

CITY OF REYNOLDSBURG
FRANKLIN COUNTY
REGULAR AUDIT
JANUARY 1, 2017 – DECEMBER 31, 2017





Dave Yost • Auditor of State

Honorable Mayor, City Council, and City Manager
City of Reynoldsburg
7232 East Main Street
Reynoldsburg, Ohio 43068

We have reviewed the *Independent Auditor's Report* of the City of Reynoldsburg, Franklin County, prepared by Wilson, Shannon & Snow, Inc., 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 Reynoldsburg is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

July 12, 2018

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**CITY OF REYNOLDSBURG
FRANKLIN COUNTY**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

City of Reynoldsburg
Franklin County
7232 East Main Street
Reynoldsburg, Ohio 43068

To the City Council and Management:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Reynoldsburg, Franklin County, (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 and have issued our report thereon dated June 10, 2018.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. *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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

City of Reynoldsburg
Franklin County
Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Required By *Government Auditing Standards*

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

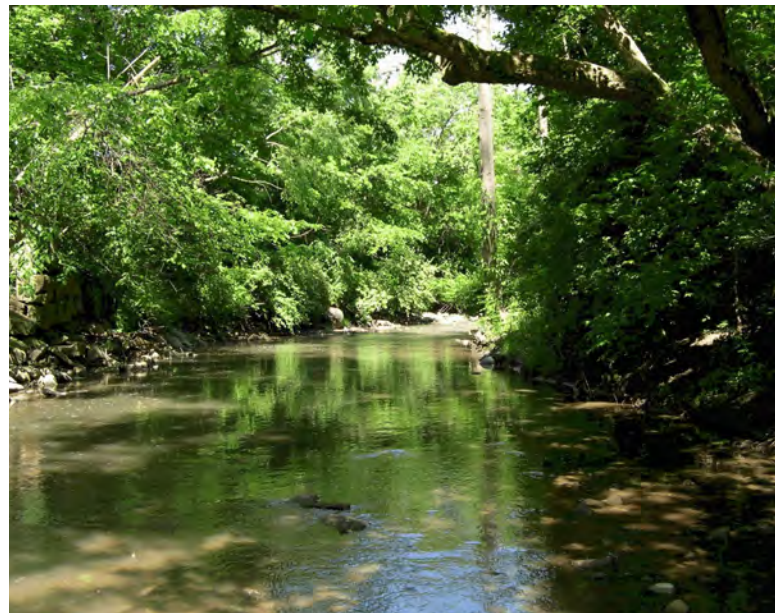
Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 10, 2018

R CITY OF REYNOLDSBURG, OHIO



Comprehensive Annual Financial Report

For fiscal year ended December 31, 2017

Issued by Office of City Auditor, Stephen M. Cicak



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2017

Issued by:
Stephen M. Cicak
City Auditor



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FRANKLIN, FAIRFIELD AND LICKING COUNTIES, OHIO**

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INTRODUCTORY SECTION





CITY OF REYNOLDSBURG

7232 East Main Street • Reynoldsburg, Ohio 43068
Stephen M. Cicak, City Auditor

phone (614) 322-6858

fax (614)-322-6857

June 10, 2018

Honorable Citizens of Reynoldsburg
and Members of City Council
Reynoldsburg, Ohio:

I am pleased to present the Comprehensive Annual Financial Report for the City of Reynoldsburg for the year ended December 31, 2017. This report has been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Reynoldsburg (the "City") to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of my knowledge and belief, the enclosed data, as presented, is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position and results of operations of the City and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

Generally Accepted Accounting Principles 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). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Reynoldsburg's MD&A can be found immediately following the report of the independent auditors.

The Reporting Entity

The accompanying basic financial statements comply with the provisions of accounting principles generally accepted in the United States of America in that the financial statements include all organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

***Letter of Transmittal
For the Year Ended December 31, 2017***

Based on the foregoing, the reporting entity of the City has no component units but includes the following services as authorized by its Charter: police protection, parks and recreation, planning, zoning, street maintenance and other governmental services. Additionally, the City owns the water distribution system, the wastewater collection system, and the stormwater collection system, each of which is reported as an enterprise fund. Treatment services for both water and wastewater are provided by the City of Columbus on a contractual basis. The City also reports the solid waste collection and disposal operations as an enterprise fund.

Historical Information

The origin of Reynoldsburg can be traced to 1801 when Thomas Jefferson signed an Act of Congress granting land to Lt. Colonel Bradford to be appropriated for refugees from Canada. The first settler was Thomas Palmer, who came from Massachusetts in 1803. The Village of Frenchtown was platted in 1831 on land owned by John D. French. The name was changed in 1839 to Reynoldsburg in honor of John C. Reynolds, the Postmaster and a representative in the Ohio General Assembly. The village was incorporated in 1839 and granted city status in 1960.

Reynoldsburg is noted as "the birthplace of the tomato" because of its famous resident horticulturist Alexander W. Livingston (1821-1898), internationally known for his development of the "Paragon" tomato.

Location

Reynoldsburg is located ten miles east of downtown Columbus and comprises the eastern edge of the Columbus metropolitan area. It was the first Franklin County city to expand into two other counties: Licking County to the east and Fairfield County to the south. Encompassing approximately thirteen square miles, the City lies near the geographic center of the state and is easily accessible from all areas in Ohio. The City is seven miles from Port Columbus International Airport and offers immediate access to interstate highways I-70 and I-270 via three major interchanges. Reynoldsburg is situated 833 feet above sea level and experiences mean temperatures of 71.97 degrees during the summer and 29.8 degrees during the winter.

Form of Government

The City operates under the Charter first adopted by the voters in 1979 and amended by the voters in 1982, 1987, 1992, 1995, 1997, 2007, 2012 and 2017, which provides for a Mayor-Council form of government. The laws of the State of Ohio prevail when conflicts exist between the Charter and the State Constitution and in matters where the Charter is silent. Legislative authority is vested in a seven-member Council of whom three members are elected at-large and four are elected from wards. The presiding officer is the President of Council who is elected at-large.

***Letter of Transmittal
For the Year Ended December 31, 2017***

All members are elected to four-year terms. The City's chief executive and administrative officer is the Mayor who is elected to that full-time office for a four-year term. The Mayor appoints all employees except those of City Council, the City Auditor's office, and the City Attorney's office. The City's chief fiscal officer is the City Auditor, who is elected to that full-time office for a four-year term. The City's legal officer is the City Attorney, who is elected to that full-time office for a four-year term.

ECONOMIC OUTLOOK

Reynoldsburg saw a slight increase in growth in the commercial sectors of the community. The growth came primarily from the retail and restaurant areas but other industries are interested in our area. The City attracted 45 new or expanded businesses in 2017.

The largest employer in the City is L Brands, Inc. and its subsidiaries, consisting of office, shipping, and distribution facilities on a 360-acre site. The L Brands Inc. specialty shops/facilities at the Reynoldsburg site are Mast Logistic Services Inc., Victoria's Secret Stores Inc., L Brands Services Cp. LLC, and Bath and Bodyworks Division. The national retail clothing company has contributed an average of approximately \$6,100,000 dollars a year in income tax receipts since 2003. Other large employers located in the City include Reynoldsburg City Schools, The State of Ohio, Wal-Mart, Target, and Kroger.

The City established the Department of Development in late 1997 to provide business and industry with a point of contact within local government. The department is responsible for business attraction, retention, zoning, and planning. The following businesses opened locations in Reynoldsburg during 2017:

- The Shoppes at East Broad continued to lease out their location to various retail stores and restaurants. In 2017, Rooms for Less opened a 35,000 square foot retail furniture location. There were also additional smaller retail shops and restaurants opened in 2017.
- AutoZone and Tire discounter added locations near the Shoppes at East Broad Street. Those locations were 6,900 and 8,500 square feet respectively.
- The Kroger Company broke ground on a Grocery/Fuel Station location which is expected to be over 101,000 square feet.
- Ohio Health opened an Emergency Room Facility in the City in late 2017.

Employment Rates

The great diversity of job opportunities in the Central Ohio area has helped the unemployment rate to remain consistent even or lower than the state and national averages. It has been estimated that 80% of Reynoldsburg residents work in Columbus and the surrounding area. Therefore, the City's rate of unemployment is influenced to a great extent by that of the metropolitan area. At the end of 2017, when the Federal experienced an unemployment rate of 4.4% and the State experienced an unemployment rate of 5.0%, Reynoldsburg experienced an unemployment rate estimated to average 3.9%.

***Letter of Transmittal
For the Year Ended December 31, 2017***

Long-term Financial Planning

The City continually seeks opportunities to increase revenues to fund necessary infrastructure and operating costs. The voters passed a 1% tax increase in May 2017 which will become effective July 1, 2017. In anticipation of the additional tax revenue, the City will be making major infrastructure repairs and also partner with YMCA to build a community recreation center. The City is also developing a comprehensive master plan which will target areas of development and redefine some of our zoning codes.

MAJOR INITIATIVES

Capital Improvements

The City continued its conservative posture with respect to spending for capital improvements in 2017. Sources of funds other than General Fund sources financed many of the projects. Projects begun, completed and/or in the process in 2017 include:

- **Huber Park/Recreation Center Study** - With the passage of the tax increase in May 2017 the City has contracted with CT consultants to assist in the planning, engineering, and management of the construction of the recreational facility. The City is exploring the opportunity to partner with the YMCA to manage the facility once opened. This project will be financed through a bond issuance in 2018.
- **Livingston Avenue Resurfacing Project** - This project has been completed. The final inspections and distributions from the Ohio Public Works Commission will take place in early 2018.
- **East Main Street Waterline Replacement**- The City issued \$1.5 in bonds to fund this project. Construction on the water line began in 2017 and will be completed in 2018. The repayment of the bond will be paid from the Water Fund.
- **2017 Storm Water Project**- The City issued \$1.1 in bonds to fund this project. Construction began in 2017 and will be completed in 2018. The repayment of the bond will be paid from the Storm Water Fund.
- **2017 Street Program**-The City approved the 2017 street program which will be approximately \$550,000. The project is being funded from the Capital Improvement, Street, and Storm Water Funds. Completion is expected in early 2018
- **911 replacement**- The City must replace its 911 system in order to be in compliance with the updated technology in place. The project began in 2017 and expected to be completed in early 2018.

In 2014, council passed a CIP fee to be charged to residents based on their water/sewer usage. The proceeds from these fees will be used to fund various waterline replacements and sewer relining projects.

CITY OF REYNOLDSBURG, OHIO

***Letter of Transmittal
For the Year Ended December 31, 2017***

Employee Relations

The full-time employee profile, excluding the Police Department, is as follows:

Elected Officials	3
Classified Employees	44
Non-Classified Employees	<u>11</u>
Total	<u>58</u>

The police department profile is as follows:

Sworn Officers	54
Dispatchers	8
Others	<u>8</u>
Total	<u>70</u>

City Council consists of the following:

President of Council	1
Ward Councilpersons	4
At-Large Councilpersons	<u>3</u>
Total	<u>8</u>

A collective bargaining agreement between the City of Reynoldsburg and the Fraternal Order of Police, Capital City Lodge #9, which represents forty-three sworn officers, is effective January 1, 2016, through December 31, 2018. The Ohio Patrolmen's Benevolent Association represents the City's eight sergeants, which is effective January 1, 2016, thru December 31, 2018. The contract between the City and the Fraternal Order of Police, Ohio Labor Council, which represents the eight dispatchers, is effective January 1, 2016, through December 31, 2018. All other employees are governed by the legislative action of City Council.

***Letter of Transmittal
For the Year Ended December 31, 2017***

FINANCIAL INFORMATION

Internal Control, Budgetary Control, and the Accounting System

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

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

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

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

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

The Auditor's office is responsible for the auditing and analysis of all purchase orders of the City. Personnel of the Auditor's office carefully review purchase orders to ensure the availability of monies in the proper funds and accounts prior to the certification and subsequent payment of approved invoices. The City utilizes a fully automated accounting system as well as an automated system of controls for capital asset accounting and payroll. These systems, coupled with the review and examination performed by the City Auditor's office, ensure that the financial information generated is both accurate and reliable.

Budgetary control is maintained at the object level for each department within each fund via legislation approved by City Council. The various objects are:

- Personal services
- Contractual Services
- Other Expenditures
- Transfers
- Materials and Supplies
- Capital Outlay
- Debt Service:
Principal
Interest

***Letter of Transmittal
For the Year Ended December 31, 2017***

Lower levels within each object are accounted for and reported internally. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available object level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year, which coincides with the calendar year.

OTHER INFORMATION

Independent Audit

The basic financial statements of the City of Reynoldsburg were audited by Wilson, Shannon and Snow Inc. Certified Public Accountants. The independent auditor's unmodified opinion has been included in this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Reynoldsburg, Ohio for its Comprehensive Annual Financial Report for the year ended December 31, 2016. This was the twenty-sixth consecutive year (1991-2016) that the City received this award.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report with contents conforming to all program standards. The report must satisfy both accounting principles generally accepted in the United States of America (GAAP) and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year. The City of Reynoldsburg received its first Certificate of Achievement for the fiscal year ended December 31, 1991. I believe this current report continues to conform to the Certificate of Achievement program requirements, and I am submitting the report to the GFOA.

The publication of this Comprehensive Annual Financial Report is indicative of the City's commitment to providing significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Reynoldsburg, the recipients of this report include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the City Auditor's goal of full disclosure of the City's finances.

***Letter of Transmittal
For the Year Ended December 31, 2017***

Acknowledgments

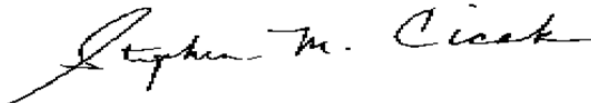
Sincere appreciation is extended to the individuals who have contributed their time and effort in gathering data for this report, particularly the staff of the City Auditor and the offices of the Auditors of Franklin, Licking and Fairfield Counties.

Special acknowledgment is extended to the staff of Donald J. Schonhardt and Associates, Inc. for their continued guidance in the preparation of this report.

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

Finally, my sincere gratitude to the people of Reynoldsburg for electing me so that I may serve as their City Auditor.

Respectfully,



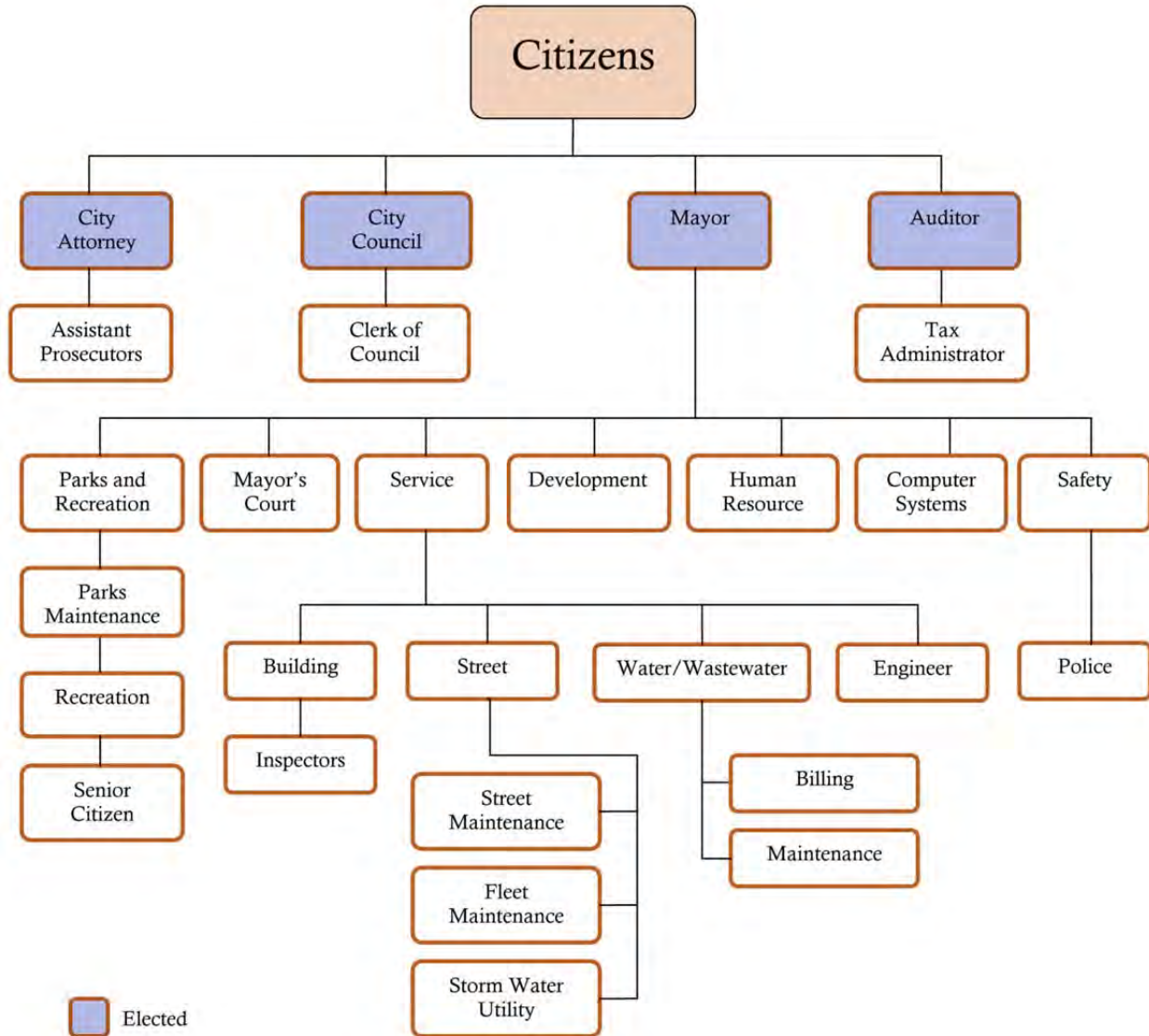
Stephen M. Cicak
City Auditor

CITY OF REYNOLDSBURG, OHIO

***List of Principal Officials
For the Year Ended December 31, 2017***

<u>Office</u>	<u>Name</u>	<u>Years in Office</u>	<u>Years with the City</u>	<u>Vocation</u>	<u>Term Expires</u>
Mayor	Bradley L. McCloud	10	22		12/31/2019
Auditor	Richard E. Harris	12	16		12/31/2017
City Attorney	Jed Hood	12	12		12/31/2019
President of Council	Doug Joseph	12	12	Consultant	12/31/2019
Members of Council	Chris Long	8	8	Executive	12/31/2017
	Barth R. Cotner	9	9	Funeral Director	12/31/2017
	Dan Skinner	4	4	Attorney	12/31/2017
	Mel Clemens	18	28	Retired	12/31/2019
	Stephen Cicak	2	2	Entrepreneur	12/31/2019
	Brett Luzader	2	36	Retired	12/31/2019
	Marshall Spalding	2	2	Retired	12/31/2019

***City Organizational Chart
For the Year Ended December 31, 2017***





Government Finance Officers Association

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

Presented to

**City of Reynoldsburg
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



City of Reynoldsburg
Franklin County
7232 East Main Street
Reynoldsburg, Ohio 43068

INDEPENDENT AUDITOR'S REPORT

To the City Council and Management:

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Reynoldsburg, Franklin County, 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, Permissive Tax and the Street Construction, Maintenance & Repair Funds thereof for the year then ended in accordance with the 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 this presentation to include *Management's discussion and analysis* and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

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

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

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

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

City of Reynoldsburg
Franklin County
Independent Auditor's Report

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2018 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 10, 2018



***Management's Discussion and Analysis
For the Year Ended December 31, 2017***

Unaudited

The Management's Discussion and Analysis of the City of Reynoldsburg's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2017. The intent of the Management's Discussion and Analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2017 are as follows:

- ❑ In total, net position increased \$2,746,880. Net position of governmental activities increased \$2,656,286 which represents a 5.5% increase from 2016. Net position of business-type activities increased \$90,594 or 0.1% from 2016.
- ❑ General revenues accounted for \$23,520,759 in revenue or 53.5% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for \$20,427,939 or 46.5% of total revenues of \$43,948,698.
- ❑ The City had \$24,706,977 in expenses related to governmental activities; \$3,842,504 of these expenses were offset by program specific charges for services and sales, grants or contributions.
- ❑ Among major funds, the General Fund had \$16,931,900 in revenues and \$15,890,474 in expenditures. The General Fund's fund balance increased from \$6,085,210 to \$7,142,309.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplemental information*, and an optional section that presents *combining and individual statements and schedules* for non-major governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

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

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

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

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

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

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

- Governmental Activities – Most of the City's program's and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water, sewer, storm water drainage and solid waste removal services are reported as business-type activities.

Fund Financial Statements

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

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

CITY OF REYNOLDSBURG, OHIO

**Management's Discussion and Analysis
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Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. The proprietary fund financial statements provide separate information for the Water, Sewer, Storm Water Drainage and Solid Waste funds, all of which are considered major funds.

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

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a summary of the City's net position for 2017 compared to 2016:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$31,021,805	\$25,983,318	\$12,542,529	\$9,187,801	\$43,564,334	\$35,171,119
Capital assets, Net	56,349,947	57,545,863	82,981,737	83,523,426	139,331,684	141,069,289
Total assets	<u>87,371,752</u>	<u>83,529,181</u>	<u>95,524,266</u>	<u>92,711,227</u>	<u>182,896,018</u>	<u>176,240,408</u>
Deferred outflows of resources	6,714,028	5,743,558	404,962	311,366	7,118,990	6,054,924
Long-term liabilities outstanding	15,964,702	17,879,810	3,688,881	1,693,860	19,653,583	19,573,670
Net Pension Liability	21,772,281	18,487,838	1,057,945	802,316	22,830,226	19,290,154
Other liabilities	2,763,205	2,253,667	2,887,348	2,312,751	5,650,553	4,566,418
Total liabilities	<u>40,500,188</u>	<u>38,621,315</u>	<u>7,634,174</u>	<u>4,808,927</u>	<u>48,134,362</u>	<u>43,430,242</u>
Deferred inflows of resources	2,331,775	2,053,893	6,296	15,502	2,338,071	2,069,395
Net position:						
Net investment in capital assets	41,796,522	41,785,362	80,053,331	81,903,106	121,849,853	123,688,468
Restricted	10,636,025	9,698,562	0	0	10,636,025	9,698,562
Unrestricted	(1,178,730)	(2,886,393)	8,235,427	6,295,058	7,056,697	3,408,665
Total net position	<u>\$51,253,817</u>	<u>\$48,597,531</u>	<u>\$88,288,758</u>	<u>\$88,198,164</u>	<u>\$139,542,575</u>	<u>\$136,795,695</u>

The implementation of GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," in 2015, significantly revised accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability. GASB 68 takes an earnings approach to pension accounting; however, the nature of

***Management's Discussion and Analysis
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Unaudited

Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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

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

CITY OF REYNOLDSBURG, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2017**

Unaudited

Changes in Net Position – The following table shows the changes in net position for 2017 compared to 2016:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues:						
Charges for Services and Sales	\$1,781,221	\$1,599,442	\$16,529,326	\$16,321,086	\$18,310,547	\$17,920,528
Operating Grants and Contributions	1,930,184	1,890,365	0	0	1,930,184	1,890,365
Capital Grants and Contributions	131,099	1,401,570	56,109	36,922	187,208	1,438,492
Total Program Revenues	<u>3,842,504</u>	<u>4,891,377</u>	<u>16,585,435</u>	<u>16,358,008</u>	<u>20,427,939</u>	<u>21,249,385</u>
General Revenues:						
Property Taxes	2,628,709	2,721,708	0	0	2,628,709	2,721,708
Income Taxes	18,628,466	14,899,503	0	0	18,628,466	14,899,503
Other Local Taxes	622,451	611,642	0	0	622,451	611,642
Intergovernmental Revenue, Unrestricted	789,996	768,037	0	0	789,996	768,037
Investment Earnings	285,584	131,403	0	0	285,584	131,403
Miscellaneous	565,553	306,467	0	0	565,553	306,467
Total General Revenues	<u>23,520,759</u>	<u>19,438,760</u>	<u>0</u>	<u>0</u>	<u>23,520,759</u>	<u>19,438,760</u>
Total Revenues	<u>27,363,263</u>	<u>24,330,137</u>	<u>16,585,435</u>	<u>16,358,008</u>	<u>43,948,698</u>	<u>40,688,145</u>
Program Expenses						
Security of Persons and Property	11,020,195	10,621,105	0	0	11,020,195	10,621,105
Public Health and Welfare Services	285,500	271,288	0	0	285,500	271,288
Leisure Time Activities	1,614,852	1,352,885	0	0	1,614,852	1,352,885
Community Environment	1,751,419	1,564,651	0	0	1,751,419	1,564,651
Transportation	3,439,342	3,378,528	0	0	3,439,342	3,378,528
General Government	6,237,449	5,387,345	0	0	6,237,449	5,387,345
Interest and Fiscal Charges	358,220	376,341	0	0	358,220	376,341
Water	0	0	6,041,428	5,953,712	6,041,428	5,953,712
Sewer	0	0	6,352,196	6,165,127	6,352,196	6,165,127
Storm Water Drainage	0	0	2,290,746	2,077,419	2,290,746	2,077,419
Solid Waste	0	0	1,810,471	1,964,252	1,810,471	1,964,252
Total Expenses	<u>24,706,977</u>	<u>22,952,143</u>	<u>16,494,841</u>	<u>16,160,510</u>	<u>41,201,818</u>	<u>39,112,653</u>
Total Change in Net Position	2,656,286	1,377,994	90,594	197,498	2,746,880	1,575,492
Beginning Net Position	48,597,531	47,219,537	88,198,164	88,000,666	136,795,695	135,220,203
Ending Net Position	<u>\$51,253,817</u>	<u>\$48,597,531</u>	<u>\$88,288,758</u>	<u>\$88,198,164</u>	<u>\$139,542,575</u>	<u>\$136,795,695</u>

Governmental Activities

The net position of the City's governmental activities increased by \$2,656,286. This amount is \$1,278,292 over the increase in 2016. Program revenues decreased by approximately \$1,048,873 due to a decrease in capital contributions from the Livingston Ave Street Reconstruction project which is funded thru Ohio Public Works Commission (OPWC). General Revenues increased \$4,081,999 over the previous year and the main driver of this increase was income tax revenue. The City passed a 1% income tax increase which went into effect July 1, 2017. Income tax revenues attributed to approximately \$3,728,963 of the increase. Other notable revenue increases were Investment Earnings which increased around \$154,181 over the previous year. With the stronger economy the City is experiencing higher returns on its investments. Miscellaneous revenue also increased \$259,086 over the previous year. This was primarily due to revenue received for the City's participation in an electric aggregation program and for the increase of cruiser rental income.

