

Wood County, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2019

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Honorable Mayor and City Council
City of Rossford
133 Osborne Street
Rossford, Ohio 43460

We have reviewed the *Independent Auditor's Report* of the City of Rossford, Wood County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2019 through December 31, 2019. 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 Rossford is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

September 25, 2020

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2019

Issued by:
Department of Finance
Karen M. Freeman
Director

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TABLE OF CONTENTS

CITY OF ROSSFORD
WOOD COUNTY, OHIO

I INTRODUCTORY SECTION

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

II FINANCIAL SECTION

A Independent Auditor’s Report..... 1
B Management’s Discussion and Analysis..... 3
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Position 14
 Statement of Activities 16
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet 18
 Reconciliation of Total Governmental Fund Balances to Net Position of
 Governmental Activities 21
 Statement of Revenues, Expenditures and Changes in Fund Balances 22
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances to the Statement of Activities 24
 Statement of Revenues, Expenditures and Changes in Fund Balance
 (Budget and Actual):
 General Fund 27
 Proprietary Funds:
 Statement of Net Position 28
 Statement of Revenues, Expenses and Changes in Fund Net Position 30
 Statement of Cash Flows 31
 Fiduciary Funds:
 Statement of Net Position 32
Notes to the Basic Financial Statements..... 33

D Required Supplementary Information:

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

E Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	105
Combining Balance Sheet – Nonmajor Special Revenue Funds	106
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	109
Combining Balance Sheet – Nonmajor Capital Projects Funds	112
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	114
Individual Schedules of Revenues, Expenditures and Changes in Fund Balance (Budget and Actual):	

Major Governmental Funds:

<i>General Fund</i>	116
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Capital Projects Funds:

Tax Increment Equalization Fund	120
Capital Improvement Fund	121

Nonmajor Governmental Funds:

Special Revenue Funds:

State Highway Fund	122
Street Construction, Maintenance and Repair Fund	123
Drug Fine Fund	124
Enforcement and Education Fund	125
Law Enforcement Trust Fund	126
Accrued Compensation Fund	127
Recreation Fund	128
Rossford Community Arts Commission Fund	129
Block Grant Fund	130

Nonmajor Governmental Funds (Continued):	
<i>Special Revenue Funds (Continued):</i>	
Street Lighting Assessment Fund.....	131
Visitors and Conventions Fund	132
Rossford Permissive Tax Fund.....	133
<i>Debt Service Fund:</i>	
General Obligation Debt Service Fund	134
<i>Capital Projects Funds:</i>	
Landfill Closure Fund	135
Fire Capital Improvement Fund	136
Permanent Recreation Improvement Fund.....	137
TID Road Acquisition Fund	138
TIEF Urban Redevelopment Fund	139
TIF Crossroads 2 Fund	140
Fiduciary Funds – Agency Fund:	
Combining Statement of Changes in Net Position	142

III STATISTICAL SECTION

Net Position by Component - Last Ten Years.....	S 2
Changes in Net Positon - Last Ten Years.....	S 4
Fund Balances, Governmental Funds - Last Ten Years	S 8
Changes in Fund Balances, Governmental Funds - Last Ten Years	S 10
Income Tax Revenues by Source, Governmental Funds - Last Ten Years	S 14
Income Tax Collections - Current Year and Nine Years Ago	S 17
Ratio of Outstanding Debt By Type - Last Ten Years	S 18
Ratios of General Bonded Debt Outstanding - Last Ten Years	S 20
Computation of Direct and Overlapping Debt Attributable to	
Governmental Activities - Current Year	S 23
Debt Limitations - Last Ten Years	S 24
Demographic and Economic Statistics - Last Ten Years	S 26
Principal Employers - Current Year and Nine Years Ago	S 29
Full Time Equivalent Employees by Function - Last Ten Years	S 30
Operating Indicators by Function - Last Ten Years	S 32
Capital Asset Statistics by Function - Last Ten Years	S 34



INTRODUCTORY SECTION





City of Rossford, Ohio

133 Osborn Street

Rossford, Ohio 43460-1236

Phone (419) 666-0210

Fax (419) 661-4279

August 17, 2020

Introduction

To the Honorable Mayor, the City Council and the Citizens of the City of Rossford, Ohio:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Rossford for the year ended December 31, 2019. All municipalities within the State of Ohio are required to submit financial statements, prepared in accordance with accounting principles generally accepted in the United States of America, annually to the Auditor of State of Ohio and to have those financial statements audited. This CAFR is prepared and audited to meet this requirement as well as provide the additional information required by the certificate program.

Management, especially the Department of Finance, assumes full responsibility for the completeness and reliability of the information contained within this report, based upon a comprehensive framework of internal controls that has been established over financial reporting. Because the cost of the internal control structure implemented should not exceed the anticipated benefits of such controls, the objective within the framework is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Auditor of State of Ohio is the official independent auditor of the City by statute. However, as permitted, the Auditor's Office has determined to contract the annual audit to a certified public accounting firm. In conjunction with the Auditor's Office, the City selected Plattenburg and Associates, Certified Public Accountants, to perform the independent audit of the 2019 financial statements. The unmodified ("clean") opinion issued by Plattenburg on the City's financial statements for the year ended December 31, 2019 is located at the front of the financial section of this report.

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

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

PROFILE OF THE CITY OF ROSSFORD

Rossford was first settled in 1898 by Edward Ford, founder of the Edward Ford Plate Glass Company, who constructed his plant across the Maumee River from Toledo. The Edward Ford Plate Glass Company, now Pilkington North America, attracted workers to the area who established a community around the facility. Rossford was incorporated as a village in 1940 and became a city in 1971. The City with an estimated population of 6,499 for 2016, is an ethnic community with a population mix consisting primarily of middle-eastern European nationalities (e.g. Polish, Czechoslovakian, German and Ukrainian). Most of the early residents were employed at the glass plant and today, several generations later many descendants of the original settlers continue to work in the area for automotive manufacturers and suppliers.

The City is located on the banks of the Maumee River. Rossford abuts the southeast boundary of the City of Toledo and is in northern Wood County. North-south interstate highway I-75 and east-west interstate I-80/90, the longest interstate highway in the U.S., intersect inside the City limits. Interstate highway I-75 has three interchanges within the City, and I-80/90 (the Ohio Turnpike) is in an area known as the "Crossroads of America", which was annexed to Rossford in 1994. The City is also served by state highways 65 and 795. CSX rail lines are located within the City and the Toledo Area Regional Transit Authority provides local bus service. Toledo Express Airport, 15 miles west, Detroit Metro Airport, 60 miles north, and Toledo Executive Airport (formerly Metcalf Field) 5 miles east, all provide air transportation. Toledo Express Airport provides ready access to international air cargo services.

The City operates under the council-mayor form of government. Policy-making and legislative authority are vested in the seven-member City Council, all of whom are elected at large for rotating terms of four years, or until their successors are chosen and qualified. The Mayor is also elected to four year terms and serves as the chief executive officer of the City. To assist in the day-to-day administration of the City, the Mayor appoints a City Administrator as well as the heads of the various departments, in consultation with City Council.

The City Council is required to adopt the annual appropriation measure around the beginning of each year. The appropriation measure serves as the foundation of the City financial planning process by allocating available resources to the functions/activities based on the priorities of City Council. The measure is prepared for each fund at the major object level (personal services, contract services, materials and supplies, capital outlay and transfers). Any appropriation adjustments within these classifications for each fund may be made by management; however, any adjustments that modify appropriations of funds or major object levels within the funds must be approved by Council.

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

Local Economy

In the 1990's the City of Rossford initiated a planned growth program to diversify the City's economic financial base. This program resulted in the annexation of 1,097 acres of primarily farmland located at the intersection of I-80/90 and I-75. Locally, the area is referred to as the "Crossroads of America" or "Crossroads." The City, with regional partners constructed roadways, water lines, sanitary sewers, and storm-water infrastructure improvements to induce private commercial and industrial development. Development has been proceeding at a steady pace with the construction of the Crossroads Center, a multi store retail center, Meijer's, Bass Pro Shops, Meridian Retail Shops and other private investment, which have turned SR 20 into a regional retail/commercial corridor. In 2019, Duke Realty and Development purchased 100 acres and began construction on an Amazon fulfillment facility that will employ between 1,000 and 2,000 people and be fully operational in early 2021. Today, the income tax collected by the City of Rossford from the Crossroads area represents approximately 15% of the City's total income tax collections.

The City is aggressively seeking new development by cooperating with private developers to secure investment in the City and through participation in the Wood County Economic Development Commission and with the Wood County Port Authority. Two Community Entertainment Districts' comprising 203 acres have been created by the City of Rossford under authority of Ohio Revised Code 4301.80. The intended development purposes called out in ORC 4301.80 directly identifies hotels, restaurants, retail sales establishments, enclosed shopping centers, motion picture theaters, convention facilities, sports facilities, educational facilities, and entertainment complexes, all of which are distinct and potential uses for the property and are provided for under the City of Rossford's zoning code.

In 2012, Hollywood Casino, one of four casinos permitted in the State of Ohio, opened in the City of Toledo. The site picked by Penn National for the Toledo casino is immediately adjacent to the City of Rossford on State Route 65. The State of Ohio, Department of Transportation is in the planning stages of replacing the I-75 bridge over the Maumee River adjacent to the Casino. Associated with this bridge replacement project construction of a new access road near the interchange began in 2017. This road will provide access to approximately 50 acres of now undeveloped land in the City. The private sector has shown an interest in this area, looking to expand the entertainment potential of the Hollywood Casino.

The City collects a 6% hotel/motel tax of which one quarter of the collections is committed to support the Rossford Visitors & Convention Bureau (RVCB) and its outreach activities. Revenues from the hotel/motel tax continue to improve year to year. With increased marketing the City expects to see continued growth in these revenues, due to activities attracting overnight guests and additional beds added in 2017. The RVCB opened an office within the City with part-time staff. They continue to look at new ventures to promote the city.

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

Relevant Financial Policies

The City has instituted financial controls with the primary objective of reducing the potential for fraud or misappropriation, but also with the objective of improving accuracy, collections, and financial reporting. In 2007, the City of Rossford began working with a payroll service to improve the handling of payroll matters and in July 2009, the City joined the Regional Income Tax Agency (R.I.T.A) council of governments, which has allowed the City to expand its income tax tracking, billing and collection efforts while reducing the cost of the tax administration function. Additionally, all tax payments are sent directly to R.I.T.A., and any adjustments to balances due must be jointly approved by the City and R.I.T.A. staff. These moves improved reporting while reducing required staffing and costs and strengthened separation of duties. In 2013, the City installed new finance software, with greater security features, that allow the City to "lock in" separations of duty.

Long-Term Financial Planning

The City produces a 5-year forecast of revenues and expenses which serves as the basis for long-term financial planning. The City refinanced its 2001 and 2002 bond series along with several bond anticipation notes in 2012. This significantly lowered the amount of general obligation debt carried by the City. In the future, it is the City's intention to issue only long-term debt instruments where there is an offsetting revenue stream from a special assessment, levy or service fees.

A significant factor for long-term financial planning was the cost of improving and maintaining the infrastructure of the sanitary sewer and water systems. In 2010, the City signed an agreement to join the Northwestern Water and Sewer District beginning in 2011. The District owns the water and sewer infrastructure within the City and provides for the continuation, development, and support of sanitary-sewer and water systems. In 2012, Northwestern Water and Sewer District assumed all the debt associated with sanitary sewer and water system infrastructure. In 2014, the District completed an update the sanitary sewer system that eliminated sanitary overflows and completed water distribution improvements.

In 2018, the City completed the offer of 10-year TIF Revenue Bond to support the development of additional roads and infrastructure in the area known as the Crossroads to allow for additional industrial development. As of the date of this letter one (1) new distribution facility was constructed and open for operation in 2019 a 80,000 square foot warehouse/distribution facility was started and is anticipated to begin operation in 2020.

In 2019 the City offered a BAN to finance the reconstruction of a 100-year-old historic subdivision roadway and storm sewer system. Contracts were awarded and work is expected to be completed by the summer of 2020. The City is planning on issuing a \$1.5 million-dollar BAN in the Spring of 2020 to provide the local match to federal funds for the construction of a roundabout at SR 65/Lime City Rd., the initial stage of a hike/bike path from Island View Park south along Lime City Rd. and the reconstruction of a residential street (Vineyard Rd.).

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

Major Initiatives

In 2014, the City completed an evaluation of the roadway system rating the pavement condition on all roadways within the City. Using this data, Council's Public Works Committee laid out a five-year road improvement schedule which also includes federal aid projects that have been awarded to the City. This plan resulted in the reconstruction of SR 65 through Rossford, the reconstruction of the streets and storm sewers in the historic "Colony" subdivision, the construction of a roundabout at SR 65/Lime City Rd./Colony Rd. with a bike path from Island View Park south on Lime City Rd. In 2020 two (2) roadway reconstruction projects along Colony Rd and Vineyard will be completed financed partially with assessments on adjacent properties. The roadway assessment plan is scheduled to be updated during 2020.

During 2017, the City of Rossford joined the Wood County Storm Water Management program coordinated by the office of the Wood County Engineer, improving the City's storm water management practices. In 2019, the City began collection of fees under the Storm Water Utility instituted in 2018. These fees will assist in the City's efforts to improve the aging storm water system.

The City of Rossford, the first city in Wood County to become part of the Treasurer of the State of Ohio's Open Checkbook initiative, continued its participation and has 5 years of expense data on the State website increasing the financial transparency of city operations.

Two new "rolling" TIF districts were created in 2017. One comprised of 74 acres across from the Hollywood Casino along SR 65 at the northeast corner of the City. The second was created by carving out undeveloped parcels in the "Crossroads" that were part of the TIF district created in 2000. These undeveloped parcels (514 acres) became part of a new rolling TIF that will extend the time horizon for collection of payments in lieu of taxes over the time it takes to fully develop the properties.

