

CITY OF MADEIRA, OHIO

Independent Auditors' Report on
Internal Controls and Compliance
Year Ended December 31, 2017



CLARK SCHAEFER HACKETT
CPAS & ADVISORS



Dave Yost • Auditor of State

City Council
City of Madeira
7141 Miami Avenue
Cincinnati, Ohio 45243

We have reviewed the *Independent Auditors' Report* of the City of Madeira, Hamilton County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2017 through December 31, 2017. 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 Madeira 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 13, 2018

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**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****INDEPENDENT AUDITORS' REPORT**

To the City Council
City of Madeira, Ohio:

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 Madeira, Ohio ("City"), as of and for the year ended December 31, 2017, 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, 2018.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as 2017-001 that we considered to be a significant deficiency.

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*.

City's Response to the Finding

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 result of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 28, 2018

CITY OF MADEIRA, OHIO
Schedule of Findings and Reponses
Year Ended December 31, 2017

2017-001 Financial Reporting

During the course of our audit, we identified a misstatement in the financial statements that was not initially identified by the City's internal control over financial reporting. A deficiency in internal control exists when the design of 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. In this case, the internal controls over the preparation and review of the City's financial statements did not operate as designed.

An adjustment to the financial statements was necessary to properly report fund balance classifications in Other Governmental Funds (Water Distribution Fund).

We recommend the City enhance its internal controls over financial reporting with steps such as management analysis of the financial statements.

Views of Responsible Officials: The City concurs with the adjustments which have been posted to the financial statements.

**CITY OF MADEIRA, OHIO
Schedule of Prior Audit Findings
Year Ended December 31, 2017**

2016-001 Financial Reporting

Misstatements in the financial statements were identified that were not initially identified by the City's internal control over financial reporting

Status: Repeated as Finding 2017-001



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**THE COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF MADEIRA**



State of Ohio

FOR THE YEAR ENDED DECEMBER 31, 2017

**CITY OF MADEIRA,
OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL
REPORT**

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2017**

Prepared by:

Treasurer's Office

City of Madeira, Ohio
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended December 31, 2017

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INTRODUCTORY SECTION

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June 28, 2018

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Madeira:

State law requires that all general-purposes local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP). Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Madeira for the fiscal year ended December 31, 2017.

This report consists of management's representations concerning the finances of the City of Madeira. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Madeira 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 sufficient reliable information for the preparation of the City of Madeira financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Madeira'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 of Madeira's financial statements have been audited by Clark Schaefer Hackett. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Madeira for the fiscal year ended December 31, 2017 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 of Madeira's financial statements for the fiscal year ended December 31, 2017 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

Profile of the Government

The City of Madeira, incorporated in 1910 as a village, is located in the southwestern part of the

state. The City of Madeira currently occupies a land area of 3.4 square miles and serves a population of 8,976. The City of Madeira is empowered to levy a property tax on real properties located within its boundaries.

The City of Madeira has operated under the council-manager form of government since 1959. Policy-making and legislative authority are vested in a governing council consisting of the mayor and six other members. The governing council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the government's manager, treasurer, clerk of council, and law director. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members are elected at large and serve four-year staggered terms, with elections every two years. The Madeira Home Rule Charter specifies term limits of three consecutive terms.

The Madeira City Council elects a Mayor and Vice-Mayor from within its ranks. The Mayor and Vice-Mayor each serve a two-year term. The Mayor's primary duties include presiding over City Council meetings, performing ceremonial civic duties and overseeing the proceedings of Mayor's Court. The Vice-Mayor assumes the duties of the Mayor in his or her absence.

The City of Madeira provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; and recreational activities and cultural events.

The annual budget serves as the foundation for the financial planning and control. The City Manager presents a proposed budget to the council for review prior to December 31. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 31, the close of the City of Madeira's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund and major special revenue funds, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Madeira operates.

Local economy. The City of Madeira currently enjoys a favorable economic environment and local indicators point to continued stability. The region has a varied manufacturing and industrial base that adds to the relative stability of the unemployment rate. Major industries with headquarters or divisions located within the City's boundaries or in close proximity include consumer product manufacturers, jet engine and automobile component manufacturers, and several financial and insurance institutions.

The City's central business district is expected to maintain its current high occupancy rate with a variety of stores, specialty shops, and commercial businesses. Meanwhile, there continues to be a discernible trend toward steady residential growth.

Long-term financial planning. Unassigned fund balance in the general fund (34% of general fund expenditures) falls above the policy guidelines set by the City Council for budgeting and planning purposes (i.e., between 20 and 25 percent of general fund expenditures). It is council's intent to not borrow to fund improvement projects unless the project size is over \$1 million. The City Council plans to add and improve walkways, bikeways, and park space and obtain improvement grants from the state for road improvements. In addition, they are trying to repave all streets on the existing 20 year schedule. The anticipated future annual street improvement budget is approximately \$500,000 per year.

Relevant financial policies. During 2017, the City began planning for future infrastructure projects. The City may consider an increase in income tax rates and fees and a reduction in spending and services to cover the cost if necessary.

Major initiatives. The City will continue to reduce the principal on the Kenwood Road Bond Anticipation Notes by \$120,000 each year until it is retired. The City has approved a TIF district to fund road and waterline improvements in conjunction with a major commercial senior residential construction project expected to be completed in 2019. In an effort to improve the business district and "Downtown" Madeira, City Council authorized the purchase of property and a commitment to construct a public parking lot to revitalize an area adjacent to the newly created Madeira Historic District.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Madeira for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2016. This was the twenty-second consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

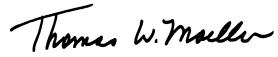
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Madeira's finances.

Respectfully submitted,

A handwritten signature in black ink that reads "Steven A. Soper". The signature is written in a cursive style with a large, prominent 'S' at the beginning.

Steven A. Soper
Treasurer

A handwritten signature in black ink that reads "Thomas W. Moeller". The signature is written in a cursive style with a large, prominent 'T' at the beginning.

Thomas W. Moeller
City Manager

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Madeira
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

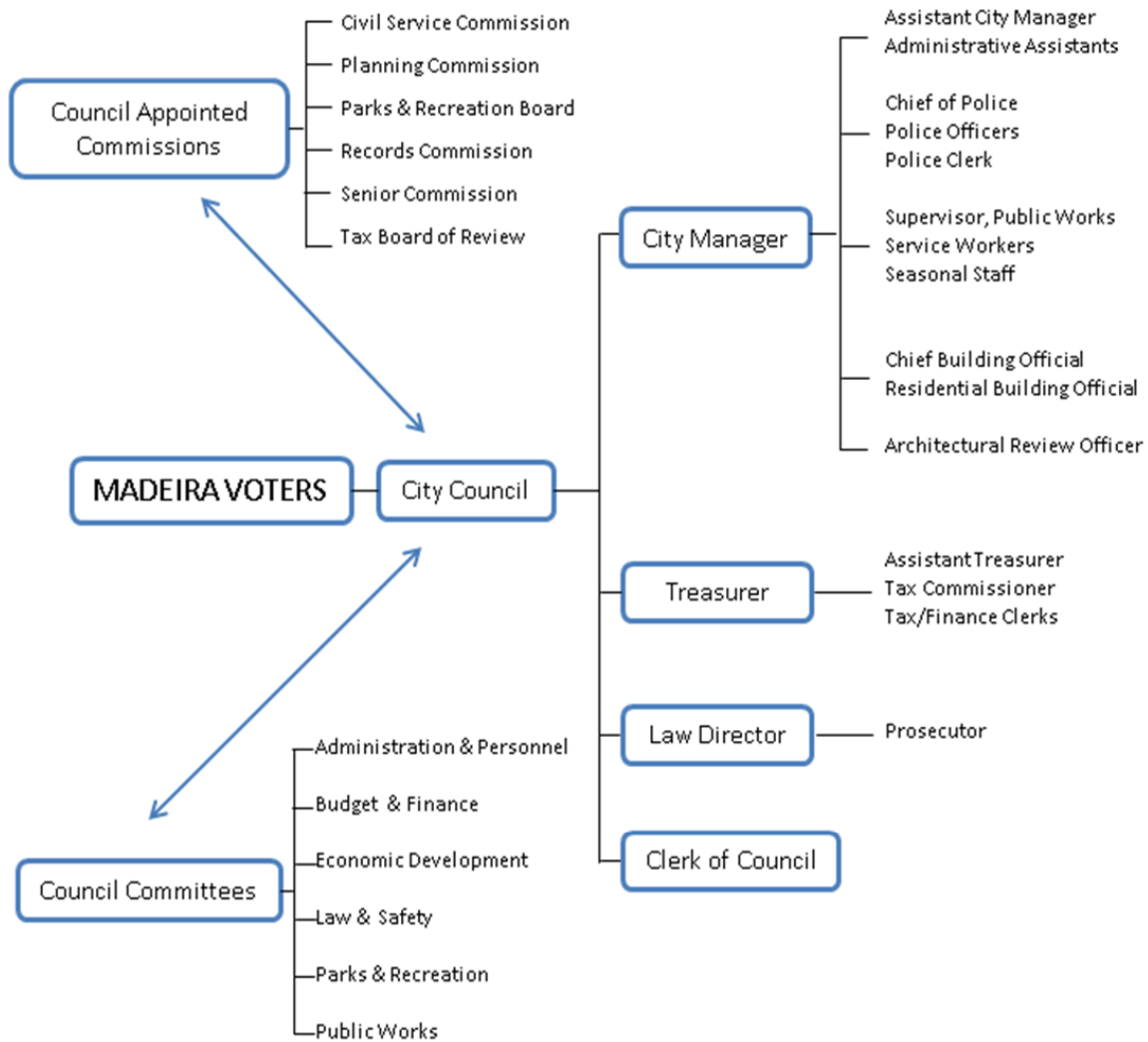
December 31, 2016

Christopher P. Morvill

Executive Director/CEO

City of Madeira

Organizational Chart



City of Madeira, Ohio
List of Elected and Appointed Officials
December 31, 2017

ELECTED OFFICIALS:

Traci Theis	Mayor	12/01/13 thru 11/30/21
Nancy Spencer	Vice Mayor	12/01/13 thru 11/30/21
Melisa Adrien	Council Member	12/01/11 thru 11/30/19
Scott Gehring	Council Member	12/01/15 thru 11/30/19
Chris Hilberg	Council Member	12/01/15 thru 11/30/19
Matt Luther	Council Member	12/01/17 thru 11/30/21
Brian Mueller	Council Member	12/01/17 thru 11/30/21

APPOINTED OFFICIALS:

Thomas W. Moeller, MPA	City Manager	Hired 3/6/89 for Indefinite Term
Steven A. Soper, CPA	Treasurer	12/01/97 thru 11/30/19
Brian W. Fox	Law Director	05/01/16 thru 11/30/19
Christine Doyle	Clerk of Council	02/13/17 thru 11/30/19
David H. Ballweg	Architectural Review Officer	07/01/94 thru 12/31/18

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Madeira, Ohio:

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 Madeira, Ohio (the "City") as of and for the year ended December 31, 2017, 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.

Auditors' 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 auditors' 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 of Madeira, Ohio, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund and Street Repair Fund 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 and other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, capital asset schedules, introductory and statistical sections 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 and capital asset 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 and capital asset 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, 2018 on our consideration of the City of Madeira's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Madeira's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 28, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

As management of the City of Madeira, we offer readers of the City of Madeira's financial statements this narrative overview and analysis of the financial activities of the City of Madeira for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in this report.

Financial Highlights

- The assets and deferred outflows of the City of Madeira exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$10,462,944 (net position). Of this amount, \$453,974 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$232,351.
- As of the close of the current fiscal year, the City of Madeira's governmental funds reported combined ending fund balances of \$3,111,523, an increase of \$115,639 in comparison with the prior year. Sixty-eight percent (68%) of this total amount, \$2,112,224, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,163,826, or thirty-four percent (34%) of total general fund expenditures.
- The City of Madeira's total debt decreased by \$120,000 (25%) during the current fiscal year.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the City of Madeira's basic financial statements. The City of Madeira's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Madeira's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Madeira's assets, deferred outflows, liabilities and deferred inflows of resources, with the residual being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Madeira is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the City of Madeira that are principally supported by taxes and intergovernmental revenues (governmental activities)

from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Madeira include general government, public safety, transportation, sanitation, community environment, and recreation. The business-type activity of the City of Madeira is rental property.

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. 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. Both the governmental fund balance sheet and the government fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate a comparison between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds.

The City of Madeira maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund and the street repair fund; both are considered to be major funds. Data from the other eleven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Madeira adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the general fund and the street repair fund to demonstrate compliance with this budget.

Proprietary fund. The City of Madeira maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Madeira uses an enterprise fund to account for its rental property operation.

Proprietary funds provide the same type of information as the governmental-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the rental property operation, which is considered to be a major fund of the City of Madeira.

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 statement because the resources of those funds are not available to support the City of Madeira's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

Required supplementary information. Displays to better understand pension costs and liabilities are required.

Other information. In addition to the basic financial statements and the accompanying notes, this report also presents certain other information that the City of Madeira believes readers will find useful. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

Government-wide Financial Analysis

As noted earlier, the statement of net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Madeira, the net position at the close of the most recent fiscal year was \$10,462,944.

A portion of the City of Madeira's net position (90%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets to provide services to citizens consequently; these assets are not available for future spending. Although the City of Madeira's investment is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

The following table provides a summary of the City's net position compared to the previous year.

**City of Madeira's Net Position
(In Thousands)**

	Governmental Activities		Business-type Activities		Total Government	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$6,829	\$7,046	\$66	\$42	\$6,895	\$7,088
Capital Assets	9,475	9,313	266	286	9,741	9,599
Total Assets	16,304	16,359	332	328	16,636	16,687
Deferred Outflows of Resources	1,352	1,257	0	0	1,352	1,257
Current and other liabilities	296	663	4	4	300	667
Long-term liabilities outstanding	5,103	4,826	0	0	5,103	4,826
Total Liabilities	5,399	5,489	4	4	5,403	5,493
Total Deferred Inflows of Resources	2,123	2,221	0	0	2,123	2,221
Net Position:						
Net Investment in Capital Assets	9,115	8,833	266	286	9,381	9,119
Restricted	627	612	0	0	627	612
Unrestricted	392	461	62	38	454	499
Total Net Position	\$10,134	\$9,906	\$328	\$324	\$10,462	\$10,230

An additional portion of the City of Madeira's net position (6%) represents resources that have been restricted on how they may be used. The remaining balance of unrestricted net position of \$453,974 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Madeira is able to report positive balances in all three categories of net position, both for the government as a whole as well as for its governmental activities. The same situation held true for the prior fiscal year.

The government's net position increased by \$232,351, during the current fiscal year. This largely reflects revenues in excess of expenses due to increase in taxes of \$561,956.