Expenses increased by about \$1,754,834. The overall increase was mainly due to the increase in the pension expense of the two State pension plans the City employees participate in. In addition, City programs that increased significantly were Leisure Time Activities, Community Environment and General Government. Leisure time expenditures increased \$261,967 from the previous year. There was a notable increase in miscellaneous contract services and repairs. The department made significant repairs to many of the parks, sports fields and City properties. Some of the major areas of focus were removal of dead or diseased trees, ball diamond upgrades, painting Livingston House, and design services for future park upgrades. Community development experienced increases in Personal Services and Contractual Services areas. The City transitioned the code enforcement positions to full time positions which accounted for the increase in personal services. Contractual Services saw increases due to streetscape repairs to irrigation systems, light pole painting and brick wall repairs. General Government experienced increases in the Personal Services area due to annual salary increases which ranged from 3-5%. Contractual Services category saw increases in the IT department for the other contractual services due to the outsourcing of our IT management and computer maintenance.

Public Health and Welfare increased \$14,212 from the prior year which is a result of an increase from the Franklin County Board of Health to provide the City with health services.

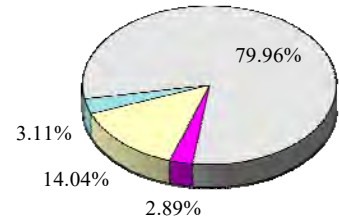
**Management's Discussion and Analysis
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Unaudited

Income taxes and property taxes made up 68.1% and 9.6% respectively of revenues for governmental activities for the City in 2017. The City's reliance upon tax revenues is demonstrated by the following graph indicating 79.96% of total revenues are from general tax revenues:

Revenue Sources	2017	Percent of Total
General Tax Revenues	\$21,879,626	79.96%
Intergovernmental Revenue, Unrestricted	789,996	2.89%
Program Revenues	3,842,504	14.04%
General Other	851,137	3.11%
Total Revenue	<u>\$27,363,263</u>	<u>100.00%</u>

2017



Business-Type Activities

The net position of the business type activities increased by \$90,594. This amount is \$106,904 lower than the increase in 2016. Revenue increased moderately by \$227,427. This increase would be primarily due to the rate increases.

The increase of the Water Fund net position of \$955,234 is \$148,471 lower than the 2016 increase. Revenues for the water fund were slightly lower from 2016 even with the slight rate increase. Water fund operating expenses increased \$58,354 from 2016 which is insignificant compared to the total amount spent for the year. Personal Services increased by \$21,881 which is due to salary increases to employees. Contractual services decreased due to the payments to Columbus for Water. This amount is less than expected because the City has been diligently working on identifying water leaks in the City's main lines. Materials and supplies increased \$86,300 from 2016. A considerable portion of this was for the purchase of replacement meters. The City is working on replacing all of the household meters to radio read meters which allow for more accurate and easier reads.

The Sewer fund decrease in net position of \$98,353 is \$23,913 more than 2016. Sewer fund operating revenues increased by \$159,095 due to rate changes. Operating expenses increased by \$194,923. Personal services and contractual services were the main drivers of this increase. Personal services increase was due salary increases. Contractual services increase was due to the increase in payments to the City of Columbus for Sewer services.

The Storm Water Drainage fund decrease in net position of \$933,204 is \$93,893 more than 2016. Overall operating expenses increased \$184,153 over 2016. Personal services increased \$33,516 over 2016. Most of that would be related to payment increases and for expenses related to hiring new staff due to the retirement of a long term employee. Contractual services increase relates to the billing of the Clean River charge from the City of Columbus.

The Solid Waste fund increase in net position of \$166,917 is \$159,373 more than 2016. This is due to decreased contractual services. The private hauler expenses were down \$154,000.

CITY OF REYNOLDSBURG, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2017**

Unaudited

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$23,829,381 which is an increase from last year's balance of \$19,840,887. The schedule below indicates the fund balance and the total change in fund balance by funds as of December 31, 2017 and 2016:

	Fund Balance December 31, 2017	Fund Balance December 31, 2016	Increase (Decrease)
General	\$7,142,309	\$6,085,210	\$1,057,099
Permissive Tax	1,188,295	1,158,739	29,556
Street Construction, Maintenance, and Repair	3,218,235	2,673,881	544,354
Taylor Square TIEF Debt Retirement	486,026	486,171	(145)
Capital Improvement	4,561,244	2,501,820	2,059,424
Other Governmental	7,233,272	6,935,066	298,206
Total	\$23,829,381	\$19,840,887	\$3,988,494

General Fund – The City's General Fund balance increased \$1,057,099. Revenues were up approximately 9.3% or \$1,437,031 compared to 2016. The General Fund increase is primarily a result of the increase in revenues. The increase in income tax revenues is result of the 1% income tax rate increase which became effective July 1, 2017. Another significant revenue increase was miscellaneous revenue received for the City's participation in an electric aggregation program and increased revenue from cruiser rental.

	2017 Revenues	2016 Revenues	Increase (Decrease)
Taxes	\$13,890,938	\$12,982,749	\$908,189
Intergovernmental Revenue	783,591	812,274	(28,683)
Charges for Services	228,582	246,592	(18,010)
Licenses and Permits	346,934	342,616	4,318
Investment Earnings	234,312	104,001	130,311
Fines and Forfeitures	371,737	327,171	44,566
All Other Revenue	1,075,806	679,466	396,340
Total	\$16,931,900	\$15,494,869	\$1,437,031

***Management's Discussion and Analysis
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Unaudited

The table that follows assists in illustrating the financial activities of the General Fund:

	2017 Expenditures	2016 Expenditures	Increase (Decrease)
Security of Persons and Property	\$9,339,048	\$9,327,786	\$11,262
Public Health and Welfare Services	285,500	271,288	14,212
Leisure Time Activities	1,357,137	1,543,411	(186,274)
Community Environment	1,474,591	1,387,806	86,785
General Government	3,434,198	3,252,169	182,029
Total	<u>\$15,890,474</u>	<u>\$15,782,460</u>	<u>\$108,014</u>

General Fund expenditures increased by \$108,014 or 0.7% compared to the prior year. Leisure Time Activities expenditures decreased by \$186,274. Equipment purchases decreased by \$224,000 from the amount spent in 2016. Personal services and contractual services increased by \$27,000 and \$101,000 respectively. The contractual services increase is attributed to upgrades to the park areas and tree removal.

Permissive Tax Fund – The Permissive Tax Fund balance increased by \$29,556. There was limited street construction from this fund.

Street Construction, Maintenance and Repair Fund – The Street Construction, Maintenance and Repair Fund balance increased by \$544,354. There was no significant street construction costs paid from this fund.

Taylor Square TIEF Debt Retirement Fund – The Taylor Square TIEF Debt Retirement Fund balance did not change significantly.

Capital Improvement Fund – The Capital Improvement Fund balance increased by \$2,059,424 to \$4,561,244. The significant increase is primarily due to the change in the income tax allocation. City Council voted to increase the allocation of income tax revenue to this fund from 2% to 25% effective for collections after July 1, 2017.

Proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of the Water, Sewer, Storm Water Drainage and Solid Waste major enterprise funds have been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

During the course of 2017, the City amended its General Fund budget several times, none of which were significant. Final budgeted expenditures exceeded original budgeted expenditures by \$264,618. Security of Persons and Property had an increase of \$349,059. This increase was mainly attributed to personal services increases. The City had several officers retire during 2017. With these retirements came payouts for vacation, comp-time and sick time. Since the City was unaware of these retirements they were not included with the original budget. The City was able to offset some of the increase by moving available budget amounts from other departments to the Security of Persons and Property department. The increase to the Leisure Time budget was for appropriating contributions received for recreation programs and community events.

With regard to expenditures, there was a positive variance with the final budget of \$888,525. The \$397,933 positive variance in General Government is primarily attributed to contractual services. Accounts that contributed to this positive variance were miscellaneous contract services, legal services, building maintenance and boards and commissions.

The General Fund final budget basis revenue of \$15,322,133 did not significantly change over the original budget estimates. The actual revenues and other financing sources of \$17,101,346 on a budgetary basis were over final budgeted amounts by \$1,779,213. Taxes revenue is the majority of this increase. The City increased its income tax rate from 1.5% to 2.5% effective July 1, 2017. All other revenues had a significant positive variance due to the receipt of \$100,000 for the City's participation in an electric aggregation program and the increase in rental of city property, primarily cruiser rental.

***Management's Discussion and Analysis
For the Year Ended December 31, 2017***

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2017, the City had \$139,331,684 net of accumulated depreciation invested in land, construction in progress, buildings, infrastructure, equipment and vehicles. Of this total, \$56,349,947 was related to governmental activities and \$82,981,737 to the business-type activities. The following tables show 2017 and 2016 balances:

	Governmental Activities		Increase
	2017	2016	(Decrease)
Land	\$17,207,481	\$17,187,281	\$20,200
Buildings	11,665,066	11,665,066	0
Improvements Other than Buildings	2,319,351	2,319,351	0
Infrastructure	59,115,123	57,660,326	1,454,797
Machinery and Equipment	5,563,348	5,744,729	(181,381)
Construction In Progress	4,767,095	4,916,711	(149,616)
Less: Accumulated Depreciation	<u>(44,287,517)</u>	<u>(41,947,601)</u>	<u>(2,339,916)</u>
Totals	<u>\$56,349,947</u>	<u>\$57,545,863</u>	<u>(\$1,195,916)</u>

Land increased due to donation of 1.25 acres being donated to the City. The parcel is adjacent to city property. The significant increase in infrastructure is attributed to the 2015 and 2016 street programs being finalized in 2017. The decrease in Machinery and Equipment is the result of departments reviewing their fixed asset listings and requesting from council to remove damaged and non-operable fixed assets.

	Business-Type Activities		Increase
	2017	2016	(Decrease)
Land	\$3,000	\$3,000	\$0
Buildings and Improvements	162,491	162,491	0
Infrastructure	134,814,784	134,296,798	517,986
Machinery and Equipment	1,465,197	1,457,227	7,970
Construction in Progress	2,299,411	555,327	1,744,084
Less: Accumulated Depreciation	<u>(55,763,146)</u>	<u>(52,951,417)</u>	<u>(2,811,729)</u>
Totals	<u>\$82,981,737</u>	<u>\$83,523,426</u>	<u>(\$541,689)</u>

Business-type capital assets decreased by \$541,689. Infrastructure increased due to the completion of the Furth Drive waterline repair. Construction in Progress increased due to the Main Street waterline replacement, Rocky Den Sewer project and the 2017 Storm Water project. Additional information on the City's capital assets can be found in Note 7.

**Management's Discussion and Analysis
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Debt

At December 31, 2017, the City had \$15,390,500 in general obligation bonds outstanding, \$2,127,600 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Governmental Activities:		
General Obligation Bonds	\$12,430,000	\$14,072,514
Ohio Public Works Commission Loans	2,073,405	2,374,514
Net Pension Liability	21,772,281	18,487,838
Compensated Absences	1,461,297	1,432,782
Total Governmental Activities	<u>37,736,983</u>	<u>36,367,648</u>
Business-Type Activities:		
General Obligation Bonds	2,960,500	804,800
Ohio Public Works Commission Loans	687,600	815,520
Net Pension Liability	1,057,945	802,316
Compensated Absences	40,781	73,540
Total Business-Type Activities	<u>4,746,826</u>	<u>2,496,176</u>
Totals	<u>\$42,483,809</u>	<u>\$38,863,824</u>

Total debt increased \$3,619,985 from 2016 to 2017. The majority of the debt increase is from Net Pension Liability increasing \$3,540,072 from 2016. This liability is a requirement of GASB 68-Accounting and Financial Reporting for Pensions. There is no actual repayment schedule for this liability. This increase was primarily due to the change in the City's proportionate share which is determined by the pension funds and the actuarial valuation of the plan which resulted in an increase in the plans' net pension liability. Payments were made in accordance with the amortization schedules. The City also secured new bonds for the 2017 Main Street Water line replacement and the 2017 Storm Water project. The amounts of this debt were \$1,500,000 and 1,100,000 respectively. At December 31, 2017, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 10.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Stephen M. Cicak, City Auditor of the City of Reynoldsburg.



CITY OF REYNOLDSBURG, OHIO

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

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 8,398,445	\$ 2,202,577	\$ 10,601,022
Investments	14,419,114	6,951,769	21,370,883
Receivables:			
Taxes	5,329,488	0	5,329,488
Accounts	79,934	3,150,472	3,230,406
Intergovernmental	1,263,114	0	1,263,114
Interest	57,758	0	57,758
Special Assessments	2,864	50,387	53,251
Inventory of Supplies, at Cost	269,531	54,485	324,016
Prepaid Items	83,311	19,801	103,112
Restricted Assets:			
Cash and Cash Equivalents	161,583	113,038	274,621
Cash and Cash Equivalents with Fiscal Agent	956,663	0	956,663
Capital Assets Not Being Depreciated	21,974,576	2,302,411	24,276,987
Capital Assets Being Depreciated, Net	34,375,371	80,679,326	115,054,697
Total Assets	87,371,752	95,524,266	182,896,018
Deferred Outflows of Resources:			
Deferred Charge on Refunding	605,775	0	605,775
Pension	6,108,253	404,962	6,513,215
Total Deferred Outflows of Resources	6,714,028	404,962	7,118,990
Liabilities:			
Accounts Payable	988,717	658,950	1,647,667
Accrued Wages and Benefits	597,399	39,800	637,199
Intergovernmental Payable	964,215	1,759,470	2,723,685
Claims Payable	31,282	0	31,282
Retainage Payable	161,583	0	161,583
Refundable Deposits	0	113,038	113,038
Unearned Revenue	0	310,395	310,395
Accrued Interest Payable	20,009	5,695	25,704
Long Term Liabilities:			
Due Within One Year	2,841,255	535,801	3,377,056
Due in More Than One Year:			
Net Pension Liability	21,772,281	1,057,945	22,830,226
Other Amounts Due in More Than One Year	13,123,447	3,153,080	16,276,527
Total Liabilities	40,500,188	7,634,174	48,134,362
Deferred Inflows of Resources:			
Property Tax	2,258,352	0	2,258,352
Pension	73,423	6,296	79,719
Total Deferred Inflows of Resources	2,331,775	6,296	2,338,071

CITY OF REYNOLDSBURG, OHIO

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	41,796,522	80,053,331	121,849,853
Restricted For:			
Capital Projects	895,757	0	895,757
Debt Service	3,065,758	0	3,065,758
Security of Persons and Property	407,245	0	407,245
Streets and Highways	6,109,572	0	6,109,572
Other Purposes	157,693	0	157,693
Unrestricted (Deficit)	(1,178,730)	8,235,427	7,056,697
Total Net Position	\$ 51,253,817	\$ 88,288,758	\$ 139,542,575

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

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

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 11,020,195	\$ 578,108	\$ 15,742	\$ 8,400
Public Health and Welfare Services	285,500	0	0	0
Leisure Time Activities	1,614,852	151,525	0	0
Community Environment	1,751,419	518,814	0	0
Transportation	3,439,342	1,543	1,914,442	102,499
General Government	6,237,449	531,231	0	20,200
Interest and Fiscal Charges	358,220	0	0	0
Total Governmental Activities	24,706,977	1,781,221	1,930,184	131,099
Business-Type Activities:				
Water	6,041,428	6,966,937	0	29,725
Sewer	6,352,196	6,227,459	0	26,384
Storm Water Drainage	2,290,746	1,357,542	0	0
Solid Waste	1,810,471	1,977,388	0	0
Total Business-Type Activities	16,494,841	16,529,326	0	56,109
Totals	\$ 41,201,818	\$ 18,310,547	\$ 1,930,184	\$ 187,208

General Revenues

Property Taxes Levied for:

General Purposes

Special Purposes

Debt Service

Income Taxes

Other Local Taxes

Intergovernmental Revenue, Unrestricted

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (10,417,945)	\$ 0	\$ (10,417,945)
(285,500)	0	(285,500)
(1,463,327)	0	(1,463,327)
(1,232,605)	0	(1,232,605)
(1,420,858)	0	(1,420,858)
(5,686,018)	0	(5,686,018)
(358,220)	0	(358,220)
<u>(20,864,473)</u>	<u>0</u>	<u>(20,864,473)</u>
0	955,234	955,234
0	(98,353)	(98,353)
0	(933,204)	(933,204)
0	166,917	166,917
<u>0</u>	<u>90,594</u>	<u>90,594</u>
<u>(20,864,473)</u>	<u>90,594</u>	<u>(20,773,879)</u>
246,479	0	246,479
168,912	0	168,912
2,213,318	0	2,213,318
18,628,466	0	18,628,466
622,451	0	622,451
789,996	0	789,996
285,584	0	285,584
565,553	0	565,553
<u>23,520,759</u>	<u>0</u>	<u>23,520,759</u>
2,656,286	90,594	2,746,880
<u>48,597,531</u>	<u>88,198,164</u>	<u>136,795,695</u>
<u>\$ 51,253,817</u>	<u>\$ 88,288,758</u>	<u>\$ 139,542,575</u>

CITY OF REYNOLDSBURG, OHIO

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

	General	Permissive Tax	Street Construction, Maintenance and Repair	Taylor Square TIEF Debt Retirement
Assets:				
Cash and Cash Equivalents	\$ 1,532,132	\$ 1,081,161	\$ 686,602	\$ 1,435,650
Investments	4,415,556	63,487	2,084,312	0
Receivables:				
Taxes	2,144,843	0	0	1,564,040
Accounts	79,934	0	0	0
Intergovernmental	400,561	127,631	669,564	0
Interest	49,900	2,218	5,063	0
Special Assessments	0	0	0	0
Inventory of Supplies, at Cost	9,329	0	260,202	0
Prepaid Items	80,808	0	140	0
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	956,663	0	0
Total Assets	\$ 8,713,063	\$ 2,231,160	\$ 3,705,883	\$ 2,999,690
Liabilities:				
Accounts Payable	\$ 162,135	\$ 116	\$ 17,087	\$ 0
Accrued Wages and Benefits Payable	572,144	0	21,904	0
Intergovernmental Payable	14,591	0	0	949,624
Claims Payable	31,282	0	0	0
Retainage Payable	0	0	0	0
Total Liabilities	780,152	116	38,991	949,624
Deferred Inflows of Resources:				
Property Tax	276,236	0	0	1,564,040
Unavailable Revenue	514,366	1,042,749	448,657	0
Total Deferred Inflows of Resources	790,602	1,042,749	448,657	1,564,040
Fund Balances:				
Nonspendable	90,137	0	260,342	0
Restricted	1,365	1,188,295	2,957,893	486,026
Committed	42,485	0	0	0
Assigned	2,625,916	0	0	0
Unassigned	4,382,406	0	0	0
Total Fund Balances	7,142,309	1,188,295	3,218,235	486,026
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 8,713,063	\$ 2,231,160	\$ 3,705,883	\$ 2,999,690

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 955,013	\$ 2,707,887	\$ 8,398,445
3,491,083	4,364,676	14,419,114
705,439	915,166	5,329,488
0	0	79,934
0	65,358	1,263,114
0	577	57,758
0	2,864	2,864
0	0	269,531
0	2,363	83,311
161,583	0	161,583
0	0	956,663
<u>\$ 5,313,118</u>	<u>\$ 8,058,891</u>	<u>\$ 31,021,805</u>
\$ 494,482	\$ 314,897	\$ 988,717
0	3,351	597,399
0	0	964,215
0	0	31,282
161,583	0	161,583
<u>656,065</u>	<u>318,248</u>	<u>2,743,196</u>
0	418,076	2,258,352
95,809	89,295	2,190,876
<u>95,809</u>	<u>507,371</u>	<u>4,449,228</u>
0	2,363	352,842
0	4,244,372	8,877,951
2,162,855	2,986,537	5,191,877
2,398,389	0	5,024,305
0	0	4,382,406
<u>4,561,244</u>	<u>7,233,272</u>	<u>23,829,381</u>
<u>\$ 5,313,118</u>	<u>\$ 8,058,891</u>	<u>\$ 31,021,805</u>

CITY OF REYNOLDSBURG, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2017***

Total Governmental Fund Balances		\$	23,829,381
<i>Amounts reported for governmental activities in the Statement of Net Position are different because</i>			
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.			56,349,947
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds.			2,190,876
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 governmental funds:			
Deferred Outflows - Pension	6,108,253		
Deferred Inflows - Pension	(73,423)		
Net Pension Liability	<u>(21,772,281)</u>		(15,737,451)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General Obligation Bonds Payable	(12,430,000)		
Less: Deferred charge on refunding	605,775		
Ohio Public Works Commission Loans Payable	(2,073,405)		
Compensated Absences Payable	(1,461,297)		
Accrued Interest Payable	<u>(20,009)</u>		<u>(15,378,936)</u>
<i>Net Position of Governmental Activities</i>		\$	<u>51,253,817</u>

See accompanying notes to the basic financial statements



CITY OF REYNOLDSBURG, OHIO

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

	General	Permissive Tax	Street Construction, Maintenance and Repair	Taylor Square TIEF Debt Retirement
Revenues:				
Taxes	\$ 13,890,938	\$ 0	\$ 0	\$ 1,986,771
Intergovernmental Revenues	783,591	259,483	1,369,092	0
Charges for Services	228,582	0	0	0
Licenses and Permits	346,934	0	0	0
Investment Earnings	234,312	12,230	22,418	0
Special Assessments	0	0	0	0
Fines and Forfeitures	371,737	0	0	0
All Other Revenue	1,075,806	0	66,419	0
Total Revenues	16,931,900	271,713	1,457,929	1,986,771
Expenditures:				
Current:				
Security of Persons and Property	9,339,048	0	0	0
Public Health and Welfare Services	285,500	0	0	0
Leisure Time Activities	1,357,137	0	0	0
Community Environment	1,474,591	0	0	0
Transportation	0	242,157	883,507	0
General Government	3,434,198	0	0	1,412,534
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	495,000
Interest and Fiscal Charges	0	0	0	79,382
Total Expenditures	15,890,474	242,157	883,507	1,986,916
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,041,426	29,556	574,422	(145)
Other Financing Sources (Uses):				
Insurance Recoveries	13,301	0	0	0
Ohio Public Works Commission Loan	0	0	0	0
Total Other Financing Sources (Uses)	13,301	0	0	0
Net Change in Fund Balances	1,054,727	29,556	574,422	(145)
Fund Balances at Beginning of Year	6,085,210	1,158,739	2,673,881	486,171
Change in Inventory	2,372	0	(30,068)	0
Fund Balances End of Year	\$ 7,142,309	\$ 1,188,295	\$ 3,218,235	\$ 486,026

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 2,957,315	\$ 2,988,416	\$ 21,823,440
102,499	133,000	2,647,665
0	124,283	352,865
0	1,023	347,957
3,026	10,905	282,891
0	29,944	29,944
0	117,154	488,891
0	1,015	1,143,240
<u>3,062,840</u>	<u>3,405,740</u>	<u>27,116,893</u>
0	451,356	9,790,404
0	0	285,500
0	0	1,357,137
0	129,845	1,604,436
0	56,118	1,181,782
0	808,396	5,655,128
1,014,805	95	1,014,900
0	1,457,498	1,952,498
0	204,226	283,608
<u>1,014,805</u>	<u>3,107,534</u>	<u>23,125,393</u>
2,048,035	298,206	3,991,500
0	0	13,301
11,389	0	11,389
<u>11,389</u>	<u>0</u>	<u>24,690</u>
2,059,424	298,206	4,016,190
2,501,820	6,935,066	19,840,887
0	0	(27,696)
<u>\$ 4,561,244</u>	<u>\$ 7,233,272</u>	<u>\$ 23,829,381</u>

CITY OF REYNOLDSBURG, OHIO

**Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances To The Statement Of Activities
Governmental Funds
For the Year Ended December 31, 2017**

