Certificates of Deposit, 5.5% in Federal Home Loan Mortgage, 1.1% in STAR Ohio and 0.6% in Money Market Funds.

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. All of the City's securities are either insured and registered in the name of the City or at least registered in the name of the City.

Note 4 – Receivables

Receivables at year end consisted primarily of taxes receivable, interest receivable, intergovernmental receivable, interfund receivable and accounts receivable.

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2016 for real and public utility property taxes represents collections of the 2015 taxes.

The 2016 real property taxes are levied after October 1, 2016, on the assessed value as of January 1, 2016, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2016 real property taxes are collected in and intended to finance 2016 operations.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. The 2016 public utility property taxes became a lien on December 31, 2015, are levied after October 1, 2016, and are collected in 2016 with real property taxes.

The assessed values of real and public utility personal property upon which current year property tax receipts were based are as follows:

	<u>Amount</u>
Real Property	\$289,859,200
Public Utility	<u>14,305,860</u>
Total	<u><u>\$304,165,060</u></u>

Real property taxes are payable annually or semi-annually. The first payment is due on January 20 with the remainder payable by June 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of year end for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at year end, nor were they levied to finance current year operations. The receivable is therefore offset by deferred inflows.

Income Taxes

Income taxes are imposed at the rate of one and one-half percent (1.50%) per annum on salaries, wages, commissions, other compensation, and net profits. When a resident of the City is subject to a municipal income tax in another municipality, township, or county, the resident receives a credit not to exceed three hundred seventy-five thousandths of one percent (.375%) against the tax imposed on the earnings taxed by such a municipality, township, or county.

Each taxpayer is required to file a return on or before April 15th of each year for the prior year. When the return is filed for a fiscal year or other period different from a calendar year, the return shall be filed within four months from the end of such fiscal year or period.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Note 5 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial general liability insurance against these risks and all other risks of loss, including workers' compensation and employee health and accident insurance.

There have been no significant reductions in insurance coverage from that of prior years and settlements have not exceeded insurance coverage for any of the past three fiscal years.

Note 6 – Capital Assets

Capital asset activity for the current year end was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$14,098,228	\$287,251	\$0	\$14,385,479
Construction in Progress	2,473,239	0	2,473,239	0
Total Capital Assets, not being depreciated	<u>16,571,467</u>	<u>287,251</u>	<u>2,473,239</u>	<u>14,385,479</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	8,208,802	117,979	281,535	8,045,246
Equipment	7,978,314	873,039	151,706	8,699,647
Infrastructure	40,762,050	4,501,158	229,965	45,033,243
Totals at Historical Cost	<u>73,520,633</u>	<u>5,779,427</u>	<u>3,136,445</u>	<u>76,163,615</u>
Less Accumulated Depreciation:				
Buildings and Improvements	3,722,905	309,061	281,535	3,750,431
Equipment	5,467,356	330,727	8,000	5,790,083
Infrastructure	21,282,454	1,248,091	212,979	22,317,566
Total Accumulated Depreciation	<u>30,472,715</u>	<u>1,887,879</u>	<u>502,514</u>	<u>31,858,080</u>
Governmental Activities Capital Assets, Net	<u>\$43,047,918</u>	<u>\$3,891,548</u>	<u>\$2,633,931</u>	<u>\$44,305,535</u>

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City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$102,798	\$76,982	\$0	\$179,780
Construction in Progress	51,573	0	42,618	8,955
Total Capital Assets, not being depreciated	<u>154,371</u>	<u>76,982</u>	<u>42,618</u>	<u>188,735</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	48,616	0	0	48,616
Equipment	75,764	0	11,486	64,278
Infrastructure	1,343,834	820,091	98,347	2,065,578
Totals at Historical Cost	<u>1,622,585</u>	<u>897,073</u>	<u>152,451</u>	<u>2,367,207</u>
Less Accumulated Depreciation:				
Buildings and Improvements	8,805	2,370	0	11,175
Equipment	61,579	4,609	11,486	54,702
Infrastructure	157,233	183,957	98,347	242,843
Total Accumulated Depreciation	<u>227,617</u>	<u>190,936</u>	<u>109,833</u>	<u>308,720</u>
Business-Type Activities Capital Assets, Net	<u><u>\$1,394,968</u></u>	<u><u>\$706,137</u></u>	<u><u>\$42,618</u></u>	<u><u>\$2,058,487</u></u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$90,675
Public Safety	474,866
Leisure Time	41,544
Transportation	1,280,794
Total Depreciation Expense	<u><u>\$1,887,879</u></u>

Note 7 – Compensated Absences

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service. All employees may accrue a maximum of 25 days. Vacation days may not be carried over from year to the next without the approval of the City Manager. In the event of a termination of employment, death, or retirement, employees (or their estates) are paid for unused vacation leave.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of 10 hours per complete month of service (12 hours for Fire union employees). A maximum of 1,800 hours may be carried from one year to the next. Any hours over 1,800 accrued and not taken may be paid or used on a one for three basis by the end of the year. In the case of death or retirement, employees (or the employees' estates) are paid for one half of their accumulated leave with 900 hours being the maximum amount paid.

Accumulated Unpaid Compensatory Time

From time to time, employees may need, with prior approval from their supervisors, to work overtime. These overtime hours will usually be paid at the appropriate overtime rate; however, with permission of the supervisor, an employee may have the option of taking the overtime in compensatory time at one and one half times the amount of hours worked.

Note 8 – Notes Payable

A summary of the note transactions for the current year end are as follows:

		Beginning Balance	Additions	Deletions	Ending Balance
Bond Anticipation Notes:					
Governmental Activities:					
Various Purpose Bond Anticipation Notes	1.25%	\$3,795,000	\$0	(\$3,795,000)	\$0
Various Purpose Bond Anticipation Notes	1.25%	0	3,445,000	0	3,445,000
Total Governmental Activities		<u>\$3,795,000</u>	<u>\$3,445,000</u>	<u>(\$3,795,000)</u>	<u>\$3,445,000</u>

These bond anticipation notes were issued to finance road improvements and various other improvements throughout the City.

All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and mature within one year. The note liability is reflected in the fund which received the proceeds.

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City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Note 9 – Long-Term Debt

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities					
<u>Unvoted General Obligation Bonds and Notes</u>					
3.89% Refunding of Various Purpose	\$1,015,000	\$0	(\$240,000)	\$775,000	\$250,000
Premium on Refunding	51,892	0	(14,153)	37,739	0
2.50% Technology Equipment Note	75,000	0	(75,000)	0	0
Total Bonds and Notes	<u>1,141,892</u>	<u>0</u>	<u>(329,153)</u>	<u>812,739</u>	<u>250,000</u>
Capital Lease	329,265	1,677,977	(333,724)	1,673,518	452,574
Net Pension Liability:					
OPERS	2,579,211	1,149,640	0	3,728,851	0
OP&F	12,338,039	2,820,526	0	15,158,565	0
Total Net Pension Liability	<u>14,917,250</u>	<u>3,970,166</u>	<u>0</u>	<u>18,887,416</u>	<u>0</u>
Total Long-Term Debt	16,388,407	5,648,143	(662,877)	21,373,673	702,574
Compensated Absences	404,605	213,938	(232,004)	386,539	125,920
Total Governmental Activities	<u>16,793,012</u>	<u>5,862,081</u>	<u>(894,881)</u>	<u>21,760,212</u>	<u>828,494</u>
Business-Type Activities					
Net Pension Liability:					
OPERS	304,845	135,878	0	440,723	0
Total Net Pension Liability	<u>304,845</u>	<u>135,878</u>	<u>0</u>	<u>440,723</u>	<u>0</u>
Compensated Absences	65,127	6,923	(26,572)	45,478	5,826
Total Business-Type Activities	<u>\$369,972</u>	<u>\$142,801</u>	<u>(\$26,572)</u>	<u>\$486,201</u>	<u>\$5,826</u>

The funds which will be used to pay the Compensated Absences are as follows: General Fund, Street Fund, Fire Fund, and Stormwater Management Utility Fund and Solid Waste Collection Fund. The funds which will be used to pay the bonds, note, and lease are as follows: Carillon Business Park TIF Fund, Debt Service Fund and Police Capital Equipment Fund.

Principal and interest requirements to retire the City's long-term obligations outstanding at year-end are as follows:

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City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Year Ending December 31	General Obligation Bonds and Notes	
	Principal	Interest
2017	\$250,000	\$32,350
2018	255,000	22,350
2019	270,000	12,150
Total	<u>\$775,000</u>	<u>\$66,850</u>

The City is subject to certain constitutional and statutory general obligation debt limitations. As of December 31, 2016, the City has not exceeded the debt limitations.

Note 10 – Capitalized Leases – Lessee Disclosure

The City entered into capital leases for vehicles and equipment.

Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reflected as program expenditures on a budgetary basis.

General capital assets consisting of equipment have been capitalized in the amount of \$1,673,518 which equals the present value of the future minimum lease payments at the time of acquisition.

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, 2016.

Year	Long-Term Debt
2017	\$481,870
2018	444,247
2019	316,157
2020	270,305
2021	192,555
2022	41,835
Total minimum lease payments	1,746,969
Less: Amount representing interest	(73,451)
Present value of minimum lease payments	<u>\$1,673,518</u>

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Note 11 - 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 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 obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

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

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent

City of Forest Park, Ohio
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For The Year Ended December 31, 2016

simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
2016 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
 2016 Actual Contribution Rates			
Employer:			
Pension	12.0 %	16.1 %	16.1 %
Post-employment Health Care Benefits	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Total Employer	<u><u>14.0 %</u></u>	<u><u>18.1 %</u></u>	<u><u>18.1 %</u></u>
 Employee	<u><u>10.0 %</u></u>	<u><u>12.0 %</u></u>	<u><u>13.0 %</u></u>

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City contractually required contribution was \$377,987 for 2016. Of this amount \$51,188 is reported as an accrued wage and benefits.

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

Plan Description - City full-time police and firefighters 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.

City of Forest Park, Ohio
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For The Year Ended December 31, 2016

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

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

Under normal service retirement, retired members who are at least 55 years old and have been receiving 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 retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

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

	<u>Police</u>	<u>Firefighters</u>
2016 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2016 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,068,549 for 2016. Of this amount \$103,291 is reported as an accrued wage and benefits.

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

The net pension liability for OPERS was measured as of December 31, 2015, 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, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. The City

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

proportion of the net pension liability was based on the City share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$4,169,574	\$15,158,565	\$19,328,139
Proportion of the Net Pension Liability	0.024072%	0.235635%	
Pension Expense	\$581,669	\$2,067,883	\$2,649,552

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources:			
Net difference between projected and actual earnings on pension plan investments	\$1,225,595	\$2,467,233	\$3,692,828
Changes in proportion and differences between City contributions and proportionate share of contributions	12,732	0	12,732
City contributions subsequent to the measurement date	<u>377,987</u>	<u>1,068,549</u>	<u>1,446,536</u>
Total Deferred Outflows of Resources	<u>\$1,616,314</u>	<u>\$3,535,782</u>	<u>\$5,152,096</u>
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$80,564	\$42,565	\$123,129
Changes in employer proportion and differences between contributions and proportionate share of contributions	<u>0</u>	<u>107,945</u>	<u>107,945</u>
Total Deferred Inflows of Resources	<u>\$80,564</u>	<u>\$150,510</u>	<u>\$231,074</u>

\$1,446,536 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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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For The Year Ended December 31, 2016

Year Ending December 31:	OPERS	OP&F	Total
2017	\$273,924	\$620,690	\$894,614
2018	293,521	620,690	914,211
2019	312,965	620,690	933,655
2020	277,352	489,164	766,516
2021	0	(29,000)	(29,000)
Thereafter	0	(5,510)	(5,510)
Total	<u>\$1,157,762</u>	<u>\$2,316,724</u>	<u>\$3,474,486</u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of the 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, 2015, using the following actuarial assumptions 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 valuations are presented below:

<u>Key Methods and Assumptions Used in Valuation of Total Pension Liability</u>	
<u>Actuarial Information</u>	<u>Traditional Pension Plan</u>
Valuation Date	December 31, 2015
Experience Study	5 year period ending December 31, 2010
Actuarial Cost Method	Individual Entry Age
Actuarial Assumptions:	
Investment Rate of Return	8.00%
Wage Inflation	3.75%
Projected Salary Increases	4.25% - 10.05% (includes wage inflation at 3.75%)
Cost-of-Living Adjustments:	
Pre 1/7/2013 Retirees	3.00% Simple,
Post 1/7/2013 Retirees	3.00% Simple,
Through 2018, then	2.80% Simple.

Mortality rates are the RP-2000 mortality table projected 20 years using Projection Scale AA. For males, 105% of the combined healthy male mortality rates were used. For females, 100% of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances

City of Forest Park, Ohio
Notes to the Basic Financial Statements
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were based on the RP-2000 mortality table with no projections. For males, 120% of the disabled female mortality rates were used, set forward two years. For females, 100% of the disabled female mortality rates were used.

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.