The City in partnership with the Wood County Port Authority, the Wood County Transportation Improvement District (formerly the Rossford Transportation Improvement District) is seeking federal and state funding to finance the construction of roadways in the Crossroads area of the City. It is anticipated that Deimling Road., Lime City Road. will see major improvements providing access to the 514 undeveloped acres in the area to further economic development within the City.

The City in 2018 began to update the Land-use/Master Plan. The City engaged the services of the O'Brien Group a nationally recognized planning group to review the City's strengths and recommend a path forward for growth and development. The work on the Master Plan was temporarily delayed in 2019 pending a decision by a major distribution facility (Amazon). That distribution facility began construction in 2019 and the work resumed on the Master Plan with completion expected in the summer of 2020.

Awards and Acknowledgements

The publication of this report represents an important achievement in the ability of the City of Rossford to provide significantly enhanced financial information and accountability to the citizens, its elected officials, city administration, and investors. In addition to the citizens of Rossford, the recipients of this report will 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 continued efforts of the city to improve its overall financial accounting, management and reporting capabilities.

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

The City received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting in 2018. We believe our 2019 CAFR meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

Special acknowledgment is extended to the staff of Donald J. Schonhardt and Associates for their continued guidance in the preparation of this, to Edward J. Ciecka, Interim City Administrator from June 2018 - March 2020 and to Karen M. Freeman, Finance Director from October 2006 - February 2020. Finally, special thanks to Mayor Neil MacKinnon, III and the members of the Rossford City Council for their vision and commitment to sound municipal management and to the City Directors and their staff whose support is necessary for the City of Rossford to conform to reporting requirements established for municipal governments.

Respectfully,

The image shows two handwritten signatures in black ink. The signature on the left is for Edward J. Ciecka, and the signature on the right is for Karen M. Freeman. Both signatures are written in a cursive, flowing style.

Edward J. Ciecka
Interim City Administrator

Karen M. Freeman
Finance Director

CITY OF ROSSFORD, OHIO

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

Elected Official

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>	<u>Years In Office</u>	<u>Surety</u>
Neil A. MacKinnon, III	Mayor	11/30/2023	8	A
Larry Oberdorf, Sr.	Council President	11/30/2023	15	A
Gerald Staczek	Council Member	11/30/2021	9	A
Robert Ruse	Council Member	11/30/2023	9	A
Caroline Zuchowski-Eckel	Council Member	11/30/2021	15	A
Gregory Marquette	Council Member	11/30/2023	20	A
Christopher Heban	Council Member	11/30/2021	1	A
Robert Densic	Council Member	11/30/2021	1	A

Administrative Personnel

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>	<u>Years Of Service</u>	<u>Surety</u>
Vacant	City Administrator	Indefinite	N/A	A
Karen Freeman	Director of Finance	Indefinite	13	A
Tyler Kolb	Superintendent of Public Works	Indefinite	6	A
Tobiah Ledesma	Director of Recreation	Indefinite	5	A
Todd Kitzler	Police Chief	Indefinite	2	A
Joshua Drouard	Fire Chief	Indefinite	6	A
Kevin Heban	Director of Law	Indefinite	13	A
Robert Watrol	Clerk of Council	11/30/2020	11	A

(A) Public Officials \$5 Million Per Occurrence, \$6 Million Aggregate General Liability.

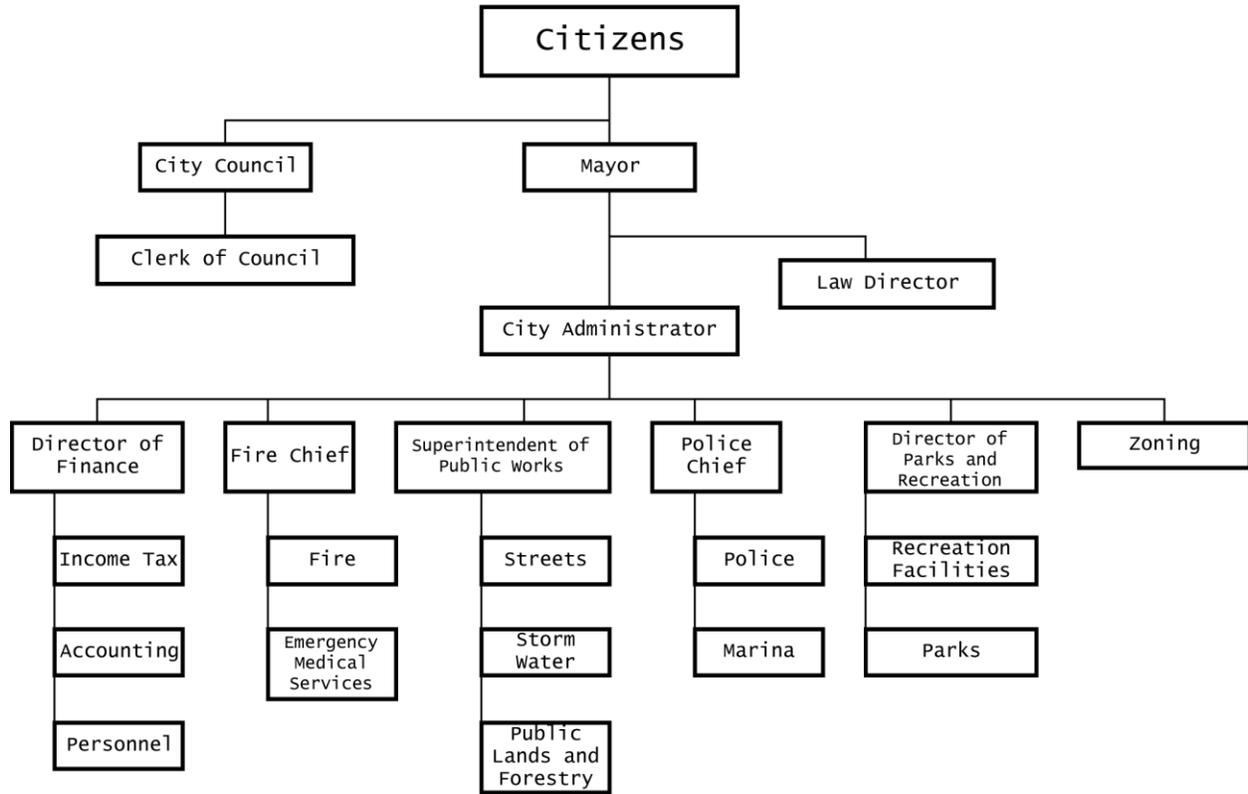
Insurance Term: August 31, 2019 Through August 31, 2020

City Offices:

133 Osborn Street
Rossford, Ohio 43460-1236
Phone (419) 666-0210
FAX (419) 661-4279
<http://rossfordohio.com>

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

City of Rossford



Boards and Commissions

Civil Service Commission
Design Review Commission
Municipal Planning Commission
Records Retention Commission
Street Tree Commission

Board of Tax Review
Board of Zoning Appeals
Recreation Board

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



Government Finance Officers Association

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

Presented to

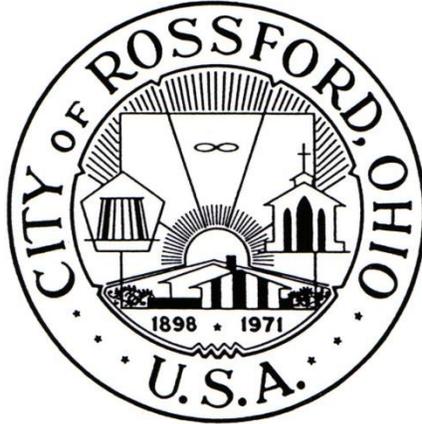
**City of Rossford
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

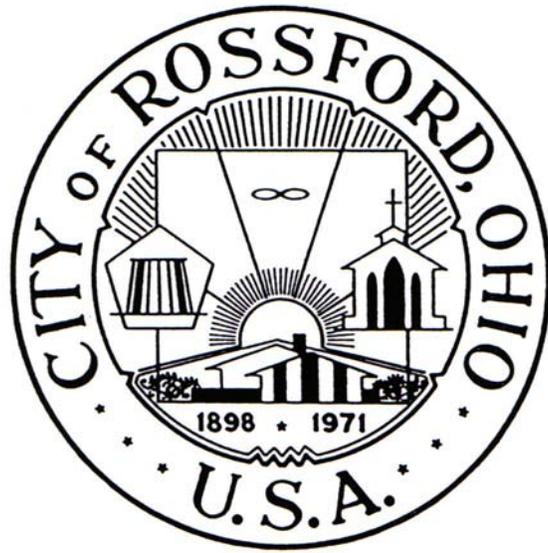
December 31, 2018

Christopher P. Morrill

Executive Director/CEO



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Rossford

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 Rossford (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 21 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of pension information and other postemployment information to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 17, 2020, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
August 17, 2020

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

Unaudited

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

FINANCIAL HIGHLIGHTS

Key financial highlights for 2019 are as follows:

- ❑ In total, net position increased \$4,668,736. Net position of governmental activities increased \$4,473,884 from 2018. Net position of business-type activities increased \$194,852 from 2018.
- ❑ General revenues accounted for \$7.8 million in revenue or 74% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for 26% of total revenues of \$10.6 million.
- ❑ The City had \$5.7 million in expenses related to governmental activities; \$2.3 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$7.8 million were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$7.1 million in revenues and \$4.7 million in expenditures. The general fund's fund balance increased \$203,091 to \$7,423,679.
- ❑ Net position for enterprise funds increased by \$194,852.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

These statements are as follows:

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

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Government-wide Statements

The government-wide statements report information about the City as a whole using accepted methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government'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, deferred outflows of resources, liabilities and deferred inflows of resources) are 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 nonfinancial factors such as property tax base, current property tax laws, conditions of the City's streets and general infrastructure and status of growth within the City.

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

- *Governmental Activities* – Most of the City's programs and services are reported here including security of persons and property, 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 electric, water, sewer and sanitation services are reported as business-type activities.

Fund Financial Statements

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

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

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

Unaudited

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

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement 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 the separate Statement of Fiduciary Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following tables provide a comparison of the City’s net position between 2019 and 2018:

	Governmental Activities		Business-type Activities		Total	
	2019	Restated 2018	2019	Restated 2018	2019	Restated 2018
Current and other assets	\$22,284,343	\$21,658,886	\$1,364,238	\$238,593	\$23,648,581	\$21,897,479
Capital assets, Net	13,093,620	11,129,047	1,076,376	656,104	14,169,996	11,785,151
Total assets	<u>35,377,963</u>	<u>32,787,933</u>	<u>2,440,614</u>	<u>894,697</u>	<u>37,818,577</u>	<u>33,682,630</u>
Deferred outflows of resources	1,789,583	1,074,577	28,093	16,146	1,817,676	1,090,723
Net pension liability	5,146,687	3,554,317	82,428	48,853	5,229,115	3,603,170
Net OPEB liability	1,232,825	2,960,390	36,689	31,707	1,269,514	2,992,097
Other long-term liabilities	3,760,464	6,032,084	152,544	241,480	3,913,008	6,273,564
Other liabilities	1,986,072	863,176	1,513,627	89,568	3,499,699	952,744
Total liabilities	<u>12,126,048</u>	<u>13,409,967</u>	<u>1,785,288</u>	<u>411,608</u>	<u>13,911,336</u>	<u>13,821,575</u>
Deferred inflows of resources	2,576,292	2,461,221	3,144	13,812	2,579,436	2,475,033
Net position (deficit):						
Net investment in capital assets	8,813,370	6,942,429	590,415	414,624	9,403,785	7,357,053
Restricted	9,820,697	9,801,488	0	0	9,820,697	9,801,488
Unrestricted	3,831,139	1,247,405	89,860	70,799	3,920,999	1,318,204
Total net position	<u>\$22,465,206</u>	<u>\$17,991,322</u>	<u>\$680,275</u>	<u>\$485,423</u>	<u>\$23,145,481</u>	<u>\$18,476,745</u>

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

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

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

Unaudited

GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

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

CITY OF ROSSFORD, OHIO

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

Unaudited

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

	Governmental		Business-type		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charges for Services and Sales	\$911,556	\$714,686	\$451,848	\$95,321	\$1,363,404	\$810,007
Operating Grants and Contributions	455,841	304,438	0	0	455,841	304,438
Capital Grants and Contributions	915,915	1,388,157	18,876	1,457	934,791	1,389,614
General revenues:						
Property and Other Local Taxes	1,466,855	1,267,629	0	0	1,466,855	1,267,629
Income Taxes	4,780,412	4,394,945	0	0	4,780,412	4,394,945
Payments in Lieu of Taxes	914,968	919,053	0	0	914,968	919,053
Grants and Entitlements not Restricted to Specific Programs	487,958	304,844	0	0	487,958	304,844
Investment Earnings	151,179	98,074	0	0	151,179	98,074
Miscellaneous	18,656	19,660	0	0	18,656	19,660
Total revenues	10,103,340	9,411,486	470,724	96,778	10,574,064	9,508,264
Program Expenses						
Security of Persons and Property	1,588,643	3,422,950	0	0	1,588,643	3,422,950
Leisure Time Activities	622,002	512,826	0	0	622,002	512,826
Community Environment	0	0	0	0	0	0
Basic Utility Services	326,781	361,390	0	0	326,781	361,390
Transportation	1,417,684	556,428	0	0	1,417,684	556,428
General Government	1,617,983	1,602,142	0	0	1,617,983	1,602,142
Interest and Fiscal Charges	109,363	213,860	0	0	109,363	213,860
Storm Water	0	0	46,340	107,532	46,340	107,532
Marina	0	0	176,532	136,689	176,532	136,689
Total expenses	5,682,456	6,669,596	222,872	244,221	5,905,328	6,913,817
Excess (deficiency) before Transfers	4,420,884	2,741,890	247,852	(147,443)	4,668,736	2,594,447
Transfers In (Out)	53,000	(172,950)	(53,000)	172,950	0	0
Total Change in Net Position	4,473,884	2,568,940	194,852	25,507	4,668,736	2,594,447
Beginning Net Position, Restated	17,991,322	15,422,382	485,423	459,916	18,476,745	15,882,298
Ending Net Position	\$22,465,206	\$17,991,322	\$680,275	\$485,423	\$23,145,481	\$18,476,745

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

Unaudited

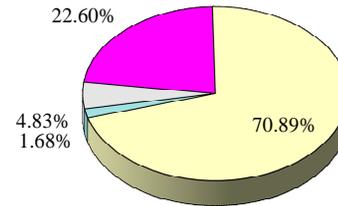
Governmental Activities

Net position of the City's governmental activities increased by \$4,473,884. Much of this increase can be attributed to the decrease in the Police and Fire Net OPEB liability from 2018 to 2019 and the decrease in security of persons and property expenditures related to this. There was also a large amount of capital expenditures that were additions to capital assets in the form construction in progress that contributed to the increase in net position during 2019. Overall, revenues increased slightly compared to 2018.