Net Change in Fund Balances - Total Governmental Funds		\$ 4,016,190
<i>Amounts reported for governmental activities in the Statement of Activities are different because</i>		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.		
Capital Outlay	1,852,602	
Depreciation Expense	<u>(3,065,073)</u>	(1,212,471)
The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to decrease net position.		
Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.		28,600
The Statement of Activities reports losses arising from the disposal of capital assets. Conversely, the governmental funds do not report any loss on the disposal of capital assets.		(12,045)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		204,469
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		1,411,270
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		(3,590,013)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Ohio Public Works Commission Loan Payable	(11,389)	
General Obligation Bond Principal Payment	1,640,000	
Ohio Public Works Commission Loan Principal Payment	<u>312,498</u>	1,941,109
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		3,626
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Compensated Absences	(28,515)	
Change in Inventory	(27,696)	
Amortization of Bond Premium	2,514	
Amortization of Deferred Charge on Refunding	<u>(80,752)</u>	(134,449)
Change in Net Position of Governmental Activities		<u>\$ 2,656,286</u>

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 12,689,920	\$ 12,691,890	\$ 14,048,528	\$ 1,356,638
Intergovernmental Revenue	853,100	853,100	782,892	(70,208)
Charges for Services	262,600	262,600	228,582	(34,018)
Licenses and Permits	329,350	328,267	346,934	18,667
Investment Earnings	185,000	185,000	234,311	49,311
Fines and Forfeitures	483,000	483,000	394,627	(88,373)
All Other Revenues	518,276	518,276	1,052,171	533,895
Total Revenues	<u>15,321,246</u>	<u>15,322,133</u>	<u>17,088,045</u>	<u>1,765,912</u>
Expenditures:				
Current:				
Security of Persons and Property	9,366,093	9,715,152	9,490,962	224,190
Public Health and Welfare Services	285,500	285,500	285,500	0
Leisure Time Activities	1,578,310	1,597,914	1,487,866	110,048
Community Environment	1,752,925	1,703,380	1,547,026	156,354
General Government	4,194,064	4,139,564	3,741,631	397,933
Total Expenditures	<u>17,176,892</u>	<u>17,441,510</u>	<u>16,552,985</u>	<u>888,525</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,855,646)	(2,119,377)	535,060	2,654,437
Other Financing Sources:				
Insurance Recoveries	0	0	13,301	13,301
Total Other Financing Sources:	<u>0</u>	<u>0</u>	<u>13,301</u>	<u>13,301</u>
Net Change in Fund Balance	(1,855,646)	(2,119,377)	548,361	2,667,738
Fund Balance at Beginning of Year	4,284,490	4,284,490	4,284,490	0
Prior Year Encumbrances	518,275	518,275	518,275	0
Fund Balance at End of Year	<u>\$ 2,947,119</u>	<u>\$ 2,683,388</u>	<u>\$ 5,351,126</u>	<u>\$ 2,667,738</u>

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Permissive Tax Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenue	\$ 252,000	\$ 252,000	\$ 258,122	\$ 6,122
Investment Earnings	8,000	8,000	11,048	3,048
Total Revenues	<u>260,000</u>	<u>260,000</u>	<u>269,170</u>	<u>9,170</u>
Expenditures:				
Current:				
Transportation	158,130	460,734	433,887	26,847
Total Expenditures	<u>158,130</u>	<u>460,734</u>	<u>433,887</u>	<u>26,847</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	101,870	(200,734)	(164,717)	36,017
Fund Balance at Beginning of Year	961,289	961,289	961,289	0
Prior Year Encumbrances	158,130	158,130	158,130	0
Fund Balance at End of Year	<u>\$ 1,221,289</u>	<u>\$ 918,685</u>	<u>\$ 954,702</u>	<u>\$ 36,017</u>

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Street Construction, Maintenance & Repair Fund
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenue	\$ 1,310,000	\$ 1,310,000	\$ 1,362,284	\$ 52,284
Investment Earnings	25,000	25,000	24,976	(24)
All Other Revenues	15,000	15,000	68,790	53,790
Total Revenues	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,456,050</u>	<u>106,050</u>
Expenditures:				
Current:				
Transportation	<u>1,305,757</u>	<u>1,411,698</u>	<u>1,027,628</u>	<u>384,070</u>
Total Expenditures	<u>1,305,757</u>	<u>1,411,698</u>	<u>1,027,628</u>	<u>384,070</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	44,243	(61,698)	428,422	490,120
Fund Balance at Beginning of Year	2,012,482	2,012,482	2,012,482	0
Prior Year Encumbrances	281,073	281,073	281,073	0
Fund Balance at End of Year	<u>\$ 2,337,798</u>	<u>\$ 2,231,857</u>	<u>\$ 2,721,977</u>	<u>\$ 490,120</u>

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water Drainage
Assets:			
<i>Current Assets:</i>			
Cash and Cash Equivalents	\$ 907,459	\$ 582,904	\$ 438,101
Investments	3,190,631	1,534,373	1,369,740
Receivables:			
Accounts	1,638,444	1,512,028	0
Special Assessments	0	50,387	0
Inventory of Supplies at Cost	45,302	0	9,183
Prepaid Items	17,104	2,472	225
<i>Total Current Assets</i>	<u>5,798,940</u>	<u>3,682,164</u>	<u>1,817,249</u>
<i>Noncurrent Assets:</i>			
Restricted Assets:			
Cash and Cash Equivalents	113,038	0	0
Capital Assets Not Being Depreciated	1,226,014	283,965	792,432
Capital Assets Being Depreciated, Net	21,771,107	28,810,839	30,097,380
<i>Total Noncurrent Assets</i>	<u>23,110,159</u>	<u>29,094,804</u>	<u>30,889,812</u>
Total Assets	<u>28,909,099</u>	<u>32,776,968</u>	<u>32,707,061</u>
Deferred Outflows of Resources:			
Pension	149,884	148,457	106,621
Liabilities:			
<i>Current Liabilities:</i>			
Accounts Payable	304,374	54,455	4,075
Accrued Wages and Benefits	15,701	14,657	9,442
Intergovernmental Payable	1,105,193	592,769	61,508
Accrued Interest Payable	3,434	387	1,874
Unearned Revenue	0	0	141,945
Compensated Absences Payable - Current	10,608	8,277	12,530
General Obligation Bonds - Current	237,300	35,300	100,000
Ohio Public Works Commission Loan Payable - Current	73,527	58,259	0
<i>Total Current Liabilities</i>	<u>1,750,137</u>	<u>764,104</u>	<u>331,374</u>

CITY OF REYNOLDSBURG, OHIO

Solid Waste	Total
\$ 274,113	\$ 2,202,577
857,025	6,951,769
0	3,150,472
0	50,387
0	54,485
0	19,801
1,131,138	12,429,491
0	113,038
0	2,302,411
0	80,679,326
0	83,094,775
1,131,138	95,524,266
0	404,962
296,046	658,950
0	39,800
0	1,759,470
0	5,695
168,450	310,395
0	31,415
0	372,600
0	131,786
464,496	3,310,111

(Continued)

CITY OF REYNOLDSBURG, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water Drainage
<i>Noncurrent Liabilities:</i>			
Refundable Deposits	113,038	0	0
Compensated Absences Payable	4,057	0	5,309
General Obligation Bonds Payable	1,542,500	150,400	895,000
Ohio Public Works Commission Loan Payable	402,343	153,471	0
Net Pension Liability	391,565	387,837	278,543
<i>Total Noncurrent Liabilities</i>	<u>2,453,503</u>	<u>691,708</u>	<u>1,178,852</u>
Total Liabilities	<u>4,203,640</u>	<u>1,455,812</u>	<u>1,510,226</u>
Deferred Inflows of Resources:			
Pension	2,330	2,308	1,658
Net Position:			
Net Investment in Capital Assets	21,039,826	28,697,374	30,316,131
Unrestricted	3,813,187	2,769,931	985,667
Total Net Position	<u>\$ 24,853,013</u>	<u>\$ 31,467,305</u>	<u>\$ 31,301,798</u>

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

<u>Solid Waste</u>	<u>Total</u>
0	113,038
0	9,366
0	2,587,900
0	555,814
0	1,057,945
<u>0</u>	<u>4,324,063</u>
<u>464,496</u>	<u>7,634,174</u>
<u>0</u>	<u>6,296</u>
0	80,053,331
<u>666,642</u>	<u>8,235,427</u>
<u>\$ 666,642</u>	<u>\$ 88,288,758</u>

CITY OF REYNOLDSBURG, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water Drainage
Operating Revenues:			
Charges for Services	\$ 6,889,505	\$ 6,227,459	\$ 1,357,542
Other Operating Revenue	77,432	0	0
Total Operating Revenues	6,966,937	6,227,459	1,357,542
Operating Expenses:			
Personal Services	424,737	431,216	304,549
Contractual Services	4,640,726	4,778,227	865,762
Materials and Supplies	194,193	97,873	22,037
Depreciation	713,044	1,029,461	1,069,224
Total Operating Expenses	5,972,700	6,336,777	2,261,572
Operating Income (Loss)	994,237	(109,318)	(904,030)
Nonoperating Expenses:			
Interest Expense	(68,728)	(15,419)	(29,174)
Total Nonoperating Expenses	(68,728)	(15,419)	(29,174)
Income (Loss) Before Contributions	925,509	(124,737)	(933,204)
Capital Contributions-Tap Fees	29,725	26,384	0
Change in Net Position	955,234	(98,353)	(933,204)
Net Position Beginning of Year	23,897,779	31,565,658	32,235,002
Net Position End of Year	\$ 24,853,013	\$ 31,467,305	\$ 31,301,798

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

<u>Solid Waste</u>	<u>Total</u>
\$ 1,977,388	\$ 16,451,894
0	77,432
<u>1,977,388</u>	<u>16,529,326</u>
0	1,160,502
1,809,344	12,094,059
1,127	315,230
0	2,811,729
<u>1,810,471</u>	<u>16,381,520</u>
166,917	147,806
0	(113,321)
0	(113,321)
166,917	34,485
0	56,109
166,917	90,594
499,725	88,198,164
<u>\$ 666,642</u>	<u>\$ 88,288,758</u>

CITY OF REYNOLDSBURG, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$6,909,717	\$6,169,509	\$1,357,783
Cash Payments for Goods and Services	(4,775,985)	(4,825,579)	(825,461)
Cash Payments to Employees	(380,775)	(366,095)	(290,814)
Net Cash Provided by Operating Activities	<u>1,752,957</u>	<u>977,835</u>	<u>241,508</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Cash Received from Tap-in Fees in Excess of Cost	29,725	26,384	0
Receipt of Special Assessments	0	15,950	0
Proceeds from General Obligation Bonds Payable	1,500,000		1,100,000
Acquisition and Construction of Assets	(941,975)	(258,803)	(791,657)
Principal Paid on General Obligation Bonds	(244,800)	(94,500)	(105,000)
Principal Paid on Ohio Public Works Commission Loans	(71,370)	(56,550)	0
Interest Paid on All Debt	(66,383)	(15,708)	(27,300)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>205,197</u>	<u>(383,227)</u>	<u>176,043</u>
<u>Cash Flows from Investing Activities:</u>			
Purchase of Investments	(1,352,367)	(385,160)	(235,364)
Net Cash Used by Investing Activities	<u>(1,352,367)</u>	<u>(385,160)</u>	<u>(235,364)</u>
Net Increase in Cash and Cash Equivalents	605,787	209,448	182,187
Cash and Cash Equivalents at Beginning of Year	414,710	373,456	255,914
Cash and Cash Equivalents at End of Year	<u>\$1,020,497</u>	<u>\$582,904</u>	<u>\$438,101</u>
<u>Reconciliation of Cash and Cash Equivalents per the Balance Sheet:</u>			
Cash and Cash Equivalents	\$907,459	\$582,904	\$438,101
Restricted Cash and Cash Equivalents	113,038	0	0
Cash and Cash Equivalents at End of Year	<u>\$1,020,497</u>	<u>\$582,904</u>	<u>\$438,101</u>

CITY OF REYNOLDSBURG, OHIO

Solid Waste	Totals
\$1,979,122	\$16,416,131
(1,662,906)	(12,089,931)
<u>0</u>	<u>(1,037,684)</u>
<u>316,216</u>	<u>3,288,516</u>
0	56,109
0	15,950
0	2,600,000
0	(1,992,435)
0	(444,300)
0	(127,920)
<u>0</u>	<u>(109,391)</u>
<u>0</u>	<u>(1,987)</u>
<u>(192,108)</u>	<u>(2,164,999)</u>
<u>(192,108)</u>	<u>(2,164,999)</u>
124,108	1,121,530
<u>150,005</u>	<u>1,194,085</u>
<u>\$274,113</u>	<u>\$2,315,615</u>
\$274,113	\$2,202,577
<u>0</u>	<u>113,038</u>
<u>\$274,113</u>	<u>\$2,315,615</u>

(Continued)

CITY OF REYNOLDSBURG, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income (Loss)	\$994,237	(\$109,318)	(\$904,030)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation Expense	713,044	1,029,461	1,069,224
Miscellaneous Nonoperating Revenue	0	1,787	0
Changes in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:			
Increase in Accounts Receivable	(62,345)	(57,950)	0
Decrease in Inventory	34,139	0	368
Increase in Prepaid Items	(131)	(9)	(8)
Increase Deferred Outflows-Pension	(28,945)	(38,508)	(26,143)
Increase in Accounts Payable	2,614	27,801	470
Increase (Decrease) in Accrued Wages and Benefits	(716)	3,244	222
Increase in Intergovernmental Payable	22,312	20,942	61,508
Increase in Unearned Revenue	0	0	241
Increase in Refundable Deposits	5,125	0	0
Decrease in Compensated Absences	(2,619)	(975)	(29,165)
Increase in Net Pension Liability	79,933	104,526	71,170
Decrease in Deferred Inflows-Pension	(3,691)	(3,166)	(2,349)
Total Adjustments	<u>758,720</u>	<u>1,087,153</u>	<u>1,145,538</u>
Net Cash Provided by Operating Activities	<u>\$1,752,957</u>	<u>\$977,835</u>	<u>\$241,508</u>

Schedule of Noncash Capital and Financing Activities:

At December 31, 2017, the Water, Sewer and Storm Water Funds had outstanding liabilities of \$293,839, \$22,568, and \$2,028 respectively, for certain capital assets.

See accompanying notes to the basic financial statements.

CITY OF REYNOLDSBURG, OHIO

<u>Solid Waste</u>	<u>Totals</u>
\$166,917	\$147,806
0	2,811,729
0	1,787
0	(120,295)
0	34,507
0	(148)
0	(93,596)
147,565	178,450
0	2,750
0	104,762
1,734	1,975
0	5,125
0	(32,759)
0	255,629
0	(9,206)
<u>149,299</u>	<u>3,140,710</u>
<u>\$316,216</u>	<u>\$3,288,516</u>

CITY OF REYNOLDSBURG, OHIO

***Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2017***

	<u>Agency</u>
Assets:	
Cash and Cash Equivalents	\$ 135,136
Receivables:	
Taxes	13,630
Accounts	89
Total Assets	<u>\$ 148,855</u>
Liabilities:	
Intergovernmental Payable	\$ 55,482
Due to Others	93,373
Total Liabilities	<u>\$ 148,855</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Reynoldsburg, Ohio (the City) is a home-rule municipal corporation created under the laws of the State of Ohio. The City was first incorporated in 1839 and currently operates under and is governed by its own Charter. The current City Charter, which provides for a Mayor-Council form of government, was adopted in 1979 and has been amended by the voters in 1982, 1987, 1992, 1995, 1997, 2007 and 2012.

The financial statements are presented as of December 31, 2017 and for the year then ended, and have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying basic financial statements comply with the provisions of accounting principles generally accepted in the United States of America in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, including the following services: police protection, parks and recreation, planning, zoning, street maintenance, and other governmental services. In addition, the City owns the water distribution system and the wastewater collection system, each of which is reported as an enterprise fund. Treatment services for both water and wastewater are provided by the City of Columbus on a contractual basis. The City is also associated with a jointly governed organization, the Mid-Ohio Regional Planning Commission. This organization is discussed in Note 14 to the basic financial statements.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflow of resources, fund equity, revenues and expenditures or expenses. The following fund types are used by the City:

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds

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

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

Permissive Tax Fund – This fund is used to account for the permissive auto license taxes levied for street construction, maintenance and repair.

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

Taylor Square TIEF Debt Retirement Fund – This fund is used to account for resources that are used for payment of principal, interest and fiscal charges on the Taylor Square Debt.

Capital Improvement Fund – This fund is used to account for resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds) of the City.

Other governmental funds of the City are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds; and (c) for grants and other resources whose use is restricted or committed to a particular purpose.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Proprietary Funds

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

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

Water Fund – This fund is used to account for the operation of the City's water service.

Sewer Fund – This fund is used to account for the operation of the City's sanitary sewer service.

Storm Water Drainage Fund – This fund is used to account for the operation of the City's storm water drainage service.

Solid Waste Fund – This fund is used to account for the operation of the City's solid waste collection and disposal service.

Fiduciary Funds

Agency Funds - These funds are used to account for assets held by a governmental unit as an agent for individuals, private organizations or other governmental units. The agency funds account for building permit fees collected on behalf of the State, mayor's court collections that are distributed to various local governments, hotel tax collections to be distributed to the Reynoldsburg Visitors and Activities Bureau, fees collected for school activities, sewer capacity charges distributed to the City of Columbus, funds on deposit to insure the clean up or repair of damaged property, and miscellaneous funds to account primarily for insurance copayments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

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

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

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a Balance Sheet, which generally includes only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources, and a Statement of Revenues, Expenditures and Changes in Fund Balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

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

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenues considered susceptible to accrual at year end include income taxes, property taxes, interest on investments, and state levied locally shared taxes, including motor vehicle license fees and local government assistance. Other revenues, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded when received in cash, because generally these revenues are not measurable until received.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

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

1. Tax Budget

All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is by fund at the major object level (i.e., personal services, materials and supplies, contractual services) by department. Budgetary modifications may only be made by ordinance of the City Council.

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

2. Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes, and reviews estimated revenue. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2017.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund and major object level (i.e. personal services, materials and supplies, contractual services) and may be modified during the year by Ordinance of City Council. Total fund appropriations may not exceed the current estimated resources certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. During 2017, several supplemental appropriations were necessary to budget for major capital improvement projects that were not originally appropriated. Administrative control is maintained through the establishment of more detailed line-item budgets. Funds may be moved from one line-item account to another within the same object without approval of City Council. The City Auditor maintains an accounting of the line-item expenditures to ensure that the total expenditures within a department by object do not exceed approved appropriations. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. The amounts reported as the original budget amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as final budget amounts in the statement of budgetary comparison represent the final appropriations amount including all amendments and modifications.

4. Lapsing of Appropriations

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

5. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures recorded when paid. In addition, encumbrances are recorded as the equivalent of expenditures on the budgetary basis as opposed to restricted, committed or assigned fund balance on the GAAP basis. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. On the budgetary basis investment earnings are recognized when realized, whereas on a GAAP basis unrealized gains and losses are recognized when investments are adjusted to fair value.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund, the Permissive Tax Fund, and the Street Construction, Maintenance and Repair Fund:

	Net Change in Fund Balance		
	General Fund	Permissive Tax Fund	Street Construction, Maintenance and Repair Fund
GAAP Basis (as reported)	\$1,054,727	\$29,556	\$574,422
Increase (Decrease):			
Accrued Revenues at December 31, 2017 received during 2018	(1,912,811)	(43,763)	(225,970)
Accrued Revenues at December 31, 2016 received during 2017	2,061,610	42,407	221,005
Accrued Expenditures at December 31, 2017 paid during 2018	748,475	116	38,991
Accrued Expenditures at December 31, 2016 paid during 2017	(742,704)	0	(71,787)
2016 Prepays for 2017	59,448	0	131
2017 Prepays for 2018	(80,808)	0	(140)
Adjustment to Fair Value Perspective Difference-	7,994	(1,187)	3,086
Budgeted Special Revenue Funds reclassified as General Fund	3,929	0	0
Outstanding Encumbrances	(651,499)	(191,846)	(111,316)
Budget Basis	<u>\$548,361</u>	<u>(\$164,717)</u>	<u>\$428,422</u>

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, repurchase agreements, the State Treasury Asset Reserve (STAR Ohio) and certificates of deposit with original maturity dates of three months or less.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand. See Note 4, "Cash, Cash Equivalents and Investments."

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its investments at fair value, except for nonparticipating investment contracts (certificates of deposit and repurchase agreements) which are reported at cost, which approximates fair value. The changes in the fair value of investments are netted against investment earnings in the operating statements. Fair value is determined by quoted market prices.

The City's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. For 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. See Note 4, "Cash, Cash Equivalents and Investments."

H. Inventory

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

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

J. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets and Depreciation (Continued)

1. Property, Plant and Equipment - Governmental Activities (Continued)

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

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

2. Property, Plant and Equipment – Business-Type Activities

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

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Governmental and Business-Type Activities Estimated Lives (in years)
Buildings	15 - 40
Improvements other than Buildings	25
Infrastructure	10-50
Machinery and Equipment	3 - 10

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	General Debt Retirement Fund, Taylor Square TIEF Debt Retirement Fund, Brice Main TIEF Debt Retirement Fund, Water Fund, Sewer Fund, Storm Water Drainage
Ohio Public Works Commission Loans	General Debt Retirement Fund, Water Fund, Sewer Fund
Compensated Absences and Pension Liabilities	General Fund, Income Tax Fund, Street Construction, Maintenance and Repair Fund Water Fund, Sewer Fund, Storm Water Drainage Fund

L. Compensated Absences

Employees earn vacation leave based on length of service and position. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement is accrued to the extent that it is considered probable that the conditions for compensation will be met in the future.

Employees earn 15 days of sick leave per year. After 10 years of service and upon retirement or resignation, full-time employees will be paid 25% of the accumulated sick leave up to a maximum of 880 hours. The payment increases every 5 years of employment.

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered and it is probable that the City will compensate the employees for the benefits at termination or retirement. The City uses the vesting method for determining the liability for sick leave. Compensated absences accumulated by governmental fund type and proprietary fund type employees are reported as an expense when earned in the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not recorded. For proprietary funds, the entire compensated absences amount is reported as a fund liability. See Note 1.K. for funds liquidating compensated absences.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position - net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Any unspent capital debt proceeds at December 31, 2017 do not reduce net investment in capital assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

N. 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.

O. Interfund Activity

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

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. In addition, interfund transfers between governmental funds are eliminated for reporting on the government-wide financial statements. Only transfers between governmental activities and business-type activities are reported on the Statement of Activities.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balances

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

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

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

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

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

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

When both restricted and unrestricted resources are available for use, it is the City’s policy to use unrestricted resources first (committed, assigned and unassigned), then restricted resources as they are needed, except for the Capital Projects and Debt Service Funds in which restricted resources are used first.

Q. Restricted Assets

Customer deposits, retainage payable, investments, and cash with fiscal agent are classified as restricted assets on the Statement of Net Position because these funds are being held for specified purposes.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, maintenance of storm water collection systems and collection of solid waste refuse. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

S. Estimates

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

T. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivables/payables.” On fund financial statements, long-term interfund loans are classified as “advances to/from other funds” on the financial statements and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources. These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances. The City did not have outstanding interfund loans at December 31, 2017.

U. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2017.

V. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide Statement of Net Position for deferred charges on refunding and for pension. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 8.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, pension, and unavailable revenue. On the government-wide Statement of Net Position and governmental funds Balance Sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds Balance Sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, unavailable amounts, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable amounts for property taxes, income taxes, investment earnings, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide Statement of Net Position explained in Note 8.

W. Fair Market Value

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

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES

For 2017, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 73, “Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68,” Statement No. 74, “Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,” Statement No. 80, “Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14,” Statement No. 81, “Irrevocable Split-Interest Agreements,” and Statement No. 82, “Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73.”

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions.

GASB Statement No. 74 establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities.

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments.

GASB Statement No. 81 addresses irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

GASB Statement No. 82 addresses certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68.

These changes were incorporated in the City’s 2017 financial statements; however, there was no effect on beginning net position/fund balance.

CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 3 – FUND BALANCE CLASSIFICATION

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

Fund Balances	General Fund	Permissive Tax Fund	Street Construction, Maintenance and Repair Fund	Taylor Square TIEF Debt Retirement Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepaid Items	\$80,808	\$0	\$140	\$0	\$0	\$2,363	\$83,311
Supplies Inventory	9,329	0	260,202	0	0	0	269,531
Total Nonspendable	90,137	0	260,342	0	0	2,363	352,842
Restricted:							
Transportation Projects	0	1,188,295	2,957,893	0	0	239,106	4,385,294
Court Projects	0	0	0	0	0	156,878	156,878
Law Enforcement	1,365	0	0	0	0	390,245	391,610
Debt Retirement	0	0	0	486,026	0	2,565,250	3,051,276
Capital Improvements	0	0	0	0	0	892,893	892,893
Total Restricted	1,365	1,188,295	2,957,893	486,026	0	4,244,372	8,877,951
Committed:							
Stabilization	0	0	0	0	0	2,709,006	2,709,006
Community Development	0	0	0	0	0	277,531	277,531
Capital Improvements	0	0	0	0	2,162,855	0	2,162,855
Other Purposes	42,485	0	0	0	0	0	42,485
Total Committed	42,485	0	0	0	2,162,855	2,986,537	5,191,877
Assigned:							
Projected Budgetary Deficit	2,139,275	0	0	0	0	0	2,139,275
Capital Improvements	0	0	0	0	2,398,389	0	2,398,389
Services and Supplies	486,641	0	0	0	0	0	486,641
Total Assigned	2,625,916	0	0	0	2,398,389	0	5,024,305
Unassigned:							
	4,382,406	0	0	0	0	0	4,382,406
Total Fund Balances	\$7,142,309	\$1,188,295	\$3,218,235	\$486,026	\$4,561,244	\$7,233,272	\$23,829,381

Stabilization Agreement - In 1994, the City established, by ordinance, a revenue stabilization reserve in the Income Tax Fund and first deposited income tax monies into that fund in 1995. Effective 2009 earnings from designated investments were the primary source of revenue. As a result of the income tax rate increase which became effective July 1, 2017, Council amended the ordinance to allocate .75% of the income tax monies to the revenue stabilization reserve. This amount is in addition to the earnings from designated investments. Amounts in the revenue stabilization reserve may only be expended to continue the basic City services due to a natural disaster or other catastrophic occurrences. The balance of the revenue stabilization reserve at December 31, 2017 is \$2,623,089.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. The City Auditor, with the guidance of the City's Treasury Investment Board, has the responsibility of investing all cash. The City has adopted an Investment Policy that follows Ohio Revised Code Chapter 135 and applies the prudent person standard. The prudent person standard requires the City Auditor to exercise the care, skill and experience that a prudent person would use to manage his/her personal financial affairs. The main objectives of the Investment Policy are the preservation of capital, maintenance of liquidity, and maximization of return on the portfolio.

Statutes require the classification of funds held by the City into three categories.

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

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

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned. Protection of City cash and deposits is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. The City has no policy on custodial credit risk and is governed by the Ohio Revised Code. 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). Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

At year end the carrying amount of the City's deposits was \$4,382,162 and the bank balance was \$5,175,377. Federal deposit insurance covered \$785,967 of the bank balance and \$4,389,410 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and uncollateralized	\$797
Uninsured and collateralized with securities held in the Ohio Pooled Collateral System.	<u>4,388,613</u>
Total Balance	<u><u>\$4,389,410</u></u>

Investment earnings of \$179,529 earned by other funds were credited to the General Fund as required by state statute.

CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments

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

	Fair Value	Credit Rating	Investment Maturities (in Months)			
			less than 6	7-12	13-18	19-+
FHLMC	\$3,879,800	AA+ 1	\$198,134	\$0	\$0	\$3,681,666
FNMA	1,495,622	AA+ ¹	499,186	0	0	996,436
FHLB-Bonds and Notes	7,442,667	AA+ ¹	997,760	992,639	625,997	4,826,271
Tennessee Valley Authority	130,016	AA+ 1	0	130,016	0	0
Negotiable CD's	6,933,463	AAA ²	2,004,276	415,080	204,617	4,309,490
FFCB	1,140,071	AA+ ¹	749,693	0	94,293	296,085
STAR Ohio	6,977,861	AAAm ¹	6,977,861	0	0	0
Total Investments	<u>\$ 27,999,500</u>		<u>\$11,426,910</u>	<u>\$1,537,735</u>	<u>\$924,907</u>	<u>\$14,109,948</u>

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

1 Standard & Poor's

2 All are fully FDIC insured and therefore have an implied AAA credit rating

* United States Treasury and United States Agency securities underlie the repurchase agreements and are therefore not subject to credit risk disclosures.

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The City's Investment Policy does not permit the City Auditor to invest in any security maturing in more than 5 years.

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

Concentration of Credit Risk – The Investment Policy places no limit on the amount the Auditor may invest in one issuer. The policy limits investments with any one financial institution to 35% of the investment portfolio, with the exception of a 40% limit to investments in STAR Ohio. Of the City's total investments, 5% are FNMA, 25% are negotiable CD's, 27% are FHLB Bonds and Notes, 4% are FFCB, 14% are FHLMC, and 25% are STAR Ohio

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Of the City's investment in repurchase agreements, the entire balance is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. The City has no policy on custodial credit risk and is governed by the Ohio Revised Code as described under Deposits.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

C. Cash with Fiscal Agents

In addition to deposits and investments, the City has uninsured and uncollateralized cash in the amount of \$956,663 being held by the Franklin and Licking County Engineers. This cash is restricted in its use for various road improvement projects.

D. Reconciliation of Cash, Cash Equivalents and Investments

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

A reconciliation between classifications of cash and investments on the financial statements and classifications per items A and B of this note are as follows:

	<u>Cash and Cash Equivalents *</u>	<u>Investments</u>
Per Financial Statements	\$11,010,779	\$21,370,883
Certificates of Deposit (with maturities of more than 3 months)	349,244	(349,244)
Investments:		
STAR Ohio	(6,977,861)	6,977,861
Per GASB Statement No. 3	<u>\$4,382,162</u>	<u>\$27,999,500</u>

* Does not include cash with fiscal agent.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property located in the City and used in business. Real property taxes (other than public utility) collected during 2017 were levied after October 1, 2016 on assessed values as of January 1, 2016, the lien date. Assessed values are established by the county auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last revaluations were completed in 2017 in Franklin County and Licking County, and in Fairfield County, the last revaluation was completed in 2016. Real property taxes are paid annually or semi-annually. The first payment is due January 20; the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 88 percent of its true value. Public utility property taxes are payable on the same dates as the real property taxes described previously.

The County Treasurers collect property taxes on behalf of all taxing districts in the County including the City of Reynoldsburg. The County Auditors periodically remit to the City its portion of the taxes collected. The full tax rate for all City operations for the year ended December 31, 2017 was \$0.70 per \$1,000 of assessed value. The assessed value upon which the 2017 tax receipts were based was \$661,787,775. This amount constitutes \$645,274,325 in real property assessed value and \$16,513,450 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .07% (0.7 mills) of assessed value.

B. Income Tax

The City levied a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. Effective July 1, 2017, the tax rate increased to 2.5%, which was approved by the voters of the City. The City continues to allow a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 5 - TAXES (Continued)

C. Tax Abatements

As of December 31, 2017, the City provides tax incentives under the Ohio Enterprise Zone Agreement with four entities.

Pursuant to Ohio Revised Code Chapter 5709, the City established an Enterprise Zone area in 2005, which represents a Project site within the boundaries of the City. The City authorizes incentives through the passage of public ordinances, based upon each businesses investment criteria, and through a contractual application process with each business, including proof that the improvements have been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of the Enterprise Zone gave the City the ability to maintain and expand businesses located in the project site and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate and include inventory and personal property. The City also contracts with the Licking Heights Local School District for payments in lieu of taxes when required by Section 5709.61-69 of the Ohio Revised Code. In conjunction with this agreement the City contracted a Revenue Sharing agreement with Licking Heights Local School District. The agreement allows for a percentage of the withholding taxes collected in the Project site be shared with the School district to compensate for the real estate tax abatement. For 2017 the City paid the School District \$750,866 in shared withholding tax.

The entities committed to the acquisition of new equipment, expanded inventory and extensive expansion of the current facility. In addition the entities committed to adding over 900 new permanent full time positions and over 90 permanent part-time positions with estimated annual compensation of approximately \$35,000,000.

The total amount of real property taxes abated in 2017 under the City's Enterprise Zone Agreements was \$75,827.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2017 consisted of taxes, interest, accounts receivable, special assessments, and intergovernmental receivables arising from shared revenues. Receivables have been recorded to the extent that they are measurable at December 31, 2017, as well as intended to finance 2017 operations. All receivables have been disaggregated on the face of the basic financial statements. The only receivable not expected to be collected within the subsequent year are the special assessments which are collected over the life of the assessment.

CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 7 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets for year ended December 31, 2017:

Historical Cost:

Class	Balance at December 31, 2016	Additions	Deletions	Balance at December 31, 2017
Capital assets not being depreciated:				
Land	\$17,187,281	\$20,200	\$0	\$17,207,481
Construction in Progress	4,916,711	1,305,181	(1,454,797)	4,767,095
Subtotal	<u>22,103,992</u>	<u>1,325,381</u>	<u>(1,454,797)</u>	<u>21,974,576</u>
Capital assets being depreciated:				
Buildings	11,665,066	0	0	11,665,066
Improvements Other than Buildings	2,319,351	0	0	2,319,351
Infrastructure	57,660,326	1,454,797	0	59,115,123
Machinery and Equipment	5,744,729	555,821	(737,202)	5,563,348
Subtotal	<u>77,389,472</u>	<u>2,010,618</u>	<u>(737,202)</u>	<u>78,662,888</u>
Total Cost	<u>\$99,493,464</u>	<u>\$3,335,999</u>	<u>(\$2,191,999)</u>	<u>\$100,637,464</u>

Accumulated Depreciation:

Class	Balance at December 31, 2016	Additions	Deletions	Balance at December 31, 2017
Buildings	(\$5,875,700)	(\$289,402)	\$0	(\$6,165,102)
Improvements Other than Buildings	(1,354,620)	(74,066)	0	(1,428,686)
Infrastructure	(30,836,077)	(2,315,958)	0	(33,152,035)
Machinery and Equipment	(3,881,204)	(385,647)	725,157	(3,541,694)
Total Depreciation	<u>(\$41,947,601)</u>	<u>(\$3,065,073)</u>	<u>\$725,157</u>	<u>(\$44,287,517)</u>
Net Value:	<u>\$57,545,863</u>			<u>\$56,349,947</u>

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$351,046
Leisure Time Activities	129,282
Community Environment	4,673
Transportation	2,427,033
General Government	153,039
Total Depreciation Expense	<u>\$3,065,073</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 7 – CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by category of changes in business-type activities capital assets for year ended December 31, 2017:

Historical Cost:

Class	Balance at December 31, 2016	Additions	Deletions	Balance at December 31, 2017
Capital assets not being depreciated:				
Land	\$3,000	\$0	\$0	\$3,000
Construction in Progress	555,327	2,262,070	(517,986)	2,299,411
Subtotal	558,327	2,262,070	(517,986)	2,302,411
Capital assets being depreciated:				
Buildings and Improvements	162,491	0	0	162,491
Infrastructure	134,296,798	517,986	0	134,814,784
Machinery and Equipment	1,457,227	7,970	0	1,465,197
Subtotal	135,916,516	525,956	0	136,442,472
Total Cost	\$136,474,843	\$2,788,026	(\$517,986)	\$138,744,883

Accumulated Depreciation:

Class	Balance at December 31, 2016	Additions	Deletions	Balance at December 31, 2017
Buildings and Improvements	(\$152,039)	(\$643)	\$0	(\$152,682)
Infrastructure	(52,085,440)	(2,717,843)	0	(54,803,283)
Machinery and Equipment	(713,938)	(93,243)	0	(807,181)
Total Depreciation	(\$52,951,417)	(\$2,811,729)	\$0	(\$55,763,146)

Net Value:

\$83,523,426	\$82,981,737
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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 8 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

	<u>State and Local</u>
2017 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2017 Actual Contribution Rates	
Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	<u>1.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$549,864 for 2017. Of this amount, \$67,742 is reported as an intergovernmental payable.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>
2017 Statutory Maximum Contribution Rates	
Employer	19.50 %
Employee:	
January 1, 2017 through December 31, 2017	12.25 %
2017 Actual Contribution Rates	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	<u>0.50</u>
Total Employer	<u>19.50 %</u>
Employee:	
January 1, 2017 through December 31, 2017	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$939,579 for 2017. Of this amount, \$78,202 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF’s total pension liability was measured as of December 31, 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	\$7,441,510	\$15,388,716	\$22,830,226
Proportion of the Net Pension Liability-2017	0.032770%	0.242958%	
Proportion of the Net Pension Liability-2016	<u>0.031197%</u>	<u>0.215860%</u>	
Percentage Change	<u>0.0015730%</u>	<u>0.0270980%</u>	
Pension Expense	\$1,812,503	\$2,044,861	\$3,857,364

CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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	\$1,108,213	\$1,496,485	\$2,604,698
Changes in assumptions	1,180,313	0	1,180,313
Differences between expected and actual experience	10,087	4,353	14,440
Change in proportionate share	0	1,224,321	1,224,321
City contributions subsequent to the measurement date	549,864	939,579	1,489,443
Total Deferred Outflows of Resources	<u>\$2,848,477</u>	<u>\$3,664,738</u>	<u>\$6,513,215</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$44,288	\$35,431	\$79,719
Total Deferred Inflows of Resources	<u>\$44,288</u>	<u>\$35,431</u>	<u>\$79,719</u>

\$1,489,443 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2018	\$929,868	\$807,955	\$1,737,823
2019	962,996	807,955	1,770,951
2020	393,946	672,341	1,066,287
2021	(32,485)	138,075	105,590
2022	0	239,310	239,310
2023	0	24,092	24,092
Total	<u>\$2,254,325</u>	<u>\$2,689,728</u>	<u>\$4,944,053</u>

Actuarial Assumptions - OPERS

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. 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 year 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 most recent experience study was completed for the five year period ended December 31, 2015.

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

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 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 on July 1, 2016. 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 on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.75 %
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	\$11,368,568	\$7,441,510	\$4,168,999

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF’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 OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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 police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

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

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

Changes Between Measurement Date and Report Date - In October 2017, the OP&F Board 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 these changes is not known, it has the potential to impact to the City’s net pension liability.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2016 are summarized below:

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

* levered 2x

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

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	\$20,495,946	\$15,388,716	\$11,060,269

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 9 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (“OPERS”)

Plan Description – OPERS administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for 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 is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible benefit recipients. Authority to establish and amend benefits is provided in Chapter 145 of the ORC.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer’s contribution to OPERS may be set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2017, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 9 - POSTEMPLOYMENT BENEFITS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0% during calendar year 2017. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0.0% for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited for Member-Directed Plan participants for 2017 was 4.0%.

The City's contributions for health care to the OPERS for the years ending December 31, 2017, 2016, and 2015 were \$92,030, \$92,024 and \$82,870, respectively, which were equal to the required contributions for each year.

B. Ohio Police and Fire Pension Fund (“OP&F”)

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care 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 survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F’s website at www.op-f.org.

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 9 - POSTEMPLOYMENT BENEFITS (Continued)

B. Ohio Police and Fire Pension Fund (“OP&F”) (Continued)

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. For 2017, the portion of employer contributions allocated to health care was 0.5% of covered payroll for police officers. 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's contributions for health care to the OP&F for the years ending December 31, 2017, 2016, and 2015 were \$25,916, \$26,470 and \$24,709 for police, respectively, which were equal to the required contributions for each year.

CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 - LONG-TERM DEBT LIABILITIES

Long-term debt and other long-term liabilities of the City at December 31, 2017 were as follows:

			Balance December 31, 2016	Additions	(Reductions)	Balance December 31, 2017	Due Within One Year
Business-Type Activities							
General Obligation Bonds:							
4.33%	Sewer System Improvement	2007-2017	\$60,000	\$0	(\$60,000)	\$0	\$0
2.49%	Water System Improvement	2012-2021	524,600	0	(99,800)	424,800	102,300
2.49%	Sewer System Improvement	2012-2022	220,200	0	(34,500)	185,700	35,300
2.26%	Storm Water Projects	2017-2026	0	1,100,000	(105,000)	995,000	100,000
2.26%	Water System Improvement	2017-2026	0	1,500,000	(145,000)	1,355,000	135,000
Total General Obligation Bonds			804,800	2,600,000	(444,300)	2,960,500	372,600
Ohio Public Works Commission Loans (OPWC):							
3.00%	Cobblestone Run/ Windsor Forest Sanitary Sewers	2000-2021	268,280	0	(56,550)	211,730	58,259
3.00%	Old Reynoldsburg North Water Line	2003-2023	160,203	0	(20,893)	139,310	21,525
3.00%	Route 256 Waterline	2003-2023	387,037	0	(50,477)	336,560	52,002
Total OPWC Loans			815,520	0	(127,920)	687,600	131,786
Net Pension Liability-							
Ohio Public Employees Retirement System			802,316	255,629	0	1,057,945	0
Compensated Absences			73,540	172,040	(204,799)	40,781	31,415
Total Business-Type Long-Term Debt			\$2,496,176	\$3,027,669	(\$777,019)	\$4,746,826	\$535,801

			Original Issue
Business-Type Activities			
General Obligation Bonds:			
4.33%	Sewer System Improvement	2007-2017	\$500,000
2.49%	Water System Improvement	2012-2021	960,000
2.49%	Sewer System Improvement	2012-2022	350,000
2.26%	Storm Water System Improvement	2017-2026	1,100,000
2.26%	Water System Improvement	2017-2026	1,500,000
Total General Obligation Bonds			\$4,410,000
Ohio Public Works Commission Loans (OPWC):			
3.00%	Cobblestone Run/ Windsor Forest Sanitary Sewers	2000-2021	\$959,964
3.00%	Old Reynoldsburg North Water Line	2003-2023	382,082
3.00%	Route 256 Waterline	2003-2023	923,082
Total OPWC Loans			\$2,265,128

The City issues general obligation bonds and OPWC promissory notes to provide funds for the acquisition and construction of business-type activity major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City expects that principal and interest will be paid entirely by user fees from Water, Sewer, and Storm Water Drainage operations.

CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 - LONG-TERM DEBT LIABILITIES (Continued)

		Balance December 31, 2016	Additions	(Reductions)	Balance December 31, 2017	Due Within One Year
Governmental Activities Long-Term Debt:						
General Obligation Bonds:						
3.0 - 4.250%	Commercial Corridor Phase 2	2005-2025	\$510,000	\$0	(\$510,000)	\$0
	Unamortized Premium	2005-2025	2,514	0	(2,514)	0
1.700%	Brice Main Street Refunding	2012-2025	6,500,000	0	(290,000)	900,000
2.160%	Taylor Square TIF Refunding	2016-2023	3,670,000	0	(495,000)	500,000
2.160%	Police Facilities Refunding	2016-2025	3,390,000	0	(345,000)	355,000
	Total General Obligation Bonds		14,072,514	0	(1,642,514)	1,755,000
Ohio Public Works Commission Loans (OPWC):						
0.00%	Lancaster Avenue Reconstruction Loan	1997-2018	35,616	0	(17,808)	17,808
0.00%	Commercial Corridor Phase 1	2003-2019	291,666	0	(116,667)	174,999
0.00%	Commercial Corridor Phase 2	2005-2020	742,500	0	(123,750)	618,750
0.00%	Brice Road Corridor	2015-2036	1,058,331	0	(54,273)	1,004,058
0.00%	Livingston Avenue Resurfacing	2016-2036	246,401	11,389	0	257,790
	Total OPWC Loans		2,374,514	11,389	(312,498)	365,641
Net Pension Liability						
	Ohio Public Employees Retirement System		4,601,398	1,782,167	0	6,383,565
	Ohio Police and Fire Pension Fund		13,886,440	1,502,276	0	15,388,716
	Total Net Pension Liability		18,487,838	3,284,443	0	21,772,281
Compensated Absences						
			1,432,782	1,224,374	(1,195,859)	1,461,297
	Total Governmental Activities		\$36,367,648	\$4,520,206	(\$3,150,871)	\$37,736,983

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 - LONG-TERM DEBT LIABILITIES (Continued)

			<u>Original Issue</u>
Governmental Activities Long-Term Debt:			
General Obligation Bonds:			
4.4 - 5.05%	Street Improvement	1998-2016	\$693,500
1.700%	Brice Main Street Refunding	2012-2025	7,705,000
2.160%	Taylor Square TIF Refunding	2016-2023	3,735,000
2.160%	Police Facilities Refunding	2016-2025	<u>3,450,000</u>
Total General Obligation Bonds			<u><u>\$15,583,500</u></u>
Ohio Public Works Commission Loans (OPWC):			
0.00%	Lancaster Avenue Reconstruction Loan	1997-2018	\$1,117,589
0.00%	Commercial Corridor Phase 1	2003-2019	1,750,000
0.00%	Commercial Corridor Phase 2	2005-2020	1,980,000
0.00%	Brice Road Corridor	2015-2036	1,085,468
0.00%	Livingston Avenue Resurfacing	2016-2036	<u>257,790</u>
Total OPWC Loans			<u><u>\$6,190,847</u></u>

The City issues general obligation bonds and OPWC promissory notes to provide funds for the acquisition and construction of governmental major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City expects that principal and interest will be paid from revenues of the City's municipal income tax along with TIF proceeds for the Taylor Square, Kroger, and Brice-Main debt. These proceeds apply towards the Taylor Square TIF refunding and the Commercial Corridor Phase I issues.

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 - LONG-TERM DEBT LIABILITIES (Continued)

A. Principal and Interest Requirements

Principal and interest requirements to retire long-term liabilities outstanding at December 31, 2017 are as follows:

Business-Type Activities:			Governmental Activities:		
Years	General Obligation Bonds		General Obligation Bonds		
	Principal	Interest	Principal	Interest	
2018	\$372,600	\$68,312	\$1,755,000	\$240,108	
2019	381,100	59,574	1,750,000	206,315	
2020	394,600	50,637	1,775,000	172,537	
2021	403,200	41,387	1,765,000	138,218	
2022	299,000	31,934	1,795,000	104,023	
2023-2026	1,110,000	63,280	3,590,000	122,025	
Totals	<u>\$2,960,500</u>	<u>\$315,124</u>	<u>\$12,430,000</u>	<u>\$983,226</u>	
Years	Ohio Public Works Commission Loans		Ohio Public Works Commission Loans		
	Principal	Interest	Principal	Interest	
2018	\$131,786	\$19,647	\$365,641	\$0	
2019	135,769	15,663	289,499	0	
2020	139,873	11,560	231,166	0	
2021	112,012	7,332	231,166	0	
2022	82,827	4,428	223,241	0	
2023-2027	85,333	1,926	271,365	0	
2028-2032	0	0	271,365	0	
2033-2036	0	0	189,962	0	
Totals	<u>\$687,600</u>	<u>\$60,556</u>	<u>\$2,073,405</u>	<u>\$0</u>	

CITY OF REYNOLDSBURG, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 11 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During 2017, the City contracted with several different insurance providers for various insurance coverages, as follows:

<u>Insurance Provider</u>	<u>Coverage</u>	<u>Deductible</u>
Argonaut Insurance Company	Automobile	\$1,000 Comprehensive; 1,000 Collision
Argonaut Insurance Company	General Liability	0
Argonaut Insurance Company	Property Casualty	5,000
Argonaut Insurance Company	Electronic Data Processing	1,000
Argonaut Insurance Company	Fine Arts	1,000
Argonaut Insurance Company	Difference in Conditions	50,000
Argonaut Insurance Company	Miscellaneous Equipment	1,000
Argonaut Insurance Company	Boiler and Machinery	1,000
Argonaut Insurance Company	Law Enforcement Liability	25,000/occurrence
Argonaut Insurance Company	Public Officials Liability	25,000/occurrence
Argonaut Insurance Company	Museum	1,000
Argonaut Insurance Company	Employee Benefits Liability	1,000
Argonaut Insurance Company	Umbrella Excess Liability	0
Argonaut Insurance Company	Employment Practices Liability	25,000

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three years.

Workers' compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 12 – SIGNIFICANT COMMITMENTS

As of December 31, 2017, the City had the following commitments with respect to contractual obligations:

<u>Contractual Commitments</u>	<u>Remaining Contractual Commitments</u>	<u>Projected Date of Completion</u>
Livingston Avenue	\$217,855	2018
911 Replacement System	51,776	2018
Baldwin Road Street Repair	135,426	2019
Pine Quarry Bridge	24,399	2018
2017 Main Street Water Replacement	540,086	2018

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to honor upon performance by the vendor in the next year were as follows:

Governmental Funds:	
General Fund	\$652,199
Permissive Tax Fund	191,846
Street Construction, Maintenance and Repair Fund	111,316
Capital Improvement Fund	1,213,344
Other Governmental Funds	<u>310,407</u>
Total Governmental Funds	<u>2,479,112</u>
Enterprise Funds:	
Water Fund	1,269,153
Sewer Fund	271,941
Storm Water Drainage Fund	273,620
Solid Waste Fund	<u>426,883</u>
Total Enterprise Funds	<u>2,241,597</u>
Total	<u>\$4,720,709</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 13 - CONTINGENCIES

The City may be party to legal proceedings for damages or injunctive relief. The City's legal counsel estimated that the potential uninsured claims against the City resulting from the proceedings would not materially affect the financial statements of the City.

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 74 representatives appointed by member governments who make up the Commission, the policy-making body of MORPC, and the oversight board. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes over 60 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Knox, Marion, Morrow, Union, Pickaway, Madison, Licking, Hocking, Logan, Perry, and Fairfield counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF REYNOLDSBURG, OHIO

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

Ohio Public Employees Retirement System

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City's proportion of the net pension liability	0.036135%	0.036135%	0.031197%	0.032770%
City's proportionate share of the net pension liability	\$3,729,354	\$3,815,534	\$5,403,714	\$7,441,510
City's covered-employee payroll	\$3,866,246	\$3,879,333	\$3,883,208	\$4,239,475
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	96.46%	98.36%	139.16%	175.53%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%	77.25%

Source: City Auditor's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City's proportion of the net pension liability	0.215485%	0.215485%	0.215860%	0.242958%
City's proportionate share of the net pension liability	\$10,494,776	\$11,163,001	\$13,886,440	\$15,388,716
City's covered-employee payroll	\$4,278,029	\$4,673,384	\$4,941,726	\$5,321,716
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	245.32%	238.86%	281.00%	289.17%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%	68.36%

Source: City Auditor's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability, which is prior year end.