OPERS manages investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust 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, the annuitized accounts of the Member-Directed Plan, and the VEBA Trust. 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 money-weighted rate of return, net of investment expense, for the Defined Benefit portfolio is 0.4% for 2015.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The following table displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.27 %

Discount Rate

The discount rate used to measure the total pension liability was 8.0% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Sensitivity of the City Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the net pension liability or asset calculated using the discount rate of 8.0%, and the expected net pension liability or asset if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate:

	1% Decrease <u>7.00%</u>	Current Discount Rate <u>8.00%</u>	1% Increase <u>9.00%</u>
City's proportionate share of the net pension liability:			
OPERS	\$6,643,150	\$4,169,574	\$2,083,191

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2015, are presented below:

Valuation Date	January 1, 2015
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25%
Projected Salary Increases	4.25% through 11% percent
Payroll Increases	3.75%
Inflation Assumptions	3.25%
Cost of Living Adjustments	2.60% and 3.00%, simple

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

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return

City of Forest Park, Ohio
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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, 2015 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return**	30 Year Expected Real Rate of Return**
Domestic Equity	16.00 %	4.47 %	7.80 %
Non-US Equity	16.00	4.47	8.00
Core Fixed Income*	20.00	1.62	5.35
Global Inflation Protected Securities*	20.00	1.33	4.73
High Yield	15.00	3.39	7.21
Real Estate	12.00	3.93	7.43
Private Markets	8.00	6.98	10.73
Timber	5.00	4.92	7.35
Master Limited Partnerships	8.00	7.03	10.75
Total	120.00 %		

Note: Assumptions are geometric

* levered 2x

** Numbers include inflation

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

Discount Rate

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

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as

City of Forest Park, Ohio
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For The Year Ended December 31, 2016

well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability :			
OP&F	\$19,992,116	\$15,158,565	\$11,064,071

Note 12 – Post Employment Benefits

Ohio Public Employees Retirement System

Plan Description

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, 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. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the Member-Directed Plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 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 45. Please see the Plan Statement in the OPERS 2015 CAFR for details. 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 OPERS Board of Trustees (OPERS Board) in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. 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 2016, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at 18.1%. 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 2.0% during calendar year 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0% 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 2016 was 4.0%.

Information from City's Records

The rates stated in Funding Policy, above, are the contractually required contribution rates for OPERS. The City's actual contributions for the current year, which were used to fund postemployment benefits, were \$53,977 for 2016, \$59,896 for 2015, and \$62,465 for 2014. The full amount has been contributed for 2016, 2015 and 2014.

Ohio Police and Fire Pension Fund

Plan Description

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost sharing, multiple-employer defined post-employment healthcare plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement healthcare coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The healthcare coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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 healthcare 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. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164, or by visiting the OP&F website at www.op-f.org.

City of Forest Park, Ohio
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For The Year Ended December 31, 2016

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% and 24.0% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of the covered payroll for police employer units and 24.0% 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. One for health care benefits under IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

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 Section 401(h) account as the employer contribution for retiree healthcare benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2016 thru December 31, 2016. The amount of employer contributions allocated to the healthcare 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 also is authorized to establish requirements for contributions to the healthcare 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.

Information from City's Records

The City's contributions to OP&F for the year ending December 31, 2016 was \$25,415, December 31, 2015 was \$24,602; and December 31, 2014 was \$24,454. The actual contributions for 2016, 2015 and were 100%.

Note 13 – Jointly Governed Organization

The Waycross Community Programming Board is a jointly governed organization among the City of Forest Park, Village of Greenhills, and Springfield Township that was formed during 1982. The jointly governed organization was formed for the purpose of providing community programming and cable regulatory services for their citizens. The Board of Directors is comprised of a chairman and fifteen individuals drawn from local residents of the three communities. Each community has five members on the Board (the chairman is not a resident of any of the communities). The degree of control exercised by any participating city or township is limited to its representation by their citizens. Elected officials of the three communities appoint individuals to serve on the Community Programming Board of Directors. The Board of Directors' responsibilities include establishment and review of programming policies, resolution of policy disputes and questions of equal treatment for access users, fiscal controls and the creation and promotion of the media center and Community Access channels. In addition, the Community Programming Board coordinates regulatory efforts for member communities and provides expertise on other matters regarding the local cable system(s) and other forms of electronic communications.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

The Community Programming Board is not locked into services for these three entities alone. Communities may leave the joint effort or other communities could join. In 2011, Waycross entered into a contract with Colerain Township to provide community programming to its residents.

The Communities involved have directed Time Warner Cable to pay the Community Programming Board for the use of the streets and other facilities in the operation of the Cable Television System during the life of the franchise a sum equal to five percent of the Gross Revenues for each and every quarter year of the franchise term.

It should be noted that the franchise costs are paid directly by those who subscribe to the cable service. The fees are collected by Time Warner Cable and they have been directed by the participating communities to pay the franchise fees (which would otherwise go to the participating communities) to the Community Programming Board.

The City serves as the fiscal agent for the Community Programming Board. As of January 1, 2015, the Community Programming Board separated off into its own entity and is no longer recorded as an agency fund on the City's financial statements.

Note 14 – Interfund Transactions

Individual funds at year end, consisted of the following individual transfers in and transfers out and interfund receivable and interfund payable:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$0	\$0	\$0	\$776,875
Fire Fund	0	275,000	0	0
Economic Development Fund	0	0	400,000	0
Other Governmental Funds	275,000	0	376,875	0
Total All Funds	<u>\$275,000</u>	<u>\$275,000</u>	<u>\$776,875</u>	<u>\$776,875</u>

Interfund balance/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budget authorizations, to segregate and to return money to the fund from which it was originally provided once a project is completed. All transfers noted above met the requirements of the Ohio Revised Code.

Note 15 – Special Obligation Development Revenue Bonds

During 2004, the City entered into an agreement with Cincinnati Mills L.L.C., the Port of Greater Cincinnati Development Authority, the City of Fairfield, the Winton Woods City School District, the Northwest Local School District, and the Fairfield City School District. The agreement provides for a Tax Increment Financing (TIF) project for the Cincinnati Mall located in both the City of Forest Park and the City of Fairfield. The proceeds will be used for Public Parking and Infrastructure improvements on the Cincinnati Mall site. The agreement is for thirty years and bonds were issued in the name of the Port of Greater Cincinnati Development Authority in the amount of \$18,000,000. Debt service for the issue will

City of Forest Park, Ohio
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For The Year Ended December 31, 2016

be from the TIF as well as a Special Assessment District which includes the areas benefiting from the improvements. In March 2010, the Port Authority, Bond Trustee and new mall owners entered into a new forbearance agreement. These bonds are not a liability, nor are the proceeds of the issued bonds and assets of the City and, accordingly, they are not reflected on the City's financial records.

Note 16 – Contingent Liabilities

Litigation

The City management is of the opinion that the ultimate disposition of claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

Federal and State Grants

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2016, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

Note 17 – Accountability

The following individual funds had deficit fund balances at year end:

<u>Funds</u>	<u>Deficit</u>
Major Fund:	
Carillon Business Park TIF Fund	\$552,343
Cobblewood TIF Fund	932,909
Economic Development Fund	1,609,338

The deficit in fund balance was solely the result of GAAP accruals. The general fund is liable for any deficit in these funds and will provide transfers when cash is required not when accruals occur.

Note 18 – Construction And Other Commitments

As of December 31, 2016, the City had the following commitments with respect to capital projects:

<u>Project</u>	<u>Open PO Amount as of 12/31/2016</u>
Tennis Courts	1,000
Total Contractual Commitments	<u>\$1,000</u>

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

City of Forest Park, Ohio
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For The Year Ended December 31, 2016

<u>Fund</u>	<u>Amount</u>
General	\$166,652
Fire	53,948
Carillon Business Park TIF	10,926
Economic Development	210
Nonmajor Funds	<u>119,187</u>
Total	<u><u>\$350,923</u></u>

Note 19 – Fund Balances

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 government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

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City of Forest Park, Ohio
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For The Year Ended December 31, 2016

Fund Balances	General	Fire	Carillon Business Park TIF	Economic Development	Other Governmental Funds	Total
Nonspendable:						
Prepays	\$34,326	\$2,556	\$0	\$0	\$13,189	\$50,071
Total Nonspendable	34,326	2,556	0	0	13,189	50,071
Restricted for:						
Fire	\$0	\$1,318,405	\$0	\$0	\$0	\$1,318,405
Street	0	0	0	0	889,247	889,247
State Highway	0	0	0	0	213,694	213,694
Law Enforcement Trust	0	0	0	0	50,012	50,012
Law Enforcement Grant	0	0	0	0	18,560	18,560
Health Care Reserve	0	0	0	0	62,846	62,846
Home Improvement	0	0	0	0	6,719	6,719
Fire Department Trust	0	0	0	0	59,304	59,304
Court Automation	0	0	0	0	18,645	18,645
Peace Officer Training	0	0	0	0	5,440	5,440
Promenade TIF	0	0	0	0	49,766	49,766
We Thrive Forest Park!	0	0	0	0	13,975	13,975
Capital Improvement	0	0	0	0	47,259	47,259
Fire Capital	0	0	0	0	779,364	779,364
Total Restricted	0	1,318,405	0	0	2,214,831	3,533,236
Committed to:						
Police Capital Equipment	0	0	0	0	47,190	47,190
Total Committed	0	0	0	0	47,190	47,190
Assigned to:						
Debt Service	0	0	0	0	15,943	15,943
Encumbrances	115,249	0	0	0	0	115,249
Total Assigned	115,249	0	0	0	15,943	131,192
Unassigned (Deficit)	4,977,310	0	(552,343)	(1,609,338)	(932,909)	1,882,720
Total Fund Balance	\$5,126,885	\$1,320,961	(\$552,343)	(\$1,609,338)	\$1,358,244	\$5,644,409

Encumbrances (assigned) will be used for \$7,818 for travel and conference expenses, \$25,601 for printing and office supplies, \$14,911 for legal services, \$21,031 for police car supplies, \$26,619 for tree removal, \$14,892 for park maintenance, and \$4,377 for equipment rental.

Note 20 – Tax Abatements

As of December 31, 2016, the City provides tax abatements through the Community Reinvestment Area (CRA) and Ohio Enterprise Zone Area (EZA) Program:

The Ohio Community Reinvestment Area program (established by Ordinance 66-98) with is an economic

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

development tool administered by the City that provides real property tax exemptions for property owners who renovate existing or construct new buildings. Under Ohio Revised Code section 3765 to 3735.70, city, village or county can petition the Ohio Department of Development to confirm that investment in a particular geographical area. Once the Department has confirmed the investment in the area, the community may offer real estate tax exemptions to taxpayers who are willing to invest in the area. Up to 12 years may be exempt for commercial and industrial remodeling and up to 15 years may be exempt for new construction. State law requires reimbursement agreements with school districts for tax revenue losses for CRA in place after 1994. It is the City's policy to have reimbursement agreements with school districts for any CRA prior to 1994. Payments in lieu of taxes paid by the property owner directly to the school districts as required by the agreement are not reduced from the total amount of taxes abated.

The Ohio Enterprise Zone Areas (established by Ordinance 13-88) are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investments. EZAs are not part of the traditional zoning program, which limits the use of land, instead they allow local officials to negotiate with businesses to encourage new business investment in the zone. The EZA serves as an additional economic development tool for communities attempting to retain and expand their economic base. The EZA is a contract between the City and the company. The zone's geographic area is identified by the local communities involved in the creation of the zone. Once a zone is defined, the local legislative authority participating in the creation must petition the director of the Development Services Agency. The director must then certify the area for it to become an active Enterprise Zone. Tax incentives are negotiated at the local level, and an enterprise zone agreement must be in place before the project begins. Businesses interested in pursuing these incentives should contact the local Enterprise Zone Manager.

Tax Abatement Programs	City's Share of Taxes Abated
Enterprise Zone Area:	
Ameritas	\$141,176
Cincinnati Testing Laboratories, Inc.	87,836
CTL Engineering	6,877
TP Mechanical Contractors, Inc.	5,493
	\$241,382

The abatements will be terminated if the property is deemed delinquent, behind on payments, or the terms and conditions of the CRA or EZA are not adhered to and no recapture provisions noted.

Note 21 – Implementation of New Accounting Principles

For the fiscal year ended December 31, 2016, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, GASB Statement No. 77, *Tax Abatement Disclosures* and GASB Statement No. 79, *Certain*

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

External Investment Pools and Pool Participants.

GASB Statement No. 72 clarifies the definition of fair value for financial reporting purposes, establishes general principles for measuring fair value, provides additional fair value application guidance, and enhances disclosures about fair value measurements. These changes were incorporated in the City's note disclosures.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of GASB Statement No. 68 as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also clarifies the application of certain provisions of GASB Statements 67 and 68. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the City.

GASB Statement No. 76 reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the City.

GASB Statement No. 77 establishes improved financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition. The implementation of GASB Statement No 77 did not have an effect on the financial statements of the City.

GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of GASB Statement No. 79 did not have an effect on the financial statements of the City.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Forest Park, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Public Employees Retirement System - Traditional Plan
 Last Three Fiscal Years (1)

	2016	2015	2014
City's Proportion of the Net Pension Liability	0.02407200%	0.02391200%	0.02391200%
City's Proportionate Share of the Net Pension Liability	\$4,169,574	\$2,884,055	\$2,818,913
City's Covered-Employee Payroll	\$3,495,358	\$2,941,317	\$3,469,046
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	119.29%	98.05%	81.26%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

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

City of Forest Park, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Police and Fire Pension Fund
 Last Three Fiscal Years (1)

	2016	2015	2014
City's Proportion of the Net Pension Liability	0.2356350%	0.2381669%	0.2381669%
City's Proportionate Share of the Net Pension Liability	\$15,158,565	\$12,338,038	\$11,599,475
City's Covered-Employee Payroll	\$5,138,492	\$4,895,447	\$5,678,150
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	295.00%	252.03%	204.28%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	72.20%	73.00%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

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

City of Forest Park, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Public Employees Retirement System - Traditional Plan
 Last Three Fiscal Years (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$377,987	\$419,443	\$352,958
Contributions in Relation to the Contractually Required Contribution	<u>(377,987)</u>	<u>(419,443)</u>	<u>(352,958)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$3,149,892	\$3,495,358	\$2,941,317
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	12.00%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

City of Forest Park, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Police and Fire Pension Fund
 Last Three Fiscal Years (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$1,068,549	\$1,032,323	\$996,713
Contributions in Relation to the Contractually Required Contribution	<u>(1,068,549)</u>	<u>(1,032,323)</u>	<u>(996,713)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$5,623,942	\$5,138,492	\$4,895,447
Contributions as a Percentage of Covered-Employee Payroll	19.00%	20.09%	20.36%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Taxes	\$914,368	\$914,368	\$959,165	\$44,797
Income Taxes	9,821,606	9,821,606	10,302,786	481,180
Charges for Services	65,928	65,928	69,158	3,230
Investment Earnings	44,527	44,527	46,708	2,181
Intergovernmental	308,070	308,070	323,163	15,093
Special Assessments	1,945	1,945	2,040	95
Fines, Licenses & Permits	310,789	310,789	326,015	15,226
Revenue in Lieu of Taxes	18	18	19	1
Other Revenues	99,630	99,630	104,511	4,881
Total Revenues	11,566,881	11,566,881	12,133,565	566,684
Expenditures:				
Current:				
<u>General Government</u>				
City Council:				
Personal Services	145,971	154,539	136,455	18,084
Contractual Services	81,583	86,372	76,265	10,107
Supplies and Materials	681	721	637	84
Total City Council	228,235	241,632	213,357	28,275
Mayor's Court:				
Personal Services	78,229	82,821	73,129	9,692
Contractual Services	52,083	55,141	48,688	6,453
Supplies and Materials	1,125	1,191	1,052	139
Total Mayor's Court	131,437	139,153	122,869	16,284
City Manager:				
Personal Services	455,113	481,828	425,444	56,384
Contractual Services	61,557	65,170	57,544	7,626
Supplies and Materials	1,847	1,956	1,727	229
Total City Manager	518,517	548,954	484,715	64,239
Finance/Tax:				
Personal Services	936,365	991,329	875,323	116,006
Contractual Services	158,284	167,575	147,965	19,610
Supplies and Materials	15,192	16,084	14,202	1,882
Total Finance/Tax	1,109,841	1,174,988	1,037,490	137,498
Human Resources:				
Personal Services	172,976	183,130	161,700	21,430
Contractual Services	19,391	20,529	18,127	2,402
Supplies and Materials	87	92	81	11
Total Human Resources	192,454	203,751	179,908	23,843

Continued

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Information Services:				
Personal Services	115,764	122,559	108,217	14,342
Contractual Services	130,337	137,987	121,840	16,147
Supplies and Materials	2,524	2,672	2,359	313
Total Information Services	<u>248,625</u>	<u>263,218</u>	<u>232,416</u>	<u>30,802</u>
Other:				
Personal Services	2,432	2,574	2,273	301
Contractual Services	307,688	325,749	287,630	38,119
Other	77,573	82,127	72,516	9,611
Total Other	<u>387,693</u>	<u>410,450</u>	<u>362,419</u>	<u>48,031</u>
 Total General Government	 <u>2,816,802</u>	 <u>2,982,146</u>	 <u>2,633,174</u>	 <u>348,972</u>
 <u>Public Safety</u>				
Police Department:				
Personal Services	5,373,299	5,688,708	5,023,011	665,697
Contractual Services	299,431	317,007	279,911	37,096
Supplies and Materials	56,095	59,388	52,438	6,950
Total Police Department	<u>5,728,825</u>	<u>6,065,103</u>	<u>5,355,360</u>	<u>709,743</u>
 Total Public Safety	 <u>5,728,825</u>	 <u>6,065,103</u>	 <u>5,355,360</u>	 <u>709,743</u>
 <u>Leisure Time Activities</u>				
Activity & Senior Centers:				
Contractual Services	56,472	59,787	52,791	6,996
Supplies and Materials	826	874	772	102
Total Activity & Senior Centers	<u>57,298</u>	<u>60,661</u>	<u>53,563</u>	<u>7,098</u>
Recreation:				
Personal Services	38,332	40,582	35,833	4,749
Contractual Services	27,470	29,082	25,679	3,403
Supplies and Materials	2,014	2,133	1,883	250
Total Recreation	<u>67,816</u>	<u>71,797</u>	<u>63,395</u>	<u>8,402</u>

Continued

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Park Maintenance:				
Personal Services	98,133	103,894	91,736	12,158
Contractual Services	42,849	45,365	40,056	5,309
Supplies and Materials	10,030	10,619	9,376	1,243
Total Park Maintenance	<u>151,012</u>	<u>159,878</u>	<u>141,168</u>	<u>18,710</u>
 Total Leisure Time Activities	 <u>276,126</u>	 <u>292,336</u>	 <u>258,126</u>	 <u>34,210</u>
 <u>Community Environment</u>				
Economic Development Department:				
Personal Services	165,941	175,681	155,123	20,558
Contractual Services	23,106	24,463	21,600	2,863
Supplies and Materials	214	227	200	27
Total Economic Development Department	<u>189,261</u>	<u>200,371</u>	<u>176,923</u>	<u>23,448</u>
 Community Development Department:				
Personal Services	271,362	287,291	253,672	33,619
Contractual Services	12,527	13,262	11,710	1,552
Supplies and Materials	749	793	700	93
Total Community Development Department	<u>284,638</u>	<u>301,346</u>	<u>266,082</u>	<u>35,264</u>
 Beautification:				
Contractual Services	87,731	92,881	82,012	10,869
Supplies and Materials	865	916	809	107
Total Beautification	<u>88,596</u>	<u>93,797</u>	<u>82,821</u>	<u>10,976</u>
 Community Services:				
Contractual Services	18,326	19,401	17,131	2,270
Supplies and Materials	214	227	200	27
Total Community Services	<u>18,540</u>	<u>19,628</u>	<u>17,331</u>	<u>2,297</u>
 Building Department:				
Personal Services	167,058	176,864	156,167	20,697
Contractual Services	49,987	52,921	46,728	6,193
Supplies and Materials	2,216	2,347	2,072	275
Total Building Department	<u>219,261</u>	<u>232,132</u>	<u>204,967</u>	<u>27,165</u>
 Total Community Environment	 <u>800,296</u>	 <u>847,274</u>	 <u>748,124</u>	 <u>99,150</u>
 <u>Public Works and Streets</u>				
Equipment Maintenance:				
Personal Services	274,998	291,140	257,071	34,069
Contractual Services	17,607	18,640	16,459	2,181
Supplies and Materials	147,481	156,138	137,867	18,271
Total Equipment Maintenance	<u>440,086</u>	<u>465,918</u>	<u>411,397</u>	<u>54,521</u>

Continued

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Public Works:				
Personal Services	277,156	293,425	259,088	34,337
Contractual Services	62,727	66,409	58,638	7,771
Supplies and Materials	1,506	1,595	1,408	187
Total Public Works	<u>341,389</u>	<u>361,429</u>	<u>319,134</u>	<u>42,295</u>
Engineering:				
Personal Services	48,325	51,162	45,175	5,987
Contractual Services	24,228	25,651	22,649	3,002
Supplies and Materials	72,821	77,096	68,074	9,022
Total Engineering	<u>145,374</u>	<u>153,909</u>	<u>135,898</u>	<u>18,011</u>
Street Lighting:				
Contractual Services	109,926	116,379	102,760	13,619
Total Street Lighting	<u>109,926</u>	<u>116,379</u>	<u>102,760</u>	<u>13,619</u>
Municipal Building and Grounds:				
Personal Services	61,853	65,484	57,821	7,663
Contractual Services	155,285	164,400	145,162	19,238
Supplies and Materials	12,730	13,477	11,900	1,577
Total Municipal Building and Grounds	<u>229,868</u>	<u>243,361</u>	<u>214,883</u>	<u>28,478</u>
Total Public Works and Streets	<u>1,266,643</u>	<u>1,340,996</u>	<u>1,184,072</u>	<u>156,924</u>
Total Expenditures	<u>10,888,692</u>	<u>11,527,855</u>	<u>10,178,856</u>	<u>1,348,999</u>
Excess of Revenues Over (Under) Expenditures	<u>678,189</u>	<u>39,026</u>	<u>1,954,709</u>	<u>1,915,683</u>
Other Financing Sources (Uses):				
Advances In	285,989	285,989	300,000	14,011
Advances (Out)	(320,921)	(339,759)	(300,000)	39,759
Transfers In	22,448	22,448	23,548	1,100
Transfers (Out)	(831,052)	(879,834)	(776,875)	102,959
Total Other Financing Sources (Uses)	<u>(843,536)</u>	<u>(911,156)</u>	<u>(753,327)</u>	<u>157,829</u>

Continued

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Net Change in Fund Balance	(165,347)	(872,130)	1,201,382	2,073,512
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>3,265,011</u>	<u>3,265,011</u>	<u>3,265,011</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$3,099,664</u></u>	<u><u>\$2,392,881</u></u>	<u><u>\$4,466,393</u></u>	<u><u>\$2,073,512</u></u>

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Fire Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Taxes	\$3,777,727	\$4,376,993	\$4,513,614	\$136,621
Charges for Services	302,863	350,907	361,860	10,953
Investment Earnings	3,415	3,957	4,080	123
Intergovernmental	278,144	322,267	332,326	10,059
Fines, Licenses & Permits	2,905	3,366	3,471	105
Revenue in Lieu of Taxes	79	91	94	3
Other Revenues	5,474	6,342	6,540	198
Total Revenues	4,370,607	5,063,923	5,221,985	158,062
Expenditures:				
Public Safety:				
Fire Department:				
Personal Services	3,744,232	4,155,861	3,695,840	460,021
Contractual Services	460,814	511,474	454,858	56,616
Supplies and Materials	214,767	238,377	211,991	26,386
Total Expenditures	4,419,813	4,905,712	4,362,689	543,023
Excess of Revenues Over (Under) Expenditures	(49,206)	158,211	859,296	701,085
Other Financing Sources (Uses):				
Advances In	899,735	1,042,461	1,075,000	32,539
Advances (Out)	(810,475)	(899,576)	(800,000)	99,576
Total Other Financing Sources (Uses)	89,260	142,885	275,000	132,115
Net Change in Fund Balance	40,054	301,096	1,134,296	833,200
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	576,396	576,396	576,396	0
Fund Balance End of Year	\$616,450	\$877,492	\$1,710,692	\$833,200

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Carillon Business Park TIF Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Investment Earnings	\$1,685	\$1,685	\$1,445	(\$240)
Revenue in Lieu of Taxes	660,246	660,246	566,266	(93,980)
Total Revenues	661,931	661,931	567,711	(94,220)
Expenditures:				
General Government:				
Carillon Business Park:				
Contractual Services	34,491	35,333	32,741	2,592
Capital Outlay	52,539	53,822	49,873	3,949
Debt Service:				
Principal Retirement	1,148,275	1,176,300	1,090,000	86,300
Interest and Fiscal Charges	55,354	56,705	52,545	4,160
Total Expenditures	1,290,659	1,322,160	1,225,159	97,001
Excess of Revenues Over (Under) Expenditures	(628,728)	(660,229)	(657,448)	2,781
Other Financing Sources (Uses):				
Debt Proceeds	874,473	874,473	750,000	(124,473)
Total Other Financing Sources (Uses)	874,473	874,473	750,000	(124,473)
Net Change in Fund Balance	245,745	214,244	92,552	(121,692)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	97,192	97,192	97,192	0
Fund Balance End of Year	\$342,937	\$311,436	\$189,744	(\$121,692)

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
Notes to the Required Supplementary Information
For The Year Ended December 31, 2016

Note 1 - Budgetary Process

The City's funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance 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 control has been established by Council at the expenditure legal level of control for each fund (activity within a program within a fund).

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City. 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 issued during the year.

The appropriation ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Council during the year.

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 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures 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 an assignment of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.

City of Forest Park, Ohio
Notes to the Required Supplementary Information
For The Year Ended December 31, 2016

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund, the Fire Fund, and the Carillon Business Park TIF Fund.