The City also receives an income tax, which is based on 2.25% of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and individuals are required to file a declaration annually. The City allows a 100% credit for income taxes paid to another municipality.

Property taxes and income taxes made up 8% and 47% respectively of revenues for governmental activities for the City in fiscal year 2019. The City's reliance upon tax revenues is demonstrated by the following graph indicating 70.89% of total revenues from general tax revenues:

Revenue Sources	2019	Percent of Total
General Shared Revenues	\$487,958	4.83%
Program Revenues	2,283,312	22.60%
General Tax Revenues	7,162,235	70.89%
General Other	169,835	1.68%
Total Revenue	<u>\$10,103,340</u>	<u>100.00%</u>



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

Unaudited

Business-Type Activities

Net position of the business-type activities increased by \$194,852 during 2019. This was due to significant storm water improvements made within the City, and the City initiating a monthly storm water fee for residential, commercial, and industrial properties.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$16,343,054, which is an increase from last year's balance of \$15,279,148. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2019 and 2018:

	<u>Fund Balance</u> <u>December 31, 2019</u>	<u>Fund Balance</u> <u>December 31, 2018</u>	<u>Increase</u> <u>(Decrease)</u>
General	\$7,423,679	\$7,220,588	\$203,091
Tax Increment Equalization	6,864,517	6,259,093	605,424
Capital Improvement	470,326	(629,020)	1,099,346
Other Governmental	1,584,532	2,428,487	(843,955)
Total	<u>\$16,343,054</u>	<u>\$15,279,148</u>	<u>\$1,063,906</u>

CITY OF ROSSFORD, OHIO

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

Unaudited

General Fund – The City’s General Fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2019	2018	Increase
	<u>Revenues</u>	<u>Revenues</u>	<u>(Decrease)</u>
Municipal Income Tax	\$4,897,033	\$4,176,168	\$720,865
Property and Other Taxes	1,047,158	1,074,058	(26,900)
Intergovernmental Revenue	480,234	433,309	46,925
Charges for Services	103,393	130,232	(26,839)
Fines, Licenses and Permits	57,228	64,257	(7,029)
Investment Earnings	144,694	92,757	51,937
Special Assessments	3,007	16,913	(13,906)
All Other Revenue	340,169	160,872	179,297
Total	<u><u>\$7,072,916</u></u>	<u><u>\$6,148,566</u></u>	<u><u>\$924,350</u></u>

General Fund revenues in 2019 increased \$924,350 compared to revenues in fiscal year 2018 primarily due to an increase in investment earnings and municipal income taxes.

	2019	2018	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Security of Persons and Property	\$2,324,691	\$2,289,835	\$34,856
Leisure Time Activities	16,110	8,187	7,923
Basic Utility Services	326,781	361,390	(34,609)
Transportation	715,947	696,679	19,268
General Government	1,346,596	1,350,546	(3,950)
Total	<u><u>\$4,730,125</u></u>	<u><u>\$4,706,637</u></u>	<u><u>\$23,488</u></u>

General Fund expenditures increased by \$23,488 compared to the prior year. An additional school resource officer was hired during the year and Fire and EMS service coverage was expanded to 12 hour on-site shift and 12-hour on-call services daily.

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

During the course of fiscal year 2019 the City amended its General Fund budget several times, none significant.

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

Unaudited

For the General Fund, final budget basis revenue of \$6.6 million was an increase over the original budget estimates of \$5.3 million. The General Fund had an adequate fund balance to cover expenditures.

The City's other major funds, the Tax Increment Equalization and Capital Improvements Funds, reported net change in fund balances of \$605,424 and \$1,099,346, respectively.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2019 the City had \$14,093,261 net of accumulated depreciation invested in land, improvements, infrastructure, buildings and machinery and equipment. Of this total, \$13,093,620 was related to governmental activities and \$999,641 to the business-type activities. The following table shows fiscal year 2019 and 2018 balances:

	Governmental Activities		Increase (Decrease)
	2019	2018	
Land	\$476,644	\$476,644	\$0
Construction in Progress	1,898,932	0	1,898,932
Buildings	4,711,889	4,181,599	530,290
Improvements Other Than Buildings	259,572	220,401	39,171
Machinery and Equipment	6,142,402	6,012,275	130,127
Infrastructure	7,883,673	7,718,149	165,524
Less: Accumulated Depreciation	(8,279,492)	(7,480,021)	(799,471)
Totals	<u>\$13,093,620</u>	<u>\$11,129,047</u>	<u>\$1,964,573</u>
	Business-Type Activities		Increase (Decrease)
	2019	2018	
Construction in Progress	\$350,983	\$0	\$350,983
Buildings	15,000	15,000	\$0
Machinery and Equipment	77,448	95,208	(17,760)
Infrastructure	1,022,280	994,780	27,500
Less: Accumulated Depreciation	(466,070)	(448,884)	(17,186)
Totals	<u>\$999,641</u>	<u>\$656,104</u>	<u>\$343,537</u>

The primary increase occurred in buildings and construction in progress. The increase in construction in progress is related to storm water assets being added throughout the City and roadway reconstruction which will be completed in 2020. Additional information on the City's capital assets can be found in Note 7.

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

Unaudited

Debt

At December 31, 2019, the City had \$3.0 million in bonds outstanding, \$390,000 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2019 and 2018:

	2019	2018
Governmental Activities:		
General Obligation Note Payable	\$1,244,800	\$1,925,000
General Obligation Bonds	2,979,405	3,368,704
OPWC Loans Payable	46,850	51,312
Landfill Postclosure Care Liability	316,514	267,100
Capital Lease Payable	57,926	103,027
Compensated Absences	359,769	316,941
Net Pension Liability	5,146,687	3,554,317
Net OPEB Liability	1,232,825	2,960,390
Total Governmental Activities	<u>11,384,776</u>	<u>12,546,791</u>
Business-Type Activities:		
General Obligation Note Payable	\$1,505,200	\$75,000
OPWC Loans Payable	152,544	166,480
Net Pension Liability	82,428	48,853
Net OPEB Liability	36,689	31,707
Total Business-Type Activities	<u>1,776,861</u>	<u>322,040</u>
Totals	<u><u>\$13,161,637</u></u>	<u><u>\$12,868,831</u></u>

State statutes limit the amount of unvoted general obligation debt the City may issue. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt, when added to that of other political subdivisions within the respective counties in which Rossford lies, is limited to ten mills. At December 31, 2019, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 14.

ECONOMIC FACTORS

As part of the budget process the City forecasts revenues and expenses for the coming fiscal year and 5 years into the future. Major aspects of this evaluation are projecting income tax, hotel/motel tax and franchise tax revenues and utilizing property tax and shared local government revenues provided by the Wood County Auditor. Hotel/motel tax increased in 2018 due to the opening of a new hotel late in 2017, and payments for delinquent tax received. Hotel/motel and franchise taxes have remained relatively even when compared to the previous year. Over the last few years income tax has increased significantly and become a larger portion of the City's revenue stream as State shared taxes have diminished.

General Fund personnel expenditures increased due to additional staff in the police department. The number of positions in these departments has been increased over the last three years. This increase in staffing has been carefully planned to provide the needed level of service to residents. Except for inflationary increases, other general fund expenses have remained relatively constant. A close watch of current economic conditions is ongoing.

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 the Finance Department by calling 419-666-0210 or writing to City of Rossford Finance Department, 133 Osborn Street, Rossford, Ohio 43460.

CITY OF ROSSFORD, OHIO

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

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 17,015,107	\$ 1,347,576	\$ 18,362,683
Receivables:			
Accounts	103,179	90,451	193,630
Intergovernmental	921,001	0	921,001
Income Taxes	1,353,294	0	1,353,294
Property Taxes	1,495,547	0	1,495,547
Payments in Lieu of Taxes	1,020,030	0	1,020,030
Special Assessments	227,952	0	227,952
Inventory of Supplies at Cost	31,954	0	31,954
Prepaid Items	106,666	2,946	109,612
Restricted Assets:			
Cash and Cash Equivalents	9,613	0	9,613
Capital Assets:			
Capital Assets Not Being Depreciated	2,375,576	350,983	2,726,559
Capital Assets Being Depreciated, Net	10,718,044	648,658	11,366,702
Total Assets	35,377,963	2,440,614	37,818,577
Deferred Outflows of Resources:			
Deferred Loss on Debt Refunding	48,731	0	48,731
Pension	1,438,039	24,798	1,462,837
OPEB	302,813	3,295	306,108
Total Deferred Outflows of Resources	1,789,583	28,093	1,817,676
Liabilities:			
Accounts Payable	650,758	860	651,618
Accrued Wages and Benefits	68,295	41	68,336
Accrued Interest Payable	22,219	7,526	29,745
General Obligation Notes Payable	1,244,800	1,505,200	2,750,000
Long-Term Liabilities:			
Due Within One Year	540,432	9,246	549,678
Due in More Than One Year			
Net Pension Liability	5,146,687	82,428	5,229,115
Net OPEB Liability	1,232,825	36,689	1,269,514
Other Amounts Due in More Than One Year	3,220,032	143,298	3,363,330
Total Liabilities	12,126,048	1,785,288	13,911,336

CITY OF ROSSFORD, OHIO

	Governmental Activities	Business-Type Activities	Total
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	1,370,487	0	1,370,487
Payments in Lieu of Taxes	1,020,030	0	1,020,030
Pension	57,490	2,275	59,765
OPEB	128,285	869	129,154
Total Deferred Inflows of Resources	2,576,292	3,144	2,579,436
Net Position:			
Net Investment in Capital Assets	8,813,370	590,415	9,403,785
Restricted For:			
Capital Projects	8,428,333	0	8,428,333
Law Enforcement Programs	69,746	0	69,746
Security of Persons and Property	377,988	0	377,988
Transportation	777,748	0	777,748
Other Purposes	166,882	0	166,882
Unrestricted	3,831,139	89,860	3,920,999
Total Net Position	\$ 22,465,206	\$ 680,275	\$ 23,145,481

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

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

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 1,588,643	\$ 611,355	\$ 20,614	\$ 7,251
Leisure Time Activities	622,002	147,433	2,813	1,813
Basic Utility Services	326,781	0	0	0
Transportation	1,417,684	8,794	422,974	906,851
General Government	1,617,983	143,974	9,440	0
Interest and Fiscal Charges	109,363	0	0	0
Total Governmental Activities	5,682,456	911,556	455,841	915,915
Business-Type Activities:				
Storm Water	46,340	352,302	0	17,576
Marina	176,532	99,546	0	1,300
Total Business-Type Activities	222,872	451,848	0	18,876
Totals	\$ 5,905,328	\$ 1,363,404	\$ 455,841	\$ 934,791

General Revenues

Property Taxes
Municipal Income Taxes
Other Local Taxes
Payment in Lieu of Taxes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings
Miscellaneous
Transfers
Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year
Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (949,423)	\$ 0	\$ (949,423)
(469,943)	0	(469,943)
(326,781)	0	(326,781)
(79,065)	0	(79,065)
(1,464,569)	0	(1,464,569)
(109,363)	0	(109,363)
<u>(3,399,144)</u>	<u>0</u>	<u>(3,399,144)</u>
0	323,538	323,538
0	(75,686)	(75,686)
<u>0</u>	<u>247,852</u>	<u>247,852</u>
<u>(3,399,144)</u>	<u>247,852</u>	<u>(3,151,292)</u>
828,955	0	828,955
4,780,412	0	4,780,412
637,900	0	637,900
914,968	0	914,968
487,958	0	487,958
151,179	0	151,179
18,656	0	18,656
53,000	(53,000)	0
<u>7,873,028</u>	<u>(53,000)</u>	<u>7,820,028</u>
4,473,884	194,852	4,668,736
<u>17,991,322</u>	<u>485,423</u>	<u>18,476,745</u>
<u>\$ 22,465,206</u>	<u>\$ 680,275</u>	<u>\$ 23,145,481</u>