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

City of Madeira's Changes in Net Position
(In thousands)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
REVENUES						
Program Revenues						
Charges for Services	\$806	\$607	\$55	\$47	\$861	\$654
Operating Grants and Contributions	494	485	0	0	494	485
Capital Grants and Contributions	0	177	0	0	0	177
General Revenues						
Property Taxes	2,383	2,198	0	0	2,383	2,198
Other Taxes	3,345	2,968	0	0	3,345	2,968
Grants & Contributions not Restricted to Specific Programs	886	767	0	0	886	767
Investment Earnings	32	15	0	0	32	15
TOTAL REVENUES	7,946	7,217	55	47	8,001	7,264
EXPENSES						
General Government	1,515	1,230	0	0	1,515	1,230
Public Safety	3,805	3,724	0	0	3,805	3,724
Transportation	1,557	1,570	0	0	1,557	1,570
Sanitation	505	508	0	0	505	508
Community Environment	184	174	0	0	184	174
Recreation	144	170	0	0	144	170
Interest on Long-Term Debt	8	8	0	0	8	8
Rental Property	0	0	51	42	51	42
TOTAL EXPENSES	7,718	7,384	51	42	7,769	7,426
Increase/(Decrease) in Net Position	228	(167)	4	5	232	(162)
Net Position	9,906	10,073	324	319	10,230	10,392
Net Position - Ending	\$10,134	\$9,906	\$328	\$324	\$10,462	\$10,230

Governmental activities. Governmental activities increased the City of Madeira's net position by \$227,683, thereby accounting for namely all of the increase in the net position of the City of Madeira. Key elements of this increase are as follows:

- Charges for services increased 33% from the previous year due to increased collections of building permit fees and court fines.
- The income and franchise taxes increased by \$377,183 due to an improved economy.
- Grants for road work decreased by \$177,000.
- Operating grants increased by \$9,881.

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services; however, the general government expenses increased due to increased legal costs of \$193,000 to defend the City in various lawsuits. We have received favorable rulings in 2018.

Business-type activities. Business-type activities increased the City of Madeira's net position by \$4,668.

Financial Analysis of the City of Madeira's Funds

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

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

As of the end of the current fiscal year, the City of Madeira's governmental funds reported combined ending fund balances of \$3,111,523, an increase of \$115,639 in comparison with the prior year. Of this amount, \$2,112,224 constitutes unassigned fund balance, which is available for spending at the government's discretion.

The general fund is the chief operating fund of the City of Madeira. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,163,826. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned and total fund balance represents 34% and 35% of total general fund expenditures respectively.

The fund balance of the City of Madeira's general fund increased by \$323,870 during the current fiscal year. Key factors in this change are as follows:

- Increase in tax collections of \$262,994 due to a stronger economy.
- Increase in public safety expenditures of \$74,054 due to increased wages and benefit costs. In addition to \$75,793 for body camera systems.
- Decrease in transfers to other funds of \$105,121.
- Decrease in transportation expenditures of \$166,709 due to lowered capital acquisitions.

The fund balance for Street Repair increased by \$20,024, which was due to a light winter and not purchasing as much salt as we have had to do in the past.

Proprietary fund. The City of Madeira’s proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

Unrestricted net position of the rental property fund at the end of the year amounted to \$62,343. The increase in net position was \$4,668. The largest factor in the increase is the addition of a tenant resulting in higher revenues.

General Fund Budgetary Highlights

The increase between the original and final budget anticipated revenues totaled \$400,000. It was evident as the year progressed that intergovernmental revenue and permits were going to exceed original estimates.

The original budget and the final amended budget for expenditures increased \$110,505. During the year, expenditures were more than budgetary estimates, thus increasing the amount to be drawn upon the existing fund balance. Actual revenues, expenditures, and transfers finished better than expected by a total of \$252,247. The favorable variance was due to revenues exceeding the budget and reduced transfers out.

Capital Asset and Debt Administration

Capital Assets. The City of Madeira’s investment in capital assets for its governmental and business type activities as of December 31, 2017 amounts to \$9,741,770 (net of accumulated depreciation). This investment in capital assets includes land, vehicles, improvements, furniture and equipment, and roads. The total increase in the City of Madeira’s investment in capital assets for the current fiscal year was 1.48%.

**City of Madeira’s Capital Assets
(net of depreciation)
(in thousands)**

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$645	\$645	\$134	\$134	\$779	\$779
Buildings and Improvements	531	639	132	152	663	791
Vehicles	155	153	0	0	155	153
Furniture and Software	170	76	0	0	170	76
Infrastructure	7,974	7,800	0	0	7,974	7,800
Total	\$9,475	\$9,313	\$266	\$286	\$9,741	\$9,599

The Infrastructure capital assets increased due to road and waterline improvements. Additional information on City of Madeira’s capital assets can be found in note IV.C.

Long-term debt. At the end of the current year, the City of Madeira had a bond anticipation note outstanding in the amount of \$360,000.

All \$360,000 is backed by the full faith and credit of the government.

**City of Madeira’s Outstanding Debt
General Obligation Bonds
(In thousands)**

	Governmental Activities	
	2017	2016
General obligation bond anticipation note	\$360	\$480

Additional information on City of Madeira’s long-term debt can be found in note IV.F.

The City of Madeira’s total debt decreased by \$120,000 during the current fiscal year. The key factor in the decrease was the scheduled principal retirement payment.

Economic Factors and Next Year’s Budgets and Rates

- The occupancy rate of the City’s central business district has remained at a high percent for the past three years.
- Inflationary trends in the region compare favorably to national indices.
- Earnings tax to remain flat.
- Increase in expenditures due to anticipated capital projects.

All of these factors were considered in preparing the City of Madeira’s budget for the 2018 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of Madeira’s finances for all those with an interest in the City’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Treasurer, 7141 Miami Avenue, Madeira, Ohio, 45243.

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BASIC FINANCIAL STATEMENTS

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CITY OF MADEIRA, OHIO

**Statement of Net Position
December 31, 2017**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$2,782,339	\$64,026	\$2,846,365
Cash with Fiscal Agent	233,538	0	233,538
Receivables			
Taxes Receivable	3,209,477	0	3,209,477
Intergovernmental Receivable	505,443	0	505,443
Accounts Receivables	41,076	2,400	43,476
Inventory of Supplies	56,844	0	56,844
Capital Assets: Land	645,000	134,008	779,008
Capital Assets, Net of Accumulated Depreciation	8,830,275	132,487	8,962,762
TOTAL ASSETS	16,303,992	332,921	16,636,913
DEFERRED OUTFLOWS OF RESOURCES			
Pension	1,352,072	0	1,352,072
LIABILITIES			
Accounts Payable	145,265	4,083	149,348
Accrued Payroll	145,701	0	145,701
Accrued Interest	4,722	0	4,722
Long Term Liabilities			
Due Within One Year	520,508	0	520,508
Due in More Than One Year			
Net Pension Liability	4,523,052	0	4,523,052
Other Amounts	59,755	0	59,755
TOTAL LIABILITIES	5,399,003	4,083	5,403,086
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,086,726	0	2,086,726
Pension	36,229	0	36,229
TOTAL DEFERRED INFLOWS OF RESOURCES	2,122,955	0	2,122,955
NET POSITION			
Net Investment in Capital Assets	9,115,275	266,495	9,381,770
Restricted for:			
Street Repair	598,626	0	598,626
Public Safety	28,574	0	28,574
Unrestricted	391,631	62,343	453,974
TOTAL NET POSITION	\$10,134,106	\$328,838	\$10,462,944

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Activities
For the Year Ended December 31, 2017**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		<u>Total</u>
		<u>Charges for Services and Sales</u>	<u>Operating Grants, Contributions and Interest</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	
PRIMARY GOVERNMENT						
Governmental Activities						
General Government	\$1,515,516	\$121,343	\$600	(1,393,573)	\$0	(1,393,573)
Public Safety	3,804,730	212,398	0	(3,592,332)	0	(3,592,332)
Transportation	1,556,715	0	493,794	(1,062,921)	0	(1,062,921)
Sanitation	505,232	48,232	0	(457,000)	0	(457,000)
Community Environment	183,909	406,764	0	222,855	0	222,855
Recreation	144,013	17,718	0	(126,295)	0	(126,295)
Interest Expense	8,127	0	0	(8,127)	0	(8,127)
Total Governmental Activities	<u>7,718,242</u>	<u>806,455</u>	<u>494,394</u>	<u>(6,417,393)</u>	<u>0</u>	<u>(6,417,393)</u>
Business-Type Activities						
Rental Property	50,934	55,602	0	0	4,668	4,668
Total Business-Type Activities	<u>50,934</u>	<u>55,602</u>	<u>0</u>	<u>0</u>	<u>4,668</u>	<u>4,668</u>
Total Primary Government	<u>7,769,176</u>	<u>862,057</u>	<u>494,394</u>	<u>(6,417,393)</u>	<u>4,668</u>	<u>(6,412,725)</u>
General Revenues						
Property Taxes				2,382,503	0	2,382,503
Income Taxes				3,118,890	0	3,118,890
Franchise Taxes				226,105	0	226,105
Grants and Contributions Not Restricted to Specific Programs				885,907	0	885,907
Unrestricted Investment Earnings				31,671	0	31,671
Total General Revenues				<u>6,645,076</u>	<u>0</u>	<u>6,645,076</u>
Change in Net Position				227,683	4,668	232,351
Net Position Beginning of Year				<u>9,906,423</u>	<u>324,170</u>	<u>10,230,593</u>
Net Position End of Year				<u>\$10,134,106</u>	<u>\$328,838</u>	<u>\$10,462,944</u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Balance Sheet
Governmental Funds
December 31, 2017**

	<u>General</u>	<u>Street Repair</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and Cash Equivalents	\$1,538,308	\$753,853	\$490,178	\$2,782,339
Cash with Fiscal Agent	233,538	0	0	233,538
Taxes Receivable	3,209,477	0	0	3,209,477
Intergovernmental Receivable	300,362	205,081	0	505,443
Accounts Receivables	36,376	0	4,700	41,076
Inventory of Supplies	56,844	0	0	56,844
Due from other funds	51,602	0	0	51,602
TOTAL ASSETS	<u>5,426,507</u>	<u>958,934</u>	<u>494,878</u>	<u>6,880,319</u>
 LIABILITIES, DEFERRED INFLOWS OF REOURCES, AND FUND BALANCES				
Liabilities				
Accounts Payable	124,875	308	20,082	145,265
Accrued Payroll	145,701	0	0	145,701
Due to other funds	0	0	51,602	51,602
Note Payable	0	360,000	0	360,000
TOTAL LIABILITIES	<u>270,576</u>	<u>360,308</u>	<u>71,684</u>	<u>702,568</u>
 Deferred Inflows of Resources				
Property Taxes	2,137,708	0	0	2,137,708
Unavailable Revenue: Income Tax	604,217	0	0	604,217
Unavailable Revenue: Grants	193,336	130,967	0	324,303
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>2,935,261</u>	<u>130,967</u>	<u>0</u>	<u>3,066,228</u>
 Fund Balances				
Nonspendable	56,844	0	0	56,844
Restricted for Public Safety	0	0	28,574	28,574
Restricted for Street Repair	0	467,659	0	467,659
Committed for:				
Recreation	0	0	22,796	22,796
Capital Improvements	0	0	423,426	423,426
Unassigned	2,163,826	0	(51,602)	2,112,224
TOTAL FUND BALANCES	<u>2,220,670</u>	<u>467,659</u>	<u>423,194</u>	<u>3,111,523</u>
 TOTAL LIABILITIES , DEFERRED INFLOWS, OF RESOURCES AND FUND BALANCES	<u>\$5,426,507</u>	<u>\$958,934</u>	<u>\$494,878</u>	<u>\$6,880,319</u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
December 31, 2017**

TOTAL GOVERNMENTAL FUND BALANCES		\$3,111,523
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.		9,475,275
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Property Taxes	50,982	
Income Taxes	604,217	
Grants	324,303	
Total	<u>979,502</u>	979,502
Long-term liabilities, compensated absences, and accrued interest are not due and payable in the current period and, therefore, are not reported in the funds.		(224,985)
The Net Pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the governmental funds.		
Deferred Outflows: Pension	1,352,072	
Deferred Inflows: Pension	(36,229)	
Net Pension Liability	<u>(4,523,052)</u>	
Total		<u>(3,207,209)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$10,134,106</u>

CITY OF MADEIRA, OHIO

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017**

	<u>General</u>	<u>Street Repair</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$5,283,232	\$0	\$0	\$5,283,232
Licenses & Permits	258,749	0	0	258,749
Intergovernmental Revenue	846,832	472,131	148,015	1,466,978
Charges for Services	236,429	0	17,718	254,147
Investment Earnings	22,136	9,535	0	31,671
Fines & Forfeitures	91,131	0	6,290	97,421
All Other Revenues	274,828	0	21,310	296,138
Total Revenues	<u>7,013,337</u>	<u>481,666</u>	<u>193,333</u>	<u>7,688,336</u>
EXPENDITURES				
Current				
Public Safety	3,748,823	0	11,878	3,760,701
Recreation	92,009	0	20,801	112,810
Community Environment	180,582	0	3,327	183,909
Transportation	646,630	45,441	0	692,071
Sanitation	505,232	0	0	505,232
General Government	1,259,312	0	0	1,259,312
Capital Outlay	0	507,346	542,461	1,049,807
Interest	0	8,855	0	8,855
Total Expenditures	<u>6,432,588</u>	<u>561,642</u>	<u>578,467</u>	<u>7,572,697</u>
Excess/(Deficiency) of Revenues over (under) Expenditures	<u>580,749</u>	<u>(79,976)</u>	<u>(385,134)</u>	<u>115,639</u>
OTHER FINANCING SOURCES/(USES)				
Transfers In	0	100,000	156,879	256,879
Transfers Out	(256,879)	0	0	(256,879)
Total Other Financing Sources and Uses	<u>(256,879)</u>	<u>100,000</u>	<u>156,879</u>	<u>0</u>
Net Change in Fund Balances	323,870	20,024	(228,255)	115,639
Fund Balance: Beginning	<u>1,896,800</u>	<u>447,635</u>	<u>651,449</u>	<u>2,995,884</u>
Fund Balance: Ending	<u>\$2,220,670</u>	<u>\$467,659</u>	<u>\$423,194</u>	<u>\$3,111,523</u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2017**

Net Change in Fund Balances - Total Governmental Funds	\$115,639
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**Amounts reported for governmental activities in the
statement of activities are different because:**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outflows exceeded depreciation in the current period.

162,169

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

Property Taxes	(9,166)	
Income Tax	227,327	
Intergovernmental Revenues	<u>39,428</u>	
Total		257,589

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

334,133

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.