Net Change in Fund Balance

	General	Fire	Carillon Business Park TIF
GAAP Basis	\$1,211,674	\$952,150	\$217,422
Revenue Accruals	543,707	8,428	(59)
Expenditure Accruals	(410,895)	(47,334)	(863,885)
Issuance of Debt	0	0	750,000
Transfers In	23,548	0	0
Advances In	300,000	1,075,000	0
Advances (Out)	(300,000)	(800,000)	0
Encumbrances	(166,652)	(53,948)	(10,926)
Budget Basis	<u>\$1,201,382</u>	<u>\$1,134,296</u>	<u>\$92,552</u>

Encumbrances

Encumbrances for purchase orders, contracts and other commitments are recorded in the governmental funds to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are reported as an assignment of the fund balances since they do not constitute expenditures or liabilities.

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COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

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MAJOR GOVERNMENTAL FUNDS

Economic Development - This fund has been used to account for the acquisition, construction and debt service for the Kemper Meadow Business Center. It may also be used for the purchase, rehabilitation, and resale of properties. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

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City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Economic Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$887,325	\$625,840	(\$261,485)
Special Assessments	32,000	22,570	(9,430)
Other Revenues	15,107	10,655	(4,452)
		0	
Total Revenues	<u>934,432</u>	<u>659,065</u>	<u>(275,367)</u>
Expenditures:			
Public Works and Streets:			
Economic Development:			
Contractual Services	28,119	21,244	6,875
Capital Outlay	1,172,338	885,714	286,624
Total Economic Development	<u>1,200,457</u>	<u>906,958</u>	<u>293,499</u>
Debt Service:			
Principal Retirement	2,442,055	1,845,000	597,055
Interest and Fiscal Charges	30,440	22,998	7,442
Total Expenditures	<u>3,672,952</u>	<u>2,774,956</u>	<u>897,996</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,738,520)</u>	<u>(2,115,891)</u>	<u>622,629</u>
Other Financing Sources (Uses):			
Debt Proceeds	2,404,537	1,695,947	(708,590)
Transfers In	567,126	400,000	(167,126)
Total Other Financing Sources (Uses)	<u>2,971,663</u>	<u>2,095,947</u>	<u>(875,716)</u>
Net Change in Fund Balance	233,143	(19,944)	(253,087)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>112,411</u>	<u>112,411</u>	<u>0</u>
Fund Balance End of Year	<u>\$345,554</u>	<u>\$92,467</u>	<u>(\$253,087)</u>

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Debt Service Funds

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Capital Projects Funds

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

City of Forest Park, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$1,315,852	\$15,943	\$640,005	\$1,971,800
Receivables (Net):				
Interest	1,429	0	879	2,308
Intergovernmental	1,719,771	0	0	1,719,771
Interfund	0	0	275,000	275,000
Prepaid Items	473	0	12,716	13,189
Total Assets	3,037,525	15,943	928,600	3,982,068
Liabilities:				
Accounts Payable	6,762	0	41,532	48,294
Accrued Wages and Benefits	23,089	0	0	23,089
Accrued Interest Payable	4,167	0	0	4,167
General Obligation Notes Payable	1,000,000	0	0	1,000,000
Total Liabilities	1,034,018	0	41,532	1,075,550
Deferred Inflows of Resources:				
Grants and Other Taxes	320,489	0	0	320,489
Revenue in Lieu of Taxes	1,226,369	0	0	1,226,369
Investment Earnings	877	0	539	1,416
Total Deferred Inflows of Resources	1,547,735	0	539	1,548,274
Fund Balances:				
Nonspendable	473	0	12,716	13,189
Restricted	1,388,208	0	826,623	2,214,831
Committed	0	0	47,190	47,190
Assigned	0	15,943	0	15,943
Unassigned	(932,909)	0	0	(932,909)
Total Fund Balances	455,772	15,943	886,529	1,358,244
Total Liabilities, Deferred Inflows and Fund Balances	\$3,037,525	\$15,943	\$928,600	\$3,982,068

City of Forest Park, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Investment Earnings	\$10,889	\$0	\$8,923	\$19,812
Intergovernmental	1,035,741	0	0	1,035,741
Fines, Licenses & Permits	12,167	0	0	12,167
Revenue in Lieu of Taxes	1,463,581	0	0	1,463,581
Other Revenues	62,896	0	30,468	93,364
Total Revenues	2,585,274	0	39,391	2,624,665
Expenditures:				
Current:				
General Government	1,281,145	0	0	1,281,145
Public Safety	52,245	0	0	52,245
Community Environment	14,605	0	0	14,605
Public Works and Streets	727,879	0	0	727,879
Capital Outlay	634,907	0	2,076,918	2,711,825
Debt Service:				
Principal	61,734	75,000	271,990	408,724
Interest and Other Charges	24,289	1,875	27,384	53,548
Total Expenditures	2,796,804	76,875	2,376,292	5,249,971
Excess of Revenues Over (Under) Expenditures	(211,530)	(76,875)	(2,336,901)	(2,625,306)
Other Financing Sources (Uses):				
Proceeds of Capital Leases	310,100	0	1,367,877	1,677,977
Transfers In	0	76,875	300,000	376,875
Total Other Financing Sources (Uses)	310,100	76,875	1,667,877	2,054,852
Net Change in Fund Balance	98,570	0	(669,024)	(570,454)
Fund Balance - Beginning of Year	357,202	15,943	1,555,553	1,928,698
Fund Balance - End of Year	\$455,772	\$15,943	\$886,529	\$1,358,244

NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

Street Fund - This fund is used to account for 92.5% of the City's share of state gasoline tax revenue and motor vehicle license fees. State law requires that such monies be spent on street construction and maintenance.

State Highway Fund - This fund is used to account for the remaining 7.5% of the City's share of state gasoline tax revenue and motor vehicle license fees. State law requires that such monies be spent on maintenance and improvement of state highways within the City.

Law Enforcement Trust Fund - This fund contains monies derived from the sale of property/automobiles seized by the police in relation to drug investigations.

Law Enforcement Grant Fund - This fund was used to account for various grants that have been received for law enforcement purposes.

Health Care Reserve Fund - This fund is established to self-fund a portion of the employee health care costs.

Home Improvement Fund - This fund is established to help eligible Forest Park residents with the home improvement expenditures. The City will be reimbursed by the Hamilton County for advances to residents for such home improvements.

Cincinnati Mall TIF Fund – This fund is used to account for the proceeds of bonds issued for the financing for the Cincinnati Mall.

Cobblewood TIF Fund - This fund is used to account for the proceeds of bonds issued for the Tax Increment Financing District with related revenues and expenditures.

Fire Department Trust Fund – This fund accounts for informal donations received that are used to enhance the department. (No legal trust has been established for this fund.)

Court Automation Fund – To account for the costs relating to Mayor’s Court computer network and the related technology infrastructure. This fund is established in 2007 pursuant to Ohio Revised Code 1907.261.

Peace Officer Training Fund – To account for receipt and disbursement of funds received for peace officer training purposes.

Promenade TIF Fund – To account for the proceeds of bonds issued for the Tax Increment Financing District with related revenues and expenditures.

We Thrive Forest Park Fund – To account for receipt and disbursement of funds received for WeThrive.

City of Forest Park, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016

	Street	State Highway	Law Enforcement Trust	Law Enforcement Grant	Health Care Reserve	Home Improvement
Assets:						
Equity in Pooled Cash and Investments	\$757,459	\$201,950	\$50,012	\$18,560	\$62,810	\$6,719
Receivables (Net):						
Interest	986	231	0	0	93	0
Intergovernmental	456,396	37,006	0	0	0	0
Prepaid Items	473	0	0	0	0	0
Total Assets	1,215,314	239,187	50,012	18,560	62,903	6,719
Liabilities:						
Accounts Payable	5,449	1,313	0	0	0	0
Accrued Wages and Benefits	23,089	0	0	0	0	0
Accrued Interest Payable	0	0	0	0	0	0
General Obligation Notes Payable	0	0	0	0	0	0
Total Liabilities	28,538	1,313	0	0	0	0
Deferred Inflows of Resources:						
Grants and Other Taxes	296,451	24,038	0	0	0	0
Revenue in Lieu of Taxes	0	0	0	0	0	0
Investment Earnings	605	142	0	0	57	0
Total Deferred Inflows of Resources	297,056	24,180	0	0	57	0
Fund Balances:						
Nonspendable	473	0	0	0	0	0
Restricted	889,247	213,694	50,012	18,560	62,846	6,719
Unassigned	0	0	0	0	0	0
Total Fund Balances	889,720	213,694	50,012	18,560	62,846	6,719
Total Liabilities, Deferred Inflows and Fund Balances	\$1,215,314	\$239,187	\$50,012	\$18,560	\$62,903	\$6,719

Cincinnati Mall TIF	Cobblewood TIF	Fire Department Trust	Court Automation	Peace Officer Training	Promenade TIF	WeThrive Forest Park!	Total Nonmajor Special Revenue Funds
\$0	\$71,258	\$59,271	\$18,645	\$5,440	\$49,753	\$13,975	\$1,315,852
0	0	85	0	0	34	0	1,429
1,035,809	153,825	0	0	0	36,735	0	1,719,771
0	0	0	0	0	0	0	473
<u>1,035,809</u>	<u>225,083</u>	<u>59,356</u>	<u>18,645</u>	<u>5,440</u>	<u>86,522</u>	<u>13,975</u>	<u>3,037,525</u>
0	0	0	0	0	0	0	6,762
0	0	0	0	0	0	0	23,089
0	4,167	0	0	0	0	0	4,167
0	1,000,000	0	0	0	0	0	1,000,000
0	1,004,167	0	0	0	0	0	1,034,018
0	0	0	0	0	0	0	320,489
1,035,809	153,825	0	0	0	36,735	0	1,226,369
0	0	52	0	0	21	0	877
<u>1,035,809</u>	<u>153,825</u>	<u>52</u>	<u>0</u>	<u>0</u>	<u>36,756</u>	<u>0</u>	<u>1,547,735</u>
0	0	0	0	0	0	0	473
0	0	59,304	18,645	5,440	49,766	13,975	1,388,208
0	(932,909)	0	0	0	0	0	(932,909)
0	(932,909)	59,304	18,645	5,440	49,766	13,975	455,772
<u>\$1,035,809</u>	<u>\$225,083</u>	<u>\$59,356</u>	<u>\$18,645</u>	<u>\$5,440</u>	<u>\$86,522</u>	<u>\$13,975</u>	<u>\$3,037,525</u>

City of Forest Park, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2016

	Street	State Highway	Law Enforcement Trust	Law Enforcement Grant	Health Care Reserve	Home Improvement
Revenues:						
Investment Earnings	\$7,070	\$1,837	\$0	\$0	\$817	\$0
Intergovernmental	934,997	75,808	0	0	0	9,686
Fines, Licenses & Permits	0	0	1,826	0	0	0
Revenue in Lieu of Taxes	0	0	0	0	0	0
Other Revenues	59,261	0	0	680	0	25
Total Revenues	1,001,328	77,645	1,826	680	817	9,711
Expenditures:						
Current:						
General Government	0	0	0	0	9,069	8,516
Public Safety	0	0	25,844	12,823	0	0
Community Environment	0	0	0	0	0	0
Public Works and Streets	678,151	49,728	0	0	0	0
Capital Outlay	579,235	0	0	0	0	0
Debt Service:						
Principal	61,734	0	0	0	0	0
Interest and Other Charges	10,993	0	0	0	0	0
Total Expenditures	1,330,113	49,728	25,844	12,823	9,069	8,516
Excess of Revenues Over (Under) Expenditures	(328,785)	27,917	(24,018)	(12,143)	(8,252)	1,195
Other Financing Sources (Uses):						
Proceeds of Capital Leases	310,100	0	0	0	0	0
Total Other Financing Sources (Uses)	310,100	0	0	0	0	0
Net Change in Fund Balance	(18,685)	27,917	(24,018)	(12,143)	(8,252)	1,195
Fund Balance - Beginning of Year	908,405	185,777	74,030	30,703	71,098	5,524
Fund Balance - End of Year	\$889,720	\$213,694	\$50,012	\$18,560	\$62,846	\$6,719