CITY OF ROSSFORD, OHIO

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

	General	Tax Increment Equalization	Capital Improvement
Assets:			
Cash and Cash Equivalents	\$ 6,301,847	\$ 6,508,592	\$ 1,853,996
Receivables:			
Accounts	101,867	0	0
Intergovernmental	209,794	0	123,059
Income Taxes	1,353,294	0	0
Property Taxes	717,461	0	0
Payments in Lieu of Taxes	0	1,020,030	0
Special Assessments	492	0	3,030
Interfund Loans Receivables	269,020	355,925	0
Inventory of Supplies, at Cost	1,369	0	0
Prepaid Items	101,360	0	0
Restricted Assets:			
Cash and Cash Equivalents	9,613	0	0
Total Assets	\$ 9,066,117	\$ 7,884,547	\$ 1,980,085
Liabilities:			
Accounts Payable	\$ 131,319	\$ 0	\$ 255,705
Accrued Wages and Benefits Payable	60,418	0	0
Interfund Loans Payable	0	0	0
Accrued Interest Payable	0	0	6,224
General Obligation Note Payable	0	0	1,244,800
Total Liabilities	191,737	0	1,506,729
Deferred Inflows of Resources:			
Unavailable Amounts	829,529	0	3,030
Property Tax Levy for Next Fiscal Year	621,172	0	0
Payments in Lieu of Taxes	0	1,020,030	0
Total Deferred Inflows of Resources	1,450,701	1,020,030	3,030
Fund Balances:			
Nonspendable	112,342	0	0
Restricted	0	6,864,517	470,326
Assigned	1,289,760	0	0
Unassigned	6,021,577	0	0
Total Fund Balances	7,423,679	6,864,517	470,326
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 9,066,117	\$ 7,884,547	\$ 1,980,085

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 2,350,672	\$ 17,015,107
1,312	103,179
588,148	921,001
0	1,353,294
778,086	1,495,547
0	1,020,030
224,430	227,952
0	624,945
30,585	31,954
5,306	106,666
0	9,613
\$ 3,978,539	\$ 22,909,288
\$ 263,734	\$ 650,758
7,877	68,295
624,945	624,945
0	6,224
0	1,244,800
896,556	2,595,022
748,136	1,580,695
749,315	1,370,487
0	1,020,030
1,497,451	3,971,212
35,891	148,233
1,989,841	9,324,684
55,837	1,345,597
(497,037)	5,524,540
1,584,532	16,343,054
\$ 3,978,539	\$ 22,909,288



CITY OF ROSSFORD, OHIO

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

Total Governmental Fund Balances		\$ 16,343,054
 <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.		13,093,620
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.		
Municipal Income Taxes	581,286	
Property Taxes	35,280	
Charges for Services	74,908	
Special Assessments	227,952	
Intergovernmental	<u>661,269</u>	1,580,695
The deferred loss on refunding does not represent a use of current resources and therefore it is not reported in the funds.		48,731
The net pension/OPEB 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	1,438,039	
Deferred Inflows - Pension	(57,490)	
Deferred Outflows - OPEB	302,813	
Deferred Inflows - OPEB	(128,285)	
Net Pension Liability	(5,146,687)	
Net OPEB Liability	<u>(1,232,825)</u>	(4,824,435)
Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds: it is reported when due.		(15,995)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Landfill Postclosure Care Liability	(316,514)	
General Obligation Refunding Bonds Payable	(2,945,000)	
Ohio Public Works Commission Loan Payable	(46,850)	
Premium on General Obligation Bonds Payable	(34,405)	
Capital Lease Payable	(57,926)	
Compensated Absences Payable	<u>(359,769)</u>	<u>(3,760,464)</u>
<i>Net Position of Governmental Activities</i>		<u>\$ 22,465,206</u>

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

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

	General	Tax Increment Equalization	Capital Improvement
Revenues:			
Property Taxes	\$ 556,801	\$ 0	\$ 0
Municipal Income Tax	4,897,033	0	0
Other Local Taxes	490,357	0	0
Payments in Lieu of Taxes	0	908,917	0
Intergovernmental Revenues	480,234	203	619,932
Charges for Services	103,393	0	0
Licenses and Permits	27,868	0	0
Investment Earnings	144,694	6,453	0
Special Assessments	3,007	0	6,065
Fines and Forfeitures	29,360	0	0
All Other Revenue	340,169	0	0
Total Revenue	7,072,916	915,573	625,997
Expenditures:			
Current:			
Security of Persons and Property	2,324,691	0	0
Leisure Time Activities	16,110	0	0
Basic Utility Services	326,781	0	0
Transportation	715,947	0	0
General Government	1,346,596	0	0
Capital Outlay	0	185,769	2,137,630
Debt Service:			
Principal Retirement	0	100,000	0
Interest and Fiscal Charges	0	24,380	16,959
Total Expenditures	4,730,125	310,149	2,154,589
Excess (Deficiency) of Revenues Over Expenditures	2,342,791	605,424	(1,528,592)
Other Financing Sources (Uses):			
Transfers In	28,015	0	2,627,938
Transfers Out	(2,168,036)	0	0
Total Other Financing Sources (Uses)	(2,140,021)	0	2,627,938
Net Change in Fund Balances	202,770	605,424	1,099,346
Fund Balances at Beginning of Year	7,220,588	6,259,093	(629,020)
Increase in Inventory Reserve	321	0	0
Fund Balances End of Year	\$ 7,423,679	\$ 6,864,517	\$ 470,326

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 254,596	\$ 811,397
0	4,897,033
147,543	637,900
6,051	914,968
724,197	1,824,566
138,353	241,746
0	27,868
32	151,179
212,696	221,768
3,078	32,438
12,908	353,077
<u>1,499,454</u>	<u>10,113,940</u>
452,155	2,776,846
434,803	450,913
0	326,781
256,976	972,923
153,835	1,500,431
218,463	2,541,862
334,563	434,563
67,919	109,258
<u>1,918,714</u>	<u>9,113,577</u>
(419,260)	1,000,363
1,042,202	3,698,155
<u>(1,477,119)</u>	<u>(3,645,155)</u>
<u>(434,917)</u>	<u>53,000</u>
(854,177)	1,053,363
2,428,487	15,279,148
10,222	10,543
<u>\$ 1,584,532</u>	<u>\$ 16,343,054</u>

CITY OF ROSSFORD, OHIO

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

Net Change in Fund Balances - Total Governmental Funds \$ 1,053,363

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

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

Capital Outlay	2,765,962	
Depreciation	<u>(801,389)</u>	1,964,573

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

Municipal Income Taxes	(116,621)	
Property Taxes	17,558	
Charges for Services	46,779	
Special Assessments	(370,961)	
Intergovernmental	<u>412,645</u>	(10,600)

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

Pension	327,823	
OPEB	<u>5,139</u>	332,962

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

Pension	(877,139)	
OPEB	<u>1,657,966</u>	780,827

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. In addition, repayment of bond, note and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Inception of Capital Lease	0	
Increase in Estimate of Landfill Closure Costs	(88,421)	
General Obligation Bonds Issued	0	
General Obligation Bonds Principal	385,000	
OPWC Loan Principal	4,462	
Capital Lease Principal	45,101	
Decrease in Landfill Postclosure Liability Estimate	<u>39,007</u>	385,149

(Continued)

CITY OF ROSSFORD, OHIO

The accounting loss on refunded debt is reported as an expense at the time of refunding but is amortized over the life of the new debt on the statement of activities (6,091)

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. Premiums are reported as revenues when the debt is first issued; however, these amounts are deferred and amortized on the statement of net position.

Accrued Interest Payable	1,687	
Amortization of Premium	<u>4,299</u>	5,986

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

Decrease in Supplies Inventory	10,543	
Increase in Compensated Absences Payable	<u>(42,828)</u>	<u>(32,285)</u>

Change in Net Position of Governmental Activities \$ 4,473,884

See accompanying notes to the basic financial statements



CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 540,000	\$ 556,801	\$ 556,801	\$ 0
Municipal Income Tax	3,765,000	4,539,361	4,774,755	235,394
Other Local Taxes	430,000	495,465	505,973	10,508
Intergovernmental Revenue	358,290	442,686	473,010	30,324
Charges for Services	101,000	91,500	97,612	6,112
Licenses and Permits	9,000	21,200	22,703	1,503
Investment Earnings	40,000	118,020	144,694	26,674
Special Assessments	7,000	3,007	3,007	0
Fines and Forfeitures	26,000	27,857	29,360	1,503
All Other Revenues	42,000	326,318	336,146	9,828
Total Revenues	5,318,290	6,622,215	6,944,061	321,846
Expenditures:				
Current:				
Security of Persons and Property	2,516,480	2,524,211	2,352,427	171,784
Leisure Time Activities	11,000	22,500	19,900	2,600
Basic Utility Services	387,758	386,513	350,674	35,839
Transportation	777,221	794,852	754,732	40,120
General Government	1,873,908	1,846,930	1,500,731	346,199
Total Expenditures	5,566,367	5,575,006	4,978,464	596,542
Excess (Deficiency) of Revenues Over (Under) Expenditures	(248,077)	1,047,209	1,965,597	918,388
Other Financing Sources (Uses):				
Transfers In	0	28,015	28,015	0
Transfers Out	(1,520,296)	(2,198,037)	(2,183,036)	15,001
Advances In	0	44,200	0	(44,200)
Advances Out	0	(218,200)	(218,200)	0
Total Other Financing Sources (Uses):	(1,520,296)	(2,344,022)	(2,373,221)	(29,199)
Net Change in Fund Balance	(1,768,373)	(1,296,813)	(407,624)	889,189
Fund Balance at Beginning of Year	5,887,841	5,887,841	5,887,841	0
Prior Year Encumbrances	215,287	215,287	215,287	0
Fund Balance at End of Year	\$ 4,334,755	\$ 4,806,315	\$ 5,695,504	\$ 889,189

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

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

	Business-Type Activities		
	Enterprise Funds		Total
	Storm Water	Marina	
ASSETS			
Current assets:			
Cash and Cash Equivalents	\$ 1,295,337	\$ 52,239	\$ 1,347,576
Accounts Receivable (net of allow for uncollectibles)	90,451	0	90,451
Prepaid Items	2,631	315	2,946
Total Current Assets	1,388,419	52,554	1,440,973
Noncurrent Assets:			
Capital Assets:			
Property, Plant and Equipment	444,885	669,843	1,114,728
Construction in Progress	350,983	0	350,983
Less Accumulated Depreciation	(35,964)	(430,106)	(466,070)
Total Noncurrent Assets	759,904	239,737	999,641
Total Assets	2,148,323	292,291	2,440,614
Deferred Outflows of Resources:			
Pension	0	24,798	24,798
OPEB	0	3,295	3,295
Total Deferred Outflows of Resources	0	28,093	28,093
LIABILITIES			
Current Liabilities:			
Accounts Payable	0	860	860
Accrued Wages and Benefits	0	41	41
Accrued Interest Payable	7,526	0	7,526
General Obligation Note Payable	1,505,200	0	1,505,200
OPWC Loans Payable - Current	9,246	0	9,246
Total Current Liabilities	1,521,972	901	1,522,873
Noncurrent Liabilities:			
OPWC Loans Payable	143,298	0	143,298
Net Pension Liability	0	82,428	82,428
Net OPEB Liability	0	36,689	36,689
Total Noncurrent Liabilities	143,298	119,117	262,415
Total Liabilities	1,665,270	120,018	1,785,288

CITY OF ROSSFORD, OHIO

	Business-Type Activities		
	Enterprise Funds		
	Storm Water	Marina	Total
Deferred Inflows of Resources:			
Pension	0	2,275	2,275
OPEB	0	869	869
Total Deferred Inflows of Resources	0	3,144	3,144
NET POSITION			
Net Investment in Capital Assets	350,678	239,737	590,415
Unrestricted	132,375	(42,515)	89,860
Total Net Position	\$ 483,053	\$ 197,222	\$ 680,275

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Storm Water	Marina	Total
Operating Revenues:			
Charges for Services	\$ 352,302	\$ 99,546	\$ 451,848
Total Operating Revenues	352,302	99,546	451,848
Operating Expenses:			
Personal Services	2,269	81,793	84,062
Contractual Services	28,547	60,706	89,253
Materials and Supplies	0	5,603	5,603
Other Operating Expenses	0	1,482	1,482
Depreciation	7,998	22,952	30,950
Total Operating Expenses	38,814	172,536	211,350
Operating Income (Loss)	313,488	(72,990)	240,498
Nonoperating Revenue (Expenses):			
Interest Expense	(7,526)	0	(7,526)
Loss on Disposal of Capital Assets	0	(3,996)	(3,996)
Total Nonoperating Revenues (Expenses)	(7,526)	(3,996)	(11,522)
Income (Loss) Before Transfers and Contributions	305,962	(76,986)	228,976
Transfers In	0	50,000	50,000
Transfers Out	(100,000)	(3,000)	(103,000)
Capital Contributions	17,576	1,300	18,876
Change in Net Position	223,538	(28,686)	194,852
Net Position Beginning of Year	259,515	225,908	485,423
Net Position End of Year	\$ 483,053	\$ 197,222	\$ 680,275

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

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

	Business-Type Activities		Totals
	Enterprise Funds		
	Storm Water	Marina	
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$261,851	\$99,546	\$361,397
Cash Payments for Goods and Services	(26,120)	(67,153)	(93,273)
Cash Payments to Employees	(2,269)	(65,704)	(67,973)
Net Cash Provided (Used) by Operating Activities	233,462	(33,311)	200,151
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	0	50,000	50,000
Transfers Out to Other Funds	(100,000)	(3,000)	(103,000)
Net Cash Provided (Used) by Noncapital Financing Activities	(100,000)	47,000	(53,000)
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Capital Assets	(418,407)	(27,500)	(445,907)
Capital Contributions	0	1,300	1,300
General Obligation Note Issued	1,505,200	0	1,505,200
Principal Paid on General Obligation Notes	(75,000)	0	(75,000)
Principal Paid on Ohio Public Works Commission Loan	(13,936)	0	(13,936)
Interest Paid on All Debt	(1,644)	0	(1,644)
Net Cash Provided (Used) by Capital and Related Financing Activities	996,213	(26,200)	970,013
Net Increase (Decrease) in Cash and Cash Equivalents	1,129,675	(12,511)	1,117,164
Cash and Cash Equivalents at Beginning of Year	165,662	64,750	230,412
Cash and Cash Equivalents at End of Year	\$1,295,337	\$52,239	\$1,347,576
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$313,488	(\$72,990)	\$240,498
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	7,998	22,952	30,950
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	(90,451)	0	(90,451)
Decrease in Prepaids	5,100	135	5,235
Increase in Deferred Outflows of Resources	0	(11,947)	(11,947)
Increase (Decrease) in Accounts Payable	(2,673)	609	(2,064)
Increase in Accrued Wages and Benefits	0	41	41
Increase in Net Pension Liability	0	33,575	33,575
Increase in Net OPEB Liability	0	4,982	4,982
Decrease in Deferred Inflows of Resources	0	(10,668)	(10,668)
Total Adjustments	(80,026)	39,679	(40,347)
Net Cash Provided (Used) by Operating Activities	\$233,462	(\$33,311)	\$200,151

Schedule of Noncash Investing, Capital and Financing Activities:

The Storm Water Fund received capital contributions from various other sources in the amount of \$17,576.