(645,150)

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 activities.

Interest	728	
Compensated Absences	<u>2,575</u>	
Total		<u>3,303</u>

Change in Net Position of Governmental Activities

\$227,683

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Taxes	\$5,137,500	\$5,137,500	\$5,283,232	145,732
Licenses & Permits	114,000	264,000	258,749	(5,251)
Intergovernmental Revenue	784,200	979,200	846,832	(132,368)
Charges for Services	218,917	218,917	236,429	17,512
Investment Earnings	8,000	8,000	22,136	14,136
Fines & Forfeitures	85,000	85,000	91,131	6,131
All Other Revenues	215,550	270,550	274,828	4,278
TOTAL REVENUES	6,563,167	6,963,167	7,013,337	50,170
EXPENDITURES				
Current				
Public Safety	3,654,235	3,782,240	3,748,823	33,417
Recreation	122,262	113,762	92,009	21,753
Community Environment	164,400	164,400	180,582	(16,182)
Transportation	694,928	692,928	646,630	46,298
Sanitation	506,000	506,000	505,232	768
General Government	1,128,121	1,121,121	1,259,312	(138,191)
TOTAL EXPENDITURES	6,269,946	6,380,451	6,432,588	(52,137)
Excess of Revenues Over Expenditures	293,221	582,716	580,749	(1,967)
OTHER FINANCING SOURCES/(USES)				
Transfers Out	(516,093)	(511,093)	(256,879)	254,214
Total Other Financing Sources/(Uses)	(516,093)	(511,093)	(256,879)	254,214
Net Change in Fund Balance	(222,872)	71,623	323,870	252,247
Fund Balance: Beginning	1,896,800	1,896,800	1,896,800	0
Fund Balance: Ending	\$1,673,928	\$1,968,423	\$2,220,670	\$252,247

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Street Repair Special Revenue Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Intergovernmental Revenue	\$483,231	\$303,231	\$472,131	\$168,900
Investment Earnings	0	0	9,535	9,535
TOTAL REVENUES	483,231	303,231	481,666	178,435
EXPENDITURES				
Current				
Transportation	221,000	101,000	45,441	55,559
Capital Outlay	503,774	503,774	507,346	(3,572)
Debt Service				
Interest	9,000	9,000	8,855	145
TOTAL EXPENDITURES	733,774	613,774	561,642	52,132
Excess/(Deficiency) of Revenues				
Over/(Under) Expenditures	(250,543)	(310,543)	(79,976)	230,567
OTHER FINANCING SOURCES/(USES)				
Transfers In	300,000	300,000	100,000	(200,000)
TOTAL OTHER FINANCING SOURCES/(USES)	300,000	300,000	100,000	(200,000)
Net Change in Fund Balance	49,457	(10,543)	20,024	30,567
Fund Balance: Beginning	447,635	447,635	447,635	0
Fund Balance: Ending	\$497,092	\$437,092	\$467,659	\$30,567

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Net Position
Proprietary Fund
December 31, 2017**

	<u>Business-type Activities Enterprise Fund Rental Property</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	<u>\$64,026</u>
Receivables	
Accounts	<u>2,400</u>
Total Current Assets	<u>66,426</u>
Noncurrent Assets	
Capital Assets	
Land	134,008
Depreciable Capital Assets, Net	<u>132,487</u>
Total Noncurrent Assets	<u>266,495</u>
TOTAL ASSETS	<u>332,921</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	<u>4,083</u>
Total Current Liabilities	<u>4,083</u>
TOTAL LIABILITIES	<u>4,083</u>
Net Position	
Investment in Capital Assets	266,495
Unrestricted	<u>62,343</u>
Total Net Position	<u>\$328,838</u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2017**

	<u>Business-type Activities Enterprise Fund Rental Property</u>
Operating Revenues	
Rents	<u>\$55,602</u>
Total Operating Revenues	<u>55,602</u>
Operating Expenses	
Insurance	5,313
Gas & Electric	2,837
Water	509
Professional Services	2,601
Repairs & Maintenance	8,360
Property Taxes	12,030
Depreciation	<u>19,284</u>
Total Operating Expenses	<u>50,934</u>
Change in Net Position	4,668
Total Net Position Beginning of Year	<u>324,170</u>
Total Net Position End of Year	<u><u>\$328,838</u></u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2017**

	<u>Business-Type Activities Enterprise Fund Rental Property</u>
Cash Flows from Operating Activities	
Cash Received from Customers	\$58,102
Cash Payments for Goods and Services	<u>(31,397)</u>
Net Cash Provided by Operating Activities	<u>26,705</u>
Cash and Cash Equivalents Beginning of Year	<u>37,321</u>
Cash and Cash Equivalents End of Year	<u><u>64,026</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	4,668
Adjustments	
Depreciation	19,284
Decrease in Assets	
Accounts Receivable	2,500
Increase in Liabilities	
Accounts Payable	<u>253</u>
Net Cash Provided by Operating Activities	<u><u>\$26,705</u></u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Fiduciary Assets & Liabilities
Fiduciary Fund
December 31, 2017**

	<u>Agency</u>
ASSETS	
Cash in Segregated accounts	<u>\$660,170</u>
Total Assets	<u><u>660,170</u></u>
LIABILITIES	
Due to Other Governments	<u>660,170</u>
Total Liabilities	<u><u>\$660,170</u></u>

The Notes to the Financial Statements are an integral part of this statement.

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CITY OF MADEIRA, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

I. Summary of Significant Accounting Policies

A. Reporting entity

The City of Madeira (the City) is a home rule municipal corporation organized under the laws of the State of Ohio. The City operates under its own charter, which provides for a council/manager form of government and was adopted in 1959. The seven-member council is elected to four-year terms. Every two years council selects one of its members to serve as mayor and one of its members to serve as vice-mayor. Council also appoints the city manager, treasurer, law director, and clerk of council.

The reporting entity is composed of the primary government, component units, and other organizations. The primary government includes all funds, organizations, activities, and component units for which the City is financially accountable and that are not legally separate. Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if it appoints a voting majority of the organization's governing board and either 1) the City is able to significantly influence the programs or services performed or provided by the organization, or 2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. Based upon this definition, the City has no component units.

The City participates in two governmental joint ventures called the Sycamore Township JEDZ Kenwood – Central and Sycamore Township JEDZ Kenwood – East. These joint ventures are presented in Note V. Other information, C. Joint Ventures in the notes to the basic financial statements and are excluded from the accompanying financial statements except as noted.

The City provides various services including police protection, parks and recreation, planning, street maintenance and repair, and community development. The City also provides refuse collection and fire protection through annual contracts with outside contractors.

For financial reporting purposes, the City's financial statements include all funds for which the City is financially accountable based upon criteria set forth in Governmental Accounting Standards Board (GASB) Statement 61. The City reviewed certain legally separate organizations to determine if the elected officials of the City were financially accountable. No such organizations were identified.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed

from these statements; however, interfund services provided and used are not eliminated in the process of consolidating. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. However, agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

- The government reports the following major governmental funds:
- The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The street repair fund accounts for that portion of the state gasoline tax and motor vehicle registration fees are restricted for maintenance of streets within the City.

The government reports the following proprietary fund:

- The proprietary fund type consists of only one enterprise fund. This fund accounts for operations of rental properties.

The government reports the following fiduciary funds:

- The fiduciary fund type consists of three agency funds. The City's agency funds are Mayor's Court (used to account for funds collected by the court) and two Joint Economic Development Zones (used to account for various economic development projects).

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund is rent. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (see Note D). 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 the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under 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 and motor vehicle license tax), fines and forfeitures, interest, grants and entitlements, and rentals.

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statements of net 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 until that time. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables that will not be collected within the available period.

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.

D. Assets, liabilities, and net position or equity

1. Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in obligations of the U.S. Treasury, Certificates of Deposit, repurchase agreements, and the State Treasurer's Investment Pool.

Investments for the government are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2. Receivables

All trade and property tax receivables are considered collectable at December 31, 2017, and the allowance for uncollectable amounts receivable is zero.

Real property taxes are levied on assessed values that equal 35% of appraised value. The county auditor reappraises all real property every six years with a triennial update. The last update was completed for tax year 2015. Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

Property Tax Calendar - 2017 Collections

Lien Date	January 1, 2016
Levy Date	October 31, 2016
First Installment Payment Due	January 31, 2017
Second Installment Payment Due	June 20, 2017

The full tax rate applied to real property for the fiscal year ended December 31, 2017, was \$7.50 per \$1,000 of assessed valuation. Real property owners' tax bills are further reduced by

homestead and rollback deductions, when applicable. The amount of these homestead and rollback reductions is reimbursed to the City by the State of Ohio.

The Hamilton County Treasurer collects property tax on behalf of all taxing districts within the County. The Hamilton County Auditor periodically remits to the taxing districts their portions of the taxes collected.

Public utilities real and tangible personal property taxes collected in any calendar year are those levied on assessed values as of December 31 of the preceding year. Certain tangible personal property of public utilities is currently assessed at 100% of its true value. Real property of public utilities is currently assessed at 35% of true value. Property taxes on public utilities are subject to the same calendar as real property taxes, which are described above.

Property taxes that are measurable but not available at fiscal yearend are recorded as a receivable with the corresponding revenue deferred until available. Delinquent property tax amounts, net of allowance for uncollectables, are recorded if material in amount.

3. Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of the City are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Building & Improvements	27
Infrastructure	10 – 15
Police Vehicles	3
All Other Vehicles	5
Office Furniture & Software	3 – 5

Infrastructure assets acquired prior to 2004 have not been capitalized.

5. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in V. F.

Deferred inflows of resources include property taxes, pensions, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017 but which were levied to finance 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue includes delinquent property taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note V. F)

6. Accrued Liabilities and Long-Term Obligations

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government, unless they are eligible to retire. If they are eligible to retire, a liability is recorded for 40 percent of their accrued sick leave up to a maximum of 85 days and accounted for using the termination method. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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 and are reported as obligations of the funds. However, claims and judgements, compensated absences, and net position liability 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 are recognized as a liability on the fund financial statements when due.

7. Fund Balance

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance: Amounts that are not in a spendable form (such as inventory and prepaid items) and are required to be maintained intact.
- Restricted fund balance: Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional

provisions or by enabling legislation. The City's restricted fund balance is the police department and the street repair fund. The purposes imposed by the state are for crime prevention and detection and maintenance and repairs of the streets.

- Committed fund balance: Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint. The City's committed funds consist of recreation and capital improvements. Council has committed funds for recreation programs and amounts for future capital improvements to sidewalks, storm sewers, and other large capital purchases.
- Assigned fund balance: Amounts a government intends to use for a specific purpose as expressed by City Council.
- Unassigned fund balance: Amounts that are available for any purpose. Positive amounts are reported only in the general fund. Unassigned funds are used after all other fund balances are expended.

City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by City Council through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes). The City generally uses committed funds first, assigned funds second, and unassigned funds last when expenditures are made.

8. Net Position

Net position represents the difference between assets plus deferred outflows and liabilities plus 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 plus deferred outflows related to debt refunding. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation 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 net position-restricted and net position-unrestricted are available.

9. Estimates

The preparation of financial statements in accordance 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.

10. 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.

II. Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

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

One element of that reconciliation explains that “long-term liabilities, including compensated absence and accrued interest, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Compensated Absences	\$220,263
Accrued Interest Payable	4,722
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$224,985

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

One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital Outlay	\$1,185,751
Depreciation Expense	(1,023,582)
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	\$162,169

III. Stewardship, compliance, and accountability

A. Budgetary information

In 1994 the City, being a home rule municipal corporation, adopted, through ordinance, GAAP (generally accepted accounting principle) as its budgetary basis. This change was thought necessary in order to provide more comparable budget and actual revenue and expenditure analysis. Therefore, the revenue and expenditure statements contained herein for comparative purposes are presented on the basis of generally accepted accounting principles. The City is reporting at the legal level of budgetary control that requires the governing body to approve any over budget expenditures of appropriations or transfers of appropriated amounts at the fund level.

Budgetary Process

Annual budgets are adopted for all governmental funds. The City adopts an annual budget for the proprietary fund; however, budgetary data is not presented for the proprietary fund due to the nature of the fund. There is no legal requirement to report on such budget. The budgetary process is prescribed by provisions of the Ohio Revised Code. The legal level of budgetary control is defined as the level at which management may not reallocate appropriations without the approval of the governing body (City Council). For the City, the legal level of control is the fund level for each fund. The major documents prepared are:

Tax Budget. A tax budget of estimated cash revenues and expenditures for all budgeted funds, for the period January 1 to December 31 of the following year, is submitted to the County Auditor by July 20 of each year. The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenues of each fund. The certificate of estimated resources may be further amended during the year if the fiscal officer determines that the revenue collected is greater or less than the current estimates. Because the tax budget prepared for the County Auditor is on a cash basis, those numbers do not match the GAAP-basis budget shown in this report as required by ordinance.

Appropriations. A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance may be amended during the year by ordinance of council as new information becomes available provided that total fund appropriations do not exceed current estimated resources, as certified. During the year, four supplemental appropriation measures were passed. The budget figures that appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications. All annual appropriations lapse at December 31.

Encumbrances. As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to

reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Unencumbered and unexpended appropriations lapse at year end. Encumbrances are closed to unassigned fund balance/net position at year end and are re-encumbered and re-appropriated at the start of the following year.

B. Deficit Fund Equity

The SR-87 Water Distribution Fund had a deficit balance at December 31, 2017 due to improvements incurred in 2017 in excess of revenue. The City advanced funds from the general fund to cover the short fall. The SR-87 Water Distribution Fund will repay the advance in 2018.

IV. Detailed Notes on All Funds

A. Deposits and investments

The City follows the practice of pooling cash and investments with the Treasurer, except for the cash and cash equivalents in agency fund. Each fund's portion of total cash and investments is summarized by fund type in the balance sheet as either "Cash and Cash Equivalents" and/or "Investments."

Deposits

Custodial Credit Risk. 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 custodial credit risk policy requires that deposits be collateralized as required by ORC Chapter 135. Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). Financial institutions participating in the Ohio Pooled Collateral System (OPCS), a centralized collateral system monitored by the Ohio Treasurer of State, must pledge securities equal to at least 102% of the carrying value of all public deposits held by each institution. Financial institutions choosing not to participate in the OPCS must pledge eligible securities equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year-end, \$71,116 of the City's bank balance of \$338,510 was exposed to custodial credit risk.

Investments

The City's investments at December 31, 2017 are as summarized as follows:

	Fair Value	Average Maturity Years
Star Ohio	\$2,517,821	n/a

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 that have a credit quality rating of the top 2 ratings by nationally recognized statistical rating organizations. Investments in STAR Ohio are rated AAAM by Standard & Poor's.