Cincinnati Mall TIF	Cobblewood TIF	Fire Department Trust	Court Automation	Peace Officer Training	Promenade TIF	WeThrive Forest Park!	Total Nonmajor Special Revenue Funds
\$0	\$209	\$703	\$0	\$0	\$253	\$0	\$10,889
0	0	0	0	0	0	15,250	1,035,741
0	0	0	10,341	0	0	0	12,167
1,263,560	155,532	0	0	0	44,489	0	1,463,581
0	0	130	0	2,800	0	0	62,896
<u>1,263,560</u>	<u>155,741</u>	<u>833</u>	<u>10,341</u>	<u>2,800</u>	<u>44,742</u>	<u>15,250</u>	<u>2,585,274</u>
1,263,560	0	0	0	0	0	0	1,281,145
0	0	0	12,303	0	0	1,275	52,245
0	5,222	0	0	0	9,383	0	14,605
0	0	0	0	0	0	0	727,879
0	7,382	0	4,098	0	44,192	0	634,907
0	0	0	0	0	0	0	61,734
0	13,296	0	0	0	0	0	24,289
<u>1,263,560</u>	<u>25,900</u>	<u>0</u>	<u>16,401</u>	<u>0</u>	<u>53,575</u>	<u>1,275</u>	<u>2,796,804</u>
<u>0</u>	<u>129,841</u>	<u>833</u>	<u>(6,060)</u>	<u>2,800</u>	<u>(8,833)</u>	<u>13,975</u>	<u>(211,530)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>310,100</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>310,100</u>
0	129,841	833	(6,060)	2,800	(8,833)	13,975	98,570
0	(1,062,750)	58,471	24,705	2,640	58,599	0	357,202
<u>\$0</u>	<u>(\$932,909)</u>	<u>\$59,304</u>	<u>\$18,645</u>	<u>\$5,440</u>	<u>\$49,766</u>	<u>\$13,975</u>	<u>\$455,772</u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Street Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$6,002	\$7,224	\$1,222
Intergovernmental	772,336	929,638	157,302
Other Revenues	306,862	369,361	62,499
Total Revenues	1,085,200	1,306,223	221,023
Expenditures:			
Public Works and Streets:			
Streets:			
Personal Services	511,905	553,088	(41,183)
Contractual Services	72,564	78,402	(5,838)
Supplies and Materials	62,463	67,488	(5,025)
Capital Outlay	494,963	534,783	(39,820)
Total Streets	1,141,895	1,233,761	(91,866)
Total Public Works and Streets	1,141,895	1,233,761	(91,866)
Debt Service:			
Principal Retirement	41,561	44,905	(3,344)
Interest and Fiscal Charges	7,054	7,621	(567)
Total Expenditures	1,190,510	1,286,287	(95,777)
Net Change in Fund Balance	(105,310)	19,936	125,246
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	724,706	724,706	0
Fund Balance End of Year	\$619,396	\$744,642	\$125,246

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$72,201	\$75,376	\$3,175
Other Revenues	1,799	1,878	79
Total Revenues	<u>74,000</u>	<u>77,254</u>	<u>3,254</u>
Expenditures:			
Public Works and Streets:			
State Highway:			
Personal Services	6,644	4,030	2,614
Contractual Services	63,880	38,748	25,132
Supplies and Materials	23,029	13,969	9,060
Total Expenditures	<u>93,553</u>	<u>56,747</u>	<u>36,806</u>
Net Change in Fund Balance	(19,553)	20,507	40,060
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>173,544</u>	<u>173,544</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$153,991</u></u>	<u><u>\$194,051</u></u>	<u><u>\$40,060</u></u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Law Enforcement Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$2,500	\$1,826	(\$674)
Total Revenues	2,500	1,826	(674)
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	4,702	3,550	1,152
Supplies and Materials	34,228	25,844	8,384
Total Expenditures	38,930	29,394	9,536
Net Change in Fund Balance	(36,430)	(27,568)	8,862
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	75,651	75,651	0
Fund Balance End of Year	\$39,221	\$48,083	\$8,862

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Law Enforcement Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$4,529	\$680	(\$3,849)
Total Revenues	4,529	680	(3,849)
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	15,000	12,823	2,177
Total Expenditures	15,000	12,823	2,177
Net Change in Fund Balance	(10,471)	(12,143)	(1,672)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	30,703	30,703	0
Fund Balance End of Year	\$20,232	\$18,560	(\$1,672)

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Health Care Reserve Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$592	\$845	\$253
Total Revenues	592	845	253
Expenditures:			
General Government:			
Contractual Services	10,636	9,069	1,567
Total Expenditures	10,636	9,069	1,567
Net Change in Fund Balance	(10,044)	(8,224)	1,820
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	71,034	71,034	0
Fund Balance End of Year	\$60,990	\$62,810	\$1,820

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Home Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$20,025	\$9,711	(\$10,314)
Total Revenues	20,025	9,711	(10,314)
Expenditures:			
Current:			
General Government			
Contractual Services	20,000	8,516	11,484
Total Expenditures	20,000	8,516	11,484
Net Change in Fund Balance	25	1,195	1,170
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,525	5,525	0
Fund Balance End of Year	\$5,550	\$6,720	\$1,170

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Cincinnati Mills TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$2,400,000	\$1,263,560	(\$1,136,440)
Total Revenues	2,400,000	1,263,560	(1,136,440)
Expenditures:			
General Government:			
Cincinnati Mills:			
Contractual Services	68,477	36,052	32,425
Other	2,331,523	1,227,508	1,104,015
Total Expenditures	2,400,000	1,263,560	1,136,440
Net Change in Fund Balance	0	(0)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Cobblewood TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$231	\$235	\$4
Revenue in Lieu of Taxes	152,872	155,532	2,660
Total Revenues	153,103	155,767	2,664
Expenditures:			
General Government:			
Cobblewood:			
Contractual Services	16,497	16,148	349
Capital Outlay	7,542	7,382	160
Debt Service:			
Principal Retirement	1,123,803	1,100,000	23,803
Interest and Fiscal Charges	14,009	13,712	297
Total Expenditures	1,161,851	1,137,242	24,609
Excess of Revenues Over (Under) Expenditures	(1,008,748)	(981,475)	27,273
Other Financing Sources (Uses):			
Debt Proceeds	982,897	1,000,000	17,103
Total Other Financing Sources (Uses)	982,897	1,000,000	17,103
Net Change in Fund Balance	(25,851)	18,525	44,376
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	41,808	41,808	0
Fund Balance End of Year	\$15,957	\$60,333	\$44,376

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Fire Department Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$363	\$721	\$358
Other Revenues	65	130	65
Total Revenues	428	851	423
Expenditures:			
Public Safety:			
Fire Department:			
Contractual Services	6,000	0	6,000
Total Expenditures	6,000	0	6,000
Net Change in Fund Balance	(5,572)	851	6,423
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	58,420	58,420	0
Fund Balance End of Year	\$52,848	\$59,271	\$6,423

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Court Automation Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$11,000	\$10,341	(\$659)
Total Revenues	11,000	10,341	(659)
Expenditures:			
Public Safety:			
Court Automation:			
Contractual Services	16,003	12,155	3,848
Supplies and Materials	195	148	47
Capital Outlay	5,395	4,098	1,297
Total Expenditures	21,593	16,401	5,192
Net Change in Fund Balance	(10,593)	(6,060)	4,533
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	24,705	24,705	0
Fund Balance End of Year	<u>\$14,112</u>	<u>\$18,645</u>	<u>\$4,533</u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Peace Officer Training Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$2,800	\$2,800
Total Revenues	0	2,800	2,800
Expenditures:			
Public Safety:			
Peace Officer Training:			
Contractual Services	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	2,800	2,800
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,640	2,640	0
Fund Balance End of Year	\$2,640	\$5,440	\$2,800

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Promenade TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$127,097	\$44,489	(\$82,608)
Other Revenues	828	290	(538)
Total Revenues	<u>127,925</u>	<u>44,779</u>	<u>(83,146)</u>
Expenditures:			
Contractual Services	20,912	12,754	8,158
Capital Outlay	72,459	44,191	28,268
Total Expenditures	<u>93,371</u>	<u>56,945</u>	<u>36,426</u>
Net Change in Fund Balance	34,554	(12,166)	(46,720)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>58,548</u>	<u>58,548</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$93,102</u></u>	<u><u>\$46,382</u></u>	<u><u>(\$46,720)</u></u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	WeThrive Forest Park Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$15,000	\$15,250	\$250
Total Revenues	15,000	15,250	250
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	5,294	450	4,844
Supplies and Materials	9,706	825	8,881
Total Expenditures	15,000	1,275	13,725
Net Change in Fund Balance	0	13,975	13,975
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$13,975	\$13,975

NONMAJOR DEBT SERVICE FUND

Fund Description

Debt Service Fund - To account for the accumulation of resources and payment of general obligation bonds and principal and interest on bond anticipation notes of General Fund. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the Debt Service Fund has been included in the Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follow this page.

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Debt Service:			
Principal Retirement	75,000	75,000	0
Interest and Fiscal Charges	1,875	1,875	0
Total Expenditures	76,875	76,875	0
Excess of Revenues Over (Under) Expenditures	(76,875)	(76,875)	0
Other Financing Sources (Uses):			
Transfers In	76,875	76,875	0
Total Other Financing Sources (Uses)	76,875	76,875	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,943	15,943	0
Fund Balance End of Year	<u>\$15,943</u>	<u>\$15,943</u>	<u>\$0</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Fund Descriptions

Capital Improvement Fund - This was established pursuant to Section 12.07 of the City Charter. It is to provide for public improvements and/or equipment needed for the use of the City. Such improvements or equipment shall have a minimum useful life expectancy of three years.

Fire Capital Fund – To account for monies for planned capital improvements to the City’s fire department.

Police Capital Equipment Fund – To account for monies for capital equipment to the City’s police department.

City of Forest Park, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2016

	Capital Improvement	Fire Capital	Police Capital Equipment	Total Nonmajor Capital Projects Funds
Assets:				
Equity in Pooled Cash and Investments	\$77,869	\$514,963	\$47,173	\$640,005
Receivables (Net):				
Interest	69	765	45	879
Interfund	0	275,000	0	275,000
Prepaid Items	0	12,716	0	12,716
Total Assets	77,938	803,444	47,218	928,600
Liabilities:				
Accounts Payable	30,637	10,895	0	41,532
Total Liabilities	30,637	10,895	0	41,532
Deferred Inflows of Resources:				
Investment Earnings	42	469	28	539
Total Deferred Inflows of Resources	42	469	28	539
Fund Balances:				
Nonspendable	0	12,716	0	12,716
Restricted	47,259	779,364	0	826,623
Committed	0	0	47,190	47,190
Total Fund Balances	47,259	792,080	47,190	886,529
Total Liabilities, Deferred Inflows and Fund Balances	\$77,938	\$803,444	\$47,218	\$928,600

City of Forest Park, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended December 31, 2016

	Capital Improvement	Fire Capital	Police Capital Equipment	Total Nonmajor Capital Projects Funds
Revenues:				
Investment Earnings	\$2,653	\$6,142	\$128	\$8,923
Other Revenues	30,468	0	0	30,468
Total Revenues	33,121	6,142	128	39,391
Expenditures:				
Current:				
Capital Outlay	686,485	1,235,719	154,714	2,076,918
Debt Service:				
Principal	38,185	154,551	79,254	271,990
Interest and Other Charges	5,519	9,879	11,986	27,384
Total Expenditures	730,189	1,400,149	245,954	2,376,292
Excess of Revenues Over (Under) Expenditures	(697,068)	(1,394,007)	(245,826)	(2,336,901)
Other Financing Sources (Uses):				
Proceeds of Capital Leases	37,205	1,181,506	149,166	1,367,877
Transfers In	200,000	0	100,000	300,000
Total Other Financing Sources (Uses)	237,205	1,181,506	249,166	1,667,877
Net Change in Fund Balance	(459,863)	(212,501)	3,340	(669,024)
Fund Balance - Beginning of Year	507,122	1,004,581	43,850	1,555,553
Fund Balance - End of Year	\$47,259	\$792,080	\$47,190	\$886,529

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$8,680	\$3,060	(\$5,620)
Other Revenues	108,434	38,228	(70,206)
Total Revenues	117,114	41,288	(75,826)
Expenditures:			
Public Works and Streets:			
Municipal Building and Grounds:			
Capital Outlay	776,833	687,717	89,116
Debt Service:			
Principal Retirement	47,076	41,676	5,400
Interest and Fiscal Charges	6,806	6,025	781
Total Expenditures	830,715	735,418	95,297
Excess of Revenues Over (Under) Expenditures	(713,601)	(694,130)	19,471
Other Financing Sources (Uses):			
Debt Proceeds	83,521	29,445	(54,076)
Transfers In	567,302	200,000	(367,302)
Total Other Financing Sources (Uses)	650,823	229,445	(421,378)
Net Change in Fund Balance	(62,778)	(464,685)	(401,907)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	525,750	525,750	0
Fund Balance End of Year	\$462,972	\$61,065	(\$401,907)

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Fire Capital Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$14,494	\$6,663	(\$7,831)
Total Revenues	14,494	6,663	(7,831)
Expenditures:			
Public Works and Streets:			
Capital Improvements:			
Capital Outlay	547,698	319,173	228,525
Debt Service:			
Principal Retirement	258,514	150,650	107,864
Interest and Fiscal Charges	19,233	11,208	8,025
Total Expenditures	825,445	481,031	344,414
Excess of Revenues Over (Under) Expenditures	(810,951)	(474,368)	336,583
Other Financing Sources (Uses):			
Debt Proceeds	580,699	266,954	(313,745)
Advances In	1,087,639	500,000	(587,639)
Advances (Out)	(1,329,893)	(775,000)	554,893
Total Other Financing Sources (Uses)	338,445	(8,046)	(346,491)
Net Change in Fund Balance	(472,506)	(482,414)	(9,908)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	987,317	987,317	0
Fund Balance End of Year	\$514,811	\$504,903	(\$9,908)

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Police Capital Equipment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$115	\$111	(\$4)
Total Revenues	115	111	(4)
Expenditures:			
Public Safety:			
Police Capital Equipment:			
Capital Outlay	160,085	154,714	5,371
Debt Service:			
Principal Retirement	85,998	83,113	2,885
Interest and Fiscal Charges	4,273	4,130	143
Total Expenditures	250,356	241,957	8,399
Excess of Revenues Over (Under) Expenditures	(250,241)	(241,846)	8,395
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	146,003	140,548	(5,455)
Transfers In	103,881	100,000	(3,881)
Total Other Financing Sources (Uses)	249,884	240,548	(9,336)
Net Change in Fund Balance	(357)	(1,298)	(941)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	43,850	43,850	0
Fund Balance End of Year	\$43,493	\$42,552	(\$941)

NONMAJOR FUNDS

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

Fund Descriptions

Agency Fund - Mayor's Court - This fund accounts for dollars collected by the Court which must be sent to the state or returned to the individual who has posted a bond.