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

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

	<u>Agency</u>
Assets:	
Restricted Assets:	
Cash and Cash Equivalents	\$ 15,826
Total Assets	<u>\$ 15,826</u>
Liabilities:	
Due to Others	\$ 15,826
Total Liabilities	<u>\$ 15,826</u>

See accompanying notes to the basic financial statements

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Rossford, Ohio (the "City") is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Mayor/Administrator form of government, was adopted in 1970 and became effective in 1971.

The financial statements are presented as of December 31, 2019 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (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 GASB Statement No. 14, "*The Financial Reporting Entity*," as amended by GASB Statement No. 61 "*The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34*," in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, recreation, street maintenance and general administrative services. The City also operates a storm drainage system and a marina which are reported as enterprise funds.

Jointly Governed Organization

Rossford Transportation Improvement District: In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. In July 2002, at the request of the Wood County Commissioners, the membership and appointments section of the TID bylaws was amended to eliminate the TID as a component unit of Wood County. The board of trustees consists of the following members: two voting members appointed by Wood County, three voting members appointed by the City of Rossford, two voting members appointed by Perrysburg Township, the Wood County Engineer as a voting member, and two nonvoting members of the general assembly in whose legislative district the TID is located. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds. See Note 19 "Jointly Governed Organization."

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies:

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, liabilities, fund equity, revenues and expenditures (expenses). The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

Governmental Funds - The funds through which most governmental functions are typically financed are the governmental funds. 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 upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental fund types:

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.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Tax Increment Equalization Fund - This fund is used to account for the construction and installation of infrastructure improvements in the Crossroads of America area of the City, including streets, curbs, gutters, sidewalks, walkways, trails, street lighting, traffic signals, signage, storm drainage, water and sanitary sewer improvements, parking facilities, and the construction of public service buildings necessary for purposes of delivering fire, emergency medical and police services within the Crossroads area and other improvements related thereto that directly benefit, or once made will directly benefit that area.

Capital Improvement Fund - This fund is used to account for financial resources used for the major capital projects undertaken by the City.

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

Proprietary Funds

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, whereby the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

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

Marina Fund – This fund is used to account for the operation of the City owned Marina.

Fiduciary Funds

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations or other governments and therefore not available to support the City's own programs. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. The agency funds of the City include assets being held associated with the Cafeteria Plan, Contractor's Guarantee, Fire Damaged Structures Repair and Fallen Heroes.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

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.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. 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.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

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

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. Government-wide financial statements are prepared using the accrual basis of accounting.

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 for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Special assessment installments, which are measurable, but not available at December 31, are recorded as deferred inflow of resources – unavailable amount. Property taxes measurable as of December 31, 2019, but which are not intended to finance 2019 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflow of resources as further described in Note 5.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses recognized when incurred. The City's statement of net position includes a deferred outflow amount related to pension.

E. Deferred Inflows/Outflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenses/expenditures) until then. For the City, deferred outflows related to pension/OPEB are explained in notes 8 and 9.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for delinquent property taxes, income taxes, special assessments, charges for services, interest and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide statement of net position. (See Note 8 and 9)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. 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 certificate of estimated resources and the appropriation ordinance, both 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.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control for all funds involving operations is at the object level within each department. Certain funds are appropriated at the minimum level of budgetary control as required by Ohio Revised Code section 5705.38 (c) due to the restricted nature of the use of these funds. Budgetary modifications may only be made by ordinance of the City Council.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgetary Process (Continued)

1. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. 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 on the budgetary statement reflect the amounts in the original and final amended official certificate of estimated resources issued during 2019.

2. 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, department and object level, and may be modified during the year by Ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. During 2019, several supplemental appropriations were necessary to budget for unanticipated expenditures.

Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--General Fund" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

3. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures in order to constrain that portion of the applicable appropriation and to determine and maintain legal compliance. Encumbrances outstanding at year end, however, are reported as reservations of fund balances for subsequent year expenditures in the accompanying basic financial statements.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgetary Process (Continued)

4. Lapsing of Appropriations

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

5. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (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 a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

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

<u>Net Change In Fund Balance</u>	
	<u>General Fund</u>
GAAP Basis (as reported)	\$202,770
Increase (Decrease):	
Accrued Revenues at December 31, 2019 received during 2020	(1,201,227)
Accrued Revenues at December 31, 2018 received during 2019	857,005
Accrued Expenditures at December 31, 2019 paid during 2020	191,737
Accrued Expenditures at December 31, 2018 paid during 2019	(140,744)
2018 Prepays for 2019	123,287
2019 Prepays for 2020	(101,360)
Perspective Budget Difference	(5,566)
Outstanding Encumbrances	(333,526)
Budget Basis	<u><u>(\$407,624)</u></u>

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, certificates of deposit with original maturities of three months or less and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is considered a cash equivalent because it is a highly liquid investment with an original maturity date 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 as if each fund maintained its own cash and investment account. For purposes of the statement of cash flows, the proprietary funds' shares of equity in pooled certificates of deposit are considered to be cash equivalents. See Note 4, "Cash, Cash Equivalents and Investments."

H. 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 records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. The City deposits interest earned on investments directly into the General Fund. See Note 4, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2019. 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, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2019.

I. 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.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Prepaid Items

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

K. Capital Assets and Depreciation

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

1. Property, Plant and Equipment - Governmental Activities

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

Contributed capital assets are recorded at acquisition value at the date received. Capital assets include land, 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.

The City has elected to not report infrastructure for governmental activities retroactively, as permitted by the GASB. Infrastructure either current or acquired since the beginning of 2004 will be capitalized.

2. Property, Plant and Equipment – Business Type Activities

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets and Depreciation (Continued)

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:

<u>Description</u>	<u>Estimated Lives (Years)</u>
Buildings	25-45
Infrastructure	20-50
Machinery, Equipment, Furniture and Fixtures	5 -15
Vehicles	3-10

L. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
Compensated Absences	General Fund
	Street Construction, Maintenance and Repair Fund
	Recreation Fund
Pension Liabilities	General Fund
	Street Construction, Maintenance and Repair Fund
	Recreation Fund
	Marina Fund
OPEB Liabilities	General Fund
	Street Construction, Maintenance and Repair Fund
	Recreation Fund
	Marina Fund
General Obligation Bonds	Landfill Closure Fund
	Lewis Street Paving and Curbs Fund
	Capital Improvement Fund
	Arena Drainage Ditch Fund
OPWC Loan	Storm Water Fund
Landfill Postclosure Care Liability	Landfill Closure Fund

M. Compensated Absences

Full-time employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under statute. Vacation earned in a calendar year must be used during the current year. Vacation time cannot carry over into the subsequent year. At termination or retirement, employees are paid at their full rate for 100% of their unused vacation leave.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Compensated Absences (Continued)

Sick leave is accrued by all full-time employees at the rate of 4.6 hours per completed two weeks of service. Any sick leave accrued but not used in any year is accumulated in succeeding years with no maximum of such accumulation. Employees who retire with five or more years of service may convert 25% of their accrued sick leave into cash at the employee's rate of pay at the time of retirement. Employees who retire with eighteen or more years of service may convert 33.3% of their total accrued sick leave into cash at the employee's rate of pay at the time of retirement. Employees who retire with twenty-five or more years of service may convert 50% of their total accrued sick leave into cash at the employee's rate of pay at the time of retirement.

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 or to rights that vest or accumulate, and when payment of the obligation is probable and can be reasonably determined.

For governmental funds, that portion of unpaid compensated absences that has matured and is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

N. Net Position

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. 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 has no formal policy authorizing a body or official to assign amounts for specific purposes.

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Pensions/Other Postemployment Benefits (OPEB)

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

Q. Interfund Activity

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

Transfers 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, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Estimates

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

S. 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, collection of solid waste refuse and the operation of a marina. 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.

T. 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 year 2019.

U. Fair 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.

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

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES

For 2019, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 95, “Postponement of the Effective Dates of Certain Authoritative Guidance.”

GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by extending the effective dates of certain accounting and financial reporting provisions in Statements and Implementation Guides that were first effective for reporting periods beginning after June 15, 2018. This statement had no effect on beginning net position/fund balance.

NOTE 3 - COMPLIANCE AND ACCOUNTABILITY

Fund Deficits - The fund deficits at December 31, 2019 of \$17,227 in the TIEF Redevelopment Fund and \$479,810 in the TIF Crossroads 2 Fund (capital project funds) arise from the interfund loans payable posted to the funds on the modified accrual basis. The deficits do not exist under the cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

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

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. 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 "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 no later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds not needed for immediate use but 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 and interest by the United States;

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

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

- 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;
- 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 a bank failure, the City's deposits may not be returned. The City's policy is to place deposits with major local banks.

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. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

CITY OF ROSSFORD, OHIO

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

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

A. Deposits (Continued)

At year end the carrying amount of the City's deposits was \$13,500,186 and the bank balance was \$13,655,859. This included \$300 petty cash on hand. The Federal Deposit Insurance Corporation (FDIC) covered \$1,450,000 of the bank balance and \$12,205,859 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	\$12,205,859
Total Balance	<u><u>\$12,205,859</u></u>

Investment earnings of \$94,491 earned by other funds were credited to the General Fund as required by state statute.

B. Investments

The City's investments at December 31, 2019 are summarized below:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Fair Value Hierarchy</u>	<u>Investment Maturities (in Years) less than 1</u>
STAR Ohio	<u>\$4,887,936</u>	AAAm ¹	N/A	<u>\$4,887,936</u>
Total Investments	<u><u>\$4,887,936</u></u>			<u><u>\$4,887,936</u></u>

¹ Standard & Poor's

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

Credit Risk – The City's investment policy addresses credit risk by limiting investments to the safest types of securities, pre-qualifying financial institutions, brokers, intermediaries and financial advisors and by diversifying the investment portfolio so that potential losses on individual securities do not exceed income generated from the remaining portfolio.

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 investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with custodial credit risk beyond the requirements of State statute which prohibit payment for investments prior to the delivery of the securities representing the investments to the treasurer or qualified trustee.

Concentration of Credit Risk – The City places no limit on the amount the City may invest in one issuer.

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

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

C. Reconciliation of Cash, Cash Equivalents and Investments

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

	<u>Cash and Cash Equivalents *</u>	<u>Investments</u>
Per Financial Statements	\$18,388,122	\$0
Investments:		
STAR Ohio	<u>(4,887,936)</u>	<u>4,887,936</u>
Per GASB Statement No. 3	<u>\$13,500,186</u>	<u>\$4,887,936</u>

* Includes Petty Cash

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2019 were levied after October 1, 2018 on assessed values as of January 1, 2018, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed during 2011 and the equalization adjustment was completed in 2014. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder payable by June 20.

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

NOTE 5 – TAXES (Continued)

A. Property Taxes (Continued)

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

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

The full property tax rate for all City operations for the year ended December 31, 2019 was \$7.70 per \$1,000 of assessed value. The assessed value upon which the 2019 tax receipts were based was \$130,836,920. This amount constitutes \$126,203,430 in real property assessed value and \$4,633,490 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 .77% (7.7 mills) of assessed value.

B. Income Tax

The City levies a tax of 2.25% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a 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 monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

CITY OF ROSSFORD, OHIO

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

NOTE 6 - RECEIVABLES

Receivables at December 31, 2019 consisted of accounts, municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues and special assessments.

NOTE 7 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

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

Historical Cost:

Class	December 31, 2018	Additions	Deletions	December 31, 2019
<i>Capital assets not being depreciated:</i>				
Land	\$476,644	\$0	\$0	\$476,644
Construction in Progress	0	1,898,932	0	1,898,932
Subtotal	476,644	1,898,932	0	2,375,576
<i>Capital assets being depreciated:</i>				
Buildings	4,181,599	530,290	0	4,711,889
Improvements Other Than Buildings	220,401	39,171	0	259,572
Machinery and Equipment	6,012,275	132,045	(1,918)	6,142,402
Infrastructure	7,718,149	165,524	0	7,883,673
Subtotal	18,132,424	867,030	(1,918)	18,997,536
Total Cost	\$18,609,068	\$2,765,962	(\$1,918)	\$21,373,112

Accumulated Depreciation:

Class	December 31, 2018	Additions	Deletions	December 31, 2019
Buildings	(\$2,306,305)	(\$103,167)	\$0	(\$2,409,472)
Improvements Other Than Buildings	(131,444)	(84,354)	0	(215,798)
Machinery and Equipment	(4,486,675)	(463,393)	1,918	(4,948,150)
Infrastructure	(555,597)	(150,475)	0	(706,072)
Total Depreciation	(\$7,480,021)	(\$801,389) *	\$1,918	(\$8,279,492)
<i>Net Value:</i>	\$11,129,047			\$13,093,620

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$225,851
Leisure Time Activities	89,959
Transportation	462,836
General Government	22,743
Total Depreciation Expense	\$801,389

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

NOTE 7 - CAPITAL ASSETS (continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2019:

Historical Cost:

Class	December 31, 2018	Additions	Deletions	December 31, 2019
<i>Capital assets not being depreciated:</i>				
Construction in Progress	\$0	\$350,983	\$0	\$350,983
<i>Capital assets being depreciated:</i>				
Buildings	15,000	0	0	15,000
Machinery and Equipment	95,208	0	(17,760)	77,448
Infrastructure	994,780	27,500	0	1,022,280
Total Cost	\$1,104,988	\$378,483	(\$17,760)	\$1,465,711

Accumulated Depreciation:

Class	December 31, 2018	Additions	Deletions	December 31, 2019
Buildings	(\$5,100)	(\$600)	\$0	(\$5,700)
Machinery and Equipment	(133,426)	(911)	13,764	(120,573)
Infrastructure	(310,358)	(29,439)	0	(339,797)
Total Depreciation	(\$448,884)	(\$30,950)	\$13,764	(\$466,070)
<i>Net Value:</i>	\$656,104			\$999,641

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

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

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

NOTE 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, including requirements for reduced and unreduced benefits):

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

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

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

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

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member’s FAS for the first 30 years of service.