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City is required to disclose the amount of investments with any one issuer that represent five percent or more of total investments. Investments issued by the U.S. government and investments in external investment pools are excluded from this requirement. At December 31, 2017 100% of the City's investments are at STAR Ohio, which is an external investment pool.

STAR Ohio is an investment pool managed by the State Treasurer's Office that 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 does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at the net asset value per share provided by STAR Ohio on an amortized cost basis at December 31, 2017, which approximates fair value. Investments in STAR Ohio are excluded from fair value measurement requirements under generally accepted accounting principles and instead are reported at amortized cost.

For 2017, 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.

The classification of cash and cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. Reconciliation between the classifications of cash and investments on the financial statements and the classifications per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement 9	\$3,506,535	\$0
STAR Ohio	(2,517,821)	2,517,821
GASB Statement 3	\$988,714	\$2,517,821

Cash with Fiscal Agent

This represents cash held by Miami Valley Risk Management Association (MVRMA) and due to the City. See Note V regarding insurance pool information.

B. Receivables

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

C. Capital assets

Capital asset activity for the year ended December 31, 2017 was as follows:

Governmental Activities	Balance at 1/1/2017	Increases	Decreases	Balance at 12/31/2017
Capital Assets not being depreciated (land)	\$645,000	\$0	\$0	\$645,000
Capital Assets being depreciated				
Building & Land Improvements	3,476,093	7,076	0	3,483,169
Vehicles	759,516	78,215	0	837,731
Infrastructure	12,160,841	983,657	0	13,144,498
Furniture, Equipment and Software	595,365	116,803	(33,159)	679,009
Total Capital Assets	<u>17,636,815</u>	<u>1,185,751</u>	<u>(33,159)</u>	<u>18,789,407</u>
Less Accumulated Depreciation				
Building & Land Improvements	(2,836,748)	(114,888)	0	(2,951,636)
Vehicles	(606,791)	(75,651)	0	(682,442)
Infrastructure	(4,361,133)	(810,179)	0	(5,171,312)
Furniture, Equipment and Software	(519,037)	(22,864)	33,159	(508,742)
Total Accumulated Depreciation	<u>(8,323,709)</u>	<u>(1,023,582)</u>	<u>33,159</u>	<u>(9,314,132)</u>
Total Capital Assets, being depreciated, Net	<u>8,668,106</u>	<u>162,169</u>	<u>0</u>	<u>8,830,275</u>
Governmental Activities Capital Assets, Net	<u><u>\$9,313,106</u></u>	<u><u>\$162,169</u></u>	<u><u>\$0</u></u>	<u><u>\$9,475,275</u></u>

Business-type Activities	Balance at 1/1/2017	Increases	Decreases	Balance at 12/31/2017
Capital Assets not being depreciated (land)	\$134,008	\$0	\$0	\$134,008
Capital Assets being depreciated				
Land Improvements	129,642			129,642
Buildings	370,164	0	0	370,164
Subtotal	<u>633,814</u>	<u>0</u>	<u>0</u>	<u>633,814</u>
Less Accumulated Depreciation				
Land Improvements	(76,663)	(5,604)	0	(82,267)
Buildings	(271,372)	(13,680)	0	(285,052)
Total Accumulated Depreciation	<u>(348,035)</u>	<u>(19,284)</u>	<u>0</u>	<u>(367,319)</u>
Total Capital Assets, being depreciated, net	<u>151,771</u>	<u>(19,284)</u>	<u>0</u>	<u>132,487</u>
Net Capital Assets	<u>\$285,779</u>	<u>(\$19,284)</u>	<u>\$0</u>	<u>\$266,495</u>

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

Governmental Activities	
General Government	\$57,173
Public Safety	48,693
Transportation	884,232
Recreation	33,484

Total depreciation expense for governmental activities \$1,023,582

Business-type Activities	
Enterprise	\$19,284

D. Interfund transfers

Fund	Transfers In	Transfers Out
General Fund	\$0	\$256,879
Street Repair Fund	100,000	0
Other Governmental Funds	156,879	0
Totals	\$256,879	\$256,879

Transfers were made to fund capital improvements and subsidize recreation programs.

E. Interfund receivables and payables

The composition of interfund balances as of December 31, 2017:

Receivable Fund	Payable Fund	Amount
General Fund	Water Distribution Fund	\$51,602
Totals		\$51,602

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. The general fund expects to collect in the subsequent year.

F. Other liabilities

Short-Term Debt

On May 18, 2017, the City issued a one-year bond anticipation note in the amount of \$360,000 with an interest rate of 2.1% for the Kenwood Road resurfacing project. This note will be due on May 17, 2018. The City retired the note dated May 19, 2016 with an interest rate of 1.85% in the amount of \$480,000 on May 18, 2017.

Changes in Other Liabilities

Other liability activity for the year ended December 31, 2017 was as follows:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance
Short-Term Liabilities				
Bond Anticipation Note	\$480,000	\$360,000	(\$480,000)	\$360,000
Compensated Absences	163,484	128,191	(131,167)	160,508
Total Short-Term Liabilities	\$643,484	\$488,191	(\$611,167)	\$520,508
Long-Term Liabilities				
Compensated Absences	\$59,354	\$401	\$0	\$59,755
Net Pension Liability				
OPERS	1,101,459	281,303	0	1,382,762
OP&F	3,022,039	118,251	0	3,140,290
Total Net Pension Liability	\$4,123,498	\$399,554	\$0	\$4,523,052

Compensated absences and pension liability have been liquidated from the General Fund in the past.

V. Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees and natural disasters. During 2017, the City contracted with Miami Valley Risk Management Association for vehicle, property, and general liability insurance. There has been no reduction in coverage from the prior years and claims have not exceeded coverage in any of the past three years. The City provided medical insurance through Humana Health Insurance, dental insurance through Dental Care Plus, and life insurance through Humana Health Insurance.

Insurance Pool

Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) is a consortium of municipalities located in southwest Ohio that beginning in 1988, formed an Association under Section 2744.081 of the Ohio Revised Code (ORC) to act collectively in addressing its members' risk management and risk financing needs. At December 31, 2017 Madeira's participation was limited to coverage for all real and personal property, crime, surety, general liability, boiler and machinery, employment practices liability, police professional and public official liability coverage up to the limits stated below. Membership in MVRMA is intended to provide broad-based coverage up to the limits stated below, with increased emphasis on safety and loss prevention, and to create an opportunity for other local governments to participate.

MVRMA is a non-profit corporation governed by a twenty-member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. Management is provided by

an Executive Director, who is assisted by a Claims Manager, a full-time Loss Control Manager and office staff. The board is responsible for its own financial matters and the corporation maintains its own books of account. Budgeting and financing of MVRMA is subject to the approval of the board, and the organization is covered by policies, procedures, and formally adopted bylaws. The individual MVRMA, Inc. members are not considered “participants having equity interest” as defined by GASB Statement No. 61 since members have no rights to any assets of MVRMA, Inc. other than possible residual claims upon dissolution. The risk of loss is transferred from the City to the pool. Therefore, MVRMA, Inc. is a multi-jurisdictional arrangement that has the characteristics of a joint venture but has additional features that distinguish it, for financial reporting purposes, from the traditional joint venture defined in GASB Statement No. 61.

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

- General/Automobile Liability: \$12,000,000 per occurrence
- Public Officials Liability: 12,000,000 per occurrence
- Property: 1,000,000,000 per occurrence
- Boiler and Machinery: 100,000,000 per occurrence

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

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

The City pays the State Workers’ Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. In order to lower rates charged to the City, the City has joined a group rating program through Ohio Municipal League.

B. Contingent liabilities

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

C. Joint venture

Sycamore Township and the City of Madeira contracted to create two Sycamore Township Joint Economic Development Zones for the purpose of facilitating economic development in the Zone.

A .75% income tax was enacted for each JEDZ. Imposition of the tax began on October 1, 2013 and terminates December 31, 2053 with three 10-year automatic extensions.

Distribution of Gross Tax:

- 2% Service Fee for the City of Madeira to collect the income
- 2% Escrow payments for refunds
- 1% Maintenance of the JEDZ
- 95% Net Distribution

Net Distribution:

- 90% Sycamore Township
- 10% City of Madeira

Financial information may be obtained from Sycamore Township, 8540 Kenwood Road, Cincinnati, OH 45236.

D. Contractual commitments

The City contracts with the Madeira/Indian Hill Joint Fire District for fire protection and emergency medical services. The contract fee for 2017 was \$1,643,225.

The City also contracts with Republic Services for solid waste collection. The contract fee for 2017 was \$505,232.

Health Department services are provided by Hamilton County. The contract for 2017 was \$21,188.

E. Resolution of legal claim

In March 1992, an employee of the City suffered a fatal accident while working on City business. In February of 1993, Council approved Resolution 10-93 which approved an agreement concerning a settlement with the employee's widow. The settlement provided for a guaranteed amount of \$88,400, payable to the widow (or her estate) in monthly installments of \$737 from February of 1993 through February of 2003. The guaranteed amount was paid off in February of 2003 and no liability exists at December 31, 2017 relative to the guaranteed settlement.

In addition, the agreement provided for monthly payments of \$650 to the widow after February of 2003, contingent upon death or remarriage. The City made all such required payments to the widow from January through December 2017.

F. Defined benefit pension plan

Net Pension Liability

All of the City's employees participate in one of two separate retirement systems that are cost-sharing multiple-employer defined benefit pension plans.

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

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

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

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

Ohio Public Employees Retirement System (OPERS)

The City of Madeira employees, other than full-time police, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer public employee retirement system comprised of three separate pension plans: the Traditional Pension Plan (TP), the Combined Plan (CO), and the Member-Directed Plan (MD). All public employees in Ohio, except those covered by one of the other state or local retirement systems in Ohio, are members of OPERS. While members may elect the CO and MD, substantially all employees are in the TP; 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 TP and CO. Members of the MD do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position. Interested parties may obtain a copy 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.

Plan Description and Plan Benefits

The TP is a defined benefit plan in which a member's retirement benefits are calculated on a formula that considers years of service and final average salary. The pension benefits are funded by both member and employer contributions, and investment earnings on those contributions.

The CP is a defined benefit plan with elements of a defined contribution plan. Under the CP, members earn a formula benefit similar to, but at a factor less than, the TP benefit. This defined benefit is funded by employer contributions and associated investment earnings. Additionally, member contributions are deposited into a defined contribution account in which the member self-directs the investment. Upon retirement or termination, the member may choose a defined contribution retirement distribution that is equal in amount to the member's contributions to the plan and investment earnings (or losses) on those contributions. Members may also elect to use their defined contribution account balances to purchase a defined benefit annuity administered by OPERS.

The MD is a defined contribution plan in which members self-direct the investment of both member and employer contributions. The retirement distribution under this plan is equal to the sum of member and vested employer contributions, plus investment earnings (or losses) on those contributions. Employer contributions and associated investment earnings vest over a five-year period at a rate of 20% per year. Upon retirement or termination, the member may choose a defined contribution retirement distribution, or may elect to use his/her defined contribution account balances to purchase a defined benefit annuity administered by OPERS.

The Board of Trustees, pursuant to Chapter 145, has elected to maintain funds to provide health care coverage to eligible TP and CP retirees and survivors of members. Healthcare coverage does not vest and is not required under Chapter 145. As a result, coverage may be reduced or eliminated at the discretion of the Board.

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. Members who were eligible to retire under law in effect prior to SB 343 or will be eligible to retire no later than five years after January 7, 2013, comprise transition Group A. Members who have 20 years of service credit prior to January 7, 2013, or will be eligible to retire no later than 10 years after January 7, 2013, are included in transition Group B. Group C includes those members who are not in either of the other groups and members who were hired on or after January 7, 2013.

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):

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of annual cost-of-living adjustment.

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

Funding Policy

The Ohio Revised Code 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. For 2017, member and employer contribution rates were consistent across all three plans. The member contribution rates were 10.0% of earnable salary and the employer contribution rates were 14.0% of earnable salary, which is the maximum contribution rate set by State statutes. The City's contractually required employer contributions for all plans are equal to 100% of employer charges. The City's Contributions for the years ending December 31, 2017, 2016, and 2015 were \$110,586, \$113,894, and \$112,844 respectively, of which \$7,899, \$16,265, \$16,120, respectively, was allocated to the health care plan.

Ohio Police & Fire Pension Fund (OP&F)

City of Madeira full-time police participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 742 of the Ohio Revised Code. OP&F issues a publicly

available financial report that includes financial information, required supplementary information and detailed information about OP&F's fiduciary net position. Interested parties may obtain a copy by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3 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 3 percent of their base pension or disability benefit.

Funding Policy

The Ohio Revised Code provides statutory authority for employee and employer contributions. During 2017, plan members were required to contribute 12.25% of their annual covered payroll. During 2017, the City was required to contribute 19.5% of annual covered payroll for police officers. The City's contractually required contributions to OP&F for the years ending December 31, 2017, 2016, and 2015 were \$237,537, \$230,965, and \$206,835 respectively, of which \$6,091, \$6,005, and \$5,303, respectively, was allocated to the health care plan.

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, 2016, 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, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$1,382,762	\$3,140,290	\$4,523,052
Proportion of the Net Pension Liability	0.006089%	0.0495791%	
Change in Proportion	0.000270%	0.0026021%	
Pension Expense	\$302,543	\$342,607	\$645,150

At December 31, 2017, 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	\$205,925	\$305,379	\$511,304
Differences between expected and actual experience	1,875	887	2,762
Change in Assumptions	219,322	0	219,322
Change in City's proportionate share	25,740	258,811	284,551
City contributions subsequent to the measurement date	<u>102,687</u>	<u>231,446</u>	<u>334,133</u>
Total Deferred Outflows of Resources	<u>\$555,549</u>	<u>\$796,523</u>	<u>\$1,352,072</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$8,230	\$7,232	\$15,462
Change in City's proportionate share and difference in employer contributions	<u>20,767</u>	-	<u>\$20,767</u>
Total Deferred Inflows	<u>\$28,997</u>	<u>\$7,232</u>	<u>\$36,229</u>

\$334,133 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2018	\$184,877	\$169,271	\$354,148
2019	172,673	169,271	341,944
2020	72,351	141,597	213,948
2021	(6,036)	32,572	26,536
2022	0	41,254	41,254
Thereafter	<u>0</u>	<u>3,880</u>	<u>3,880</u>
Total	<u>\$423,865</u>	<u>\$557,845</u>	<u>\$981,710</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the Board's actuarial consultants conducted an experience study for the period of 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0% down to 7.5%, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 10.75 percent including wage inflation Pre 1/7/13 retirees: 3 percent simple Post 1/7/13 retirees: 3 percent simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.5 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table projected 20 years using Projection Scale AA. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used,

adjusted for mortality improvements back to the observation period base of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP 2015 mortality improvement scale to the above described tables.