CITY OF REYNOLDSBURG, OHIO

***Schedule of City Contributions
Last Ten Years***

Ohio Public Employees Retirement System

Year	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Contractually required contribution	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A
City's covered-employee payroll	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A

Source: City Auditor's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Contractually required contribution	\$464,302	\$497,873	\$500,771	\$536,208
Contributions in relation to the contractually required contribution	<u>464,302</u>	<u>497,873</u>	<u>500,771</u>	<u>536,208</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered-employee payroll	\$3,641,584	\$3,904,886	\$3,927,616	\$4,205,553
Contributions as a percentage of covered-employee payroll	12.75%	12.75%	12.75%	12.75%

Source: City Auditor's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

N/A - Information prior to 2013 is not available. Additional years' information will be displayed as it becomes available.

CITY OF REYNOLDSBURG, OHIO

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
N/A	\$502,612	\$465,520	\$465,985	\$508,737	\$549,864
N/A	<u>502,612</u>	<u>465,520</u>	<u>465,985</u>	<u>508,737</u>	<u>549,864</u>
N/A	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
N/A	\$3,866,246	\$3,879,333	\$3,883,208	\$4,239,475	\$4,229,723
N/A	13.00%	12.00%	12.00%	12.00%	13.00%

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$550,027	\$681,490	\$887,943	\$938,928	\$1,011,126	\$939,579
<u>550,027</u>	<u>681,490</u>	<u>887,943</u>	<u>938,928</u>	<u>1,011,126</u>	<u>939,579</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,313,937	\$4,278,029	\$4,673,384	\$4,941,726	\$5,321,716	\$4,945,153
12.75%	15.93%	19.00%	19.00%	19.00%	19.00%

***Notes to the Required Supplemental Information
For the Year Ended December 31, 2017***

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

There were no recent significant changes of benefit terms, investment policies, the size or composition of the population covered by the benefit terms impacting the actuarial valuation study for the year ended December 31, 2016.

In 2016, a five-year experience study was completed on the period January 1, 2011 through December 31, 2015. The Board adopted changes to both the demographic and economic assumptions as a result of the study. The most notable change in demographic assumptions is an increased life expectancy of the members and the most notable change in economic assumptions is the reduction in the actuarially assumed rate of return from 8.00% down to 7.50% for the defined benefit investments. The new assumptions are included in the 2016 actuarial valuation.

In 2016, OPERS, in conjunction with the Board's investment consultants, also completed an asset liability study. Periodically, the System engages in a more comprehensive study that examines the nature of the pension liabilities the plan will ultimately pay and the characteristics of the asset allocation projections and the associated level of risk. As a result of this study, OPERS modified the asset allocation slightly, but not substantively.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

In October 2017, the OPF Board 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 percent to 8.0 percent. Although the exact amount of these changes is not known, the impact to the City's net pension liability is expected to be significant.



*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Court Computerization Fund

To account for fees collected for the computerization needs of the Clerk of Courts.

Income Tax Fund

This fund is used to account for the portion of income taxes used for the operations of the Income Tax Department and account for the City's Rainy Day reserve.

Police Pension Fund

To account for taxes levied toward partial payment of the current and accrued liability for police disability and pension.

State Highway Fund

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

Gang Resistance Education and Training (G.R.E.A.T) Grant Fund

To account for federal grant monies restricted for the development of programs to educate youth about the dangers associated with joining street gangs.

Law Enforcement Fund

To account for the proceeds from the confiscation of contraband.

Drug Enforcement Fund

To account for mandatory fines collected for drug offenses.

Safety Belt Program Fund

To account for monies used for safety belt education programs.

DUI Education/Enforcement Fund

To account for financial resources used to educate the public regarding laws governing the operation of motor vehicles while under the influence of alcohol.

Federal Forfeiture Fund

To account for monies from the United States Marshall allocated to the City based upon the City's participation in the confiscation of contraband.

(Continued)

Special Revenue Funds (Continued)

Law Enforcement Assistance Fund

To account for funds received to reimburse continuing professional training programs for peace officers and troopers as per Ohio Revised Code 109.803.

Edward Byrne Fund

The grant monies are received from the United States Department of Justice for the purpose of funding special enforcement initiatives in areas which have been identified as high crime risk.

Indigent Drivers Interlock Fund

To account for fines to be used for electronic monitoring devices where alcohol was a contributing factor.

Community Environment Fund

To account for funds used by various commissions and to pay the costs of activities intended to enrich the quality of life of the residents. Funds are primarily from gifts and donations (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.).

Supervision and Inspection Fund

To account for fees collected from builders and developers to cover the costs of inspection services required for major capital improvements.

Plot, Grade and Utility Plans Fund

To account for fees collected from builders and developers to cover the costs of engineering reviews of plot, grade and utility plans.

Unclaimed Funds Fund

To account for funds which rightfully belong to the payor and are refunded when the payor provides proof of claim for the funds within the period specified by law. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Employees Fund

To account for funds collected from the sale of soft drinks and coffee which help fund special events for City employees. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Engineering Fees/Plan Review Deposits Fund

To account for fees collected from builders to cover the costs of engineering reviews of plans and specifications.

Debt Service Funds

The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for payment.

General Debt Retirement Fund

To account for the accumulation of resources for and the payment of principal and interest on general obligation debt other than those accounted for in the proprietary funds.

Brice-Main Tax Increment Equivalent (TIEF) Debt Retirement Fund

To account for resources that are used for payment of principal, interest and fiscal charges related to the Brice-Main Tax Increment Financing Agreement.

Kroger Tax Increment Equivalent (TIEF) Debt Retirement Fund

To account for resources that are used for payment of fiscal charges related to the Kroger Company Tax Increment Financing Agreement.

Summit Road Tax Increment Equivalent (TIEF) Debt Retirement Fund

To account for resources that are used in the development of public infrastructure improvements.

Taylor Road Tax Increment Equivalent (TIEF) #1 Debt Retirement Fund

To account for resources that are used for public infrastructure improvements related to the development of a housing development.

Taylor Road Tax Increment Equivalent (TIEF) #2 Debt Retirement Fund

To account for resources that are used for public infrastructure improvements related to the development of retail and commercial space.

Capital Projects Fund

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

Sidewalk Construction Fund

To account for special assessments and fees collected from sidewalk permits used for sidewalk rehabilitation projects.

CITY OF REYNOLDSBURG, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 1,601,014	\$ 890,495	\$ 216,378	\$ 2,707,887
Investments	2,232,873	1,455,288	676,515	4,364,676
Receivables:				
Taxes	447,792	467,374	0	915,166
Intergovernmental	65,358	0	0	65,358
Interest	577	0	0	577
Special Assessments	0	0	2,864	2,864
Prepaid Items	2,363	0	0	2,363
Total Assets	\$ 4,349,977	\$ 2,813,157	\$ 895,757	\$ 8,058,891
Liabilities:				
Accounts Payable	\$ 314,897	\$ 0	\$ 0	\$ 314,897
Accrued Wages and Benefits Payable	3,351	0	0	3,351
Total Liabilities	318,248	0	0	318,248
Deferred Inflows of Resources:				
Property Tax	204,660	213,416	0	418,076
Unavailable Revenue	51,940	34,491	2,864	89,295
Total Deferred Inflows of Resources	256,600	247,907	2,864	507,371
Fund Balances:				
Nonspendable	2,363	0	0	2,363
Restricted	786,229	2,565,250	892,893	4,244,372
Committed	2,986,537	0	0	2,986,537
Total Fund Balances	3,775,129	2,565,250	892,893	7,233,272
Total Liabilities, Deferred Inflows of Resources, and Funds Balances	\$ 4,349,977	\$ 2,813,157	\$ 895,757	\$ 8,058,891

CITY OF REYNOLDSBURG, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 817,721	\$ 2,170,695	\$ 0	\$ 2,988,416
Intergovernmental Revenues	133,000	0	0	133,000
Charges for Services	124,283	0	0	124,283
Licenses and Permits	0	0	1,023	1,023
Investment Earnings	10,905	0	0	10,905
Special Assessments	0	0	29,944	29,944
Fines and Forfeitures	117,154	0	0	117,154
All Other Revenue	1,015	0	0	1,015
Total Revenues	1,204,078	2,170,695	30,967	3,405,740
Expenditures:				
Current:				
Security of Persons and Property	451,356	0	0	451,356
Community Environment	129,845	0	0	129,845
Transportation	56,118	0	0	56,118
General Government	605,787	202,609	0	808,396
Capital Outlay	0	0	95	95
Debt Service:				
Principal Retirement	0	1,457,498	0	1,457,498
Interest and Fiscal Charges	0	204,226	0	204,226
Total Expenditures	1,243,106	1,864,333	95	3,107,534
Excess (Deficiency) of Revenues Over Expenditures	(39,028)	306,362	30,872	298,206
Fund Balances at Beginning of Year	3,814,157	2,258,888	862,021	6,935,066
Fund Balances End of Year	\$ 3,775,129	\$ 2,565,250	\$ 892,893	\$ 7,233,272

CITY OF REYNOLDSBURG, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2017**

	Court Computerization Fund	Income Tax Fund	Police Pension Fund	State Highway Fund
Assets:				
Cash and Cash Equivalents	\$ 157,637	\$ 657,320	\$ 86,301	\$ 58,549
Investments	0	2,055,137	0	177,736
Receivables:				
Taxes	0	238,585	209,207	0
Intergovernmental	0	0	10,940	54,289
Interest	0	0	0	416
Prepaid Items	815	108	0	0
Total Assets	<u>\$ 158,452</u>	<u>\$ 2,951,150</u>	<u>\$ 306,448</u>	<u>\$ 290,990</u>
Liabilities:				
Accounts Payable	\$ 759	\$ 238,685	\$ 0	\$ 15,504
Accrued Wages and Benefits Payable	0	3,351	0	0
Total Liabilities	<u>759</u>	<u>242,036</u>	<u>0</u>	<u>15,504</u>
Deferred Inflows of Resources:				
Property Tax	0	0	204,660	0
Unavailable Revenue	0	0	15,487	36,380
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>220,147</u>	<u>36,380</u>
Fund Balances:				
Nonspendable	815	108	0	0
Restricted	156,878	0	86,301	239,106
Committed	0	2,709,006	0	0
Total Fund Balances	<u>157,693</u>	<u>2,709,114</u>	<u>86,301</u>	<u>239,106</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 158,452</u>	<u>\$ 2,951,150</u>	<u>\$ 306,448</u>	<u>\$ 290,990</u>

CITY OF REYNOLDSBURG, OHIO

G.R.E.A.T. Grant Fund	Law Enforcement Fund	Drug Enforcement Fund	Safety Belt Program Fund	DUI Education/ Enforcement Fund	Federal Forfeiture Fund
\$ 550	\$ 147,763	\$ 46,326	\$ 4,376	\$ 12,204	\$ 84,333
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	129	0
0	0	0	0	0	161
0	1,440	0	0	0	0
<u>\$ 550</u>	<u>\$ 149,203</u>	<u>\$ 46,326</u>	<u>\$ 4,376</u>	<u>\$ 12,333</u>	<u>\$ 84,494</u>
\$ 0	\$ 41,295	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	41,295	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	73
0	0	0	0	0	73
0	1,440	0	0	0	0
550	106,468	46,326	4,376	12,333	84,421
0	0	0	0	0	0
<u>550</u>	<u>107,908</u>	<u>46,326</u>	<u>4,376</u>	<u>12,333</u>	<u>84,421</u>
<u>\$ 550</u>	<u>\$ 149,203</u>	<u>\$ 46,326</u>	<u>\$ 4,376</u>	<u>\$ 12,333</u>	<u>\$ 84,494</u>

(Continued)

CITY OF REYNOLDSBURG, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2017**

	Law Enforcement Assistance Fund	Edward Byrne Fund	Indigent Drivers Interlock Fund	Supervision and Inspection Fund
Assets:				
Cash and Cash Equivalents	\$ 33,390	\$ 3	\$ 16,077	\$ 87,045
Investments	0	0	0	0
Receivables:				
Taxes	0	0	0	0
Intergovernmental	0	0	0	0
Interest	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 33,390</u>	<u>\$ 3</u>	<u>\$ 16,077</u>	<u>\$ 87,045</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 3,380
Accrued Wages and Benefits Payable	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,380</u>
Deferred Inflows of Resources:				
Property Tax	0	0	0	0
Unavailable Revenue	0	0	0	0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	33,390	3	16,077	0
Committed	0	0	0	83,665
Total Fund Balances	<u>33,390</u>	<u>3</u>	<u>16,077</u>	<u>83,665</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 33,390</u>	<u>\$ 3</u>	<u>\$ 16,077</u>	<u>\$ 87,045</u>

CITY OF REYNOLDSBURG, OHIO

Plot, Grade and Utility Plans Fund	Engineering Fees/Plan Review Deposits Fund	Total Nonmajor Special Revenue Funds
\$ 107,576	\$ 101,564	\$ 1,601,014
0	0	2,232,873
0	0	447,792
0	0	65,358
0	0	577
0	0	2,363
<u>\$ 107,576</u>	<u>\$ 101,564</u>	<u>\$ 4,349,977</u>
\$ 15,274	\$ 0	\$ 314,897
0	0	3,351
<u>15,274</u>	<u>0</u>	<u>318,248</u>
0	0	204,660
0	0	51,940
<u>0</u>	<u>0</u>	<u>256,600</u>
0	0	2,363
0	0	786,229
92,302	101,564	2,986,537
<u>92,302</u>	<u>101,564</u>	<u>3,775,129</u>
<u>\$ 107,576</u>	<u>\$ 101,564</u>	<u>\$ 4,349,977</u>

CITY OF REYNOLDSBURG, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	Court Computerization Fund	Income Tax Fund	Police Pension Fund	State Highway Fund
Revenues:				
Taxes	\$ 0	\$ 647,943	\$ 169,778	\$ 0
Intergovernmental Revenues	0	0	21,993	111,007
Charges for Services	0	0	0	0
Investment Earnings	0	8,955	0	1,181
Fines and Forfeitures	29,380	0	0	0
All Other Revenue	0	0	0	0
Total Revenues	<u>29,380</u>	<u>656,898</u>	<u>191,771</u>	<u>112,188</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	192,695	0
Community Environment	0	0	0	0
Transportation	0	0	0	56,118
General Government	19,303	586,484	0	0
Total Expenditures	<u>19,303</u>	<u>586,484</u>	<u>192,695</u>	<u>56,118</u>
Excess (Deficiency) of Revenues Over Expenditures	10,077	70,414	(924)	56,070
Fund Balances at Beginning of Year	<u>147,616</u>	<u>2,638,700</u>	<u>87,225</u>	<u>183,036</u>
Fund Balances End of Year	<u>\$ 157,693</u>	<u>\$ 2,709,114</u>	<u>\$ 86,301</u>	<u>\$ 239,106</u>

CITY OF REYNOLDSBURG, OHIO

G.R.E.A.T. Grant Fund	Law Enforcement Fund	Drug Enforcement Fund	Safety Belt Program Fund	DUI Education/ Enforcement Fund	Federal Forfeiture Fund
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	769
0	63,032	2,001	0	2,453	8,628
0	1,015	0	0	0	0
0	64,047	2,001	0	2,453	9,397
0	230,980	0	0	0	27,681
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	230,980	0	0	0	27,681
0	(166,933)	2,001	0	2,453	(18,284)
550	274,841	44,325	4,376	9,880	102,705
\$ 550	\$ 107,908	\$ 46,326	\$ 4,376	\$ 12,333	\$ 84,421

(Continued)

CITY OF REYNOLDSBURG, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	Law Enforcement Assistance Fund	Edward Byrne Fund	Indigent Drivers Interlock Fund	Supervision and Inspection Fund
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	41,633
Investment Earnings	0	0	0	0
Fines and Forfeitures	11,660	0	0	0
All Other Revenue	0	0	0	0
Total Revenues	<u>11,660</u>	<u>0</u>	<u>0</u>	<u>41,633</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Community Environment	0	0	0	45,765
Transportation	0	0	0	0
General Government	0	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>45,765</u>
Excess (Deficiency) of Revenues Over Expenditures	11,660	0	0	(4,132)
Fund Balances at Beginning of Year	<u>21,730</u>	<u>3</u>	<u>16,077</u>	<u>87,797</u>
Fund Balances End of Year	<u>\$ 33,390</u>	<u>\$ 3</u>	<u>\$ 16,077</u>	<u>\$ 83,665</u>

CITY OF REYNOLDSBURG, OHIO

Plot, Grade and Utility Plans Fund	Engineering Fees/Plan Review Deposits Fund	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 817,721
0	0	133,000
52,170	30,480	124,283
0	0	10,905
0	0	117,154
0	0	1,015
<u>52,170</u>	<u>30,480</u>	<u>1,204,078</u>
0	0	451,356
54,356	29,724	129,845
0	0	56,118
0	0	605,787
<u>54,356</u>	<u>29,724</u>	<u>1,243,106</u>
(2,186)	756	(39,028)
<u>94,488</u>	<u>100,808</u>	<u>3,814,157</u>
<u>\$ 92,302</u>	<u>\$ 101,564</u>	<u>\$ 3,775,129</u>

CITY OF REYNOLDSBURG, OHIO

***Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2017***

	<u>General Debt Retirement Fund</u>	<u>Brice-Main TIEF Debt Retirement Fund</u>	<u>Kroger TIEF Debt Retirement Fund</u>	<u>Summit Road TIEF Debt Retirement Fund</u>
Assets:				
Cash and Cash Equivalents	\$ 465,462	\$ 17,846	\$ 214,222	\$ 5,237
Investments	1,455,288	0	0	0
Receivables:				
Taxes	253,958	144,616	50,000	0
Total Assets	<u>\$ 2,174,708</u>	<u>\$ 162,462</u>	<u>\$ 264,222</u>	<u>\$ 5,237</u>
Liabilities:				
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Deferred Inflows of Resources:				
Property Tax	0	144,616	50,000	0
Unavailable Revenue	34,491	0	0	0
Total Deferred Inflows of Resources	<u>34,491</u>	<u>144,616</u>	<u>50,000</u>	<u>0</u>
Fund Balances:				
Restricted	2,140,217	17,846	214,222	5,237
Total Fund Balances	<u>2,140,217</u>	<u>17,846</u>	<u>214,222</u>	<u>5,237</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,174,708</u>	<u>\$ 162,462</u>	<u>\$ 264,222</u>	<u>\$ 5,237</u>

CITY OF REYNOLDSBURG, OHIO

Taylor Road TIEF #1 Debt Retirement Fund	Taylor Road TIEF #2 Debt Retirement Fund	Total Nonmajor Debt Service Funds
\$ 172,553	\$ 15,175	\$ 890,495
0	0	1,455,288
18,000	800	467,374
<u>\$ 190,553</u>	<u>\$ 15,975</u>	<u>\$ 2,813,157</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
18,000	800	213,416
0	0	34,491
<u>18,000</u>	<u>800</u>	<u>247,907</u>
<u>172,553</u>	<u>15,175</u>	<u>2,565,250</u>
<u>172,553</u>	<u>15,175</u>	<u>2,565,250</u>
<u>\$ 190,553</u>	<u>\$ 15,975</u>	<u>\$ 2,813,157</u>

CITY OF REYNOLDSBURG, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017***

	<u>General Debt Retirement Fund</u>	<u>Brice-Main TIEF Debt Retirement Fund</u>	<u>Kroger TIEF Debt Retirement Fund</u>	<u>Summit Road TIEF Debt Retirement Fund</u>
Revenues:				
Taxes	<u>\$ 1,944,148</u>	<u>\$ 205,164</u>	<u>\$ 0</u>	<u>\$ 133</u>
Total Revenues	<u>1,944,148</u>	<u>205,164</u>	<u>0</u>	<u>133</u>
Expenditures:				
Current:				
General Government	0	126,760	75,570	2
Debt Service:				
Principal Retirement	1,382,498	75,000	0	0
Interest and Fiscal Charges	<u>194,313</u>	<u>9,913</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>1,576,811</u>	<u>211,673</u>	<u>75,570</u>	<u>2</u>
Excess (Deficiency) of Revenues Over Expenditures	367,337	(6,509)	(75,570)	131
Fund Balances at Beginning of Year	<u>1,772,880</u>	<u>24,355</u>	<u>289,792</u>	<u>5,106</u>
Fund Balances End of Year	<u>\$ 2,140,217</u>	<u>\$ 17,846</u>	<u>\$ 214,222</u>	<u>\$ 5,237</u>

CITY OF REYNOLDSBURG, OHIO

Taylor Road TIEF #1 Debt Retirement Fund	Taylor Road TIEF #2 Debt Retirement Fund	Total Nonmajor Debt Service Funds
\$ 20,350	\$ 900	\$ 2,170,695
<u>20,350</u>	<u>900</u>	<u>2,170,695</u>
265	12	202,609
0	0	1,457,498
<u>0</u>	<u>0</u>	<u>204,226</u>
<u>265</u>	<u>12</u>	<u>1,864,333</u>
20,085	888	306,362
<u>152,468</u>	<u>14,287</u>	<u>2,258,888</u>
<u>\$ 172,553</u>	<u>\$ 15,175</u>	<u>\$ 2,565,250</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 12,689,920	\$ 12,691,890	\$ 14,048,528	\$ 1,356,638
Intergovernmental Revenues	853,100	853,100	782,892	(70,208)
Charges for Services	262,600	262,600	228,582	(34,018)
Licenses and Permits	329,350	328,267	346,934	18,667
Investment Earnings	185,000	185,000	234,311	49,311
Fines and Forfeitures	483,000	483,000	394,627	(88,373)
All Other Revenues	518,276	518,276	1,052,171	533,895
Total Revenues	15,321,246	15,322,133	17,088,045	1,765,912
Expenditures:				
Security of Persons and Property:				
Police Department:				
Personal Services	8,206,338	8,536,338	8,434,781	101,557
Materials and Supplies	346,663	319,528	283,822	35,706
Contractual Services	644,958	635,701	566,219	69,482
Capital Outlay	168,134	223,585	206,140	17,445
Total Security of Persons and Property	9,366,093	9,715,152	9,490,962	224,190
Public Health and Welfare Services:				
Miscellaneous:				
Contractual Services	285,500	285,500	285,500	0
Total Public Health and Welfare Services	285,500	285,500	285,500	0
Leisure Time Activities:				
Recreation Department:				
Personal Services	880,832	881,232	850,465	30,767
Materials and Supplies	224,314	250,782	205,895	44,887
Contractual Services	435,419	428,155	395,113	33,042
Capital Outlay	37,745	37,745	36,393	1,352
Total Leisure Time Activities	1,578,310	1,597,914	1,487,866	110,048
Community Environment:				
Building Department:				
Personal Services	355,607	355,607	342,354	13,253
Materials and Supplies	17,782	17,782	6,030	11,752
Contractual Services	83,727	83,727	76,719	7,008
Capital Outlay	27,000	27,000	24,653	2,347
Total Building Department	484,116	484,116	449,756	34,360

(Continued)

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Service Department:				
Personal Services	552,952	537,952	521,300	16,652
Materials and Supplies	23,975	23,975	15,963	8,012
Contractual Services	691,882	657,337	560,007	97,330
Total Service Department	1,268,809	1,219,264	1,097,270	121,994
Total Community Environment	1,752,925	1,703,380	1,547,026	156,354
General Government:				
Mayor:				
Personal Services	133,082	133,282	133,114	168
Materials and Supplies	4,055	4,055	603	3,452
Contractual Services	38,200	38,200	26,476	11,724
Total Mayor	175,337	175,537	160,193	15,344
City Council:				
Personal Services	198,799	198,799	191,021	7,778
Materials and Supplies	1,719	1,719	818	901
Contractual Services	50,000	35,000	24,985	10,015
Total City Council	250,518	235,518	216,824	18,694
Auditor:				
Personal Services	366,584	366,584	363,201	3,383
Materials and Supplies	7,106	7,106	3,908	3,198
Contractual Services	74,728	94,728	80,091	14,637
Capital Outlay	1,000	1,000	0	1,000
Total Auditor	449,418	469,418	447,200	22,218
City Attorney:				
Personal Services	510,715	510,715	510,241	474
Materials and Supplies	2,984	2,984	1,632	1,352
Contractual Services	78,162	78,162	52,188	25,974
Total City Attorney	591,861	591,861	564,061	27,800
Development Director:				
Personal Services	230,199	230,199	217,530	12,669
Materials and Supplies	3,300	3,300	2,395	905
Contractual Services	69,239	165,239	154,540	10,699
Total Development Director	302,738	398,738	374,465	24,273

(Continued)