Agency Fund - Refundable Fees - This fund contains deposits for special hearings, performance bonds, recreation deposits, and 7-year returnable fees.

City of Forest Park, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2016

	Mayor's Court			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$4,337	\$230,468	\$232,381	\$2,424
Total Assets	<u>4,337</u>	<u>230,468</u>	<u>232,381</u>	<u>2,424</u>
Liabilities:				
Due to Other	4,337	230,468	232,381	2,424
Total Liabilities	<u>\$4,337</u>	<u>\$230,468</u>	<u>\$232,381</u>	<u>\$2,424</u>

	Refundable Fees			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$172,864	\$11,696	\$27,386	\$157,174
Total Assets	<u>172,864</u>	<u>11,696</u>	<u>27,386</u>	<u>157,174</u>
Liabilities:				
Accounts Payable	748	0	748	0
Due to Other	172,116	11,696	26,638	157,174
Total Liabilities	<u>\$172,864</u>	<u>\$11,696</u>	<u>\$27,386</u>	<u>\$157,174</u>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$177,201	\$242,164	\$259,767	\$159,598
Total Assets	<u>177,201</u>	<u>242,164</u>	<u>259,767</u>	<u>159,598</u>
Liabilities:				
Accounts Payable	748	0	748	0
Due to Other	176,453	242,164	259,019	159,598
Total Liabilities	<u>\$177,201</u>	<u>\$242,164</u>	<u>\$259,767</u>	<u>\$159,598</u>

STATISTICAL SECTION

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STATISTICAL SECTION

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

Contents

Financial Trends - These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

Revenue Capacity - These schedules contain information to help the reader understand and assess the City's most significant local revenue source, the income tax.

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.

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

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

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

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City of Forest Park, Ohio
 Net Position by Component
 Last Ten Calendar Years
 (accrual basis of accounting)
 Schedule 1

	Calendar Year									
	2007	2008	2009	2010	2011	2012 (1)	2013	2014	2015	2016
Governmental Activities										
Net Investment in Capital Assets	\$32,982,943	\$32,361,148	\$32,956,283	\$33,845,751	\$34,461,845	\$34,321,408	\$34,887,165	\$35,036,472	\$37,781,761	\$38,374,278
Restricted	6,865,890	7,036,457	7,713,277	7,274,756	8,085,661	5,827,124	5,894,467	4,550,280	4,126,984	4,391,715
Unrestricted	4,420,173	5,143,649	6,316,631	9,728,159	9,626,789	4,844,393	3,853,195	4,398,071	(6,202,680)	(7,225,750)
Total governmental activities net position	\$44,269,006	\$44,541,254	\$46,986,191	\$50,848,666	\$52,174,295	\$44,992,925	\$44,634,827	\$43,984,823	\$35,706,065	\$35,540,243
Business-type activities										
Net Investment in Capital Assets	\$0	\$0	\$0	\$0	\$0	\$964,646	\$1,055,081	\$1,174,530	\$1,394,968	\$2,058,487
Unrestricted	0	0	0	0	0	1,957,773	2,073,000	2,264,434	2,210,149	1,959,618
Total business-type activities net position	\$0	\$0	\$0	\$0	\$0	\$2,922,419	\$3,128,081	\$3,438,964	\$3,605,117	\$4,018,105
Total Primary Government										
Net Investment in Capital Assets	\$32,982,943	\$32,361,148	\$32,956,283	\$33,845,751	\$34,461,845	\$35,286,054	\$35,942,246	\$36,211,002	\$39,176,729	\$40,432,765
Restricted	6,865,890	7,036,457	7,713,277	7,274,756	8,085,661	5,827,124	5,894,467	4,550,280	4,126,984	4,391,715
Unrestricted	4,420,173	5,143,649	6,316,631	9,728,159	9,626,789	6,802,166	5,926,195	6,662,505	(3,992,531)	(5,266,132)
Total primary government net position	\$44,269,006	\$44,541,254	\$46,986,191	\$50,848,666	\$52,174,295	\$47,915,344	\$47,762,908	\$47,423,787	\$39,311,182	\$39,558,348

Source: City Records

(1) - In 2012, the Stormwater Management Utility fund and the Solid Waste Collection fund were reclassified from Governmental Activities to Business-Type Activities

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City of Forest Park, Ohio
Changes in Net Position
Last Ten Calendar Years
(accrual basis of accounting)
Schedule 2

	Calendar Year									
	2007	2008	2009	2010	2011	2012 (1)	2013	2014	2015	2016
Expenses										
Governmental Activities:										
General Government	\$3,812,586	\$3,763,638	\$2,492,086	\$2,230,295	\$3,317,496	\$4,224,797	\$4,693,535	\$4,614,776	\$4,270,853	\$4,059,028
Public Safety	8,732,520	9,501,493	9,845,919	9,339,809	9,280,271	9,589,192	9,031,968	9,601,359	9,818,991	11,110,462
Leisure Time Activities	447,047	401,165	364,935	284,917	288,403	298,739	291,210	302,375	292,263	732,759
Community Environment	783,419	934,999	1,558,730	1,440,824	1,988,253	618,073	660,892	695,614	652,778	303,191
Public Works and Streets	3,344,237	3,551,056	3,403,610	2,969,346	2,928,457	3,150,459	2,933,998	3,451,025	2,756,159	3,497,574
Public Health and Welfare	21,436	21,775	22,189	21,000	20,710	20,764	44,914	16,129	878	0
Interest and Fiscal Charges	264,033	260,595	246,659	153,413	167,374	135,853	111,204	99,379	94,460	111,524
Total Governmental Activities Expenses	17,405,278	18,434,721	17,934,128	16,439,604	17,990,964	18,037,877	17,767,721	18,780,657	17,886,382	19,814,538
Business-type activities:										
Stormwater Management Utility	0	0	0	0	0	406,412	343,643	470,401	445,916	276,435
Solid Waste Collection	0	0	0	0	0	1,151,728	1,143,500	951,778	990,907	1,061,402
Total business-type activities expenses	0	0	0	0	0	1,558,140	1,487,143	1,422,179	1,436,823	1,337,837
Total Primary Government Expenses	\$17,405,278	\$18,434,721	\$17,934,128	\$16,439,604	\$17,990,964	\$19,596,017	\$19,254,864	\$20,202,836	\$19,323,205	\$21,152,375
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$1,605,383	\$1,215,002	\$945,837	\$42,098	\$20,015	\$27,520	\$41,312	\$35,606	\$28,068	\$18,522
Public Safety	662,495	917,014	938,610	851,041	946,811	1,332,542	948,833	173,704	655,219	593,707
Leisure Time Activities	80,296	65,815	54,687	50,262	52,287	46,152	62,881	64,824	63,556	16,921
Community Environment	14,828	196,765	1,076,853	1,133,758	1,160,491	30,140	8,810	9,528	13,384	50,540
Public Works and Streets	627,085	743,369	763,221	587,334	589,088	0	0	1,115	0	0
Public Health and Welfare	0	0	0	0	0	0	0	0	179,407	158,929
Operating Grants and Contributions	1,274,379	866,168	1,114,073	1,095,390	1,140,458	1,924,647	1,294,630	1,299,137	1,321,790	964,973
Capital Grants and Contributions	87,475	4,837	31,886	261,618	323,381	17,831	25,540	202,214	2,953,697	459,793
Total Governmental Activities Program Revenues	4,351,941	4,008,970	4,925,167	4,021,501	4,232,531	3,378,832	2,382,006	1,786,128	5,215,121	2,263,385
Business-type activities:										
Charges for Services:										
Stormwater Management Utility	0	0	0	0	0	582,742	567,273	1,561,341	572,204	616,502
Solid Waste Collection	0	0	0	0	0	1,089,231	1,076,631	28,000	942,996	941,611
Operating Grants and Contributions	0	0	0	0	0	0	59,165	30,174	219,122	0
Total business-type activities program revenues	0	0	0	0	0	1,671,973	1,703,069	1,619,515	1,734,322	1,558,113
Total Primary Government Program Revenues	\$4,351,941	\$4,008,970	\$4,925,167	\$4,021,501	\$4,232,531	\$5,050,805	\$4,085,075	\$3,405,643	\$6,949,443	\$3,821,498

City of Forest Park, Ohio
Changes in Net Position
Last Ten Calendar Years
(accrual basis of accounting)
Schedule 2 (Continued)

	Calendar Year									
	2007	2008	2009	2010	2011	2012 (1)	2013	2014	2015	2016
Net (Expense)										
Governmental Activities	(\$13,053,337)	(\$14,425,751)	(\$13,008,961)	(\$12,418,103)	(\$13,758,433)	(\$14,659,045)	(\$15,385,715)	(\$16,994,529)	(\$12,671,261)	(\$17,551,153)
Business-type activities	0	0	0	0	0	113,833	215,926	197,336	297,499	220,276
Total Primary Government Net Expenses	(\$13,053,337)	(\$14,425,751)	(\$13,008,961)	(\$12,418,103)	(\$13,758,433)	(\$14,545,212)	(\$15,169,789)	(\$16,797,193)	(\$12,373,762)	(\$17,330,877)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Income Taxes	\$6,812,643	\$8,687,911	\$7,979,650	\$7,457,932	\$7,327,007	\$7,097,791	\$7,491,136	\$8,863,422	\$9,558,642	\$10,018,234
Property Taxes Levied for:										
General Purposes	1,749,729	1,192,128	2,329,505	3,146,751	1,570,985	922,743	918,440	916,616	937,063	948,910
Special Revenue Purposes	3,252,373	3,194,508	3,939,702	3,832,419	3,599,310	2,762,645	2,789,977	2,813,397	2,657,335	4,108,193
Grants and Entitlements not Restricted	465,147	1,070,491	667,401	610,454	646,364	393,179	347,770	319,754	793,226	0
Revenue in Lieu of Taxes	0	0	295,385	873,044	1,698,293	2,713,909	3,373,472	3,184,962	2,795,708	2,029,961
Unrestricted Contributions	11,290	5,640	1,500	0	0	0	0	0	0	0
Investment Earnings	579,294	397,606	118,714	101,759	103,841	66,491	64,917	60,389	25,004	61,981
Other Revenues	183,844	149,715	122,041	258,219	138,262	171,763	38,028	151,985	399,591	218,052
Transfers-internal Activities	0	0	0	0	0	34,000	34,000	34,000	34,000	0
Total Governmental Activities	13,054,320	14,697,999	15,453,898	16,280,578	15,084,062	14,162,521	15,057,740	16,344,525	17,200,569	17,385,331
Business-type activities:										
Investment earnings	0	0	0	0	0	15,197	19,200	17,750	18,233	19,540
Other Revenues	0	0	0	0	0	10,574	4,536	129,797	145,072	173,172
Transfers-internal Activities	0	0	0	0	0	(34,000)	(34,000)	(34,000)	(34,000)	0
Total business-type activities	0	0	0	0	0	(8,229)	(10,264)	113,547	129,305	192,712
Total Primary Government	\$13,054,320	\$14,697,999	\$15,453,898	\$16,280,578	\$15,084,062	\$14,154,292	\$15,047,476	\$16,458,072	\$17,329,874	\$17,578,043
Change in Net Position										
Governmental Activities	\$983	\$272,248	\$2,444,937	\$3,862,475	\$1,325,629	(\$496,524)	(\$327,975)	(\$650,004)	\$4,529,308	(\$165,822)
Business-type activities	0	0	0	0	0	105,604	205,662	310,883	426,804	412,988
Total Primary Government	\$983	\$272,248	\$2,444,937	\$3,862,475	\$1,325,629	(\$390,920)	(\$122,313)	(\$339,121)	\$4,956,112	\$247,166

Source: City Records

(1) - In 2012, the Stormwater Management Utility fund and the Solid Waste Collection fund were reclassified from Governmental Activities to Business-Type Activities

City of Forest Park, Ohio
Fund Balances, Governmental Funds
Last Ten Calendar Years
(modified accrual basis of accounting)
Schedule 3

	2007	2008	2009	2010	2011 (1)	2012	2013	2014	2015	2016
General Fund										
Reserved	\$616,430	\$1,107,907	\$336,405	\$293,908	\$0	\$0	\$0	\$0	\$0	\$0
Unreserved	2,417,916	2,524,653	2,661,119	3,238,013	0	0	0	0	0	0
Nonspendable					0	17,335	50,229	0	0	34,326
Assigned					281,868	910,336	260,483	103,092	706,652	115,249
Unassigned					3,273,544	1,969,471	2,016,721	2,636,242	3,208,559	4,977,310
Total General Fund	3,034,346	3,632,560	2,997,524	3,531,921	3,555,412	2,897,142	2,327,433	2,739,334	3,915,211	5,126,885
All Other Governmental Funds										
Reserved	254,090	985,661	804,601	414,153	0	0	0	0	0	0
Unreserved, Reported in:										
Special Revenue Funds	5,760,338	5,606,132	6,293,062	6,030,380	0	0	0	0	0	0
Debt Service Funds	41,485	41,485	41,485	36,429	0	0	0	0	0	0
Capital Project Funds	(1,552,294)	(2,013,167)	(1,808,681)	(1,158,253)	0	0	0	0	0	0
Nonspendable					0	7,545	8,874	0	0	15,745
Restricted					8,114,334	4,548,652	4,505,096	3,706,968	3,300,466	3,533,236
Committed					22,926	17,271	7,923	23,710	43,850	47,190
Assigned					36,429	27,443	15,943	15,943	15,943	15,943
Unassigned					(2,942,247)	(3,952,569)	(4,477,587)	(3,848,503)	(3,160,144)	(3,094,590)
Total Other Governmental Funds	\$4,503,619	\$4,620,111	\$5,330,467	\$5,322,709	\$5,231,442	\$648,342	\$60,249	(\$101,882)	\$200,115	\$517,524

Source: City Records

(1) - Prior year amounts have not been restated for the implementation of GASB Statement 54. The change in the classification of fund balance amounts in 2011 are discussed in the Notes to the Financial Statements.