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

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefits portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio, and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Long-Term Expected Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other investments	18.00	4.92
Total	100.00 %	5.66 %

Discount Rate The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$2,112,506	\$1,382,762	\$774,683

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016, 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, 2016, are presented below:

Valuation Date	January 1, 2016
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

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 service retirements, set back zero years. 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, 2017 covering the period 2012-2016.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2016 are summarized below:

Asset Class	Target Allocation	30 year Expected Real Rate of Return	**
Cash and Cash Equivalents	- %	-	%
Domestic Equity	16.00	5.21	
Non-US Equity	16.00	5.40	
Core Fixed Income *	20.00	2.37	
Global Inflation Protected *	20.00	2.33	
High Yield	15.00	4.48	
Real Estate	12.00	5.65	
Private Markets	8.00	7.99	
Timber	5.00	6.87	
Master Limited Partnerships	8.00	7.36	
Total	120.00 %		

* 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.

Changes Between Measurement Date and Report Date In 2017, the OP&F Board of Trustees adopted certain assumption changes which will impact their annual actuarial valuation prepared as of January 1, 2017. The most significant change is a reduction in the discount rate from 8.25% to 8.00%. Although the exact amount of the changes is not known, the impact to the City's net pension liability is expected to be significant.

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 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	\$4,182,494	\$3,140,290	\$2,257,007

G. Other postemployment benefits

Ohio Public Employees Retirement System (OPERS)

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. Members of the MD do not qualify for ancillary benefits, including post employment health care coverage. Health care coverage for disability recipients and qualified survivor benefit recipients is available.

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 2016 CAFR for details.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible 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/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund 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 2017, employers contributed at a rate of 14.0% of earnable salary. 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. 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 total employer contribution rate stated above is the statutorily required contribution rates for OPERS. The employer contributions actually made to fund post-employment health benefits for the years ending December 31, 2017, 2016, and 2015 were \$7,899, \$16,265, \$16,120, respectively, which equaled the required contributions each year.

Ohio Police & Fire Pension Fund (O&PF)

The City of Madeira contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care 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 health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in 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 health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

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

Funding Policy

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 19.50% of covered payroll for police employers. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police 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 an 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 the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to the health care was .5% of covered payroll from January 1, 2017 thru December 31, 2017. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City of Madeira's contributions to OP&F to fund post-employment health benefits for the years ending December 31, 2017, 2016, and 2015 were \$6,091, \$6,005, and \$5,303, respectively.

H. Tax Abatements

In 2010, the City approved its only tax abatement for the Euclid Avenue Community Reinvestment area to encourage development in this specific area. The percentage of tax exemption is on the increase in assessed valuation resulting from improvements to the residential real property and the term of these exemptions shall be in the amount of 50% for a maximum of

fifteen years from the date of improvement. This area includes 23 townhomes, of which 23 have qualified for the tax abatement. The total abated tax for 2017 was \$14,999.

REQUIRED
SUPPLEMENTARY
INFORMATION

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CITY OF MADEIRA, OHIO
Schedule of the City's Proportionate Share of the Net Position Liability
Ohio Public Employees Retirement System (OPERS)
Last Four Years (1)

	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.0060890%	0.0063590%	0.0057800%	0.0057800%
City's Proportionate Share of the Net Pension Liability	\$1,382,762	\$1,101,459	\$697,133	\$681,387
City's Covered Payroll	\$813,567	\$806,032	\$731,869	\$743,638
City's Proportionate Share of the Net Pension Liability as a Percentage of the Covered Payroll	169.96%	136.65%	95.25%	91.63%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.25%	81.08%	86.45%	86.36%
Change in Assumptions	\$219,322	\$0	\$0	\$0

Amounts presented as of the City's Measurement date, which is the prior fiscal year end.

(1) Information prior to 2013 is not available

Source: City Financial Records

CITY OF MADEIRA, OHIO
Schedule of City Contributions
Ohio Public Employees Retirement System (OPERS)
Last Five Years (1)

Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	\$102,687	(102,687)	\$0	\$789,900	13%
2016	\$97,629	(97,629)	\$0	\$813,567	12%
2015	\$96,724	(96,724)	\$0	\$806,032	12%
2014	\$85,030	(85,030)	\$0	\$731,869	12%
2013	\$96,676	(96,676)	\$0	\$743,638	13%

(1) Information prior to 2013 is not available

CITY OF MADEIRA, OHIO
Schedule of the City's Proportionate Share of the Net Position Liability
Ohio Police and Fire Pension Fund (OP&F)
Last Four Years (1)

	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.0495791%	0.0469770%	0.0452105%	0.0452105%
City's Proportionate Share of the Net Pension Liability	\$3,140,290	\$3,022,039	\$2,342,092	\$2,201,893
City's Covered Payroll	\$1,184,439	\$1,060,691	\$993,243	\$967,687
City's Proportionate Share of the Net Pension Liability as a Percentage of the Covered-Employee Payroll	265.13%	284.91%	235.80%	227.54%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.36%	66.77%	72.20%	73.00%

Amounts presented as of the City's Measurement date, which is the prior fiscal year end.

(1) Information prior to 2013 is not available

Source: City Financial Records

CITY OF MADEIRA, OHIO
Schedule of City Contributions
Ohio Police and Fire Pension Fund (OP&F)
Last Five Years (1)

Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	\$231,446	(231,446)	\$0	\$1,218,137	19.00%
2016	\$225,043	(225,043)	\$0	\$1,184,439	19.00%
2015	\$201,532	(201,532)	\$0	\$1,060,691	19.00%
2014	\$189,203	(189,203)	\$0	\$993,243	19.00%
2013	\$153,729	(153,729)	\$0	\$967,687	15.88%

(1) Information prior to 2013 is not available

Source: City Financial Records

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

Sidewalk Repair Fund: Accounts for maintenance and repair of all City sidewalks.

Recreation and Parks: Accounts for the City's operation of recreation programs and improvements to the City's two parks, Sellman and McDonald Commons. Revenues are derived from recreation fees.

Street Dance: Accounts for the annual Street Dance held in August by the Recreation and Parks Commission. Revenues are proceeds from the sale of beer at the function.

Police Trust Fund: Receives proceeds from the sale of confiscated properties (vehicles, weapons, etc.) other than from drug cases. Disbursements may be made from the fund only to pay the costs of investigations, technical training, matching funds for federal grants, or other appropriate law enforcement purposes.

Police Forfeitures: Receives proceeds from the sale of confiscated properties and equipment from drug related cases. Expenditures may only be made for drug enforcement programs.

DUI: Receives fines imposed upon DUI offenders. Under state law, disbursements may be made from this fund for law enforcement purposes related to informing the public of laws governing the operation of a motor vehicle while under the influence of alcohol and other information relating to the operation of a motor vehicle and the consumption of alcoholic beverages.

Computer Fund: Receives fines for the operation and maintenance of the computer system for the police department.

Nonmajor Governmental Funds

Capital Project Funds

Stormwater: Accounts for expenditures made to repair and replace parts of the City's stormwater system.

Water Distribution System Fund: – Accounts for revenue and expense to replace water lines throughout the City

Central Business District: Accounts for expenditures made for the repair and improvement of Madeira's central business district.

CI&R: Accounts for capital expenditures made for all general improvement projects not funded elsewhere.

CITY OF MADEIRA, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2017**

Special Revenue

ASSETS	Recreation		Street Dance	Police Trust	Police Forfeitures	DUI
	Sidewalk Repairs	and Parks				
Cash and Cash Equivalents	\$209,736	\$18,096	\$0	\$7,778	\$10,452	\$6,010
Accounts Receivable	0	4,700	0	0	0	0
TOTAL ASSETS	\$209,736	\$22,796	\$0	\$7,778	\$10,452	\$6,010

LIABILITIES AND FUND BALANCES

Liabilities

Accounts Payable	4,511	0	0	0	0	0
Due to other Funds	0	0	0	0	0	0
Total Liabilities	4,511	0	0	0	0	0

Fund Balances

Restricted for Public Safety	0	0	0	7,778	10,452	6,010
Committed For:						
Recreation		22,796	0	0	0	0
Capital Improvements	205,225	0	0	0	0	0
Unassigned	0	0	0	0	0	0
Total Fund Balances	205,225	22,796	0	7,778	10,452	6,010

**TOTAL LIABILITIES AND
FUND BALANCES**

\$209,736	\$22,796	\$0	\$7,778	\$10,452	\$6,010
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Capital Projects

		Capital Projects						
Computer Fund	Total Special Revenue Funds	Stormwater	Water Distribution System	Central Business District	Capital Improvement & Reserve	Total Capital Project Funds	Total Nonmajor Governmental Funds	
\$4,334	\$256,406	\$46,770	15,571	\$24,750	\$146,681	\$233,772	\$490,178	
0	4,700	0	0	0	0	0	4,700	
\$4,334	\$261,106	\$46,770	15,571	\$24,750	\$146,681	\$233,772	\$494,878	
0	4,511	0	15,571	0	0	15,571	20,082	
0	0	0	51,602	0	0	51,602	51,602	
0	4,511	0	67,173	0	0	67,173	71,684	
4,334	28,574	0	0	0	0	0	28,574	
0	22,796	0	0	0	0	0	22,796	
0	205,225	46,770		24,750	146,681	218,201	423,426	
0	0	0	(51,602)	0	0	(51,602)	(51,602)	
4,334	256,595	46,770	(51,602)	24,750	146,681	166,599	423,194	
\$4,334	\$261,106	\$46,770	\$15,571	\$24,750	\$146,681	\$233,772	\$494,878	

CITY OF MADEIRA, OHIO

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2017

	Special Revenue						
	Sidewalk Repairs	Recreation and Parks	Street Dance	Police Trust	Police Forfeitures	DUI	Computer Fund
REVENUES							
Intergovernmental Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	10,428	7,290	0	0	0	0
Fines & Forfeitures	0	0	0	0	100	160	6,030
All Other Revenues	21,310	0	0	0	0	0	0
TOTAL REVENUES	21,310	10,428	7,290	0	100	160	6,030
EXPENDITURES							
Current							
Public Safety	0	0	0	7,255	0	0	4,623
Recreation	0	7,983	12,818	0	0	0	0
Community Environment	0	0	0	0	0	0	0
Capital Outlay	12,526	0	0	0	0	0	0
TOTAL EXPENDITURES	12,526	7,983	12,818	7,255	0	0	4,623
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	8,784	2,445	(5,528)	(7,255)	100	160	1,407
OTHER FINANCING SOURCES/(USES)							
Transfers In	0	5,000	1,879	0	0	0	0
TOTAL OTHER FINANCING SOURCES/(USES)	0	5,000	1,879	0	0	0	0
Net Change in Fund Balance	8,784	7,445	(3,649)	(7,255)	100	160	1,407
Fund Balance: Beginning	196,441	15,351	3,649	15,033	10,352	5,850	2,927
Fund Balance: Ending	\$205,225	\$22,796	\$0	\$7,778	\$10,452	\$6,010	\$4,334

Total Special Revenue Funds	Stormwater	Water Distribution System	Central Business District	Capital Improvement & Reserve	Total Capital Project Funds	Total Nonmajor Governmental Funds
\$0	\$0	\$148,015	\$0	\$0	\$148,015	\$148,015
17,718	0	0	0	0	0	17,718
6,290	0	0	0	0	0	6,290
21,310	0	0	0	0	0	21,310
45,318	0	148,015	0	0	148,015	193,333
11,878	0	0	0	0	0	11,878
20,801	0	0	0	0	0	20,801
0	0	0	3,327	0	3,327	3,327
12,526	122,914	348,388	1,088	57,545	529,935	542,461
45,205	122,914	348,388	4,415	57,545	533,262	578,467
113	(122,914)	(200,373)	(4,415)	(57,545)	(385,247)	(385,134)
6,879	60,000	0	10,000	80,000	150,000	156,879
6,879	60,000	0	10,000	80,000	150,000	156,879
6,992	(62,914)	(200,373)	5,585	22,455	(235,247)	(228,255)
249,603	109,684	148,771	19,165	124,226	401,846	651,449
\$256,595	\$46,770	(\$51,602)	\$24,750	\$146,681	\$166,599	\$423,194

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Sidewalk Repair Special Revenue Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
All Other Revenues	\$0	\$0	\$21,310	21,310
TOTAL REVENUES	0	0	21,310	21,310
EXPENDITURES				
Capital Outlay	100,000	100,000	12,526	87,474
TOTAL EXPENDITURES	100,000	100,000	12,526	87,474
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(100,000)	(100,000)	8,784	108,784
OTHER FINANCING SOURCES/(USES)				
Transfers In	50,000	50,000	0	(50,000)
TOTAL OTHER FINANCING SOURCES/(USES)	50,000	50,000	0	(50,000)
Net Change in Fund Balance	(50,000)	(50,000)	8,784	58,784
Fund Balance: Beginning	196,441	196,441	196,441	0
Fund Balance: Ending	\$146,441	\$146,441	\$205,225	\$58,784

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Recreation & Parks Special Revenue Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Charges for Services	\$6,000	\$11,000	\$10,428	(\$572)
TOTAL REVENUES	6,000	11,000	10,428	(572)
EXPENDITURES				
Current				
Recreation	9,202	9,202	7,983	1,219
TOTAL EXPENDITURES	9,202	9,202	7,983	1,219
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(3,202)	1,798	2,445	647
OTHER FINANCING SOURCES/(USES)				
Transfers In	5,000	0	5,000	5,000
TOTAL OTHER FINANCING SOURCES/(USES)	5,000	0	5,000	5,000
Net Change in Fund Balance	1,798	1,798	7,445	5,647
Fund Balance: Beginning	15,351	15,351	15,351	0
Fund Balance: Ending	\$17,149	\$17,149	\$22,796	\$5,647

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Street Dance Special Revenue Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Charges for Services	\$5,000	\$5,000	\$7,290	2,290
TOTAL REVENUES	5,000	5,000	7,290	2,290
EXPENDITURES				
Current				
Recreation	11,330	12,830	12,818	12
TOTAL EXPENDITURES	11,330	12,830	12,818	12
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(6,330)	(7,830)	(5,528)	2,302
OTHER FINANCING SOURCES/(USES)				
Transfers In	7,000	7,000	1,879	(5,121)
TOTAL OTHER FINANCING SOURCES/(USES)	7,000	7,000	1,879	(5,121)
Net Change in Fund Balance	670	(830)	(3,649)	(2,819)
Fund Balance: Beginning	3,649	3,649	3,649	0
Fund Balance: Ending	\$4,319	\$2,819	\$0	(\$2,819)