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2017***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Clerk of Court:				
Personal Services	233,537	235,987	235,393	594
Materials and Supplies	4,503	4,503	3,217	1,286
Contractual Services	104,267	104,267	77,895	26,372
Total Clerk of Court	342,307	344,757	316,505	28,252
Human Resources:				
Personal Services	99,786	99,786	99,571	215
Materials and Supplies	13,766	13,766	12,358	1,408
Contractual Services	24,996	33,496	28,047	5,449
Total Human Resources	138,548	147,048	139,976	7,072
Computer Systems:				
Personal Services	96,947	96,947	86,014	10,933
Materials and Supplies	3,107	8,107	6,219	1,888
Contractual Services	294,194	339,194	289,999	49,195
Capital Outlay	86,104	86,104	69,639	16,465
Total Computer Systems	480,352	530,352	451,871	78,481
Vehicle Maintenance:				
Personal Services	143,192	143,192	143,001	191
Materials and Supplies	119,804	119,804	97,326	22,478
Contractual Services	62,084	62,084	36,390	25,694
Capital Outlay	4,200	4,200	4,160	40
Total Vehicle Maintenance	329,280	329,280	280,877	48,403
Commissions:				
Personal Services	60,475	60,475	58,727	1,748
Materials and Supplies	1,154	1,154	901	253
Contractual Services	24,428	26,828	21,061	5,767
Capital Outlay	500	500	0	500
Total Commissions	86,557	88,957	80,689	8,268

(Continued)

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
General Administrative:				
Personal Services	314,324	233,324	225,050	8,274
Materials and Supplies	3,500	3,500	3,371	129
Contractual Services	716,324	578,274	467,549	110,725
Capital Outlay	13,000	13,000	13,000	0
Total General Administrative	<u>1,047,148</u>	<u>828,098</u>	<u>708,970</u>	<u>119,128</u>
Total General Government	<u>4,194,064</u>	<u>4,139,564</u>	<u>3,741,631</u>	<u>397,933</u>
Total Expenditures	<u>17,176,892</u>	<u>17,441,510</u>	<u>16,552,985</u>	<u>888,525</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,855,646)	(2,119,377)	535,060	2,654,437
Other Financing Sources (Uses):				
Insurance Recoveries	<u>0</u>	<u>0</u>	<u>13,301</u>	<u>13,301</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>13,301</u>	<u>13,301</u>
Net Change in Fund Balance	(1,855,646)	(2,119,377)	548,361	2,667,738
Fund Balance at Beginning of Year	4,284,490	4,284,490	4,284,490	0
Prior Year Encumbrances	<u>518,275</u>	<u>518,275</u>	<u>518,275</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,947,119</u>	<u>\$ 2,683,388</u>	<u>\$ 5,351,126</u>	<u>\$ 2,667,738</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Funds – Permissive Tax Fund
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 252,000	\$ 252,000	\$ 258,122	\$ 6,122
Investment Earnings	8,000	8,000	11,048	3,048
Total Revenues	<u>260,000</u>	<u>260,000</u>	<u>269,170</u>	<u>9,170</u>
Expenditures:				
Transportation:				
Capital Outlay	<u>158,130</u>	<u>460,734</u>	<u>433,887</u>	<u>26,847</u>
Total Expenditures	<u>158,130</u>	<u>460,734</u>	<u>433,887</u>	<u>26,847</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	101,870	(200,734)	(164,717)	36,017
Fund Balance at Beginning of Year	961,289	961,289	961,289	0
Prior Year Encumbrances	<u>158,130</u>	<u>158,130</u>	<u>158,130</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,221,289</u>	<u>\$ 918,685</u>	<u>\$ 954,702</u>	<u>\$ 36,017</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Funds – Street Construction, Maintenance, and Repair Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 1,310,000	\$ 1,310,000	\$ 1,362,284	\$ 52,284
Investment Earnings	25,000	25,000	24,976	(24)
All Other Revenues	15,000	15,000	68,790	53,790
Total Revenues	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,456,050</u>	<u>106,050</u>
Expenditures:				
Transportation:				
Personal Services	589,634	589,634	562,461	27,173
Materials and Supplies	417,145	417,145	187,297	229,848
Contractual Services	169,244	169,244	128,276	40,968
Capital Outlay	129,734	235,675	149,594	86,081
Total Expenditures	<u>1,305,757</u>	<u>1,411,698</u>	<u>1,027,628</u>	<u>384,070</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	44,243	(61,698)	428,422	490,120
Fund Balance at Beginning of Year	2,012,482	2,012,482	2,012,482	0
Prior Year Encumbrances	281,073	281,073	281,073	0
Fund Balance at End of Year	<u>\$ 2,337,798</u>	<u>\$ 2,231,857</u>	<u>\$ 2,721,977</u>	<u>\$ 490,120</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Debt Service Fund – Taylor Square TIEF Debt Retirement Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,750,000	\$ 1,750,000	\$ 1,986,771	\$ 236,771
Total Revenues	1,750,000	1,750,000	1,986,771	236,771
Expenditures:				
General Government:				
Contractual Services	40,000	40,000	26,120	13,880
Other Operating Expenditures	1,500,000	1,540,000	1,373,123	166,877
Debt Service:				
Principal Retirement	495,000	495,000	495,000	0
Interest and Fiscal Charges	79,385	79,385	79,382	3
Total Expenditures	2,114,385	2,154,385	1,973,625	180,760
Excess (Deficiency) of Revenues Over (Under) Expenditures	(364,385)	(404,385)	13,146	417,531
Other Financing Sources (Uses):				
Transfers In	574,400	574,400	0	(574,400)
Transfers Out	(574,385)	(574,385)	0	574,385
Total Other Financing Sources (Uses)	15	15	0	(15)
Net Change in Fund Balance	(364,370)	(404,370)	13,146	417,516
Fund Balance at Beginning of Year	1,422,504	1,422,504	1,422,504	0
Fund Balance at End of Year	\$ 1,058,134	\$ 1,018,134	\$ 1,435,650	\$ 417,516

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund –Capital Projects Fund – Capital Improvement Fund
For the Year Ended December 31, 2017***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 350,000	\$ 2,034,764	\$ 2,389,567	\$ 354,803
Intergovernmental Revenues	0	0	102,499	102,499
Investment Earnings	0	0	3,026	3,026
Total Revenues	350,000	2,034,764	2,495,092	460,328
Expenditures:				
Capital Outlay	329,583	2,048,649	1,840,285	208,364
Total Expenditures	329,583	2,048,649	1,840,285	208,364
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,417	(13,885)	654,807	668,692
Other Financing Sources (Uses):				
OPWC Loans	0	0	11,389	11,389
Total Other Financing Sources (Uses)	0	0	11,389	11,389
Net Change in Fund Balance	20,417	(13,885)	666,196	680,081
Fund Balance at Beginning of Year	2,398,556	2,398,556	2,398,556	0
Prior Year Encumbrances	329,583	329,583	329,583	0
Fund Balance at End of Year	\$ 2,748,556	\$ 2,714,254	\$ 3,394,335	\$ 680,081

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 30,984</u>	<u>\$ 984</u>
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>30,984</u>	<u>984</u>
Expenditures:				
General Government:				
Materials and Supplies	20,793	20,793	10,313	10,480
Contractual Services	30,099	30,099	10,828	19,271
Capital Outlay	<u>18,595</u>	<u>18,595</u>	<u>5,898</u>	<u>12,697</u>
Total Expenditures	<u>69,487</u>	<u>69,487</u>	<u>27,039</u>	<u>42,448</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(39,487)	(39,487)	3,945	43,432
Fund Balance at Beginning of Year	133,776	133,776	133,776	0
Prior Year Encumbrances	<u>14,487</u>	<u>14,487</u>	<u>14,487</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 108,776</u>	<u>\$ 108,776</u>	<u>\$ 152,208</u>	<u>\$ 43,432</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	INCOME TAX FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 399,000	\$ 399,000	\$ 523,939	\$ 124,939
Investment Earnings	1,000	1,000	8,955	7,955
Total Revenues	<u>400,000</u>	<u>400,000</u>	<u>532,894</u>	<u>132,894</u>
Expenditures:				
General Government:				
Personal Services	81,913	81,913	81,822	91
Materials and Supplies	964	964	578	386
Contractual Services	<u>1,021,400</u>	<u>1,231,400</u>	<u>380,042</u>	<u>851,358</u>
Total Expenditures	<u>1,104,277</u>	<u>1,314,277</u>	<u>462,442</u>	<u>851,835</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(704,277)	(914,277)	70,452	984,729
Fund Balance at Beginning of Year	2,641,641	2,641,641	2,641,641	0
Prior Year Encumbrances	<u>364</u>	<u>364</u>	<u>364</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,937,728</u>	<u>\$ 1,727,728</u>	<u>\$ 2,712,457</u>	<u>\$ 984,729</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

POLICE PENSION FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 181,300	\$ 182,700	\$ 169,778	\$ (12,922)
Intergovernmental Revenues	18,959	18,205	21,993	3,788
Total Revenues	<u>200,259</u>	<u>200,905</u>	<u>191,771</u>	<u>(9,134)</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	190,000	190,000	190,000	0
Contractual Services	3,000	3,000	2,695	305
Total Expenditures	<u>193,000</u>	<u>193,000</u>	<u>192,695</u>	<u>305</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,259	7,905	(924)	(8,829)
Fund Balance at Beginning of Year	<u>87,225</u>	<u>87,225</u>	<u>87,225</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 94,484</u>	<u>\$ 95,130</u>	<u>\$ 86,301</u>	<u>\$ (8,829)</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 106,000	\$ 106,000	\$ 110,455	\$ 4,455
Investment Earnings	4,000	4,000	2,053	(1,947)
Total Revenues	<u>110,000</u>	<u>110,000</u>	<u>112,508</u>	<u>2,508</u>
Expenditures:				
Transportation:				
Materials and Supplies	80,000	80,000	60,000	20,000
Contractual Services	28,239	28,239	17,331	10,908
Total Expenditures	<u>108,239</u>	<u>108,239</u>	<u>77,331</u>	<u>30,908</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,761	1,761	35,177	33,416
Fund Balance at Beginning of Year	155,961	155,961	155,961	0
Prior Year Encumbrances	14,239	14,239	14,239	0
Fund Balance at End of Year	<u>\$ 171,961</u>	<u>\$ 171,961</u>	<u>\$ 205,377</u>	<u>\$ 33,416</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	G.R.E.A.T. GRANT FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>550</u>	<u>550</u>	<u>550</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 550</u>	<u>\$ 550</u>	<u>\$ 550</u>	<u>\$ 0</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 30,000	\$ 30,000	\$ 63,032	\$ 33,032
All Other Revenues	0	0	1,015	1,015
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>64,047</u>	<u>34,047</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	<u>212,267</u>	<u>274,841</u>	<u>249,043</u>	<u>25,798</u>
Total Expenditures	<u>212,267</u>	<u>274,841</u>	<u>249,043</u>	<u>25,798</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(182,267)	(244,841)	(184,996)	59,845
Fund Balance at Beginning of Year	62,574	62,574	62,574	0
Prior Year Encumbrances	<u>212,267</u>	<u>212,267</u>	<u>212,267</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 92,574</u>	<u>\$ 30,000</u>	<u>\$ 89,845</u>	<u>\$ 59,845</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 1,500	\$ 1,500	\$ 3,451	\$ 1,951
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>3,451</u>	<u>1,951</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	0	42,875	0	42,875
Total Expenditures	<u>0</u>	<u>42,875</u>	<u>0</u>	<u>42,875</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,500	(41,375)	3,451	44,826
Fund Balance at Beginning of Year	<u>42,875</u>	<u>42,875</u>	<u>42,875</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 44,375</u>	<u>\$ 1,500</u>	<u>\$ 46,326</u>	<u>\$ 44,826</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	<u>0</u>	<u>4,376</u>	<u>0</u>	<u>4,376</u>
Total Expenditures	<u>0</u>	<u>4,376</u>	<u>0</u>	<u>4,376</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(4,376)	0	4,376
Fund Balance at Beginning of Year	<u>4,376</u>	<u>4,376</u>	<u>4,376</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,376</u>	<u>\$ 0</u>	<u>\$ 4,376</u>	<u>\$ 4,376</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 2,500	\$ 2,500	\$ 2,598	\$ 98
Total Revenues	<u>2,500</u>	<u>2,500</u>	<u>2,598</u>	<u>98</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	0	9,481	0	9,481
Total Expenditures	<u>0</u>	<u>9,481</u>	<u>0</u>	<u>9,481</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,500	(6,981)	2,598	9,579
Fund Balance at Beginning of Year	<u>9,481</u>	<u>9,481</u>	<u>9,481</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 11,981</u>	<u>\$ 2,500</u>	<u>\$ 12,079</u>	<u>\$ 9,579</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	\$ 0	\$ 0	\$ 796	\$ 796
Fines and Forfeitures	30,000	30,000	8,628	(21,372)
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>9,424</u>	<u>(20,576)</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	17,682	102,590	27,681	74,909
Total Expenditures	<u>17,682</u>	<u>102,590</u>	<u>27,681</u>	<u>74,909</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,318	(72,590)	(18,257)	54,333
Fund Balance at Beginning of Year	84,908	84,908	84,908	0
Prior Year Encumbrances	17,682	17,682	17,682	0
Fund Balance at End of Year	<u>\$ 114,908</u>	<u>\$ 30,000</u>	<u>\$ 84,333</u>	<u>\$ 54,333</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 1,000	\$ 1,000	\$ 11,660	\$ 10,660
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>11,660</u>	<u>10,660</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	0	21,730	0	21,730
Total Expenditures	<u>0</u>	<u>21,730</u>	<u>0</u>	<u>21,730</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	(20,730)	11,660	32,390
Fund Balance at Beginning of Year	<u>21,730</u>	<u>21,730</u>	<u>21,730</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 22,730</u>	<u>\$ 1,000</u>	<u>\$ 33,390</u>	<u>\$ 32,390</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>3</u>	<u>3</u>	<u>3</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 0</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>16,077</u>	<u>16,077</u>	<u>16,077</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 16,077</u>	<u>\$ 16,077</u>	<u>\$ 16,077</u>	<u>\$ 0</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Community Environment:				
Materials and Supplies	<u>0</u>	<u>3,473</u>	<u>3,473</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>3,473</u>	<u>3,473</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(3,473)	(3,473)	0
Fund Balance at Beginning of Year	<u>20,028</u>	<u>20,028</u>	<u>20,028</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 20,028</u>	<u>\$ 16,555</u>	<u>\$ 16,555</u>	<u>\$ 0</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	<u>\$ 20,000</u>	<u>\$ 41,633</u>	<u>\$ 41,633</u>	<u>\$ 0</u>
Total Revenues	<u>20,000</u>	<u>41,633</u>	<u>41,633</u>	<u>0</u>
Expenditures:				
Community Environment:				
Contractual Services	<u>65,785</u>	<u>142,376</u>	<u>122,826</u>	<u>19,550</u>
Total Expenditures	<u>65,785</u>	<u>142,376</u>	<u>122,826</u>	<u>19,550</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(45,785)	(100,743)	(81,193)	19,550
Fund Balance at Beginning of Year	41,532	41,532	41,532	0
Prior Year Encumbrances	<u>65,785</u>	<u>65,785</u>	<u>65,785</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 61,532</u>	<u>\$ 6,574</u>	<u>\$ 26,124</u>	<u>\$ 19,550</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 15,000	\$ 51,370	\$ 52,170	\$ 800
Total Revenues	<u>15,000</u>	<u>51,370</u>	<u>52,170</u>	<u>800</u>
Expenditures:				
Community Environment:				
Contractual Services	<u>92,130</u>	<u>157,164</u>	<u>145,818</u>	<u>11,346</u>
Total Expenditures	<u>92,130</u>	<u>157,164</u>	<u>145,818</u>	<u>11,346</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(77,130)	(105,794)	(93,648)	12,146
Fund Balance at Beginning of Year	16,052	16,052	16,052	0
Prior Year Encumbrances	<u>92,130</u>	<u>92,130</u>	<u>92,130</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 31,052</u>	<u>\$ 2,388</u>	<u>\$ 14,534</u>	<u>\$ 12,146</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 1,517</u>	<u>\$ (3,483)</u>
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>1,517</u>	<u>(3,483)</u>
Expenditures:				
General Government:				
Other Operating Expenditures	<u>0</u>	<u>23,761</u>	<u>23,761</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>23,761</u>	<u>23,761</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,000	(18,761)	(22,244)	(3,483)
Fund Balance at Beginning of Year	<u>53,520</u>	<u>53,520</u>	<u>53,520</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 58,520</u>	<u>\$ 34,759</u>	<u>\$ 31,276</u>	<u>\$ (3,483)</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	EMPLOYEES FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
All Other Revenues	<u>\$ 500</u>	<u>\$ 648</u>	<u>\$ 648</u>	<u>\$ 0</u>
Total Revenues	<u>500</u>	<u>648</u>	<u>648</u>	<u>0</u>
Expenditures:				
General Government:				
Materials and Supplies	<u>500</u>	<u>1,813</u>	<u>1,409</u>	<u>404</u>
Total Expenditures	<u>500</u>	<u>1,813</u>	<u>1,409</u>	<u>404</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(1,165)	(761)	404
Fund Balance at Beginning of Year	765	765	765	0
Prior Year Encumbrances	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,265</u>	<u>\$ 100</u>	<u>\$ 504</u>	<u>\$ 404</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

ENGINEERING FEES/PLAN REVIEW DEPOSITS FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 35,000	\$ 35,000	\$ 30,480	\$ (4,520)
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>30,480</u>	<u>(4,520)</u>
Expenditures:				
Community Environment:				
Contractual Services	11,207	100,808	35,809	64,999
Total Expenditures	<u>11,207</u>	<u>100,808</u>	<u>35,809</u>	<u>64,999</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,793	(65,808)	(5,329)	60,479
Fund Balance at Beginning of Year	89,601	89,601	89,601	0
Prior Year Encumbrances	<u>11,207</u>	<u>11,207</u>	<u>11,207</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 124,601</u>	<u>\$ 35,000</u>	<u>\$ 95,479</u>	<u>\$ 60,479</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,900,000	\$ 1,900,000	\$ 2,017,852	\$ 117,852
Total Revenues	<u>1,900,000</u>	<u>1,900,000</u>	<u>2,017,852</u>	<u>117,852</u>
Expenditures:				
Debt Service:				
Principal Retirement	1,382,498	1,382,498	1,382,498	0
Interest and Fiscal Charges	<u>194,706</u>	<u>194,706</u>	<u>194,313</u>	<u>393</u>
Total Expenditures	<u>1,577,204</u>	<u>1,577,204</u>	<u>1,576,811</u>	<u>393</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	322,796	322,796	441,041	118,245
Fund Balance at Beginning of Year	<u>1,479,709</u>	<u>1,479,709</u>	<u>1,479,709</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,802,505</u>	<u>\$ 1,802,505</u>	<u>\$ 1,920,750</u>	<u>\$ 118,245</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	<u>\$ 225,000</u>	<u>\$ 225,000</u>	<u>\$ 205,164</u>	<u>\$ (19,836)</u>
Total Revenues	<u>225,000</u>	<u>225,000</u>	<u>205,164</u>	<u>(19,836)</u>
Expenditures:				
General Government:				
Contractual Services	3,700	3,700	2,467	1,233
Other Operating Expenditures	175,000	125,000	124,996	4
Debt Service:				
Principal Retirement	75,000	75,000	75,000	0
Interest and Fiscal Charges	<u>9,520</u>	<u>9,913</u>	<u>9,913</u>	<u>0</u>
Total Expenditures	<u>263,220</u>	<u>213,613</u>	<u>212,376</u>	<u>1,237</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(38,220)	11,387	(7,212)	(18,599)
Fund Balance at Beginning of Year	<u>25,058</u>	<u>25,058</u>	<u>25,058</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (13,162)</u>	<u>\$ 36,445</u>	<u>\$ 17,846</u>	<u>\$ (18,599)</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 0</u>	<u>\$ (75,000)</u>
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>0</u>	<u>(75,000)</u>
Expenditures:				
General Government:				
Contractual Services	<u>1,500</u>	<u>75,570</u>	<u>75,570</u>	<u>0</u>
Total Expenditures	<u>1,500</u>	<u>75,570</u>	<u>75,570</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	73,500	(570)	(75,570)	(75,000)
Fund Balance at Beginning of Year	<u>289,792</u>	<u>289,792</u>	<u>289,792</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 363,292</u>	<u>\$ 289,222</u>	<u>\$ 214,222</u>	<u>\$ (75,000)</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 0	\$ 0	\$ 133	\$ 133
Total Revenues	<u>0</u>	<u>0</u>	<u>133</u>	<u>133</u>
Expenditures:				
General Government:				
Contractual Services	0	50	2	48
Total Expenditures	<u>0</u>	<u>50</u>	<u>2</u>	<u>48</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	0	(50)	131	181
Fund Balance at Beginning of Year	<u>5,106</u>	<u>5,106</u>	<u>5,106</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,106</u>	<u>\$ 5,056</u>	<u>\$ 5,237</u>	<u>\$ 181</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	<u>\$ 18,000</u>	<u>\$ 18,000</u>	<u>\$ 20,350</u>	<u>\$ 2,350</u>
Total Revenues	<u>18,000</u>	<u>18,000</u>	<u>20,350</u>	<u>2,350</u>
Expenditures:				
General Government:				
Contractual Services	<u>350</u>	<u>350</u>	<u>265</u>	<u>85</u>
Total Expenditures	<u>350</u>	<u>350</u>	<u>265</u>	<u>85</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	17,650	17,650	20,085	2,435
Fund Balance at Beginning of Year	<u>152,468</u>	<u>152,468</u>	<u>152,468</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 170,118</u>	<u>\$ 170,118</u>	<u>\$ 172,553</u>	<u>\$ 2,435</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017**

TAYLOR ROAD TIEF #2 FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 750	\$ 750	\$ 900	\$ 150
Total Revenues	<u>750</u>	<u>750</u>	<u>900</u>	<u>150</u>
Expenditures:				
General Government:				
Contractual Services	50	50	12	38
Total Expenditures	<u>50</u>	<u>50</u>	<u>12</u>	<u>38</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	700	700	888	188
Fund Balance at Beginning of Year	<u>14,287</u>	<u>14,287</u>	<u>14,287</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 14,987</u>	<u>\$ 14,987</u>	<u>\$ 15,175</u>	<u>\$ 188</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and Permits	\$ 0	\$ 0	\$ 1,023	\$ 1,023
Special Assessments	<u>40,000</u>	<u>40,000</u>	<u>29,944</u>	<u>(10,056)</u>
Total Revenues	<u>40,000</u>	<u>40,000</u>	<u>30,967</u>	<u>(9,033)</u>
Expenditures:				
Capital Outlay	<u>61,605</u>	<u>61,701</u>	<u>53,261</u>	<u>8,440</u>
Total Expenditures	<u>61,605</u>	<u>61,701</u>	<u>53,261</u>	<u>8,440</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,605)	(21,701)	(22,294)	(593)
Fund Balance at Beginning of Year	800,416	800,416	800,416	0
Prior Year Encumbrances	<u>61,605</u>	<u>61,605</u>	<u>61,605</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 840,416</u>	<u>\$ 840,320</u>	<u>\$ 839,727</u>	<u>\$ (593)</u>

Fiduciary Funds

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

Agency Funds

Mayor's Court Fund

To account for funds which are held by the Mayor's court.

School Activities Fund

To account for fees collected from participating students to cover the costs of various school activities.

Miscellaneous Fund

To account primarily for insurance copayments.

Board of Building Standards Fund

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

Reynoldsburg Visitors and Activities Bureau Fund

To account for 60%, up to a maximum of \$75,000, of the hotel tax revenues collected by the City which are to be paid to the Reynoldsburg Visitors and Activities Bureau.

Demolition Expense Fund

To account for funds on deposit to insure the clean up or repair of damaged property.

Columbus Sewer Capacity Fund

To account for one third of all sewer capacity charges which are payable by contract to the City of Columbus.