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

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member’s FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 2.25% COLA adjustment on the defined benefit portion of their benefit.

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS’s Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member’s contributions plus or minus the investment gains or losses resulting from the member’s investment selections. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members’ contributions, vested employer contributions and investment gains or losses resulting from the members’ investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. For additional information, see the Plan Statement in the OPERS CAFR.

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$138,305 for 2019.

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

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

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

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

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

CITY OF ROSSFORD, OHIO

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$195,273 for 2019.

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$2,057,112	\$3,172,003	\$5,229,115
Proportion of the Net Pension Liability-2019	0.007511%	0.038860%	
Proportion of the Net Pension Liability-2018	<u>0.007771%</u>	<u>0.038843%</u>	
Percentage Change	<u>(0.000260%)</u>	<u>0.000017%</u>	
Pension Expense	\$458,441	\$482,066	\$940,507

CITY OF ROSSFORD, OHIO

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

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$179,076	\$84,093	\$263,169
Differences between expected and actual experience	93	130,328	130,421
Net difference between projected and actual earnings on pension plan investments	279,209	390,787	669,996
Change in proportionate share	16,908	48,765	65,673
City contributions subsequent to the measurement date	<u>138,305</u>	<u>195,273</u>	<u>333,578</u>
Total Deferred Outflows of Resources	<u>\$613,591</u>	<u>\$849,246</u>	<u>\$1,462,837</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$27,012	\$2,962	\$29,974
Change in proportionate share	<u>29,791</u>	<u>0</u>	<u>29,791</u>
Total Deferred Inflows of Resources	<u>\$56,803</u>	<u>\$2,962</u>	<u>\$59,765</u>

\$333,578 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2020	\$186,736	\$203,097	\$389,833
2021	75,997	117,647	193,644
2022	25,903	133,842	159,745
2023	129,847	184,707	314,554
2024	<u>0</u>	<u>11,718</u>	<u>11,718</u>
Total	<u>\$418,483</u>	<u>\$651,011</u>	<u>\$1,069,494</u>

Actuarial Assumptions - OPERS

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

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

NOTE 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, 2018 and December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2018
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2018. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2017
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2018. 2.15 percent simple, thereafter
Investment Rate of Return	7.5 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 2.94% for 2018.

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

NOTE 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 2018 and the long-term expected real rates of return:

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

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

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

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability	\$3,038,951	\$2,057,112	\$1,241,193

Changes since the prior Measurement Date and Report Date – OPERS Board adopted a change in the investment assumption, reducing it from 7.5% to 7.2%

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

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

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

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

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

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

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

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

CITY OF ROSSFORD, OHIO

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

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

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

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

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

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$4,169,379	\$3,172,003	\$2,338,551

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

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

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

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

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

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

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

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

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care is not being funded.

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

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2019. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.0 percent.

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

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

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

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

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2019, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

The City's contractually required contribution to OP&F was \$5,139 for 2019.

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$915,634	\$353,880	\$1,269,514
Proportion of the Net OPEB Liability-2019	0.007023%	0.038860%	
Proportion of the Net OPEB Liability-2018	<u>0.007287%</u>	<u>0.038843%</u>	
Percentage Change	<u>(0.000264%)</u>	<u>0.000017%</u>	
OPEB Expense	\$83,085	(\$1,737,722)	(\$1,654,637)

CITY OF ROSSFORD, OHIO

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$29,522	\$183,434	\$212,956
Net difference between projected and actual earnings on pension plan investments	41,977	11,979	53,956
Differences between expected and actual experience	309	0	309
Change in proportionate share	10,452	23,296	33,748
City contributions subsequent to the measurement date	0	5,139	5,139
Total Deferred Outflows of Resources	<u>\$82,260</u>	<u>\$223,848</u>	<u>\$306,108</u>
Deferred Inflows of Resources			
Changes in assumptions	\$0	\$97,970	\$97,970
Differences between expected and actual experience	2,484	9,482	11,966
Change in proportionate share	19,218	0	19,218
Total Deferred Inflows of Resources	<u>\$21,702</u>	<u>\$107,452</u>	<u>\$129,154</u>

\$5,139 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2020	\$32,928	\$19,693	\$52,621
2021	(145)	19,693	19,548
2022	6,628	19,692	26,320
2023	21,147	23,317	44,464
2024	0	17,604	17,604
2025	0	12,217	12,217
2026	0	(959)	(959)
Total	<u>\$60,558</u>	<u>\$111,257</u>	<u>\$171,815</u>

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions - OPERS

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

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

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

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

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

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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

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

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
City's proportionate share of the net OPEB liability	\$1,171,436	\$915,634	\$712,202

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

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

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$880,122	\$915,634	\$956,533

Changes since prior Measurement Date and to Report Date – OPERS Board adopted a change in the investment return assumption, reducing it from 6.5% to 6%. In January 2020, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care of their choosing. The base allowance for Medicare-eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time.

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OP&F

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

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

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

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

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

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

CITY OF ROSSFORD, OHIO

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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

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

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

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

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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

Discount Rate The total OPEB liability was calculated using the discount rate of 4.66 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 4.13 percent at December 31, 2018 and 3.16 percent at December 31, 2017, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 4.66 percent.

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

	1% Decrease (3.66%)	Current Discount Rate (4.66%)	1% Increase (5.66%)
City's proportionate share of the net OPEB liability	\$431,122	\$353,880	\$289,042

Sensitivity of the Proportionate Share of the net OPEB Liability to Changes in the Health Care Cost Trend Rate – Net OPEB liability for OP&F is not sensitive to changes in the health care cost trend rate because it is based on a medical benefit that is a flat dollar amount.

Changes since Prior Measurement Date and to Report Date – Beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5%.

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

NOTE 10 - COMPENSATED ABSENCES

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. 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 to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

Vacation earned in a calendar year must be used during the current year. Vacation time cannot carry over into the subsequent year. At termination or retirement, employees are paid at their full rate for 100% of their unused vacation leave.

At December 31, 2019, the City's accumulated, unpaid compensated absences amounted to \$359,769, all of which is recorded as a liability of the Governmental Activities.

NOTE 11 - INTERFUND BALANCES

Individual interfund balances at December 31, 2019 that are expected to be paid within one year are as follows:

Fund	Interfund Loans Receivable	Interfund Loans Payable
Governmental Funds:		
General Fund	\$269,020	\$0
Tax Increment Equalization Fund	355,925	0
Fire Capital Improvement Fund	0	21,000
TIEF Urban Redevelopment Fund	0	29,820
TIF Crossroads 2 Fund	0	574,125
Totals	\$624,945	\$624,945

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

NOTE 12 - TRANSFERS

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

	Transfers In:				
	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Marina Fund	Total
<u>Transfers Out:</u>					
General Fund	\$0	\$1,325,834	\$792,202	\$50,000	\$2,168,036
Nonmajor Governmental Funds	25,015	1,302,104	150,000	0	1,477,119
Marina Fund	3,000	0	0	0	3,000
Storm Water Fund	0	0	100,000	0	100,000
	<u>\$28,015</u>	<u>\$2,627,938</u>	<u>\$1,042,202</u>	<u>\$50,000</u>	<u>\$3,748,155</u>

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorization.

Transfers from the General Obligation Bond Retirement Fund (fund balance) to the Capital Improvement Fund were done on a GAAP basis in order to show the principal and interest payments coming out of the fund where the associated note payable had been posted on a GAAP basis.

The transfer from the Marina Fund to the General Fund is related to monies being deposited into the Unclaimed Monies Fund which is being reported as part of the General Fund on a modified accrual basis.

Transfers from the General Fund to the Debt Service Fund were used to finance capital projects and debt service payments on capital related debt.

Transfers in the amount of \$550,000 from the TID Road Acquisition Fund (nonmajor governmental fund) to the Capital Improvement Fund were used to finance new roadway and resignalization projects in the City.

Transfers from the Enforcement and Education Fund (nonmajor governmental fund) to the General Fund were used to pay part of the Resource Officer's salary and were receipted through a grant.

Transfers from the General Fund to the Nonmajor Governmental Funds were used for Recreation projects, landfill closure, the purchase of a new fire engine and debt service payments.

CITY OF ROSSFORD, OHIO

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

NOTE 13 - NOTES PAYABLE

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to, and payable no later than, those principal maturities required if the bonds had been issued at the expiration of the initial five year period. The notes below were issued on October 1, 2019 and mature on October 1, 2020. They were used for improvements on State Rt. 65 through the City of Rossford.

	Balance December 31, 2018	Issued	(Retired)	Balance December 31, 2019
Capital Projects Funds:				
2.75% Road Improvements	\$1,925,000	\$0	(\$1,925,000)	\$0
2.00% Road Improvements	0	1,244,800	0	1,244,800
Total Capital Projects Funds	1,925,000	1,244,800	(1,925,000)	1,244,800
Enterprise Funds:				
2.75% Road Improvements	\$75,000	\$0	(\$75,000)	\$0
2.00% Road Improvements	0	1,505,200	0	1,505,200
Total Enterprise Funds	75,000	1,505,200	(75,000)	1,505,200
Total Notes Payable	\$2,000,000	\$2,750,000	(\$2,000,000)	\$2,750,000

CITY OF ROSSFORD, OHIO

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

NOTE 14 - LONG-TERM DEBT

Long-term debt of the City at December 31, 2019 is as follows:

	Balance January 1, 2018	Issued	(Retired)	Balance December 31, 2019	Amount Due Within One Year
Business-Type Activities:					
OPWC Loans:					
0.00% Northwood Drive	\$4,690	\$0	(\$4,690)	\$0	\$0
Hillside Drive	161,790	0	(9,246)	152,544	9,246
Total OPWC Loans	166,480	0	(13,936)	152,544	9,246
Net Pension Liability Payable	48,853	33,575	0	82,428	0
Net OPEB Liability Payable	31,707	4,982	0	36,689	0
Total Business-Type Long-Term Debt	\$247,040	\$38,557	(\$13,936)	\$271,661	\$9,246
Governmental Activities:					
General Obligation Bonds:					
2% - 3% 2012 Refunding Bonds	1,425,000	0	(220,000)	1,205,000	220,000
3.15% 2018 Harmon Industrial Park Bonds	1,905,000	0	(165,000)	1,740,000	170,000
Unamortized Bond Premium	38,704	0	(4,299)	34,405	0
Total General Obligation Bonds	3,368,704	0	(389,299)	2,979,405	390,000
OPWC Loan Payable	51,312	0	(4,462)	46,850	4,462
Landfill Postclosure Care Liability	267,100	88,421	(39,007)	316,514	42,403
Capital Lease	103,027	0	(45,101)	57,926	41,450
Compensated Absences Payable	316,941	359,769	(316,941)	359,769	62,117
Net Pension Liability Payable	3,554,317	1,592,370	0	5,146,687	0
Net OPEB Liability Payable	2,960,390	0	(1,727,565)	1,232,825	0
Total Governmental Activities Long-Term Debt	\$10,621,791	\$2,040,560	(\$2,522,375)	\$10,139,976	\$540,432

CITY OF ROSSFORD, OHIO

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

NOTE 14 - LONG-TERM DEBT (Continued)

The City issues general obligation bonds to provide funds for the construction and improvement of buildings, roads, storm sewer lines as well as landfill costs. General obligation bonds are direct obligations and pledge the full faith and credit of the City.

In 2012, the City issued \$3,550,000 of general obligation, various purpose improvement (\$610,000) and refunding (\$2,940,000) bonds with interest rates varying from 2.0% to 3.0%. The \$610,000 various purpose improvement bonds (along with a premium of \$20,919 less issuance costs of \$30,919) were used to bond 2011 various purpose notes issued to provide funding for the construction, improvement, alteration or repair of any road or infrastructure with the limits of the Rossford Transportation Improvement District.

In 2018, the City issued \$2,000,000 of general obligation bonds with an interest rate of 3.15%. The bonds were used for capital improvements in the Harmon Industrial Business Park and had an outstanding balance of \$1,740,000 at 12/31/19.

The governmental activities' bonds will be repaid mainly with transfers from the General Fund and with payments in lieu of taxes from the Tax Increment Equivalent Fund.

The City pays obligations related to employee compensation from the fund benefitting from their service.