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Police Trust Special Revenue Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Fines & Forfeitures	\$2,000	\$2,000	\$0	(\$2,000)
TOTAL REVENUES	2,000	2,000	0	(2,000)
EXPENDITURES				
Current				
Public Safety	1,000	15,000	7,255	7,745
TOTAL EXPENDITURES	1,000	15,000	7,255	7,745
Net Change in Fund Balance	1,000	(13,000)	(7,255)	5,745
Fund Balance: Beginning	15,033	15,033	15,033	0
Fund Balance: Ending	\$16,033	\$2,033	\$7,778	\$5,745

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Police Forfeitures Special Revenue Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Fines & Forfeitures	\$1,000	\$1,000	\$100	(\$900)
TOTAL REVENUES	1,000	1,000	100	(900)
EXPENDITURES				
Current				
Public Safety	1,000	10,000	0	10,000
TOTAL EXPENDITURES	1,000	10,000	0	10,000
Net Change in Fund Balance	0	(9,000)	100	9,100
Fund Balance: Beginning	10,352	10,352	10,352	0
Fund Balance: Ending	\$10,352	\$1,352	\$10,452	9,100

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
DUI Special Revenue Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Fines & Forfeitures	\$1,000	\$1,000	\$160	(\$840)
TOTAL REVENUES	1,000	1,000	160	(840)
EXPENDITURES				
Current				
Public Safety	1,000	5,000	0	5,000
TOTAL EXPENDITURES	1,000	5,000	0	5,000
Net Change in Fund Balance	0	(4,000)	160	4,160
Fund Balance: Beginning	5,850	5,850	5,850	0
Fund Balance: Ending	\$5,850	\$1,850	\$6,010	\$4,160

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Computer Special Revenue Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Fines & Forfeitures	\$5,000	\$7,000	\$6,030	(\$970)
TOTAL REVENUES	5,000	7,000	6,030	(970)
EXPENDITURES				
Current				
Public Safety	5,000	5,000	4,623	377
TOTAL EXPENDITURES	5,000	5,000	4,623	377
Net Change in Fund Balance	0	2,000	1,407	(593)
Fund Balance: Beginning	2,927	2,927	2,927	0
Fund Balance: Ending	\$2,927	\$4,927	\$4,334	(\$593)

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Stormwater Capital Project Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Intergovernmental Revenue	\$0	\$6,000	\$0	(\$6,000)
TOTAL REVENUES	0	6,000	0	(6,000)
EXPENDITURES				
Capital Outlay	60,000	125,000	122,914	2,086
TOTAL EXPENDITURES	60,000	125,000	122,914	2,086
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(60,000)	(119,000)	(122,914)	(3,914)
OTHER FINANCING SOURCES				
Transfers In	60,000	60,000	60,000	0
TOTAL OTHER FINANCING SOURCES	60,000	60,000	60,000	0
Net Change in Fund Balance	0	(59,000)	(62,914)	(3,914)
Fund Balance: Beginning	109,684	109,684	109,684	0
Fund Balance: Ending	\$109,684	\$50,684	\$46,770	(\$3,914)

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Water Distribution System Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Intergovernmental Revenue	\$188,000	\$188,000	\$148,015	(\$39,985)
TOTAL REVENUES	188,000	188,000	148,015	(39,985)
EXPENDITURES				
Capital Outlay	589,000	359,000	348,388	10,612
TOTAL EXPENDITURES	589,000	359,000	348,388	10,612
Net Change in Fund Balance	(401,000)	(171,000)	(200,373)	(29,373)
Fund Balance: Beginning	148,771	148,771	148,771	0
Fund Balance: Ending	(252,229)	(22,229)	(51,602)	(29,373)

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Central Business District Capital Project Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
All Other Revenues	\$0	\$0	\$0	\$0
TOTAL REVENUES	0	0	0	0
EXPENDITURES				
Current				
Community Environment	6,669	6,669	3,327	3,342
Capital Improvements	3,000	3,000	1,088	1,912
TOTAL EXPENDITURES	9,669	9,669	4,415	5,254
Excess/(Deficiency) of Revenues				
Over/(Under) Expenditures	(9,669)	(9,669)	(4,415)	5,254
OTHER FINANCING SOURCES				
Transfers In	10,000	10,000	10,000	0
TOTAL OTHER FINANCING SOURCES	10,000	10,000	10,000	0
Net Change in Fund Balance	331	331	5,585	5,254
Fund Balance: Beginning	19,165	19,165	19,165	0
Fund Balance: Ending	\$19,496	\$19,496	\$24,750	\$5,254

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Improvement & Reserve Capital Project Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
All Other Revenues	\$0	\$0	\$0	\$0
TOTAL REVENUES	0	0	0	0
EXPENDITURES				
Capital Outlay	20,000	60,000	57,545	2,455
TOTAL EXPENDITURES	20,000	60,000	57,545	2,455
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(20,000)	(60,000)	(57,545)	2,455
OTHER FINANCING SOURCES				
Transfers In	84,093	84,093	80,000	4,093
TOTAL OTHER FINANCING SOURCES	84,093	84,093	80,000	4,093
Net Change in Fund Balance	64,093	24,093	22,455	(1638)
Fund Balance: Beginning	124,226	124,226	124,226	0
Fund Balance: Ending	\$188,319	\$148,319	\$146,681	(1638)

CITY OF MADEIRA, OHIO

**Statement of Change in Fiduciary Assets & Liabilities
Agency Funds
For the Year Ended December 31, 2017**

	Mayor's Court			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash in Segregated Accounts	\$8,101	\$139,044	(\$129,752)	\$17,393
Total Assets	\$8,101	\$139,044	(\$129,752)	\$17,393
Liabilities				
Due to Other Governments	\$8,101	\$139,044	(\$129,752)	\$17,393
Total Liabilities	\$8,101	\$139,044	(\$129,752)	\$17,393
	Sycamore Twp. JEDZ - Central			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash in Segregated Accounts	\$542,715	\$2,392,199	(\$2,532,605)	\$402,309
Total Assets	\$542,715	\$2,392,199	(\$2,532,605)	\$402,309
Liabilities				
Due to Other Governments	\$542,715	\$2,392,199	(\$2,532,605)	\$402,309
Total Liabilities	\$542,715	\$2,392,199	(\$2,532,605)	\$402,309
	Sycamore Twp. JEDZ - East			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash in Segregated Accounts	\$217,141	\$2,049,524	(\$2,026,197)	\$240,468
Total Assets	\$217,141	\$2,049,524	(\$2,026,197)	\$240,468
Liabilities				
Due to Other Governments	\$217,141	\$2,049,524	(\$2,026,197)	\$240,468
Total Liabilities	\$217,141	\$2,049,524	(\$2,026,197)	\$240,468
	Total All Agency Funds			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash in Segregated Accounts	\$767,957	\$4,580,767	(\$4,688,554)	\$660,170
Total Assets	\$767,957	\$4,580,767	(\$4,688,554)	\$660,170
Liabilities				
Due to Other Governments	\$767,957	\$4,580,767	(\$4,688,554)	\$660,170
Total Liabilities	\$767,957	\$4,580,767	(\$4,688,554)	\$660,170

**CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

CITY OF MADEIRA, OHIO

**Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules By Source
December 31, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
Governmental Funds Capital Assets		
Land	\$645,000	\$645,000
Buildings and Land Improvements	3,483,169	3,476,093
Furniture, Equipment and Software	679,009	595,365
Vehicles	837,731	759,516
Infrastructure	13,144,498	12,160,841
Total Governmental Funds Capital Assets	<u>18,789,407</u>	<u>17,636,815</u>
Investments in Governmental Funds Capital Assets by Source		
General Fund	5,644,909	5,475,974
Special Revenue Fund	12,143,204	11,606,367
Capital Project Fund	1,001,294	554,474
Total Governmental Funds Capital Assets	<u>\$18,789,407</u>	<u>\$17,636,815</u>

This schedule presents only the capital asset balances related to governmental funds.

CITY OF MADEIRA, OHIO

**Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
For the Year Ended December 31, 2017**

Function and Activity	Governmental Funds Capital Assets 1/1/17	Additions	Deletions	Governmental Funds Capital Assets 12/31/17
Public Safety	\$413,370	\$139,463	(13,416)	\$539,417
Transportation	13,304,371	1,026,816	(2,500)	14,328,687
Recreation	1,918,074	2,281	(7,158)	1,913,197
General Government	2,001,000	17,191	(10,085)	2,008,106
Total Governmental Funds Capital Assets	<u>\$17,636,815</u>	<u>\$1,185,751</u>	<u>(\$33,159)</u>	<u>\$18,789,407</u>

CITY OF MADEIRA, OHIO

**Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity
December 31, 2017**

<u>By Function and Activity:</u>	<u>Land</u>	<u>Building & Land Improvements</u>	<u>Furniture, Equipment & Software</u>	<u>Vehicles</u>	<u>Infrastructure</u>	<u>Total</u>
Public Safety	\$0	\$4,795	\$183,543	\$351,079	\$0	\$539,417
Transportation	0	578,878	127,521	477,790	13,144,498	14,328,687
Recreation	460,000	1,172,740	271,595	8,862	0	1,913,197
General Government	185,000	1,726,756	96,350	0	0	2,008,106
Total Governmental Funds Capital Assets	<u>\$645,000</u>	<u>\$3,483,169</u>	<u>\$679,009</u>	<u>\$837,731</u>	<u>\$13,144,498</u>	<u>\$18,789,407</u>

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STATISTICAL SECTION

This part of the City of Madeira’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 government’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	96
These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	
Revenue Capacity	106
These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.	
Debt Capacity	111
These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.	
Demographic and Economic Information	116
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	
Operating Information	120
These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	

CITY OF MADEIRA, OHIO
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)
(In Thousands)

	2017	2016	2015	2014
Governmental Activities				
Net Investment in Capital Assets	\$9,115	\$8,833	\$8,668	\$7,466
Restricted				
Transportation	599	578	341	111
Public Safety	29	34	32	23
Unrestricted	392	461	1,032	4,123
<i>Total Governmental Activities Net Position</i>	<u>\$10,135</u>	<u>\$9,906</u>	<u>\$10,073</u>	<u>\$9,113</u>
Business-Type Activities				
Net Investment in Capital Assets	\$266	\$286	\$301	\$322
Unrestricted	62	38	18	13
<i>Total Business-Type Activities Net Position</i>	<u>\$329</u>	<u>\$324</u>	<u>\$319</u>	<u>\$335</u>
Primary Government				
Net Investment in Capital Assets	\$9,381	\$9,119	\$8,969	\$7,788
Restricted	627	612	373	134
Unrestricted	454	499	1,050	1,526
<i>Total Primary Government Net Position</i>	<u>\$10,462</u>	<u>\$10,230</u>	<u>\$10,392</u>	<u>\$9,448</u>

2013	2012	2011	2010	2009	2008
\$7,398	\$7,347	\$7,361	\$7,388	\$6,017	\$4,327
0	0	0	234	25	481
23	24	0	0	0	0
3,640	3,602	3,285	2,978	2,563	3,031
<u>\$11,061</u>	<u>\$10,973</u>	<u>\$10,646</u>	<u>\$10,600</u>	<u>\$8,605</u>	<u>\$7,839</u>
\$333	\$315	\$345	\$367	\$390	\$413
(1)	29	15	5	0	1
<u>\$332</u>	<u>\$344</u>	<u>\$360</u>	<u>\$372</u>	<u>\$390</u>	<u>\$414</u>
\$7,731	\$7,662	\$7,706	\$7,755	\$6,407	\$4,740
23	24	0	234	25	481
3,639	3,631	3,300	2,983	2,563	3,032
<u>\$11,393</u>	<u>\$11,317</u>	<u>\$11,006</u>	<u>\$10,972</u>	<u>\$8,995</u>	<u>\$8,253</u>

CITY OF MADEIRA, OHIO
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)
(In Thousands)

	2017	2016	2015	2014
Program Revenues				
Governmental Activities				
Charges for Services				
General Government	\$121	\$93	\$93	\$98
Public Safety	212	157	204	222
Sanitation	48	54	31	33
Recreation	18	12	9	9
Community Environment	407	291	308	313
Subtotal: Charges for Services	<u>806</u>	<u>607</u>	<u>645</u>	<u>675</u>
Operating Grants and Contributions				
General Government	0	2	5	4
Public Safety	0	0	0	0
Recreation	0	0	0	0
Community Environment	0	0	0	0
Transportation	494	483	464	569
Subtotal: Operating Grants and Contributions	<u>494</u>	<u>485</u>	<u>469</u>	<u>573</u>
Capital Grants and Contributions				
Transportation	0	177	411	168
Subtotal: Capital Grants and Contributions	<u>0</u>	<u>177</u>	<u>411</u>	<u>168</u>
<i>Total Governmental Activities Program Revenues</i>	<u>1,300</u>	<u>1,269</u>	<u>1,525</u>	<u>1,416</u>
Business-Type Activities				
Charges for Services				
Rental Property	55	47	33	45
<i>Total Business-Type Activities Program Revenues</i>	<u>55</u>	<u>47</u>	<u>33</u>	<u>45</u>
<i>Total Primary Government Program Revenues</i>	<u>\$1,355</u>	<u>\$1,316</u>	<u>\$1,558</u>	<u>\$1,461</u>
Expenses				
Governmental Activities				
General Government	\$1,515	\$1,230	\$944	\$768
Public Safety	3,805	3,724	3,430	3,293
Sanitation	505	508	475	496
Recreation	144	170	190	164
Community Environment	184	174	155	107
Transportation	1,557	1,570	1,062	1,360
Interest and Fiscal Charges	8	8	8	9
<i>Total Governmental Activities Expenses</i>	<u>\$7,718</u>	<u>\$7,384</u>	<u>\$6,264</u>	<u>\$6,197</u>

2013	2012	2011	2010	2009	2008
\$52	\$60	\$41	\$6	\$7	\$29
206	263	260	269	265	242
34	27	30	34	37	47
12	11	10	16	6	9
275	89	123	72	75	88
579	450	464	397	390	415
0	0	0	0	1	1
0	0	1	3	4	5
1	14	14	24	1	1
0	0	0	0	0	0
475	468	502	1,938	1,191	767
476	482	517	1,965	1,197	774
0	0	0	0	0	0
0	0	0	0	0	0
1,055	932	981	2,362	1,587	1,189
22	36	36	36	23	18
22	36	36	36	23	18
\$1,077	\$968	\$1,017	\$2,398	\$1,610	\$1,207
\$1,143	\$976	\$1,058	\$986	\$1,010	\$1,120
3,212	3,199	3,183	3,107	3,151	3,098
438	446	574	541	518	498
163	180	228	253	268	273
120	110	101	99	105	158
1,212	1,243	1,236	1,126	944	933
11	0	3	27	28	38
\$6,299	\$6,154	\$6,383	\$6,139	\$6,024	\$6,118

Program Revenues (cont'd)