CITY OF REYNOLDSBURG, OHIO

**Combining Statement Of Changes In Assets And Liabilities
Agency Funds
For the Year Ended December 31, 2017**

	Balance December 31, 2016	Additions	Deductions	Balance December 31, 2017
<u>Mayor's Court:</u>				
Assets:				
Cash and Cash Equivalents	\$31,625	\$148,402	(\$144,488)	\$35,539
Accounts Receivable	139	89	(139)	89
Total Assets	<u>\$31,764</u>	<u>\$148,491</u>	<u>(\$144,627)</u>	<u>\$35,628</u>
Liabilities:				
Intergovernmental Payable	\$8,475	\$118,208	(\$117,277)	\$9,406
Due to Others	23,289	30,283	(27,350)	26,222
Total Liabilities	<u>\$31,764</u>	<u>\$148,491</u>	<u>(\$144,627)</u>	<u>\$35,628</u>
<u>School Activities:</u>				
Assets:				
Cash and Cash Equivalents	\$193	\$0	(\$193)	\$0
Total Assets	<u>\$193</u>	<u>\$0</u>	<u>(\$193)</u>	<u>\$0</u>
Liabilities:				
Due to Others	\$193	\$0	(\$193)	\$0
Total Liabilities	<u>\$193</u>	<u>\$0</u>	<u>(\$193)</u>	<u>\$0</u>
<u>Miscellaneous:</u>				
Assets:				
Cash and Cash Equivalents	\$33,114	\$275,082	(\$276,445)	\$31,751
Total Assets	<u>\$33,114</u>	<u>\$275,082</u>	<u>(\$276,445)</u>	<u>\$31,751</u>
Liabilities:				
Due to Others	\$33,114	\$275,082	(\$276,445)	\$31,751
Total Liabilities	<u>\$33,114</u>	<u>\$275,082</u>	<u>(\$276,445)</u>	<u>\$31,751</u>
<u>Board of Building Standards:</u>				
Assets:				
Cash and Cash Equivalents	\$8,791	\$5,927	(\$5,317)	\$9,401
Total Assets	<u>\$8,791</u>	<u>\$5,927</u>	<u>(\$5,317)</u>	<u>\$9,401</u>
Liabilities:				
Intergovernmental Payable	\$8,791	\$5,927	(\$5,317)	\$9,401
Total Liabilities	<u>\$8,791</u>	<u>\$5,927</u>	<u>(\$5,317)</u>	<u>\$9,401</u>

(Continued)

CITY OF REYNOLDSBURG, OHIO

***Combining Statement Of Changes In Assets And Liabilities
Agency Funds
For the Year Ended December 31, 2017***

	Balance December 31, 2016	Additions	Deductions	Balance December 31, 2017
<u>Reynoldsburg Visitors and Activities Bureau:</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$75,000	(\$75,000)	\$0
Taxes Receivable	13,466	13,630	(13,466)	13,630
Total Assets	<u>\$13,466</u>	<u>\$88,630</u>	<u>(\$88,466)</u>	<u>\$13,630</u>
Liabilities:				
Intergovernmental Payable	13,466	\$88,630	(\$88,466)	\$13,630
Total Liabilities	<u>\$13,466</u>	<u>\$88,630</u>	<u>(\$88,466)</u>	<u>\$13,630</u>
<u>Demolition Expense</u>				
Assets:				
Cash and Cash Equivalents	\$57,400	\$1,000	(\$23,000)	\$35,400
Total Assets	<u>\$57,400</u>	<u>\$1,000</u>	<u>(\$23,000)</u>	<u>\$35,400</u>
Liabilities:				
Due to Others	\$57,400	\$1,000	(\$23,000)	\$35,400
Total Liabilities	<u>\$57,400</u>	<u>\$1,000</u>	<u>(\$23,000)</u>	<u>\$35,400</u>
<u>Columbus Sewer Capacity:</u>				
Assets:				
Cash and Cash Equivalents	\$36,236	\$26,384	(\$39,575)	\$23,045
Total Assets	<u>\$36,236</u>	<u>\$26,384</u>	<u>(\$39,575)</u>	<u>\$23,045</u>
Liabilities:				
Intergovernmental Payable	\$36,236	\$26,384	(\$39,575)	\$23,045
Total Liabilities	<u>\$36,236</u>	<u>\$26,384</u>	<u>(\$39,575)</u>	<u>\$23,045</u>
<u>Totals - All Agency Funds:</u>				
Assets:				
Cash and Cash Equivalents	\$167,359	\$531,795	(\$564,018)	\$135,136
Taxes Receivable	13,466	13,630	(13,466)	13,630
Accounts Receivable	139	89	(139)	89
Total Assets	<u>\$180,964</u>	<u>\$545,514</u>	<u>(\$577,623)</u>	<u>\$148,855</u>
Liabilities:				
Intergovernmental Payable	\$66,968	\$239,149	(\$250,635)	\$55,482
Due to Others	113,996	306,365	(326,988)	93,373
Total Liabilities	<u>\$180,964</u>	<u>\$545,514</u>	<u>(\$577,623)</u>	<u>\$148,855</u>

STATISTICAL SECTION



STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue source, which is income tax.	
Debt Capacity	S 18 – S 27
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Economic and Demographic Information	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 32 – S 39
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

City of Reynoldsburg, Ohio

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

	2008	2009	2010	2011
Governmental Activities:				
Net Investment in Capital Assets	\$27,305,149	\$28,869,219	\$32,035,039	\$33,932,566
Restricted for:				
Capital Projects	3,922,243	3,613,279	1,134,099	981,542
Debt Service	1,609,256	2,409,042	1,252,775	1,172,528
Security of Persons and Property	369,976	422,079	313,336	343,295
Streets and Highways	3,979,363	4,728,645	4,108,056	4,278,398
Other Purposes	123,960	146,219	86,991	114,270
Unrestricted	10,230,103	9,136,452	9,695,540	10,907,844
Total Governmental Activities Net Position	<u>\$47,540,050</u>	<u>\$49,324,935</u>	<u>\$48,625,836</u>	<u>\$51,730,443</u>
Business-type Activities:				
Net Investment in Capital Assets	\$88,020,788	\$89,118,788	\$89,474,184	\$88,791,438
Unrestricted	6,474,380	5,677,545	4,635,591	4,329,262
Total Business-type Activities Net Position	<u>\$94,495,168</u>	<u>\$94,796,333</u>	<u>\$94,109,775</u>	<u>\$93,120,700</u>
Primary Government:				
Net Investment in Capital Assets	\$115,325,937	\$117,988,007	\$121,509,223	\$122,724,004
Restricted	10,004,798	11,319,264	6,895,257	6,890,033
Unrestricted	16,704,483	14,813,997	14,331,131	15,237,106
Total Primary Government Net Position	<u>\$142,035,218</u>	<u>\$144,121,268</u>	<u>\$142,735,611</u>	<u>\$144,851,143</u>

Source: City Auditor's Office

* Restated for implementation of GASB 68

City of Reynoldsburg, Ohio

*

2012	2013	2014	2015	2016	2017
\$34,412,783	\$35,007,410	\$38,872,600	\$39,450,710	\$41,785,362	\$41,796,522
897,730	884,385	893,021	893,387	894,309	895,757
1,136,201	1,324,975	1,602,714	2,119,685	2,766,923	3,065,758
388,646	525,613	492,779	526,239	578,125	407,245
4,240,989	4,482,455	5,120,553	5,160,589	5,311,589	6,109,572
122,016	131,335	145,425	148,245	147,616	157,693
10,475,900	10,387,712	(2,200,397)	(1,079,318)	(2,886,393)	(1,178,730)
<u>\$51,674,265</u>	<u>\$52,743,885</u>	<u>\$44,926,695</u>	<u>\$47,219,537</u>	<u>\$48,597,531</u>	<u>\$51,253,817</u>
\$87,196,242	\$85,753,477	\$84,389,000	\$83,594,877	\$81,903,106	\$80,053,331
4,429,168	4,423,880	4,342,714	4,405,789	6,295,058	8,235,427
<u>\$91,625,410</u>	<u>\$90,177,357</u>	<u>\$88,731,714</u>	<u>\$88,000,666</u>	<u>\$88,198,164</u>	<u>\$88,288,758</u>
\$121,609,025	\$120,760,887	\$123,261,600	\$123,045,587	\$123,688,468	\$121,849,853
6,785,582	7,348,763	8,254,492	8,848,145	9,698,562	10,636,025
14,905,068	14,811,592	2,142,317	3,326,471	3,408,665	7,056,697
<u>\$143,299,675</u>	<u>\$142,921,242</u>	<u>\$133,658,409</u>	<u>\$135,220,203</u>	<u>\$136,795,695</u>	<u>\$139,542,575</u>

City of Reynoldsburg, Ohio

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

	2008	2009	2010	2011
Expenses				
Governmental Activities:				
Security of Persons and Property	\$7,538,445	\$7,825,619	\$8,047,511	\$8,313,332
Public Health and Welfare Services	187,894	202,756	202,756	205,060
Leisure Time Activities	1,075,975	1,026,937	1,068,709	1,072,964
Community Environment	1,469,899	1,400,304	1,369,353	1,296,322
Transportation	2,332,596	2,920,784	3,154,638	3,240,861
General Government	4,060,263	4,238,424	5,330,658	3,940,560
Interest and Fiscal Charges	1,112,434	1,062,833	1,024,105	973,721
<i>Total Governmental Activities Expenses</i>	<u>17,777,506</u>	<u>18,677,657</u>	<u>20,197,730</u>	<u>19,042,820</u>
Business-type Activities:				
Water	4,481,951	4,816,281	5,406,907	5,676,863
Sewer	5,954,793	5,902,500	6,001,699	5,560,004
Storm Water Drainage	1,262,426	1,329,529	1,291,400	1,403,284
Solid Waste	1,723,339	1,880,289	1,926,930	1,952,789
<i>Total Business-type Activities Expenses</i>	<u>13,422,509</u>	<u>13,928,599</u>	<u>14,626,936</u>	<u>14,592,940</u>
<i>Total Primary Government Expenses</i>	<u>\$31,200,015</u>	<u>\$32,606,256</u>	<u>\$34,824,666</u>	<u>\$33,635,760</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Security of Persons and Property	\$246,031	\$282,832	\$221,495	\$165,271
Leisure Time Activities	145,092	133,171	126,528	126,719
Community Environment	381,973	316,132	399,479	378,827
Transportation	399,957	3,192	6,379	542
General Government	647,441	607,597	543,378	626,789
Operating Grants and Contributions	2,148,105	2,343,211	1,831,555	1,990,530
Capital Grants and Contributions	0	1,669,837	1,755,091	2,071,639
<i>Total Governmental Activities Program Revenues</i>	<u>3,968,599</u>	<u>5,355,972</u>	<u>4,883,905</u>	<u>5,360,317</u>

City of Reynoldsburg, Ohio

2012	2013	2014	2015	2016	2017
\$8,652,688	\$8,782,065	\$9,186,177	\$9,542,503	\$10,621,105	\$11,020,195
205,667	212,964	219,428	257,940	271,288	285,500
1,034,234	1,013,886	1,045,792	1,016,476	1,352,885	1,614,852
1,262,546	1,312,160	1,322,012	1,321,144	1,564,651	1,751,419
3,181,127	2,910,599	3,478,312	3,345,017	3,378,528	3,439,342
4,812,660	4,684,492	4,304,486	5,047,592	5,387,345	6,237,449
1,185,952	699,578	633,862	577,360	376,341	358,220
<u>20,334,874</u>	<u>19,615,744</u>	<u>20,190,069</u>	<u>21,108,032</u>	<u>22,952,143</u>	<u>24,706,977</u>
5,912,386	5,945,395	5,964,630	5,870,265	5,953,712	6,041,428
6,425,300	6,506,679	6,530,808	6,508,626	6,165,127	6,352,196
1,377,501	1,393,983	1,441,474	1,404,871	2,077,419	2,290,746
1,997,966	1,995,821	2,025,137	1,693,932	1,964,252	1,810,471
<u>15,713,153</u>	<u>15,841,878</u>	<u>15,962,049</u>	<u>15,477,694</u>	<u>16,160,510</u>	<u>16,494,841</u>
<u>\$36,048,027</u>	<u>\$35,457,622</u>	<u>\$36,152,118</u>	<u>\$36,585,726</u>	<u>\$39,112,653</u>	<u>\$41,201,818</u>
\$257,866	\$417,868	\$410,431	\$460,927	\$489,901	\$578,108
133,218	112,363	165,244	144,580	170,203	151,525
313,762	363,138	359,311	470,050	578,369	518,814
0	10,481	8,811	592	1,371	1,543
618,522	617,184	667,806	518,626	359,598	531,231
1,759,520	1,837,908	1,846,136	1,841,917	1,890,365	1,930,184
44,182	895	3,839,701	816,035	1,401,570	131,099
<u>3,127,070</u>	<u>3,359,837</u>	<u>7,297,440</u>	<u>4,252,727</u>	<u>4,891,377</u>	<u>3,842,504</u>

(continued)

City of Reynoldsburg, Ohio

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

	2008	2009	2010	2011
Business-type Activities:				
Charges for Services				
Water	4,062,023	4,253,418	4,654,152	5,203,135
Sewer	4,840,368	4,946,876	4,943,361	5,045,760
Storm Water Drainage	625,131	626,389	630,923	689,566
Solid Waste	1,704,494	1,763,223	1,855,450	1,824,653
Capital Grants and Contributions	749,652	2,636,672	1,856,492	840,751
<i>Total Business-type Activities Program Revenues</i>	11,981,668	14,226,578	13,940,378	13,603,865
<i>Total Primary Government Program Revenues</i>	15,950,267	19,582,550	18,824,283	18,964,182
Net (Expense)/Revenue				
Governmental Activities	(13,808,907)	(13,321,685)	(15,313,825)	(13,682,503)
Business-type Activities	(1,440,841)	297,979	(686,558)	(989,075)
<i>Total Primary Government</i>	(15,249,748)	(13,023,706)	(16,000,383)	(14,671,578)
<i>Net (Expense)/Revenue</i>	(\$15,249,748)	(\$13,023,706)	(\$16,000,383)	(\$14,671,578)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$286,358	\$292,624	\$293,689	\$281,971
Special Purposes	198,463	202,776	202,616	199,361
Debt Service	1,366,851	2,108,557	1,818,217	1,688,532
Income Taxes	10,480,193	9,965,514	9,577,833	11,747,263
Other Local Taxes	361,048	362,324	424,645	471,836
Intergovernmental Revenue, Unrestricted	2,150,735	1,582,537	1,805,443	1,722,990
Investment Earnings	964,817	282,276	197,157	236,803
Miscellaneous	286,745	313,148	295,126	438,354
Transfers	0	(3,186)	0	0
<i>Total Governmental Activities</i>	16,095,210	15,106,570	14,614,726	16,787,110
Business-type Activities:				
Transfers	0	3,186	0	0
<i>Total Business-type Activities</i>	0	3,186	0	0
<i>Total Primary Government</i>	\$16,095,210	\$15,109,756	\$14,614,726	\$16,787,110
Change in Net Position				
Governmental Activities	\$2,286,303	\$1,784,885	(\$699,099)	\$3,104,607
Business-type Activities	(1,440,841)	301,165	(686,558)	(989,075)
<i>Total Primary Government Change in Net Position</i>	\$845,462	\$2,086,050	(\$1,385,657)	\$2,115,532

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2012	2013	2014	2015	2016	2017
5,519,628	5,884,315	6,368,630	6,206,417	7,042,818	6,966,937
5,501,957	5,449,838	5,677,410	5,652,119	6,068,364	6,227,459
644,511	643,083	647,439	654,028	1,238,108	1,357,542
1,962,981	2,028,479	2,109,384	2,047,248	1,971,796	1,977,388
588,786	388,110	205,603	186,834	36,922	56,109
<u>14,217,863</u>	<u>14,393,825</u>	<u>15,008,466</u>	<u>14,746,646</u>	<u>16,358,008</u>	<u>16,585,435</u>
<u>17,344,933</u>	<u>17,753,662</u>	<u>22,305,906</u>	<u>18,999,373</u>	<u>21,249,385</u>	<u>20,427,939</u>
(17,207,804)	(16,255,907)	(12,892,629)	(16,855,305)	(18,060,766)	(20,864,473)
<u>(1,495,290)</u>	<u>(1,448,053)</u>	<u>(953,583)</u>	<u>(731,048)</u>	<u>197,498</u>	<u>90,594</u>
<u>(\$18,703,094)</u>	<u>(\$17,703,960)</u>	<u>(\$13,846,212)</u>	<u>(\$17,586,353)</u>	<u>(\$17,863,268)</u>	<u>(\$20,773,879)</u>
\$246,452	\$244,627	\$245,981	\$235,032	\$245,644	\$246,479
173,098	169,057	172,600	162,245	168,537	168,912
2,274,642	2,279,801	1,535,533	2,257,142	2,307,527	2,213,318
12,509,144	12,467,622	13,454,497	14,579,880	14,899,503	18,628,466
525,544	541,185	558,430	577,477	611,642	622,451
1,105,401	1,212,876	806,589	748,384	768,037	789,996
191,617	33,871	173,020	187,726	131,403	285,584
125,728	376,488	507,396	400,261	306,467	565,553
0	0	0	0	0	0
<u>17,151,626</u>	<u>17,325,527</u>	<u>17,454,046</u>	<u>19,148,147</u>	<u>19,438,760</u>	<u>23,520,759</u>
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$17,151,626</u>	<u>\$17,325,527</u>	<u>\$17,454,046</u>	<u>\$19,148,147</u>	<u>\$19,438,760</u>	<u>\$23,520,759</u>
(\$56,178)	\$1,069,620	\$4,561,417	\$2,292,842	\$1,377,994	\$2,656,286
<u>(1,495,290)</u>	<u>(1,448,053)</u>	<u>(953,583)</u>	<u>(731,048)</u>	<u>197,498</u>	<u>90,594</u>
<u>(\$1,551,468)</u>	<u>(\$378,433)</u>	<u>\$3,607,834</u>	<u>\$1,561,794</u>	<u>\$1,575,492</u>	<u>\$2,746,880</u>

City of Reynoldsburg, Ohio

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

	2008	2009	2010	2011
General Fund				
Nonspendable	\$0	\$0	\$0	\$37,126
Restricted	0	0	0	11,265
Committed	0	0	0	23,567
Assigned	0	0	0	893,738
Unassigned	0	0	0	3,639,068
Reserved	260,699	212,824	224,177	0
Unreserved	6,628,103	5,466,472	3,227,092	0
<i>Total General Fund</i>	<u>6,888,802</u>	<u>5,679,296</u>	<u>3,451,269</u>	<u>4,604,764</u>
All Other Governmental Funds				
Nonspendable	0	0	0	228,208
Restricted	0	0	0	4,701,499
Committed	0	0	0	3,470,235
Assigned	0	0	0	2,798,077
Reserved	3,051,343	3,619,369	2,261,041	0
Unreserved, Reported in:				
Special Revenue Funds	4,978,966	5,735,411	5,000,970	0
Capital Projects Funds	2,833,617	3,052,753	3,539,361	0
<i>Total All Other Governmental Funds</i>	<u>10,863,926</u>	<u>12,407,533</u>	<u>10,801,372</u>	<u>11,198,019</u>
<i>Total Governmental Funds</i>	<u><u>\$17,752,728</u></u>	<u><u>\$18,086,829</u></u>	<u><u>\$14,252,641</u></u>	<u><u>\$15,802,783</u></u>

Source: City Auditor's Office

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

City of Reynoldsburg, Ohio

2012	2013	2014	2015	2016	2017
\$29,187	\$53,079	\$56,706	\$53,331	\$66,405	\$90,137
9,423	214	634	1,385	1,385	1,365
23,567	23,567	23,567	22,652	43,305	42,485
1,752,083	328,182	946,237	2,177,787	1,662,806	2,625,916
3,167,880	4,635,045	4,244,269	4,114,523	4,311,309	4,382,406
0	0	0	0	0	0
0	0	0	0	0	0
<u>4,982,140</u>	<u>5,040,087</u>	<u>5,271,413</u>	<u>6,369,678</u>	<u>6,085,210</u>	<u>7,142,309</u>
201,477	179,986	228,867	326,064	290,958	262,705
5,603,982	6,012,851	6,869,530	7,301,989	8,041,214	8,876,586
3,238,036	2,787,851	2,873,150	2,913,459	2,935,611	5,149,392
2,832,263	3,054,836	1,871,445	3,040,004	2,487,894	2,398,389
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>11,875,758</u>	<u>12,035,524</u>	<u>11,842,992</u>	<u>13,581,516</u>	<u>13,755,677</u>	<u>16,687,072</u>
<u>\$16,857,898</u>	<u>\$17,075,611</u>	<u>\$17,114,405</u>	<u>\$19,951,194</u>	<u>\$19,840,887</u>	<u>\$23,829,381</u>

City of Reynoldsburg, Ohio

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

	2008	2009	2010	2011
Revenues:				
Taxes	\$12,638,888	\$12,950,279	\$12,326,889	\$14,546,665
Intergovernmental Revenues	4,097,222	5,511,551	5,255,750	5,796,606
Charges for Services	263,420	246,190	257,288	254,885
Licenses and Permits	272,201	209,763	280,988	272,031
Investment Earnings	889,323	376,009	209,303	245,175
Special Assessments	80,809	42,361	49,065	44,446
Fines and Forfeitures	795,520	796,690	639,141	680,878
All Other Revenue	379,155	402,156	409,957	529,550
Total Revenue	<u>19,416,538</u>	<u>20,534,999</u>	<u>19,428,381</u>	<u>22,370,236</u>
Expenditures:				
Current:				
Security of Persons and Property	7,158,981	7,550,268	7,722,369	8,015,723
Public Health and Welfare Services	187,894	202,756	202,756	205,060
Leisure Time Activities	967,660	924,048	994,898	970,662
Community Environment	1,469,797	1,398,091	1,367,087	1,296,538
Transportation	1,532,204	1,424,750	2,242,205	1,407,506
General Government	3,963,494	4,118,690	5,587,780	4,103,538
Capital Outlay	276,818	2,073,902	2,674,842	2,011,384
Debt Service:				
Principal Retirement	1,734,530	1,434,906	1,830,983	1,944,652
Interest and Fiscal Charges	1,080,278	1,030,649	992,110	939,579
Advance Refunding Escrow	0	0	0	0
Total Expenditures	<u>18,371,656</u>	<u>20,158,060</u>	<u>23,615,030</u>	<u>20,894,642</u>
Excess (Deficiency) of Revenues Over Expenditures	1,044,882	376,939	(4,186,649)	1,475,594

City of Reynoldsburg, Ohio

2012	2013	2014	2015	2016	2017
\$15,800,045	\$15,698,348	\$15,827,003	\$18,013,799	\$18,128,551	\$21,823,440
4,106,209	2,740,861	5,817,230	4,062,463	3,936,517	2,647,665
257,823	270,523	300,789	375,068	440,678	352,865
229,833	262,037	278,188	298,038	344,709	347,957
200,992	35,291	168,910	178,979	136,254	282,891
39,737	41,037	37,845	37,584	34,562	29,944
584,850	778,974	719,483	578,985	409,030	488,891
378,803	583,905	821,019	747,871	710,060	1,143,240
<u>21,598,292</u>	<u>20,410,976</u>	<u>23,970,467</u>	<u>24,292,787</u>	<u>24,140,361</u>	<u>27,116,893</u>
8,440,986	8,506,178	9,034,101	9,162,851	9,536,047	9,790,404
205,667	212,964	219,428	257,940	271,288	285,500
956,195	955,065	1,112,254	1,281,626	1,543,411	1,357,137
1,255,097	1,300,919	1,316,623	1,320,360	1,562,831	1,604,436
1,697,216	1,475,617	1,120,517	1,922,056	1,710,564	1,181,782
4,680,351	4,547,022	4,179,397	4,925,668	5,236,961	5,655,128
277,912	575,386	4,514,838	660,566	3,564,033	1,014,900
1,906,909	2,040,325	1,903,440	1,697,628	1,126,434	1,952,498
958,308	638,536	581,836	523,764	315,947	283,608
295,000	0	0	0	759,900	0
<u>20,673,641</u>	<u>20,252,012</u>	<u>23,982,434</u>	<u>21,752,459</u>	<u>25,627,416</u>	<u>23,125,393</u>
924,651	158,964	(11,967)	2,540,328	(1,487,055)	3,991,500

(Continued)

City of Reynoldsburg, Ohio

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

	2008	2009	2010	2011
Other Financing Sources (Uses):				
Ohio Public Works Commission Loan	0	0	176,955	0
General Obligation Bonds Issued	0	0	275,500	0
Refunding General Obligation Bonds	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Insurance Recoveries	0	0	0	0
Transfers In	1,450,000	819,551	1,300,000	150,000
Transfers Out	(1,450,000)	(822,737)	(1,300,000)	(150,000)
Total Other Financing Sources (Uses)	<u>0</u>	<u>(3,186)</u>	<u>452,455</u>	<u>0</u>
Net Change in Fund Balance	<u>\$1,044,882</u>	<u>\$373,753</u>	<u>(\$3,734,194)</u>	<u>\$1,475,594</u>
 Debt Service as a Percentage of Noncapital Expenditures	 16.57%	 14.08%	 14.58%	 15.71%

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2012	2013	2014	2015	2016	2017
72,803	81,809	0	0	1,331,869	11,389
0	0	0	0	0	0
7,705,000	0	0	0	7,185,000	0
(7,622,276)	0	0	0	(7,108,065)	0
0	0	0	201,295	2,154	13,301
150,000	276,329	0	38,735	0	0
(150,000)	(276,329)	0	(38,735)	0	0
<u>155,527</u>	<u>81,809</u>	<u>0</u>	<u>201,295</u>	<u>1,410,958</u>	<u>24,690</u>
<u>\$1,080,178</u>	<u>\$240,773</u>	<u>(\$11,967)</u>	<u>\$2,741,623</u>	<u>(\$76,097)</u>	<u>\$4,016,190</u>

14.67%	14.25%	12.99%	11.17%	6.99%	10.51%
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City of Reynoldsburg, Ohio

Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	2008	2009	2010	2011	2012
Income Tax Rate	1.50%	1.50%	1.50%	1.50%	1.50%
Estimated Personal Income (in thousands)	\$1,379,804	\$1,342,638	\$1,372,975	\$1,426,067	\$1,546,953
Total Tax Collected	\$10,398,560	\$9,935,053	\$9,663,360	\$11,622,722	\$12,389,479
Income Tax Receipts					
Withholding	8,086,173	8,290,320	7,480,371	8,017,488	9,431,349
Percentage	77.77%	83.45%	77.41%	68.98%	76.12%
Net Profits	1,110,985	508,177	1,181,588	2,454,396	1,766,638
Percentage	10.68%	5.11%	12.23%	21.12%	14.26%
Individuals	1,201,402	1,136,556	1,001,401	1,150,838	1,191,492
Percentage	11.55%	11.44%	10.36%	9.90%	9.62%
Income Tax by Business Type					
Retail/Grocery	64.20%	64.79%	67.10%	69.34%	69.13%
Education/Government	16.56%	17.10%	14.66%	13.65%	12.28%
Service	10.42%	7.00%	8.60%	8.25%	9.84%
Industrial	2.29%	3.40%	2.65%	2.41%	2.50%
Construction/Real Estate	1.14%	1.18%	0.86%	0.74%	0.70%
Medical	2.12%	2.62%	2.19%	2.12%	1.87%
Financial	0.93%	0.98%	1.05%	1.01%	1.26%
Restaurants	1.50%	1.96%	2.32%	1.83%	1.90%
Miscellaneous	0.84%	0.97%	0.57%	0.65%	0.52%
Total Tax	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: City Income Tax Department

The City's Income Tax rate increased to 2.5% effective July 1, 2017

Note: Amounts are presented on a cash basis.