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City of Forest Park, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Ten Calendar Years
 (modified accrual basis of accounting)
 Schedule 4

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$11,875,527	\$13,217,698	\$12,523,690	\$12,720,437	\$12,047,788	\$10,917,002	\$11,203,283	\$12,360,085	\$13,191,558	\$15,242,300
Fines, Licenses & Permits	362,956	616,544	522,833	294,174	300,735	361,810	410,530	340,717	378,398	334,218
Charges for Services	1,100,458	1,317,772	2,349,142	2,373,965	2,378,281	635,297	516,112	445,828	499,947	422,208
Investment Earnings	579,294	397,606	83,693	79,315	122,925	87,229	67,312	58,550	21,455	67,744
Intergovernmental	1,854,614	1,710,971	1,702,565	1,906,126	1,842,871	2,564,750	1,700,352	1,845,709	4,067,316	1,902,124
Special Assessments	1,515,233	1,177,910	913,508	10,659	32,139	12,429	23,175	24,382	21,969	24,610
Revenue in Lieu of Taxes	0	0	295,385	873,044	1,698,293	2,713,909	3,372,857	3,184,962	2,795,708	2,029,961
Other Revenues	211,032	174,373	137,011	271,738	148,760	178,163	47,228	163,177	478,749	219,150
Total Revenues	17,499,114	18,612,874	18,527,827	18,529,458	18,571,792	17,470,589	17,340,849	18,423,410	21,455,100	20,242,315
Expenditures										
Current:										
General Government	3,764,431	3,600,285	2,424,673	2,173,481	3,249,970	4,179,260	4,616,469	4,600,666	4,303,822	3,636,987
Public Safety	8,622,400	8,943,639	9,481,406	9,154,256	9,004,751	9,227,480	8,695,378	9,253,878	9,410,314	9,595,991
Leisure Time Activities	408,299	374,455	303,812	250,389	255,943	267,494	261,233	272,026	269,668	242,227
Community Environment	777,763	928,147	1,551,877	1,434,271	1,752,505	615,218	660,892	695,614	665,566	686,322
Public Works and Streets	2,426,832	2,494,290	2,474,754	2,438,720	2,299,370	2,148,274	1,962,737	2,202,250	1,791,693	1,819,912
Public Health and Welfare	21,436	21,775	22,189	21,000	20,710	20,764	44,914	16,129	878	0
Capital Outlay	2,011,290	882,847	1,557,362	1,978,225	2,127,439	3,727,802	1,804,907	751,037	3,497,734	3,633,944
Debt Service:										
Principal Retirement	405,565	408,365	389,626	397,813	233,187	324,132	359,772	339,065	357,964	648,724
Interest and Fiscal Charges	261,850	261,660	246,808	154,664	167,541	148,699	126,349	114,719	110,005	127,102
Bond Issuance Cost	0	0	0	0	36,147	0	0	0	0	0
Total Expenditures	\$18,699,866	\$17,915,463	\$18,452,507	\$18,002,819	\$19,147,563	\$20,659,123	\$18,532,651	\$18,245,384	\$20,407,644	\$20,391,209

City of Forest Park, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Ten Calendar Years
 (modified accrual basis of accounting)
 Schedule 4 (Continued)

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Excess of revenues over (under) expenditures	(\$1,200,752)	\$697,411	\$75,320	\$526,639	(\$575,771)	(\$3,188,534)	(\$1,191,802)	\$178,026	\$1,047,456	(\$148,894)
Other Financing Sources (Uses)										
Issuance of Capital Leases	\$0	\$0	\$0	\$0	\$94,605	\$98,967	\$0	\$0	\$367,000	\$1,677,977
Proceeds from Sale of Capital Assets	12,276	17,295	0	0	168	0	0	37,744	29,418	0
Issuance of Long-Term Capital-Related Debt	0	0	0	0	375,000	0	0	0	0	0
Payments for Refunding Bond Escrow Agent	0	0	0	0	(1,928,853)	0	0	0	0	0
Issuance of Refunding Bonds	0	0	0	0	1,853,853	0	0	0	0	0
Premium on Refunding	0	0	0	0	113,222	0	0	0	0	0
Transfers In	1,584,006	846,697	1,779,804	1,471,505	1,018,121	1,135,364	757,000	624,116	782,750	776,875
Transfers (Out)	(1,584,006)	(846,697)	(1,779,804)	(1,471,505)	(1,018,121)	(1,101,364)	(723,000)	(590,116)	(748,750)	(776,875)
Total Other Financing Sources (Uses)	12,276	17,295	0	0	507,995	132,967	34,000	71,744	430,418	1,677,977
Net Change in Fund Balances	(\$1,188,476)	\$714,706	\$75,320	\$526,639	(\$67,776)	(\$3,055,567)	(\$1,157,802)	\$249,770	\$1,477,874	\$1,529,083
Debt service as a percentage of noncapital expenditures (1)	4.0%	4.0%	3.7%	3.5%	2.4%	2.8%	2.9%	2.6%	2.7%	4.5%

Source: City Records

(1) - Noncapital expenditures is total expenditures minus capital outlay

City of Forest Park, Ohio
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Calendar Years
 Schedule 5

Calendar Year	<u>Real Property</u> Assessed Value	<u>Tangible Personal Property (1)</u> Assessed Value	<u>Public Utilities Personal</u> Assessed Value	<u>Total</u> Assessed Value	<u>Total</u> Estimated Actual Value	<u>Total</u> Direct Rate
2007	334,918,680	35,853,050	12,725,100	383,496,830	1,095,705,229	11.08
2008	369,307,980	21,755,090	11,714,930	402,778,000	1,150,794,286	11.08
2009	373,565,350	11,647,750	9,014,330	394,227,430	1,126,364,086	11.08
2010	363,079,200	1,277,700	9,781,930	374,138,830	1,068,968,086	11.08
2011	316,949,750	0	11,126,340	328,076,090	937,360,257	11.08
2012	312,398,330	0	11,471,250	323,869,580	925,341,657	11.08
2013	309,627,960	0	12,407,390	322,035,350	920,101,000	11.08
2014	293,525,890	0	13,186,750	306,712,640	876,321,829	11.08
2015	290,114,120	0	13,597,180	303,711,300	867,746,571	11.08
2016	289,865,770	0	14,305,860	304,171,630	869,061,800	15.45

Source: County Auditor

(1) - In 2009, House Bill 66 eliminated all current Tangible Personal Property filings except for the telecommunication companies.

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

City of Forest Park, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Calendar Years
 Schedule 6

Calendar Year	Direct Rate		Total Direct Rate	Overlapping Rates				Hamilton County
	General Fund	Fire/EMS Fund		School District	Joint Vocational	Public Library (1)		
2007	1.38	9.70	11.08	49.50	2.70	0.00	20.18	
2008	1.38	9.70	11.08	53.39	2.70	0.00	20.56	
2009	1.38	9.70	11.08	53.56	2.70	0.00	20.63	
2010	1.38	9.70	11.08	53.57	2.70	1.00	20.48	
2011	1.38	9.70	11.08	53.60	2.70	1.00	19.45	
2012	1.38	9.70	11.08	54.22	2.70	1.00	19.03	
2013	1.38	9.70	11.08	59.57	2.70	1.00	19.03	
2014	1.38	9.70	11.08	59.57	2.70	1.00	19.03	
2015	1.38	9.70	11.08	59.57	2.70	1.00	18.85	
2016	1.38	14.07	15.45	58.87	1.93	1.00	18.85	

Source: County Auditor

Note: Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

City of Forest Park, Ohio
Principal Property Tax Payers
Current Year and Nine Years Ago
Schedule 7

2016		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Duke Energy Ohio Inc.	\$13,579,890	4.47%
Union Central Life Ins Co.	6,856,730	2.26%
Core Kensington Park Apartments LLC	5,459,460	1.80%
Forest Park Associates LLC	3,806,460	1.25%
AERC Remington Place Holdings LLC	3,689,120	1.21%
BWIP Mills Run LLC	3,187,800	1.05%
Forest Park Station LLC	2,436,500	0.80%
Versailles Village Apartments LLC	2,306,500	0.76%
Faxon Machining Inc	2,013,230	0.66%
Steel Summit Holdings INC	1,339,420	0.44%
	<u>\$44,675,110</u>	<u>14.72%</u>
2007		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Duke Energy Ohio Inc.	\$7,995,030	2.08%
Union Central Life Ins Co	7,063,540	1.75%
Kensington Park Apts LLC	6,055,000	1.54%
Forest Park Associates LLC	4,360,170	1.17%
Aerc Remington Place Inc	3,952,410	1.20%
Cincinnati Mills LLC	3,571,300	1.10%
All State Associates of Huntington	3,559,500	1.11%
Rreef America Reit II Corp	2,870,000	0.94%
Forest Park Station LLC	2,866,750	0.94%
Versailles Village	2,616,250	0.86%
	<u>\$44,909,950</u>	<u>12.69%</u>

Source: County Auditor

City of Forest Park, Ohio
Property Tax Levies and Collections
Last Ten Calendar Years
Schedule 8

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected, including Delinquencies, within the Calendar Year of the Levy		Unpaid Collections	Total Collections (3)	
		Net Collections (2)	Percentage of Levy		Amount	Percentage of Levy
2007	\$4,353,482	\$3,982,725	91.48%	\$347,193	\$4,329,918	99.46%
2008	4,281,121	3,970,610	92.75%	310,354	4,280,964	100.00%
2009	5,044,675	4,470,431	88.62%	465,590	4,936,021	97.85%
2010	5,056,475	4,483,660	88.67%	527,930	5,011,590	99.11%
2011	5,121,311	4,541,538	88.68%	512,480	5,054,018	98.69%
2012	4,621,959	4,093,950	88.58%	384,216	4,478,166	96.89%
2013	4,443,252	4,014,332	90.35%	371,022	4,385,354	98.70%
2014	4,427,753	4,025,664	90.92%	378,256	4,403,920	99.46%
2015	4,255,617	3,870,984	90.96%	317,244	4,188,228	98.42%
2016	6,066,268	5,728,905	94.44%	287,523	6,016,428	99.18%

Source: County Auditor

(1) - Includes delinquent levy

(2) - Includes current and delinquent collections minus refunds

(3) - Includes net collections plus unpaid collections

City of Forest Park, Ohio
Income Tax by Payer Type and Income Tax Rate
Last Ten Calendar Years
(cash basis of accounting)
Schedule 9

Calendar Year	Withholding Accounts	Business Accounts	Residential Accounts	Total	Income Tax Rate	Credit Amount
2007*	\$4,607,359	\$712,999	\$1,568,218	\$6,888,576	1.50%	1.50%
2008	6,069,091	1,162,709	1,792,079	9,023,879	1.50%	1.50%
2009	5,556,446	1,023,911	1,697,127	8,277,484	1.50%	1.50%
2010	5,067,590	1,012,422	1,719,750	7,799,762	1.50%	1.50%
2011	5,419,081	842,655	1,636,700	7,898,436	1.50%	1.50%
2012	5,431,447	736,475	1,724,198	7,892,120	1.50%	1.50%
2013	5,328,167	782,381	1,563,657	7,674,206	1.50%	1.125%
2014	5,882,107	760,448	2,157,207	8,799,762	1.50%	0.375%
2015	6,214,160	769,453	2,495,718	9,479,331	1.50%	0.375%
2016	6,661,736	1,255,105	2,693,906	10,610,747	1.50%	0.375%

Source: City Records

Note: Refunds are deducted

* - Tax rate increase was approved by voters in February 2007

City of Forest Park, Ohio
 Principal Income Taxpayers
 Current Year and Nine Years Ago
 (cash basis of accounting)
 Schedule 10

	2016
Name	Rank
Ameritas Life Insurance Corporation	1
Jacobs Engineering Group Inc.	2
Winton Woods City Schools	3
Hillman Group Inc.	4
City of Forest Park	5
Carmax Auto Superstores	6
Magna Machine	7
Honeywell International Inc	8
Siemens Industries	9
TP Mechanical Contractors	10

	2007
Name	Rank
Union Central Life	1
Jacobs Engineering	2
Winton Woods City Schools	3
Faxon Machining	4
Process Plus Holdings	5
City of Forest Park	6
Berkeley Premium Nutraceuticals Inc	7
Hillman Group	8
Montgomery Blue Ash Insurance	9
Honeywell International	10

Source: City Records

Note: Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.