	2017	2016	2015	2014
Business-Type Activities				
Rental Property	51	42	49	102
<i>Total Business-Type Activities Expenses</i>	51	42	49	102
<i>Total Primary Government Program Expenses</i>	7,769	7,426	6,313	6,299
Net (Expense)/Revenue				
Governmental Activities	(6,418)	(6,115)	(4,739)	(4,781)
Business-Type Activities	4	5	(16)	(57)
<i>Total Primary Government Net Expense</i>	(6,414)	(6,110)	(4,755)	(4,838)
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes				
Property Taxes Levied For				
General Purposes	\$2,383	\$2,198	\$2,154	\$2,001
Municipal Income Taxes Levied For				
General Purposes	3,119	2,777	2,536	2,520
Franchise Fees	226	191	206	206
Grants and Entitlements not Restricted to				
Specific Programs	886	767	799	772
Investment Income	31	15	4	3
Transfers	0	0	0	(60)
<i>Total Governmental Activities</i>	6,645	5,948	5,699	5,442
Transfers to Business-Type Activities	0	0	0	60
<i>Total Business-Type Activities Expenses</i>	0	0	0	60
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	6,645	5,948	5,699	5,502
Change in Net Position				
Governmental Activities	228	(167)	960	661
Business-Type Activities	4	5	(16)	3
<i>Total Primary Government Change in Net Position</i>	\$232	(\$162)	\$944	\$664

2013	2012	2011	2010	2009	2008
55	52	48	53	47	48
55	52	48	53	47	48
6,354	6,206	6,431	6,192	6,071	6,166
(5,244)	(5,222)	(5,402)	(3,777)	(4,437)	(4,929)
(33)	(16)	(12)	(17)	(24)	(30)
(5,277)	(5,238)	(5,414)	(3,794)	(4,461)	(4,959)
\$1,980	\$1,980	\$2,104	\$2,165	\$2,126	\$2,096
2,401	2,279	2,267	2,047	2,105	2,369
215	187	172	166	117	111
754	1,100	904	1,389	836	908
3	3	1	5	19	105
(20)	0	0	0	0	(60)
5,333	5,549	5,448	5,772	5,203	5,529
20	0	0	0	0	60
20	0	0	0	0	60
5,353	5,549	5,448	5,772	5,203	5,589
89	327	46	1,995	766	600
(13)	(16)	(12)	(17)	(24)	30
\$76	\$311	\$34	\$1,978	\$742	\$630

CITY OF MADEIRA, OHIO
Fund Balances, Governmental Funds
Last Ten Years
(In Thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund				
Nonspendable	\$57	\$71	\$41	\$0
Assigned	0	223	0	0
Unassigned	<u>2,164</u>	<u>1,603</u>	<u>1,951</u>	<u>1,548</u>
Total General Fund	<u>2,221</u>	<u>1,897</u>	<u>1,992</u>	<u>2,350</u>
All Other Governmental Funds				
Restricted for Public Safety	29	34	32	23
Restricted for Transportation	468	448	209	0
Committed for:				
Recreation	23	19	13	11
Debt Service funds	0	0	0	0
Capital Improvements	423	598	587	561
Unassigned	<u>(52)</u>	<u>0</u>	<u>0</u>	<u>(23)</u>
Total All Other Governmental Funds	<u>891</u>	<u>1,099</u>	<u>841</u>	<u>572</u>
Total Governmental Funds	<u><u>\$3,112</u></u>	<u><u>\$2,996</u></u>	<u><u>\$2,833</u></u>	<u><u>\$2,922</u></u>

2013	2012	2011	2010	2009	2008
\$20	\$46	\$27	\$0	\$0	\$0
0	0	0	0	0	0
2,365	2,244	2,023	1,698	1,697	2,014
2,385	2,290	2,050	1,698	1,697	2,014
23	24	16	0	0	0
0	0	0	192	0	385
9	7	34	0	0	0
0	0	0	279	3	1
562	434	321	277	269	344
(762)	(890)	(878)	0	(81)	0
(168)	(425)	(507)	748	191	730
\$2,217	\$1,865	\$1,543	\$2,446	\$1,888	\$2,744

CITY OF MADEIRA, OHIO
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2017	2016	2015	2014
Revenues				
Property Taxes	\$2,138,141	\$2,099,324	\$2,047,481	\$1,935,831
Municipal Income Taxes	3,145,091	2,920,914	2,674,456	2,555,081
Charges for Services	254,147	208,652	217,591	217,276
Fees, Licenses and Permits	258,749	145,100	172,660	176,173
Fines and Forfeitures	97,421	65,148	85,092	78,570
Intergovernmental	1,466,978	1,597,325	1,786,065	1,633,477
Interest	31,671	15,644	4,404	2,672
Other	296,138	235,006	274,021	275,299
<i>Total Revenues</i>	<u>7,688,336</u>	<u>7,287,113</u>	<u>7,261,770</u>	<u>6,874,379</u>
Expenditures				
Current:				
General Government	1,259,312	1,067,116	895,712	677,751
Public Safety	3,760,701	3,540,024	3,403,835	3,261,689
Sanitation	505,232	507,686	475,285	495,597
Recreation	112,810	112,203	135,449	109,645
Community Environment	183,909	174,126	155,483	107,216
Transportation	692,071	907,607	697,341	689,010
Capital Outlay	1,049,807	808,125	1,578,916	760,576
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	8,855	6,941	8,975	8,377
<i>Total Expenditures</i>	<u>7,572,697</u>	<u>7,123,828</u>	<u>7,350,996</u>	<u>6,109,861</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>115,639</u>	<u>163,285</u>	<u>(89,226)</u>	<u>764,518</u>
Other Financing Sources (Uses)				
Transfers In	256,879	362,000	920,000	815,000
Transfers Out	(256,879)	(362,000)	(920,000)	(875,000)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(60,000)</u>
<i>Net Change in Fund Balances</i>	<u>\$115,639</u>	<u>\$163,285</u>	<u>(\$89,226)</u>	<u>\$704,518</u>
Debt Service as a Percentage of Noncapital Expenditures	0.1%	0.1%	0.2%	0.2%

2013	2012	2011	2010	2009	2008
\$1,946,798	\$1,893,761	\$2,098,683	\$1,858,638	\$2,079,768	\$1,995,772
2,466,689	2,333,124	2,293,520	2,349,311	2,211,643	2,343,262
151,632	133,489	116,944	122,935	73,498	72,320
135,034	89,063	123,473	72,382	75,030	87,864
73,312	116,858	78,967	108,149	123,744	132,792
1,412,216	1,433,242	1,472,421	2,986,201	1,949,114	1,864,647
2,722	2,481	1,346	4,535	19,416	104,745
434,876	311,864	344,681	419,847	314,787	239,935
6,623,279	6,313,882	6,530,035	7,921,998	6,847,000	6,841,337
962,013	917,413	987,756	918,369	931,392	1,052,349
3,239,259	3,196,270	3,150,251	3,092,362	3,131,639	3,094,902
438,167	445,654	574,455	540,817	517,959	498,387
174,910	134,013	113,745	130,564	162,086	180,179
119,750	110,175	101,003	99,195	105,225	157,749
736,988	678,752	664,201	766,500	1,029,463	1,759,368
574,405	493,453	338,942	2,677,023	1,535,448	596,005
0	0	285,000	270,000	260,000	250,000
5,603	15,833	17,764	18,765	30,295	41,135
6,251,095	5,991,563	6,233,117	8,513,595	7,703,507	7,630,074
372,184	322,319	296,918	(591,597)	(856,507)	(788,737)
427,447	209,500	148,762	477,000	477,000	652,000
(447,447)	(209,500)	(148,762)	(477,000)	(477,000)	(712,000)
(20,000)	0	0	0	0	(60,000)
\$352,184	\$322,319	\$296,918	(\$591,597)	(\$856,507)	(\$848,737)
0.1%	0.3%	5.1%	5.0%	4.9%	4.8%

CITY OF MADEIRA, OHIO
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property		Tangible Personal Property				Total			Ratio
	Assessed Value	Estimated Actual Value	Public Utility		Personal Property		Assessed Value	Total Direct Tax Rate Per Thousand	Estimated Actual Value	
			Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value				
2017	\$372,729,970	\$1,064,942,771	\$6,839,040	\$7,771,636	\$0	\$0	\$379,569,010	7.50	\$1,072,714,408	35.38%
2016	332,585,990	950,245,686	6,385,130	7,255,830	0	0	338,971,120	7.50	957,501,515	35.40
2015	324,308,690	926,596,257	6,193,820	7,038,432	0	0	330,502,510	7.50	933,634,689	35.40
2014	320,768,770	916,482,200	5,993,590	6,810,898	0	0	326,762,360	7.50	923,293,098	35.39
2013	299,558,760	855,882,171	5,609,480	6,374,409	0	0	305,168,240	7.50	862,256,581	35.39
2012	296,358,390	846,738,257	5,226,120	5,938,773	0	0	301,584,510	7.50	852,677,030	35.37
2011	293,306,210	838,017,743	4,991,980	5,672,705	0	0	298,298,190	7.50	843,690,447	35.36
2010	319,494,300	912,840,857	4,625,570	5,256,330	138,080	736,427	324,257,950	7.50	918,833,613	35.29
2009	319,622,020	913,205,771	4,028,650	4,578,011	265,040	1,413,547	323,915,710	7.50	919,197,329	35.24
2008	296,467,680	847,050,514	3,940,800	4,478,182	1,740,610	9,283,253	302,149,090	7.50	860,811,949	35.10

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal. The assessed value of real property (including public utility real property) is 35 percent of estimated true value. 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 was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Source: Hamilton County Auditor

CITY OF MADEIRA, OHIO
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

Fiscal Year	Overlapping Rates									
	City	Countywide			Local School Districts			Total Direct and Overlapping Rates		
	Charter Millage	Great Oaks			Madeira School District	Cincinnati School District	Indian Hill School District	Total Madeira School District	Total Cincinnati School District	Total Indian Hill School District
		Hamilton County Millage	Vocational School District	Joint Total County Millage						
2017	7.50	21.19	2.70	23.89	107.07	77.23	46.16	138.46	129.81	98.74
2016	7.50	20.88	2.70	23.58	101.55	70.15	46.06	132.63	122.11	98.02
2015	7.50	20.88	2.70	23.58	101.55	70.15	46.06	132.63	122.11	98.02
2014	7.50	21.06	2.70	23.76	101.82	71.49	46.06	133.08	123.81	98.38
2013	7.50	21.06	2.70	23.76	101.94	71.34	45.99	133.20	123.66	98.31
2012	7.50	20.06	2.70	22.76	101.27	70.76	45.87	151.59	121.08	96.19
2011	7.50	20.48	2.70	23.18	94.02	68.54	45.72	145.18	119.70	96.88
2010	7.50	20.48	2.70	23.18	91.02	67.87	45.82	142.18	119.03	96.98
2009	7.50	20.63	2.70	23.33	95.39	67.95	46.32	146.85	119.41	97.78
2008	7.50	20.56	2.70	23.26	94.77	59.67	45.42	146.09	110.99	96.74

Source: Hamilton County Auditor

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generate the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter Millage is consistently applied to all types of property.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

Overlapping rates are those of local and county governments that apply to property owners within the City.

CITY OF MADEIRA, OHIO
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy Amount (1)	Percentage of Levy	Collection in Subsequent Years
2017	\$2,601,838	\$2,507,084	96.36%	\$43,772
2016	2,533,711	2,438,058	96.22	35,505
2015	2,520,615	2,417,493	95.91	49,395
2014	2,358,894	2,245,776	95.20	50,396
2013	2,335,606	2,219,242	95.02	48,337
2012	2,310,912	2,179,595	94.32	56,782
2011	2,516,050	2,372,615	94.30	53,969
2010	2,538,622	2,376,948	93.63	70,010
2009	2,517,907	2,360,628	93.75	65,119
2008	2,346,973	2,200,774	93.77	68,467

Source: Hamilton County Auditor

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

<u>Total Collections to Date</u>		Accumulated	Percentage
<u>Amount</u>	<u>Percentage</u>	<u>Outstanding</u>	<u>of Delinquent</u>
	<u>of Levy</u>	<u>Delinquent</u>	<u>Taxes to Total</u>
		<u>Taxes</u>	<u>Tax Levy</u>
\$2,550,856	98.04%	\$50,982	1.96%
2,473,563	97.63	60,148	2.37
2,466,888	97.87	54,833	2.18
2,296,172	97.34	63,325	2.68
2,267,579	97.09	67,593	2.89
2,236,377	96.77	73,550	3.18
2,426,584	96.44	89,132	3.54
2,446,958	96.39	90,669	3.57
2,425,747	96.34	92,049	3.66
2,269,241	96.69	77,058	3.28

CITY OF MADEIRA, OHIO
Income Tax Revenue Base and Collections
Last Ten Years

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2017	1.00%	\$3,145,091	\$1,458,691	46.38%	\$240,831	7.66%	\$1,445,569	45.96%
2016	1.00	2,920,914	1,459,712	49.97	192,623	6.59	1,268,579	43.43
2015	1.00	2,674,456	1,308,687	48.93	214,153	8.01	1,151,616	43.06
2014	1.00	2,555,081	1,238,304	48.46	240,156	9.40	1,076,621	42.14
2013	1.00	2,466,689	1,156,967	46.90	168,862	6.85	1,140,860	46.25
2012	1.00	2,333,124	1,100,442	47.17	170,090	7.29	1,062,592	45.54
2011	1.00	2,293,520	1,081,410	47.15	148,354	6.47	1,063,757	46.38
2010	1.00	2,349,311	1,109,323	47.22	197,602	8.41	1,042,387	44.37
2009	1.00	2,211,643	1,095,639	47.54	124,664	5.64	991,340	44.82
2008	1.00	2,343,262	1,089,159	46.48	219,558	9.37	1,034,544	44.15

CITY OF MADEIRA, OHIO
*Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years*

<u>Governmental Activities</u>				
<u>Year</u>	<u>General Obligation Bonds</u>	<u>Total Debt</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
2017	\$0	\$0	0.00%	\$0
2016	0	0	0.00	0
2015	0	0	0.00	0
2014	0	0	0.00	0
2013	0	0	0.00	0
2012	0	0	0.00	0
2011	0	0	0.00	0
2010	285,000	285,000	0.09	33
2009	555,000	555,000	0.20	62
2008	815,000	815,000	0.30	91

CITY OF MADEIRA, OHIO
*Ratio of General Obligation Debt to Assessed
Value and Debt Per Capita
Last Ten Years*

Year	Population (1)		Estimated Actual Value of Taxable Property (2)	Gross Debt (3)	Ratio of Net Debt to Estimated Actual Value of Taxable Property	Net Debt Per Capita
2017	8,976	a	\$1,072,714,408	\$0	0.00 %	\$0
2016	8,976	a	957,501,515	0	0.00	0
2015	8,726	b	933,407,155	0	0.00	0
2014	8,726	b	923,293,098	0	0.00	0
2013	8,726	b	862,256,581	0	0.00	0
2012	8,726	b	852,677,030	0	0.00	0
2011	8,726	b	843,690,447	0	0.00	0
2010	8,726	b	918,833,613	285,000	0.03	33
2009	8,923	c	919,197,329	555,000	0.06	62
2008	8,923	c	860,811,949	815,000	0.09	91

Sources:

(1) U. S. Bureau of Census, Census of Population.