A Principal and Interest Requirements

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2019 follows:

Years	<u>Governmental Activities</u>			
	<u>General Obligation Bonds</u>		<u>OPWC Loan Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$390,000	\$80,274	\$4,462	\$0
2021	405,000	69,629	4,462	0
2022	395,000	64,038	4,462	0
2023	290,000	52,968	4,462	0
2024	305,000	44,094	4,462	0
2025-2029	1,160,000	80,795	22,310	0
2030	0	0	2,230	0
Totals	<u>\$2,945,000</u>	<u>\$391,798</u>	<u>\$46,850</u>	<u>\$0</u>

CITY OF ROSSFORD, OHIO

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

NOTE 14 - LONG-TERM DEBT (Continued)

A Principal and Interest Requirements (Continued)

Years	<u>Business Type Activities</u>	
	<u>OPWC Loan Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$9,246	\$0
2021	9,246	0
2022	9,246	0
2023	9,246	0
2024	9,246	0
2025-2029	46,230	0
2030-2034	46,230	0
2035-2036	13,854	0
Totals	<u>\$152,544</u>	<u>\$0</u>

NOTE 15 - CAPITAL LEASES

The City leases a backhoe and defibrillators under a capital leases. The original cost of the backhoe was \$92,963. The original cost of the defibrillators was \$49,428. The related liability is reported in the Government-Wide Statement of Net Position.

The following is a schedule of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of December 31, 2019:

<u>Year Ending December 31,</u>	<u>Capital Lease</u>
2020	\$42,576
2021	23,978
Minimum Lease Payments	66,554
Less amount representing interest at the City's incremental borrowing rate of interest	(8,628)
Present value of minimum lease payments	<u>\$57,926</u>

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

NOTE 16 - INSURANCE AND RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1990, the City joined the Ohio Government Risk Management Plan (the "OGRMP"), a public entity risk plan formed under Section 2744.081 of the Ohio Revised Code that operates as a common risk management and insurance program for 585 member political subdivisions. The City pays an annual premium to the OGRMP for its general insurance coverage. The agreement for formation of the OGRMP provides that the organization will be self-sustaining through member premiums and will reinsure all covered claims in excess of a member's deductible through commercial insurance and reinsurance companies.

Workers' Compensations 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 plus administrative costs. The rate is determined based upon the accident history of the City of Rossford.

The City also purchases insurance coverage to provide employee health benefits and pays unemployment claims to the State of Ohio as incurred. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from the above noted risks have not exceeded commercial insurance coverages during the past three fiscal years.

NOTE 17 - SOLID WASTE LANDFILL POSTCLOSURE CARE COSTS

The City owns a former landfill site known as the Wales Road Landfill. The facility's operation predates most modern regulatory and recordkeeping requirements. The exact date for commencement of waste placement activities is unknown, but in the mid 1960's waste placement activities were modified to follow the layered approach to sanitary landfill operations. The landfill reached its capacity and ceased accepting waste at the 19.71 acre facility in 1990. The Ohio Environmental Protection Agency acting in accordance with applicable state and federal laws required the City to complete final closure of the site during 1994. State and federal laws require that the City monitor and maintain the site for thirty years after closure. For the year ended December 31, 2019, the City re-evaluated the outstanding liability related to post closure care costs. The City's new estimated accrued liability for post-closure costs related to the closed landfill for the next four years is \$316,514. The estimated costs of post-closure care are subject to changes corresponding to the effects of inflation, revision of laws and other variables. The liability will be paid with the general revenues of the City and follows the guidelines set forth by GASB Statement No. 18.

NOTE 18 - CONTINGENCIES

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

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

NOTE 19 – JOINTLY GOVERNED ORGANIZATION

Rossford Transportation Improvement District: In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. In July 2002, at the request of the Wood County Commissioners, the membership and appointments section of the TID bylaws was amended to eliminate the TID as a component unit of Wood County. The board of trustees consists of the following members: two voting members appointed by Wood County, three voting members appointed by the City of Rossford, two voting members appointed by Perrysburg Township, the Wood County Engineer as a voting member, and two nonvoting members of the general assembly in whose legislative district the TID is located. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds.

CITY OF ROSSFORD, OHIO

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

NOTE 20 – 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	Tax Increment Equalization	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepays	\$101,360	\$0	\$0	\$5,306	\$106,666
Supplies Inventory	1,369	0	0	30,585	31,954
Unclaimed Monies	9,613	0	0	0	9,613
Total Nonspendable	<u>112,342</u>	<u>0</u>	<u>0</u>	<u>35,891</u>	<u>148,233</u>
Restricted:					
Capital Projects	0	6,864,517	470,326	616,031	7,950,874
Street Lights	0	0	0	153,558	153,558
Street Construction and Maintenance	0	0	0	600,918	600,918
State Highway Improvements	0	0	0	30,828	30,828
Permissive Tax	0	0	0	88,521	88,521
Drug Fine	0	0	0	24,454	24,454
Enforcement and Education	0	0	0	43,006	43,006
Law Enforcement Trust	0	0	0	2,286	2,286
Recreation	0	0	0	184,669	184,669
Community Entertainment	0	0	0	200	200
Visitors and Conventions	0	0	0	51,278	51,278
Block Grant	0	0	0	163,494	163,494
Landfill Closure	0	0	0	30,598	30,598
Total Restricted	<u>0</u>	<u>6,864,517</u>	<u>470,326</u>	<u>1,989,841</u>	<u>9,324,684</u>
Assigned:					
Encumbrances for Purchase Orders	254,956	0	0	0	254,956
Budget Resource	761,987	0	0	0	761,987
Accrued Compensation	272,817	0	0	0	272,817
Debt Service	0	0	0	55,837	55,837
Total Assigned	<u>1,289,760</u>	<u>0</u>	<u>0</u>	<u>55,837</u>	<u>1,345,597</u>
Unassigned	<u>6,021,577</u>	<u>0</u>	<u>0</u>	<u>(497,037)</u>	<u>5,524,540</u>
Total Fund Balances	<u>\$7,423,679</u>	<u>\$6,864,517</u>	<u>\$470,326</u>	<u>\$1,584,532</u>	<u>\$16,343,054</u>

NOTE 21 – SUBSEQUENT EVENT

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. The extent of the ultimate impact of the pandemic on the government’s operational and financial performance will depend on various developments, including the duration and spread of the outbreak and its impact on employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. In addition, it may place additional demands on the government for providing emergency services to its citizens. While management reasonably expects the COVID-19 outbreak to negatively impact the government’s financial position, changes in financial position, and, where applicable, the timing and amounts of cash flows, the related financial consequences and duration are highly uncertain.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROSSFORD, OHIO

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

Ohio Public Employees Retirement System

Year	2014	2015	2016
City's proportion of the net pension liability (asset)	0.007225%	0.007225%	0.007421%
City's proportionate share of the net pension liability (asset)	\$851,733	\$871,416	\$1,285,485
City's covered payroll	\$782,185	\$894,225	\$948,425
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	108.89%	97.45%	135.54%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%

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

Ohio Police and Fire Pension Fund

Year	2014	2015	2016
City's proportion of the net pension liability (asset)	0.0381342%	0.0381342%	0.0373640%
City's proportionate share of the net pension liability (asset)	\$1,857,255	\$1,975,511	\$2,403,631
City's covered payroll	\$638,419	\$788,183	\$800,567
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	290.91%	250.64%	300.24%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%

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

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability.

See accompanying notes to required supplementary information

CITY OF ROSSFORD, OHIO

<u>2017</u>	<u>2018</u>	<u>2019</u>
0.007442%	0.007771%	0.007511%
\$1,690,013	\$1,219,197	\$2,057,112
\$962,067	\$1,027,200	\$1,017,421
175.66%	118.69%	202.19%
77.25%	84.66%	74.70%

<u>2017</u>	<u>2018</u>	<u>2019</u>
0.038206%	0.038843%	0.038860%
\$2,419,900	\$2,383,973	\$3,172,003
\$863,201	\$891,568	\$923,380
280.34%	267.39%	343.52%
68.36%	70.91%	63.07%

CITY OF ROSSFORD, OHIO

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

Ohio Public Employees Retirement System

Year	2013	2014	2015
Contractually required contribution	\$101,684	\$107,307	\$113,811
Contributions in relation to the contractually required contribution	101,684	107,307	113,811
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$782,185	\$894,225	\$948,425
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%

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

Ohio Police and Fire Pension Fund

Year	2013	2014	2015
Contractually required contribution	\$109,042	\$160,474	\$160,834
Contributions in relation to the contractually required contribution	109,042	160,474	160,834
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$638,419	\$788,183	\$800,567
Contributions as a percentage of covered payroll	17.08%	20.36%	20.09%

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

Notes: The City implemented GASB Statement 68 in 2015.

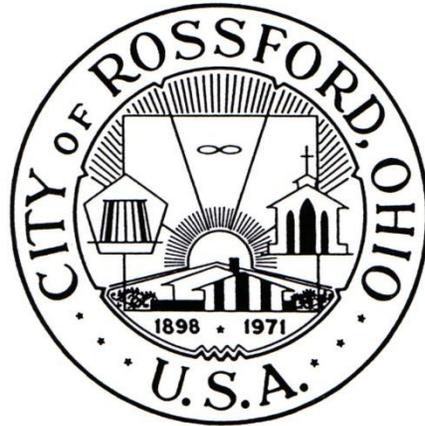
Information prior to 2013 is not available.

See accompanying notes to required supplementary information

CITY OF ROSSFORD, OHIO

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$115,448	\$133,537	\$142,439	\$138,305
<u>115,448</u>	<u>133,537</u>	<u>142,439</u>	<u>138,305</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$962,067	\$1,027,200	\$1,017,421	\$987,893
12.00%	13.00%	14.00%	14.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$173,417	\$179,116	\$185,507	\$195,273
<u>173,417</u>	<u>179,116</u>	<u>185,507</u>	<u>195,273</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$863,201	\$891,568	\$923,380	\$971,991
20.09%	20.09%	20.09%	20.09%



CITY OF ROSSFORD, OHIO

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

Ohio Public Employees Retirement System

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.006994%	0.007287%	0.007023%
City's proportionate share of the net OPEB liability (asset)	\$706,398	\$791,303	\$915,634
City's covered payroll	\$962,067	\$1,027,200	\$1,017,421
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	73.43%	77.03%	90.00%
Plan fiduciary net position as a percentage of the total OPEB liability	54.04%	54.14%	46.33%

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

Ohio Police and Fire Pension Fund

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.038206%	0.038843%	0.038860%
City's proportionate share of the net OPEB liability (asset)	\$1,813,531	\$2,200,794	\$353,880
City's covered payroll	\$863,201	\$891,568	\$923,380
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	210.09%	246.85%	38.32%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%

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

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability.

See accompanying notes to required supplementary information

CITY OF ROSSFORD, OHIO

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

Ohio Public Employees Retirement System

Year	2013	2014	2015
Contractually required contribution	\$7,822	\$17,885	\$18,969
Contributions in relation to the contractually required contribution	7,822	17,885	18,969
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$782,185	\$894,225	\$948,425
Contributions as a percentage of covered payroll	1.00%	2.00%	2.00%

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

Ohio Police and Fire Pension Fund

Year	2013	2014	2015
Contractually required contribution	\$3,192	\$3,941	\$4,003
Contributions in relation to the contractually required contribution	3,192	3,941	4,003
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$638,419	\$788,183	\$800,567
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%

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

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2013 is not available.

See accompanying notes to required supplementary information

CITY OF ROSSFORD, OHIO

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$19,241	\$10,272	\$0	\$0
<u>19,241</u>	<u>10,272</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$962,067	\$1,027,200	\$1,017,421	\$987,893
2.00%	1.00%	0.00%	0.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$4,316	\$4,714	\$4,882	\$5,139
<u>4,316</u>	<u>4,714</u>	<u>4,882</u>	<u>5,139</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$863,201	\$891,568	\$923,380	\$997,571
0.50%	0.50%	0.50%	0.50%

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

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

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

Changes in assumptions:

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

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

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

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

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

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

OHIO POLICE AND FIRE (OP&F) PENSION FUND

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

Changes in assumptions:

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

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

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

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

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

NET OPEB LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

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

Changes in assumptions:

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

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

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

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

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

Changes in assumptions:

2018: There were no changes in assumptions.

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

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

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

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

Nonmajor Governmental Funds

Special Revenue Funds

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

State Highway Fund

To account for revenues distributed by the State from the motor vehicle taxes, permissive fees and gasoline taxes. Expenditures may only be used for street and state highway improvements and maintenance.

Street Construction, Maintenance and Repair Fund

To account for revenues distributed by the State from the motor vehicle and gasoline taxes. Expenditures may only be used for street construction, maintenance and repair.

Drug Fine Fund

To account for funds received by the police department for mandatory fines for drug related offenses.

Enforcement and Education Fund

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

Law Enforcement Trust Fund

To account for funds received by the police department for contraband per state statute.

Accrued Compensation Fund

To account for monies used to pay accrued liabilities when an employee's right to receive compensation is attributed to services already rendered and it is probable the employee will be compensated through paid time off or other means, such as cash payments at termination or retirement. This fund is rolled up into the General Fund on a modified accrual basis.

Recreation Fund

To account for the revenues from taxes, concession operations and fees. Expenditures may only be used for recreation purposes.

Rossford Community Arts Commission Fund

To account for donations and expenses of the Rossford Community Arts Commission and the associated community programs.

(Continued)

Special Revenue Funds

Block Grant Fund

To account for Federal grants administered through the State designated for community and environmental improvements.

Street Lighting Assessment Fund

To account for special assessments collected to pay for neighborhood street lighting.

Visitors and Conventions Fund

To account for a portion of hotel/motel taxes per state statute to be earmarked for visitors and convention bureau activities benefiting the City of Rossford.

Rossford Permissive Tax Fund

To account for the locally levied portion of permissive license taxes which are used for street maintenance.

Fire Personnel Levy Fund

To account for a portion of tax levy funds to be used for fire personnel within the City of Rossford. (The budgetary statement is not presented because the fund only exists on a modified accrual basis).

Debt Service Fund

The Debt Service Funds are used to account for retirement of the County's general obligation bonds, special assessment bonds and loans other than those financed by proprietary funds.

General Bond Obligation Debt Service Fund

To account for the accumulation of resources for the payments of general obligation debt of the City including self-supporting obligations not otherwise paid from proprietary funds.

Capital Projects Funds

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

Landfill Closure Fund

To account for financial resources used to cover and monitor the City owned landfill, which ceased operations in 1990.