City of Reynoldsburg, Ohio

2013	2014	2015	2016	2017
1.50%	1.50%	1.50%	1.50%	2.50%
\$1,581,313	\$1,649,441	\$1,723,545	\$1,789,158	\$1,822,333
\$12,295,534	\$13,136,111	\$15,205,327	\$14,555,872	\$18,101,778
9,398,752	9,415,885	10,883,182	10,872,042	13,379,508
76.44%	71.68%	71.57%	74.69%	73.91%
1,426,984	2,583,527	3,114,095	2,206,896	3,303,057
11.61%	19.67%	20.48%	15.16%	18.25%
1,469,798	1,136,699	1,208,050	1,476,934	1,419,213
11.95%	8.65%	7.94%	10.15%	7.84%
65.94%	67.06%	71.96%	67.97%	67.38%
13.50%	12.42%	10.71%	12.27%	13.21%
10.86%	10.62%	8.68%	9.90%	10.14%
2.42%	3.47%	2.78%	2.57%	3.03%
1.17%	0.78%	0.76%	1.32%	0.71%
2.43%	1.87%	1.71%	1.84%	1.88%
1.13%	1.35%	1.56%	1.71%	1.58%
1.97%	1.98%	1.42%	1.87%	1.48%
0.58%	0.45%	0.42%	0.55%	0.59%
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>



City of Reynoldsburg, Ohio

Income Tax Collections Current Year and Nine Years Ago

Income Level	Income Tax Year 2016			
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$24,999	3,168	30.71%	\$36,103,829	6.14%
25,000 - 49,999	2,594	25.15%	95,746,771	16.26%
50,000 - 74,999	1,655	16.05%	102,688,781	17.44%
75,000 - 99,999	1,173	11.37%	101,766,503	17.28%
Over 100,000	1,724	16.72%	252,502,771	42.88%
Total	10,314	100.00%	\$588,808,655	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to Reynoldsburg	\$2,111,053
Taxes Credited to Other Municipalities	6,709,423
	\$8,820,476

Income Level	Income Tax Year 2007			
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$24,999	3,982	34.25%	\$41,813,453	7.02%
25,000 - 49,999	2,908	25.01%	106,953,348	17.94%
50,000 - 74,999	1,871	16.09%	115,979,680	19.45%
75,000 - 99,999	1,398	12.02%	120,751,501	20.25%
Over 100,000	1,468	12.63%	210,679,757	35.34%
Total	11,627	100.00%	\$596,177,739	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to Reynoldsburg	\$2,391,468
Taxes Credited to Other Municipalities	7,336,818
	\$9,728,286

Source: City Income Tax Department

Note: 2016 is most current data because Income Tax collections for 2017 are not finalized until 2018

City of Reynoldsburg, Ohio

Ratio of Outstanding Debt By Type Last Ten Years

	2008	2009	2010	2011
Governmental Activities (1)				
General Obligation Bonds (1)	\$16,548,392	\$15,794,867	\$15,232,905	\$14,331,448
General Obligation Bonds (TIF supported) (1)	8,075,976	7,589,245	7,087,514	6,565,783
Ohio Public Works Commission Loan	3,440,153	3,292,005	3,024,515	2,551,264
State Infrastructure Bank Loan	213,762	185,884	157,163	127,574
Business-type Activities (1)				
General Obligation Bonds	\$2,899,875	\$2,970,195	\$2,550,553	\$1,904,970
Ohio Public Works Commission Loans	1,712,627	1,662,600	1,507,971	1,400,980
Total Primary Government	<u>\$32,890,785</u>	<u>\$31,494,796</u>	<u>\$29,560,621</u>	<u>\$26,882,019</u>
Population (2)				
City of Reynoldsburg	35,787	35,818	35,970	35,970
Outstanding Debt Per Capita	\$919	\$879	\$822	\$747
Income (3) (a)				
Personal (in thousands)	1,379,804	1,342,638	1,372,975	1,426,067
Percentage of Personal Income	2.38%	2.35%	2.15%	1.89%

Sources:

(1) City Auditor's Office

(2) US Bureau of Census, Population Division

(3) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Reynoldsburg, Ohio

2012	2013	2014	2015	2016	2017
\$13,799,426	\$12,570,499	\$11,618,068	\$10,732,814	\$9,842,514	\$8,770,000
6,175,483	5,682,302	5,205,072	4,712,842	4,230,000	3,660,000
2,327,771	2,113,284	1,662,375	1,366,079	2,374,514	2,073,405
97,091	65,686	33,332	0	0	0
\$2,692,900	\$2,092,424	\$1,612,700	\$1,165,900	\$804,800	\$2,960,500
1,290,755	1,177,200	1,060,211	939,686	815,520	687,600
<u>\$26,383,426</u>	<u>\$23,701,395</u>	<u>\$21,191,758</u>	<u>\$18,917,321</u>	<u>\$18,067,348</u>	<u>\$18,151,505</u>
36,293	36,347	36,526	36,711	37,158	37,847
\$727	\$652	\$580	\$515	\$486	\$480
1,546,953	1,581,313	1,649,441	1,723,545	1,789,158	1,822,333
1.71%	1.50%	1.28%	1.10%	1.01%	1.00%

City of Reynoldsburg, Ohio

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2008	2009	2010	2011
Population (1)	35,787	35,818	35,970	35,970
Income (2)				
Personal (in thousands)	\$1,379,804	\$1,342,638	\$1,372,975	\$1,426,067
General Bonded Debt				
General Obligation Bonds	\$27,524,243	\$26,354,307	\$24,870,972	\$22,802,201
Resources Available to Pay Principal (3)	\$442,600	\$604,314	\$304,634	\$354,691
Net General Bonded Debt	\$27,081,643	\$25,749,993	\$24,566,338	\$22,447,510
Ratio of Net Bonded Debt to Personal Income	1.96%	1.92%	1.79%	1.57%
Net Bonded Debt per Capita	\$756.75	\$718.91	\$682.97	\$624.06

Sources:

- (1) US Bureau of Census, Population Division
- (2) US Department of Commerce, Bureau of Economic Analysis
- (3) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

City of Reynoldsburg, Ohio

2012	2013	2014	2015	2016	2017
36,293	36,347	36,526	36,711	37,158	37,847
\$1,546,953	\$1,581,313	\$1,649,441	\$1,723,545	\$1,789,158	\$1,822,333
\$22,667,809	\$20,345,225	\$18,435,840	\$16,611,556	\$14,877,314	\$15,390,500
\$381,203	\$522,268	\$722,048	\$1,232,200	\$1,772,880	\$2,140,217
\$22,286,606	\$19,822,957	\$17,713,792	\$15,379,356	\$13,104,434	\$13,250,283
1.44%	1.25%	1.07%	0.89%	0.73%	0.73%
\$614.07	\$545.38	\$484.96	\$418.93	\$352.67	\$350.10



City of Reynoldsburg, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2017*

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to the City of Reynoldsburg (1)</u>	<u>Amount Applicable to the City of Reynoldsburg</u>
Direct:			
City of Reynoldsburg	\$14,503,405	100.00%	\$14,503,405
Overlapping:			
Reynoldsburg City School District	116,219,987	91.47%	106,306,422
Etna Township	2,000,000	41.36%	827,200
Franklin County	221,125,000	1.74%	3,847,575
Jefferson Township	502,000	10.08%	50,602
Licking County	26,246,065	4.70%	1,233,565
Licking Heights School District	94,405,558	9.41%	8,883,563
Licking Count Joint Vocational	16,865,000	1.22%	205,753
Eastland JVS	1,400,000	8.04%	112,560
Fairfield County	37,472,062	0.76%	284,788
Pickerington Local School District	108,715,476	2.09%	2,274,328
SWACO	49,545,000	2.38%	1,179,171
Violet Township	6,725,000	2.43%	163,418
		Subtotal	<u>125,368,945</u>
		Total	<u><u>\$139,872,350</u></u>

Source: Fairfield County Auditor, Franklin County Auditor, Licking County Auditor

(1) Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

City of Reynoldsburg, Ohio

Debt Limitations Last Ten Years

Tax Year	2008	2009	2010	2011
Total Debt				
Net Assessed Valuation	\$791,801,444	\$775,259,416	\$775,730,720	\$685,603,900
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	83,139,152	81,402,239	81,451,726	71,988,410
City Debt Outstanding (2)	16,548,392	15,794,867	15,232,905	14,331,448
Less: Applicable Debt Service Fund Amounts	(442,600)	(604,314)	(304,634)	(354,691)
Net Indebtedness Subject to Limitation	<u>16,105,792</u>	<u>15,190,553</u>	<u>14,928,271</u>	<u>13,976,757</u>
Overall Legal Debt Margin	<u>\$67,033,360</u>	<u>\$66,211,686</u>	<u>\$66,523,455</u>	<u>\$58,011,653</u>
Unvoted Debt				
Net Assessed Valuation	\$791,801,444	\$775,259,416	\$775,730,720	\$685,603,900
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	43,549,079	42,639,268	42,665,190	37,708,215
City Debt Outstanding (2)	16,548,392	15,794,867	15,232,905	14,331,448
Less: Applicable Debt Service Fund Amounts	(442,600)	(604,314)	(304,634)	(354,691)
Net Indebtedness Subject to Limitation	<u>16,105,792</u>	<u>15,190,553</u>	<u>14,928,271</u>	<u>13,976,757</u>
Overall Legal Debt Margin	<u>\$27,443,287</u>	<u>\$27,448,715</u>	<u>\$27,736,919</u>	<u>\$23,731,458</u>

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

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only, net of Deferred Charge on Refunding.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.
Taylor Square and Brice Main Tax Increment Equivalent Bonds are not considered in the computation of the Legal Debt Margin.

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2012	2013	2014	2015	2016	2017
\$687,943,990	\$697,629,000	\$662,673,500	\$658,015,460	\$661,787,775	\$739,996,660
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
72,234,119	73,251,045	69,580,718	69,091,623	69,487,716	77,699,649
13,063,447	11,891,364	10,995,779	10,167,370	9,286,309	8,275,929
(381,203)	(522,268)	(722,048)	(1,232,200)	(1,772,880)	(2,140,217)
12,682,244	11,369,096	10,273,731	8,935,170	7,513,429	6,135,712
<u>\$59,551,875</u>	<u>\$61,881,949</u>	<u>\$59,306,987</u>	<u>\$60,156,453</u>	<u>\$61,974,287</u>	<u>\$71,563,937</u>
\$687,943,990	\$697,629,000	\$662,673,500	\$658,015,460	\$661,787,775	\$739,996,660
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
37,836,919	38,369,595	36,447,043	36,190,850	36,398,328	40,699,816
13,063,447	11,891,364	10,995,779	10,167,370	9,286,309	8,275,929
(381,203)	(522,268)	(722,048)	(1,232,200)	(1,772,880)	(2,140,217)
12,682,244	11,369,096	10,273,731	8,935,170	7,513,429	6,135,712
<u>\$25,154,675</u>	<u>\$27,000,499</u>	<u>\$26,173,312</u>	<u>\$27,255,680</u>	<u>\$28,884,899</u>	<u>\$34,564,104</u>

City of Reynoldsburg, Ohio

*Pledged Revenue Coverage
Last Ten Years*

	2008	2009	2010	2011	2012
Special Assessment Bonds (1)					
Special Assessment Collections	\$7,991	\$0	\$237	\$62	\$0
Debt Service					
Principal	10,000	0	0	0	0
Interest	480	0	0	0	0
Coverage	0.76	0.00	0.00	0.00	0.00
Tax Increment Financing Bonds (2)					
Property Tax Collections	\$1,366,851	\$2,108,557	\$1,818,217	\$1,688,532	\$2,274,642
Debt Service					
Principal	485,000	522,878	538,721	559,589	555,483
Interest	361,147	349,114	328,882	306,963	283,632
Coverage	1.62	2.42	2.10	1.95	2.71

(1) In 1993 the City issued \$123,000 of Special Assessment Bonds, which were paid in full during 2008.

(2) In 1999 the City issued \$7,920,000 of Tax Increment Financing Bonds.

 In 2003 the City issued \$4,300,000 of Tax Increment Financing Bonds.

 In 2006 the City defeased \$4,755,000 of Tax Increment Financing Bonds through the issue of \$4,960,000 Bonds.

 In 2012 the City defeased \$885,000 of Tax Increment Financing Bonds through the issue of \$895,950 Bonds.

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2013	2014	2015	2016	2017
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0.00	0.00	0.00	0.00	0.00
\$2,279,801	\$1,535,533	\$2,257,142	\$2,307,527	\$2,213,318
480,000	475,000	490,000	588,800	570,000
237,763	219,692	198,418	142,376	89,295
3.18	2.21	3.28	3.16	3.36

City of Reynoldsburg, Ohio

Demographic and Economic Statistics Last Ten Years

Calendar Year	2008	2009	2010	2011	2012
Population (1)					
City of Reynoldsburg	35,787	35,818	35,970	35,970	36,293
Franklin County	1,109,535	1,117,702	1,163,414	1,163,414	1,195,537
Income (2) (a)					
Total Personal (in thousands)	1,379,804	1,342,638	1,372,975	1,426,067	1,546,953
Per Capita	38,556	37,485	38,170	39,646	42,624
Unemployment Rate (3)					
Federal	5.8%	9.3%	9.6%	8.9%	8.1%
State	6.6%	10.2%	10.1%	8.6%	7.2%
Franklin County	5.5%	8.3%	8.5%	7.4%	6.1%
Civilian Work Force Estimates (3)					
State	5,986,400	5,970,200	5,897,600	5,806,000	5,747,900
Franklin County	626,000	629,800	627,100	616,700	625,800
City of Reynoldsburg	19,100	19,000	19,000	19,100	19,400

Sources:

(1) US Bureau of Census, Population Division for 2008-2016

(2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2016 for presentation of 2017 statistics, the City is using the latest information available.

(a) Per Capita Income is only available by County, Total Personal Income is a calculation, 2017 is an estimate

(3) State Department of Labor Statistics

City of Reynoldsburg, Ohio

2013	2014	2015	2016	2017
36,347	36,526	36,711	37,158	37,847
1,212,263	1,231,393	1,231,393	1,251,722	1,264,518
1,581,313	1,649,441	1,723,545	1,789,158	1,822,333
43,506	45,158	46,949	48,150	48,150
7.4%	5.6%	5.0%	4.7%	4.4%
7.4%	4.7%	4.8%	5.0%	5.0%
6.2%	3.6%	3.9%	3.9%	4.0%
5,766,000	5,719,000	5,700,000	5,713,000	5,780,000
639,300	646,000	654,100	663,600	680,600
19,600	20,300	20,300	20,500	21,000



City of Reynoldsburg, Ohio

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2017		
		Number of Employees	Rank	Percentage of Total Employment
Mast Logistics Services Inc.	Distribution	3,588	1	17.56%
Reynoldsburg City Schools	Public Education	1,014	2	4.96%
State of Ohio	Government	681	3	3.33%
Walmart Associates	Retail	550	4	2.69%
Kroger	Retail	350	5	1.71%
Victoria's Secret Stores Brand Mgmt	Management	326	6	1.60%
L Brands Service Co LLC	Management/Support	301	7	1.47%
Target	Retail	272	8	1.33%
Home Depot USA	Retail	265	9	1.30%
Bath and Body Works Brand Mgmt	Management	255	10	1.25%
Total		<u>7,602</u>		
Total Employment within the City		<u>20,428</u>		

Employer	Nature of Business	2008		
		Number of Employees	Rank	Percentage of Total Employment
Limited Logistics Services	Retail Sales	3,183	1	17.23%
Reynoldsburg City Schools	Public Education	850	2	4.60%
Victoria's Secret Stores	Retail Sales	552	3	2.99%
Walmart	Retail Sales	470	4	2.54%
State of Ohio	Government	425	5	2.30%
Bath & Body Works	Retail Sales	418	6	2.26%
Limited Service Corporation	Retail Sales	309	7	1.67%
Dynalab Inc.	Manufacturing	245	8	1.33%
Lowe's	Retail Sales	190	9	1.03%
Kroger Company	Retail Grocery	180	10	0.97%
Total		<u>6,822</u>		<u>36.93%</u>
Total Employment within the City		<u>18,473</u>		

Source: City Income Tax Department

City of Reynoldsburg, Ohio

Full Time Equivalent Employees by Function Last Ten Years

	2008	2009	2010	2011	2012
Governmental Activities					
General Government					
Finance	5.00	5.00	4.00	4.50	4.50
City Council	6.50	6.50	6.00	5.50	5.50
Computer Systems	2.00	1.00	0.00	1.00	2.00
Development	3.00	3.00	3.00	2.00	1.00
Civil Service	0.50	0.50	0.50	0.50	0.00
Human Resources	1.00	1.00	1.00	0.50	0.50
Clerk of Courts	2.50	3.00	3.00	3.00	3.00
City Attorney	4.50	4.50	4.50	5.00	5.00
Mayor	1.50	1.50	1.50	1.50	1.50
Vehicle Maintenance	2.00	2.00	2.00	2.00	2.00
Engineer	1.00	1.00	1.00	1.00	1.00
Security of Persons and Property					
Police	70.00	68.00	69.00	69.00	69.00
Transportation					
Street	8.00	8.00	8.00	8.00	8.00
Leisure Time Activities					
Parks and Recreation	11.00	10.00	10.00	10.00	10.00
Senior Citizen Center	2.00	2.00	2.00	2.00	2.00
Community Environment					
Building	6.00	5.00	4.00	2.00	4.00
Service	8.00	8.00	8.00	7.00	7.00
Business-Type Activities					
Utilities					
Water	6.50	6.50	6.50	6.50	6.50
Sewer	4.50	4.50	4.50	4.50	4.50
Storm Water	3.00	3.00	3.00	3.00	3.00
<i>Total Employees</i>	<u>148.50</u>	<u>144.00</u>	<u>141.50</u>	<u>138.50</u>	<u>140.00</u>

Method: 1.00 for each full-time, 0.50 for each part-time and seasonal employees are calculated based on hours paid.

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2013	2014	2015	2016	2017
4.50	4.50	4.50	4.50	4.50
5.00	5.50	5.50	5.50	5.50
2.00	2.00	2.00	1.00	1.00
2.00	1.00	2.50	2.50	2.50
1.00	1.00	1.00	1.00	1.00
0.50	0.50	0.50	1.00	1.00
2.50	3.00	3.50	3.50	3.50
5.00	4.50	5.00	5.00	5.00
1.50	1.50	1.50	1.00	1.00
2.00	2.00	2.00	2.00	2.00
0.00	0.00	0.00	0.00	0.00
72.00	72.00	71.00	68.00	71.50
8.00	8.00	8.00	8.00	8.00
10.00	10.00	10.00	10.00	10.00
2.00	2.50	2.50	2.50	2.50
4.00	3.00	5.00	5.00	5.00
7.00	7.00	7.00	7.00	7.00
6.50	5.50	5.50	5.50	5.50
4.50	5.50	5.50	5.50	5.50
3.00	3.00	3.00	3.00	3.00
<u>143.00</u>	<u>142.00</u>	<u>145.50</u>	<u>141.50</u>	<u>145.00</u>

City of Reynoldsburg, Ohio

Operating Indicators by Function Last Ten Years

	2008	2009	2010	2011	2012
Governmental Activities					
General Government					
Court					
Number of Traffic Cases	5,303	4,898	3,960	4,001	3,169
Number of Criminal Cases	841	667	619	636	606
Number of Parking Cases	538	486	378	592	466
Licenses and Permits					
Number of Building Permits	300	450	434	426	436
Number of Other Permits	810	608	559	901	552
Number of Licenses	501	444	482	433	625
Number of Inspections	4,413	5,874	4,430	2,098	1,525
Security of Persons and Property					
Police					
Number of Offense Reports	3,951	3,879	3,809	3,845	4,225
Number of Traffic Accident Reports	800	830	850	791	1,276
Alarm Calls	1,467	1,814	1,814	2,088	2,039
Prisoners through our jails	940	751	707	1,022	773
Speeding citations	3,197	2,403	2,033	2,125	1,511
OMVI arrests	366	361	335	453	298
Narcotic and Weapon Warrants	23	24	23	24	22
Transportation					
Street					
Number of times streets needed snow removed	28	20	29	20	18
Tons of salt used	1,879	1,359	2,264	1,973	1,118
Number of locations marked for OUPS	4,080	1,859	2,168	2,524	2,498
Number of new signs installed	95	123	257	450	258
Number of repairs to city owned street lights	819	828	1,037	890	882
Number of hours mowing grass	335	555	528	685	493
Leisure Time Activities					
Recreation/Seniors					
Number of Program Participants	3,775	3,668	2,839	2,496	2,029
Community Environment					
Number of Plot Grade Utility reviews	14	6	3	7	5
Number of Project Inspections	16	2	5	7	5
Number of Capital Improvement Projects	5	4	7	3	3

City of Reynoldsburg, Ohio

2013	2014	2015	2016	2017
5,607	4,401	2,756	2,459	3,143
646	797	571	657	602
343	277	250	256	327
611	519	542	434	460
681	753	895	671	677
597	475	595	676	511
2,229	2,323	2,852	2,062	2,033
4,114	4,178	4,234	4,457	4,042
798	737	774	890	940
2,149	2,238	2,301	2,315	2,080
461	478	321	514	379
2,919	3,572	2,931	2,898	3,363
191	218	172	265	232
16	12	24	10	15
27	22	19	19	14
2,676	3,086	1,668	1,597	822
4,043	5,148	1,361	1,147	931
123	229	145	104	119
528	448	861	710	679
640	525	541	447	558
2,899	3,517	3,633	3,277	3,396
10	4	5	9	9
5	3	2	6	2
4	3	4	3	5

(Continued)

City of Reynoldsburg, Ohio

Operating Indicators by Function Last Ten Years

	2008	2009	2010	2011	2012
Business-Type Activities					
Water / Sewer					
Number of Water accounts	10,995	10,976	10,968	10,968	10,968
Number of Sewer accounts	10,888	10,873	10,859	10,859	10,859
Water Main Breaks	37	51	42	28	60
Daily Average Consumption (1,000 of gallons)	3,219	3,246	3,509	3,468	3,430
Number of work orders	3,426	3,103	2,895	3,029	2,607
Number of fire hydrants painted	600	600	600	600	600
Storm Water Drainage					
Number of work orders	747	833	672	747	728
Solid Waste					
Number of Customers Served	9,902	9,835	9,824	9,824	9,868

Source: Mayor's Annual Reports

City of Reynoldsburg, Ohio

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
10,817	10,961	11,476	11,322	11,226
10,704	10,853	11,338	10,965	10,965
40	35	22	24	36
3,430	3,252	3,068	2,791	2,868
2,671	3,252	3,022	1,079	2,834
600	200	200	200	200
807	997	761	743	4,301
9,800	10,198	10,247	10,203	10,203

City of Reynoldsburg, Ohio

Capital Asset Statistics by Function Last Ten Years

	2008	2009	2010	2011	2012
Governmental Activities					
General Government					
Public Buildings	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Patrol Cruisers	16	16	16	16	16
Transportation					
Street					
Streets (linear miles)	112	112	112	112	112
Street Lights	2,009	2,030	2,048	2,056	2,082
Leisure Time Activities					
Recreation/Seniors					
Land (acres)	285	285	285	285	285
Buildings	1	1	1	1	1
Parks	6	6	6	6	6
Business-Type Activities					
Utilities					
Water					
Waterlines (Miles)	142	143	144	144	145
Number of Hydrants	1,629	1,658	1,659	1,668	1,668
Average Daily Consumption	3,218,700	3,246,000	3,509,500	3,468,000	3,430,180
Sewer					
Sewerlines (Miles)	141	143	143	143	144
Manholes	3,513	3,556	3,556	3,583	3,583
Storm Water Drainage					
Storm Drains (Miles)	112	114	115	115	115

Source: City Auditor's Office

City of Reynoldsburg, Ohio

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
1	1	1	1	1
2	2	2	2	3
19	17	17	20	20
112	112	112	112	112
2,090	2,090	2,090	2,144	2,144
285	285	285	298	298
1	1	1	1	1
6	6	6	6	6
145	145	145	145	145
1,668	1,668	1,668	1,682	1,682
3,430,180	3,252,012	3,068,316	2,791,468	2,867,739
144	144	144	144	144
3,583	3,583	3,583	3,583	3,583
115	115	115	115	115





Dave Yost • Auditor of State

CITY OF REYNOLDSBURG

FRANKLIN 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
JULY 24, 2018**