(a) 2015 Federal Census

(b) 2010 Federal Census

(c) 2000 Federal Census

(2) Hamilton County Auditor

(3) Includes all general obligation long-term debt with the exception of Special Assessment debt.

CITY OF MADEIRA, OHIO
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2017

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct Debt	<u>\$0</u>	100.00 %	<u>\$0</u>
Overlapping			
Hamilton County	133,845,000	1.84%	2,462,748
Madeira City School District	11,090,000	98.59%	10,933,631
Cincinnati City School District	306,808,569	0.03%	92,043
Indian Hill XV School District	16,735,000	0.82%	137,227
Great Oaks Career Center Joint Vocational School District	<u>6,070,000</u>	1.80%	<u>109,260</u>
<i>Total Overlapping Debt</i>	<u>474,548,569</u>		<u>13,734,909</u>
Total	<u><u>\$474,548,569</u></u>		<u><u>\$13,734,909</u></u>

Long-term debt is allocated based on assessed valuations.

Source: Ohio Municipal Advisory Council

CITY OF MADEIRA, OHIO

Legal Debt Margin

Last Ten Years

	2017	2016	2015	2014
Total Assessed Property Value	\$379,569,010	\$338,971,120	\$330,302,280	\$326,762,360
Overall Legal Debt Limit (10½ % of Assessed Valuation)	39,854,746	35,591,968	34,681,739	34,310,048
Debt Outstanding				
General Obligation Bonds	\$0	\$0	\$0	\$0
Bond Anticipation Notes	360,000	480,000	600,000	720,000
Total Gross Indebtedness	360,000	480,000	600,000	720,000
Less				
General Obligation Bond Retirement Fund Balance	0	0	0	0
Total Net Debt Applicable to Debt Limit	360,000	480,000	600,000	720,000
Legal Debt Margin Within 10½ % Limitations	\$39,494,746	\$35,111,968	\$34,081,739	\$33,590,048
Legal Debt Margin as a Percentage of the Debt Limit	99.10%	98.65%	98.27%	97.90%
Unvoted Debt Limitation (5½ % of Assessed Valuation)	\$20,876,296	\$18,643,412	\$18,166,625	\$17,971,930
Total Gross Indebtedness	360,000	480,000	600,000	720,000
Less:				
General Obligation Bond Retirement Fund Balance	0	0	0	0
Net Debt Within 5½ % Limitations	360,000	480,000	600,000	720,000
Unvoted Legal Debt Margin Within 5½ % Limitations	\$20,516,296	\$18,163,412	\$17,566,625	\$17,251,930
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	98.28%	97.43%	96.70%	95.99%

Source: City Financial Records

2013	2012	2011	2010	2009	2008
\$305,168,240	\$301,584,510	\$298,298,190	\$324,257,950	\$323,915,710	\$302,149,090
32,042,665	31,666,374	31,321,310	34,047,085	34,011,150	31,725,654
\$0	\$0	\$0	\$285,000	\$555,000	\$815,000
840,000	960,000	1,080,000	1,200,000	0	0
840,000	960,000	1,080,000	1,485,000	555,000	815,000
0	0	0	(279,204)	(3,136)	(1,398)
840,000	960,000	1,080,000	1,205,796	551,864	813,602
\$31,202,665	\$30,706,374	\$30,241,310	\$32,841,289	\$33,459,286	\$30,912,052
97.38%	96.97%	96.55%	96.46%	98.38%	97.44%
\$16,784,253	\$16,587,148	\$16,406,400	\$17,834,187	\$17,815,364	\$16,618,200
840,000	960,000	1,080,000	1,485,000	555,000	815,000
0	0	0	(279,204)	(3,136)	(1,398)
840,000	960,000	1,080,000	1,205,796	551,864	813,602
\$15,944,253	\$15,627,148	\$15,326,400	\$16,628,391	\$17,263,500	\$15,804,598
95.00%	94.21%	93.42%	93.24%	96.90%	95.10%

CITY OF MADEIRA, OHIO
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Hamilton County Unemploy- ment Rate (3)(6)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
2017	8,976	\$372,566,832	\$41,507	\$91,810	42.9	61.1%	1,419	4.0%	\$333,027	\$379,569,010
2016	8,976	355,153,392	39,567	83,073	42.9	56.3	1,453	4.4	414,507	379,569,010
2015	8,726	351,195,322	40,247	86,612	42.9	56.9	1,465	4.7	318,929	330,302,280
2014	8,726	339,799,166	38,941	87,750	42.9	56.6	1,332	4.0	279,323	326,762,360
2013	8,726	332,137,738	38,063	81,020	42.9	55.1	1,372	5.6	310,101	305,168,240
2012	8,726	332,137,738	38,063	81,020	42.9	54.2	1,392	6.3	239,573	301,584,510
2011	8,726	332,137,738	38,063	81,020	42.9	44.6	1,411	8.6	238,288	298,298,190
2010	8,726	332,137,738	38,063	81,020	42.9	44.6	1,417	9.5	266,044	324,257,950
2009	8,923	273,721,948	30,676	59,626	41.6	44.6	1,409	8.8	229,995	323,915,710
2008	8,923	273,721,948	30,676	59,626	41.6	44.6	1,410	5.6	231,138	302,149,090

(1) Source: U. S. Census: "<https://www.census.gov/quickfacts/OH>"

(2) Source: Ohio Department of Education Website: "<http://reportcard.education.ohio.gov/Pages/District-Report.aspx?DistrictIRN=044289>"

(3) Source: Ohio Labor Market Info Website: "<http://lmi.state.oh.us>"

(4) Source: Hamilton County Auditor

(5) Computation of per capita personal income multiplied by population

(6) Rate not available for only City of Madeira. The county rate is shown for informational purposes.

**CITY OF MADEIRA, OHIO
Principal Employers
Current Year and Ten Years Ago**

2017

Employer	Employees	Percentage of Total City Employment
Kenwood Country Club	345	4.34%
Heartland Employment	304	3.82
Madeira City Schools	268	3.37
Sheakley HR LLC	229	2.88
Kroger Ltd Partnership	205	2.58
Center for Collaborative	200	2.52
One Source Employee	180	2.26
University of Cincinnati	161	2.03
Chuy's OPCO Inc.	158	1.99
Jimmy John's Gourmet	153	1.93
Total	2,203	27.96%
Total W-2s Submitted	7,948	

2007

Employer	Employees	Percentage of Total City Employment
Kenwood Country Club	375	8.14%
Madeira City Schools	345	7.93
Heartland Employment	298	6.85
Madeira Health Care Inc.	204	4.69
Kroger Company	192	4.41
Embers	158	3.63
Mitchell's Salon	155	3.56
Kutol Products	151	3.47
TGI Fridays's Bistros of OH & KY	133	3.06
St. Gertrude	106	2.44
Total	2,117	50.57%
Total W-2s Submitted	4,350	

Source: Number of W2s submitted to the
City Tax Department

CITY OF MADEIRA, OHIO
Full-Time Equivalent City Government Employees by Function
Last Ten Years

Function	2017	2016	2015	2014
General Government				
Council	3.50	3.50	3.50	3.50
Finance/Tax	3.00	3.00	3.00	2.50
City Manager	1.00	1.00	1.00	1.00
Administration	2.00	2.00	2.00	2.00
Security of Persons and Property				
Police	14.00	14.00	12.00	12.00
Police - Auxiliary/Guards	3.00	3.00	3.00	3.00
Police - Dispatchers/Office/Other	1.00	1.00	1.00	1.00
Leisure Time Activities				
Recreation	2.00	2.00	2.00	2.00
Transportation				
Service	6.00	6.00	6.00	5.00
Totals:	35.50	35.50	33.50	32.00

Source: City Payroll Department

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

2013	2012	2011	2010	2009	2008
3.50	3.50	3.50	3.50	3.50	3.50
2.50	2.50	3.50	3.50	3.50	3.50
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
12.00	12.00	12.00	12.00	12.00	13.00
3.00	3.00	3.00	3.00	3.00	3.00
1.00	1.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00	5.00
5.00	6.00	6.00	6.00	6.00	6.00
32.00	33.00	35.00	35.00	35.00	39.00

CITY OF MADEIRA, OHIO
Operating Indicators by Function
Last Ten Years

Function	2017	2016	2015	2014
General Government				
<i>Council and Clerk</i>				
Number of ordinances passed	12	11	34	32
Number of resolutions passed	38	47	6	9
Number of planning commission docket items	48	63	43	37
<i>Finance Department</i>				
Number of checks/ vouchers issued	2,693	2,863	2,903	2,920
Amount of checks written	\$5,899,518	\$4,840,245	\$4,671,889	\$4,408,893
Interest earnings for fiscal year	\$31,671	\$15,644	\$4,404	\$2,722
Number of budget adjustments issued	2	1	1	1
Agency ratings: Moody's Financial Services	AA	AA	AA	AA
General fund receipts (in thousands)	\$7,013	\$6,460	\$6,227	\$5,985
General fund expenditures (in thousands)	\$6,433	\$6,193	\$5,664	\$5,146
General fund cash balances (in thousands)	\$1,538	\$1,215	\$1,272	\$1,616
<i>Income Tax Department</i>				
Number of individual returns filed	3,991	3,726	3,703	3,469
Number of business returns filed	730	681	665	605
Number of withholding accounts	862	812	822	693
Amount of penalties and interest collected	\$35,370	\$15,495	\$18,939	\$12,147
Annual number of corporate withholding forms processed	6,033	5,554	3,700	3,340
Annual number of balance due statements forms processed	1,380	886	907	839
Annual number of estimated payment forms processed	2,292	2,527	2,792	2,791
Annual number of reconciliations of withholdings processed	860	799	799	681
<i>Civil Service</i>				
Number of police entry tests administered	0	1	0	0
Number of police promotional tests administered	0	0	0	0
Number of hires of police officers from certified lists	0	2	0	0
Number of promotions from police certified lists	0	0	0	1
<i>Building Department Indicators</i>				
Number of permits issued	402	365	370	346
Estimated value of construction (in thousands)	\$35,170	\$18,918	\$24,035	\$25,101
Amount of revenue generated from permits	\$258,749	\$145,100	\$165,341	\$158,303
Security of Persons & Property				
<i>Police</i>				
Number of traffic citations issued	932	480	520	608
Number of parking citations issued	92	85	122	72
Number of criminal arrests	172	152	160	448
OVI arrests	12	7	5	10
Motor vehicle accidents	154	160	175	161
Fatalities from motor vehicle accidents	0	0	0	1
Gasoline costs of fleet	\$43,438	\$36,041	\$42,788	\$58,377
Basic Utility Services				
Refuse disposal per year (in tons)	3,024	2,860	2,897	2,717
Refuse disposal costs per year	\$505,232	\$507,686	\$475,285	\$495,597
Annual recycling tonnage (excluding leaf and compost items)	981	1,069	997	962
Percentage of waste recycled	24.49%	27.21%	40.78%	26.15%
Transportation				
Street improvements: asphalt overlay (lineal feet)	4,000	4,200	0	5,074
Leaf collection (hours)	860	860	860	860
Tons of snow melting salt purchased	563	564	797	873
Cost of salt purchased	\$45,021	\$50,988	\$58,358	\$58,983

Source: City records

2013	2012	2011	2010	2009	2008
34	32	35	26	40	43
8	9	11	8	8	9
80	43	46	36	5	25
2,810	2,891	2,943	3,052	3,329	3,433
\$4,035,601	\$4,860,317	\$4,248,417	\$5,560,334	\$4,304,386	\$5,223,493
\$2,481	\$2,481	\$1,346	\$4,535	\$19,416	\$105,032
2	2	2	3	2	3
AA	AA	AA	AA	AA	AA
\$5,990	\$5,805	\$6,000	\$6,072	\$5,645	\$6,034
\$5,895	\$5,356	\$5,498	\$5,337	\$5,486	\$5,835
\$2,065	\$1,916	\$1,756	\$1,500	\$1,173	\$1,397
3,740	4,561	3,800	3,212	3,559	3,558
689	647	579	566	519	568
698	621	571	546	558	556
\$27,830	\$49,386	\$16,724	\$12,751	\$12,399	\$19,378
3,054	2,863	2,698	2,553	2,519	2,504
1,066	1,363	663	554	621	701
2,680	2,501	2,279	2,296	2,487	2,750
687	617	561	547	556	592
1	0	1	0	1	0
1	0	0	0	1	0
2	0	0	0	0	0
0	0	0	0	0	0
346	321	316	270	295	287
\$16,400	\$11,136	\$18,487	\$7,536	\$7,771	\$10,126
\$112,183	\$81,066	\$113,395	\$67,307	\$70,624	\$77,326
490	910	659	792	965	924
57	74	73	56	32	35
160	353	601	366	393	388
7	16	12	13	23	21
148	177	138	172	167	180
0	0	0	0	0	1
\$35,307	\$32,434	\$31,081	\$28,436	\$22,750	\$37,334
2,318	2,634	2,642	2,693	2,633	2,855
\$438,167	\$445,654	\$574,455	\$540,817	\$517,959	\$534,335
1,012	986	854	1,061	767	1,005
30.39%	27.23%	24.43%	28.25%	22.56%	26.04%
9,435	9,225	0	9,000	4,000	5,550
860	860	860	860	860	860
663	287	364	1,549	1,046	1,120
\$44,365	\$19,379	\$24,008	\$100,733	\$62,380	\$59,550

CITY OF MADEIRA, OHIO
Capital Assets Statistics by Function
Last Ten Years

Function	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
Square Footage Occupied	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Square Footage of Building	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Vehicles	9	9	9	9	8	7	7	7	7	7
Recreation										
Number of Parks	4	4	4	4	4	4	4	4	4	4
Number of Tennis Courts	4	4	4	4	4	4	4	4	4	4
Number of Baseball Diamonds	4	4	4	4	3	3	3	3	3	3
Number of Tot Lots	2	2	2	2	2	2	2	2	2	2
Number of Soccer Fields	4	4	4	4	4	4	4	4	4	4
Other Public Works										
Streets (miles)	47	47	47	47	47	47	47	47	47	47
Service Vehicles	8	8	8	8	9	9	9	9	9	9
Wastewater										
Storm Sewers (miles)	20	20	20	20	20	20	20	20	20	20

Source: City records



Dave Yost • Auditor of State

CITY OF MADEIRA

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 23, 2018**