City of Forest Park, Ohio
Ratios of Outstanding Debt by Type
Last Ten Calendar Years
Schedule 11

Calendar Year	Governmental Activities							Percentage of Personal Income	Per Capita
	General	Public Works			Capital	Total Primary Government	Income		
	Obligation Bonds and Notes	Issue 2 Loans	Loans	Leases					
2007	\$3,306,146	\$66,378	\$0		\$3,372,524	0.01%	79		
2008	2,930,000	34,159	0		2,964,159	0.01%	68		
2009	2,555,000	19,533	0		2,574,533	0.01%	59		
2010	2,165,000	11,720	0		2,176,720	0.01%	49		
2011	1,998,504	3,907	69,231		2,071,642	0.01%	44		
2012	1,784,351	0	119,066		1,903,417	0.00%	39		
2013	1,775,198	0	54,294		1,829,492	0.00%	36		
2014	1,461,045	0	15,229		1,476,274	0.00%	29		
2015	1,141,892	0	329,265		1,471,157	0.00%	28		
2016	812,739	0	1,673,518		2,486,257	N/A	N/A		

Source: City Records

N/A - Information not available

Note: Details regarding the city's outstanding debt can be found in the notes to the basic financial statements.

City of Forest Park, Ohio
Ratios of General Bonded Debt Outstanding
Last Ten Calendar Years
Schedule 12

<u>Calendar Year</u>	<u>General Bonded Debt Outstanding</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2007	\$3,306,146	0.30%	77
2008	2,930,000	0.25%	67
2009	2,555,000	0.23%	58
2010	2,165,000	0.20%	48
2011	1,998,504	0.21%	43
2012	1,784,351	0.19%	36
2013	1,775,198	0.19%	35
2014	1,461,045	0.17%	29
2015	1,141,892	0.13%	22
2016	812,739	0.09%	N/A

Source: City Records

N/A - Information not available

City of Forest Park, Ohio
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2016
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to the City of Forest Park
Hamilton County	\$71,750,000	1.65%	\$1,183,875
Winton Woods City School District	9,800,000	61.41%	6,018,180
Northwest Local School District	89,650,000	2.36%	2,115,740
Butler Technology & Career Center JVS	8,815,000	0.42%	37,023
Great Oaks Career Center JVSD	<u>8,630,000</u>	1.44%	<u>124,272</u>
Subtotal Overlapping Debt	188,645,000		9,479,090
City of Forest Park - Direct Debt	<u>2,486,257</u>	100.00%	<u>2,486,257</u>
Total Direct and Overlapping Debt	<u>\$191,131,257</u>		<u>\$11,965,347</u>

Source: Ohio Municipal Advisory Council

(1) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government.

City of Forest Park, Ohio
 Legal Debt Margin Information
 Last Ten Calendar Years
 Schedule 14

Legal Debt Margin Calculation for Calendar Year 2016	
Assessed Value	\$304,171,630
Statutory Legal Debt Limitation (1)	\$304,171,630
	10.5%
Total Debt Limitation	31,938,021
Debt Applicable to Limit	2,486,257
	5.5%
	16,729,440
	2,486,257
Legal Debt Margin	\$29,451,764
	\$14,243,183

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Debt Limit (1)										
Debt Limit (10.5%)	\$40,267,167	\$42,291,690	\$41,393,880	\$39,284,577	\$34,447,989	\$34,006,306	\$33,813,721	\$32,204,827	\$31,889,687	\$31,938,021
Total Net Debt Applicable to Limit	6,563,344	6,176,292	5,055,000	5,455,000	5,105,000	6,918,417	7,049,492	1,476,274	1,822,587	2,486,257
Legal Debt Margin	\$33,703,823	\$36,115,398	\$36,338,880	\$33,829,577	\$29,342,989	\$27,087,889	\$26,764,229	\$30,728,553	\$30,067,100	\$29,451,764
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	16.3%	14.6%	12.2%	13.9%	14.8%	20.3%	20.8%	4.6%	5.7%	7.8%
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	\$21,092,326	\$22,152,790	\$21,682,509	\$20,577,636	\$18,044,185	\$17,812,827	\$17,711,944	\$16,869,195	\$16,704,122	\$16,729,440
Total Net Debt Applicable to Limit	6,563,344	6,176,292	5,055,000	5,455,000	5,105,000	6,918,417	7,049,492	1,476,274	1,822,587	2,486,257
Legal Debt Margin	\$14,528,982	\$15,976,498	\$16,627,509	\$15,122,636	\$12,939,185	\$10,894,410	\$10,662,452	\$15,392,921	\$14,881,535	\$14,243,183
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	31.1%	27.9%	23.3%	26.5%	28.3%	38.8%	39.8%	8.8%	10.9%	14.9%

Source: OMAC

(1) - Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value.

Total unvoted debt limit should not exceed 5.5% of net assessed property value.

(2) - General obligation bonds in the enterprise funds, special assessment debt with government commitment and bond anticipation notes have been included.

City of Forest Park, Ohio
Demographic and Economic Statistics - Hamilton County
Last Ten Calendar Years
Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2007	19,463	36,488,577	42,730	5.00%
2008	19,463	37,244,363	43,637	5.60%
2009	19,463	35,228,404	43,918	8.90%
2010	18,720	35,888,024	44,751	8.50%
2011	18,720	37,522,065	46,881	7.70%
2012	18,720	39,631,501	49,413	6.30%
2013	18,720	40,415,100	50,235	7.00%
2014	18,720	41,322,507	51,229	4.00%
2015	18,720	42,060,595	52,081	5.30%
2016	18,720	N/A	N/A	4.00%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau (2000 Census for years 2002 - 2009 and 2010 Census for years 2010 - 2015)
 - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
 - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Accounts Regional Economic
 - (4) - Ohio Bureau of Employment Services

N/A - Information not available

City of Forest Park, Ohio
Major Employers (1)
Current Fiscal Year and Fiscal Period Eight Years Ago (2)
Schedule 16

2016			
Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
American Financial Group Inc	Ins	(4)	(5)
Cincinnati Children's Hospital	Serv	(4)	(5)
Fifth Third Bancorp	Fin	(4)	(5)
Ford Motor Co	Mfg	(4)	(5)
General Electric Co	Mfg	(4)	(5)
Johnson & Johnson/Ethicon	Mfg	(4)	(5)
Kroger Co	Trade	(4)	(5)
Macy's Inc	Trade	(4)	(5)
Mercy Health Partners	Serv	(4)	(5)
Procter & Gamble Co	Mfg	(4)	(5)
TriHealth Inc	Serv	(4)	(5)
University of Cincinnati	Govt	(4)	(5)

2008			
Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Population
American Financial Group Inc	Ins	(4)	(5)
Chiquita Brands International Inc	Trade	(4)	(5)
Convergys Corp	Serv	(4)	(5)
Duke Energy Corp	Utility	(4)	(5)
Fifth Third Bancorp	Fin	(4)	(5)
Ford Motor Co	Mfg	(4)	(5)
General Electric Co	Mfg	(4)	(5)
Health Alliance of Greater Cincinnati	Serv	(4)	(5)
Johnson & Johnson/Ethicon	Mfg	(4)	(5)
Kroger Co	Trade	(4)	(5)
Macy's Inc	Trade	(4)	(5)
Mercy Health Partners	Serv	(4)	(5)
Procter & Gamble Co	Mfg	(4)	(5)
TriHealth Inc	Serv	(4)	(5)
University of Cincinnati	Govt	(4)	(5)

Source: Ohio Department of Development

- (1) - For all of Hamilton County
- (2) - Only current fiscal year and fiscal period eight years ago information available. Information for fiscal period nine years ago not available.
- (3) - Includes at minimum the ten largest employers for the county. In alphabetical order only.
- (4) - The number of employees of each listed major employer was not available.
- (5) - The employer's percentage of total employment for each major employer was not available.

City of Forest Park, Ohio
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Calendar Years
 Schedule 17

Function/Program	Full-time-Equivalent Employees as of December 31									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
City Administration	6.5	6.5	6.0	5.2	5.5	5.5	5.5	5.5	5.5	6.5
City Council	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	5.0	4.5
Mayor's Court	2.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance & Tax	8.5	8.5	6.5	6.5	7.5	8.5	7.5	7.5	9.5	9.5
Engineering	1.0	1.0	1.0	0.5	0.5	0.5	0.5	0.5	1.0	1.0
Facility/Buildings	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0
Public Safety										
Police										
Officers	37.0	40.0	40.0	39.0	37.0	37.0	37.0	37.0	37.0	37.0
Non-Sworn	8.0	8.0	4.5	4.5	3.5	3.5	3.5	3.5	3.5	3.5
Fire										
Full time	28.0	28.0	27.0	28.2	28.0	28.0	24.0	24.0	24.0	24.0
Part Time	13.5	15.0	15.5	16.5	16.0	16.0	22.0	22.0	26.5	21.5
Leisure Time Activities										
Parks and Recreation	9.5	1.0	0.5	0.5	1.5	1.5	1.5	1.5	2.0	2.0
Community Development										
Planning and Zoning	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Building Inspection	3.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Economic Development	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Transportation and Street Repair	10.5	11.5	11.5	14.1	13.5	13.5	14.0	14.0	14.5	14.5
Total	142.0	138.0	129.0	130.5	127.5	128.5	130.0	130.0	138.5	134.0

Source: City Finance Department

City of Forest Park, Ohio
 Operating Indicators by Function/Program
 Last Ten Calendar Years
 Schedule 18

Function/Program	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Building Permits Issued	342	426	688	503	575	536	563	592	644	731
Building Inspections Conducted	1,265	1,309	1,337	848	875	1,105	1,053	1,265	1,233	1,151
Police										
Physical Arrests	2,630	3,050	3,078	3,034	2,177	2,495	2,795	1,547	2,388	2,091
Parking Violations	542	629	756	810	824	832	988	410	424	578
Traffic Violations	2,042	2,438	2,097	2,225	1,665	2,494	2,476	2,411	1,685	2,755
Fire										
Emergency Responses	3,972	4,104	4,112	4,000	3,954	4,463	4,203	4,698	4,879	4,834
Fires Extinguished	109	134	168	128	46	66	46	49	63	53
Inspections	445	290	464	545	634	559	540	425	541	600
Recyclable Collected in Tons	807	881	925	1,020	932	885	900	967	891	794
Other Public Works										
Street Resurfacing	5	2	0	8	3	3	1	0	6	4
Potholes Repaired	342	574	180	694	1,015	1,041	1,159	1,898	3,998	1,301
Parks and Recreation										
Athletic Field Permits Issued	10	10	10	10	10	10	10	10	10	10

Source: Various City Departments

City of Forest Park, Ohio
 Capital Asset Statistics by Function/Program
 Last Ten Calendar Years
 Schedule 19

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	2	2	2	2	1	0	1	1	1	1
Patrol Units	22	27	27	27	27	27	27	27	27	27
Fire Stations	2	2	2	2	2	2	2	2	2	2
Other Public Works										
Area of City (square miles)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Streets (miles)	153.00	153.00	153.00	153.00	153.00	153.00	153.00	153.00	153.00	153.00
Highways (miles)										
Streetlights	788	788	788	788	788	788	788	788	788	788
Traffic Signals	23	23	23	23	23	23	23	23	23	23
Stormwater Correction (Miles of Storm Lines)	46	46	46	46	46	46	46	46	46	46
Parks and Recreation										
Number of Parks	11	11	11	11	11	11	11	11	11	11
Acreage	82.28	82.28	82.28	82.28	82.28	82.28	82.28	82.28	82.28	82.28
Playgrounds	4	4	4	4	4	4	4	4	4	4
Baseball/Softball Diamonds	8	8	8	8	8	8	8	8	8	8
Soccer/Football Fields	5	5	5	5	5	5	5	5	5	5
Fire Hydrants	1,150	1,150	1,150	1,089	1,089	1,089	1,089	1,089	1,089	1,089

Source: Various city departments

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CITY OF FOREST PARK, OHIO



Yellow Book Report

December 31, 2016

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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*

City Council
City of Forest Park
Hamilton County
1201 West Kemper Road
Forest Park, Ohio 45240

We have audited, in accordance with the 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 Forest Park, Ohio (the City), as of and for the year ended December 31, 2016, 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 28, 2017.

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 entity'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 are 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.

Plattenburg & Associates, Inc.

Cincinnati, Ohio

June 28, 2017



Dave Yost • Auditor of State

CITY OF FOREST PARK

HAMILTON 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 17, 2017**