Fire Capital Improvement Fund

To account for financial resources received from a voter approved tax levy that are used to provide fire apparatus, buildings or sites.

(Continued)

Capital Projects Funds (Continued)

Permanent Recreation Improvement Fund

To account for financial resources received from a voter approved tax levy that are used to provide for the acquisition of land and/or construction of specific permanent improvements to parks and playgrounds for recreational purposes.

TID Road Acquisition Fund

To account for financial resources associated with the lease-purchase arrangement with the Transportations Improvement District and the road project.

TIEF Urban Redevelopment Fund

To account for financial resources to be used for construction and installation of infrastructure improvements in the 17.09 acre area of the City. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because this fund has no activity on a GAAP basis.)

TIF Crossroads 2 Fund

To account for financial resources to be used for the construction and installation of infrastructure improvements in the TIF/Crossroads area of the City.

CITY OF ROSSFORD, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 1,253,379	\$ 1,041,456	\$ 55,837	\$ 2,350,672
Receivables:				
Accounts	1,312	0	0	1,312
Intergovernmental	210,557	377,591	0	588,148
Property Taxes	151,424	626,662	0	778,086
Special Assessments	224,430	0	0	224,430
Inventory of Supplies, at Cost	30,585	0	0	30,585
Prepaid Items	4,564	742	0	5,306
Total Assets	\$ 1,876,251	\$ 2,046,451	\$ 55,837	\$ 3,978,539
Liabilities:				
Accounts Payable	\$ 63,426	\$ 200,308	\$ 0	\$ 263,734
Accrued Wages and Benefits Payable	4,309	3,568	0	7,877
Interfund Loans Payable	0	624,945	0	624,945
Total Liabilities	67,735	828,821	0	896,556
Deferred Inflows of Resources:				
Unavailable Amounts	364,318	383,818	0	748,136
Property Tax Levy for Next Fiscal Year	128,880	620,435	0	749,315
Total Deferred Inflows of Resources	493,198	1,004,253	0	1,497,451
Fund Balances:				
Nonspendable	35,149	742	0	35,891
Restricted	1,280,169	709,672	0	1,989,841
Assigned	0	0	55,837	55,837
Unassigned	0	(497,037)	0	(497,037)
Total Fund Balances	1,315,318	213,377	55,837	1,584,532
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,876,251	\$ 2,046,451	\$ 55,837	\$ 3,978,539

CITY OF ROSSFORD, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 45,381	\$ 209,215	\$ 0	\$ 254,596
Other Local Taxes	147,543	0	0	147,543
Payments in Lieu of Taxes	0	6,051	0	6,051
Intergovernmental Revenues	440,401	283,796	0	724,197
Charges for Services	138,353	0	0	138,353
Investment Earnings	32	0	0	32
Special Assessments	212,696	0	0	212,696
Fines and Forfeitures	3,078	0	0	3,078
All Other Revenue	12,908	0	0	12,908
Total Revenue	1,000,392	499,062	0	1,499,454
Expenditures:				
Current:				
Security of Persons and Property	183,853	268,302	0	452,155
Leisure Time Activities	434,803	0	0	434,803
Transportation	256,976	0	0	256,976
General Government	153,835	0	0	153,835
Capital Outlay	0	218,463	0	218,463
Debt Service:				
Principal Retirement	28,625	201,476	104,462	334,563
Interest & Fiscal Charges	4,883	61,841	1,195	67,919
Total Expenditures	1,062,975	750,082	105,657	1,918,714
Excess (Deficiency) of Revenues Over Expenditures	(62,583)	(251,020)	(105,657)	(419,260)
Other Financing Sources (Uses):				
Transfers In	250,000	687,740	104,462	1,042,202
Transfers Out	(25,015)	(550,000)	(902,104)	(1,477,119)
Total Other Financing Sources (Uses)	224,985	137,740	(797,642)	(434,917)
Net Change in Fund Balances	162,402	(113,280)	(903,299)	(854,177)
Fund Balances at Beginning of Year	1,142,694	326,657	959,136	2,428,487
Increase in Inventory Reserve	10,222	0	0	10,222
Fund Balances End of Year	\$ 1,315,318	\$ 213,377	\$ 55,837	\$ 1,584,532

CITY OF ROSSFORD, OHIO

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

	State Highway	Street Construction, Maintenance and Repair	Drug Fine	Enforcement and Education
Assets:				
Cash and Cash Equivalents	\$ 25,517	\$ 539,480	\$ 24,454	\$ 43,006
Receivables:				
Accounts	0	0	0	0
Intergovernmental	15,266	188,703	0	0
Property Taxes	0	0	0	0
Special Assessments	0	0	0	0
Inventory of Supplies, at Cost	0	30,585	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 40,783	\$ 758,768	\$ 24,454	\$ 43,006
Liabilities:				
Accounts Payable	\$ 0	\$ 4,065	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Total Liabilities	0	4,065	0	0
Deferred Inflows of Resources:				
Unavailable Amounts	9,955	123,200	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	9,955	123,200	0	0
Fund Balances:				
Nonspendable	0	30,585	0	0
Restricted	30,828	600,918	24,454	43,006
Total Fund Balances	30,828	631,503	24,454	43,006
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 40,783	\$ 758,768	\$ 24,454	\$ 43,006

CITY OF ROSSFORD, OHIO

Law Enforcement Trust	Recreation	Rossford Community Arts Commission	Block Grant	Street Lighting Assessment	Visitors and Conventions
\$ 2,286	\$ 134,975	\$ 200	\$ 163,494	\$ 166,843	\$ 67,567
0	1,312	0	0	0	0
0	1,812	0	0	0	0
0	131,989	0	0	0	19,435
0	0	0	0	224,430	0
0	0	0	0	0	0
0	4,564	0	0	0	0
<u>\$ 2,286</u>	<u>\$ 274,652</u>	<u>\$ 200</u>	<u>\$ 163,494</u>	<u>\$ 391,273</u>	<u>\$ 87,002</u>
\$ 0	\$ 10,352	\$ 0	\$ 0	\$ 13,285	\$ 35,724
0	4,309	0	0	0	0
0	14,661	0	0	13,285	35,724
0	4,921	0	0	224,430	0
0	128,880	0	0	0	0
0	133,801	0	0	224,430	0
0	4,564	0	0	0	0
2,286	121,626	200	163,494	153,558	51,278
2,286	126,190	200	163,494	153,558	51,278
<u>\$ 2,286</u>	<u>\$ 274,652</u>	<u>\$ 200</u>	<u>\$ 163,494</u>	<u>\$ 391,273</u>	<u>\$ 87,002</u>

(Continued)

CITY OF ROSSFORD, OHIO

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

	Rossford Permissive Tax	Fire Personnel Levy	Total Nonmajor Special Revenue Funds
Assets:			
Cash and Cash Equivalents	\$ 85,557	\$ 0	\$ 1,253,379
Receivables:			
Accounts	0	0	1,312
Intergovernmental	2,964	1,812	210,557
Property Taxes	0	0	151,424
Special Assessments	0	0	224,430
Inventory of Supplies, at Cost	0	0	30,585
Prepaid Items	0	0	4,564
Total Assets	<u>\$ 88,521</u>	<u>\$ 1,812</u>	<u>\$ 1,876,251</u>
Liabilities:			
Accounts Payable	\$ 0	\$ 0	\$ 63,426
Accrued Wages and Benefits Payable	0	0	4,309
Total Liabilities	<u>0</u>	<u>0</u>	<u>67,735</u>
Deferred Inflows of Resources:			
Unavailable Amounts	0	1,812	364,318
Property Tax Levy for Next Fiscal Year	0	0	128,880
Total Deferred Inflows of Resources	<u>0</u>	<u>1,812</u>	<u>493,198</u>
Fund Balances:			
Nonspendable	0	0	35,149
Restricted	88,521	0	1,280,169
Total Fund Balances	<u>88,521</u>	<u>0</u>	<u>1,315,318</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 88,521</u>	<u>\$ 1,812</u>	<u>\$ 1,876,251</u>

CITY OF ROSSFORD, OHIO

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

	State Highway	Street Construction, Maintenance and Repair	Drug Fine	Enforcement and Education
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Other Local Taxes	0	0	0	0
Intergovernmental Revenues	28,771	354,835	0	20,614
Charges for Services	0	0	0	0
Investment Earnings	0	19	0	0
Special Assessments	0	0	0	0
Fines and Forfeitures	0	0	181	731
All Other Revenue	0	2,793	0	1,000
Total Revenue	<u>28,771</u>	<u>357,647</u>	<u>181</u>	<u>22,345</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	4,310
Leisure Time Activities	0	0	0	0
Transportation	21,786	225,290	0	0
General Government	0	0	0	0
Debt Service:				
Principal Retirement	0	28,625	0	0
Interest & Fiscal Charges	0	4,883	0	0
Total Expenditures	<u>21,786</u>	<u>258,798</u>	<u>0</u>	<u>4,310</u>
Excess (Deficiency) of Revenues Over Expenditures	6,985	98,849	181	18,035
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Transfers Out	0	0	0	(25,015)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(25,015)</u>
Net Change in Fund Balances	6,985	98,849	181	(6,980)
Fund Balances at Beginning of Year	23,843	522,432	24,273	49,986
Increase in Inventory Reserve	0	10,222	0	0
Fund Balances End of Year	<u>\$ 30,828</u>	<u>\$ 631,503</u>	<u>\$ 24,454</u>	<u>\$ 43,006</u>

(Continued)

CITY OF ROSSFORD, OHIO

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

	Law Enforcement Trust	Recreation	Rossford Community Arts Commission	Block Grant
Revenues:				
Property Taxes	\$ 0	\$ 45,381	\$ 0	\$ 0
Other Local Taxes	0	0	0	0
Intergovernmental Revenues	0	4,222	0	0
Charges for Services	0	138,353	0	0
Investment Earnings	0	0	0	0
Special Assessments	0	0	0	0
Fines and Forfeitures	2,166	0	0	0
All Other Revenue	35	9,080	0	0
Total Revenue	2,201	197,036	0	0
Expenditures:				
Current:				
Security of Persons and Property	11,248	0	0	0
Leisure Time Activities	0	434,803	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest & Fiscal Charges	0	0	0	0
Total Expenditures	11,248	434,803	0	0
Excess (Deficiency) of Revenues Over Expenditures	(9,047)	(237,767)	0	0
Other Financing Sources (Uses):				
Transfers In	0	250,000	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	250,000	0	0
Net Change in Fund Balances	(9,047)	12,233	0	0
Fund Balances at Beginning of Year	11,333	113,957	200	163,494
Increase in Inventory Reserve	0	0	0	0
Fund Balances End of Year	\$ 2,286	\$ 126,190	\$ 200	\$ 163,494

CITY OF ROSSFORD, OHIO

Street Lighting Assessment	Visitors and Conventions	Rossford Permissive Tax	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 45,381
0	147,543	0	147,543
0	0	31,959	440,401
0	0	0	138,353
0	0	13	32
212,696	0	0	212,696
0	0	0	3,078
0	0	0	12,908
<u>212,696</u>	<u>147,543</u>	<u>31,972</u>	<u>1,000,392</u>
168,295	0	0	183,853
0	0	0	434,803
0	0	9,900	256,976
0	153,835	0	153,835
0	0	0	28,625
0	0	0	4,883
<u>168,295</u>	<u>153,835</u>	<u>9,900</u>	<u>1,062,975</u>
44,401	(6,292)	22,072	(62,583)
0	0	0	250,000
0	0	0	(25,015)
<u>0</u>	<u>0</u>	<u>0</u>	<u>224,985</u>
44,401	(6,292)	22,072	162,402
109,157	57,570	66,449	1,142,694
0	0	0	10,222
<u>\$ 153,558</u>	<u>\$ 51,278</u>	<u>\$ 88,521</u>	<u>\$ 1,315,318</u>

CITY OF ROSSFORD, OHIO

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

	Landfill Closure	Fire Capital Improvement	Permanent Recreation Improvement	TID Road Acquisition
Assets:				
Cash and Cash Equivalents	\$ 38,289	\$ 627,937	\$ 63,043	\$ 13,179
Receivables:				
Intergovernmental	0	5,075	1,812	370,704
Property Taxes	0	497,782	128,880	0
Prepaid Items	0	742	0	0
Total Assets	\$ 38,289	\$ 1,131,536	\$ 193,735	\$ 383,883
Liabilities:				
Accounts Payable	\$ 7,691	\$ 517	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	3,568	0	0
Interfund Loans Payable	0	21,000	0	0
Total Liabilities	7,691	25,085	0	0
Deferred Inflows of Resources:				
Unavailable Amounts	0	11,302	1,812	370,704
Property Tax Levy for Next Fiscal Year	0	491,555	128,880	0
Total Deferred Inflows of Resources	0	502,857	130,692	370,704
Fund Balances:				
Nonspendable	0	742	0	0
Restricted	30,598	602,852	63,043	13,179
Unassigned	0	0	0	0
Total Fund Balances	30,598	603,594	63,043	13,179
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 38,289	\$ 1,131,536	\$ 193,735	\$ 383,883

CITY OF ROSSFORD, OHIO

TIEF Urban Redevelopment	TIF Crossroads 2	Total Nonmajor Capital Projects Funds
\$ 204,693	\$ 94,315	\$ 1,041,456
0	0	377,591
0	0	626,662
0	0	742
<u>\$ 204,693</u>	<u>\$ 94,315</u>	<u>\$ 2,046,451</u>
\$ 192,100	\$ 0	\$ 200,308
0	0	3,568
29,820	574,125	624,945
<u>221,920</u>	<u>574,125</u>	<u>828,821</u>
0	0	383,818
0	0	620,435
<u>0</u>	<u>0</u>	<u>1,004,253</u>
0	0	742
0	0	709,672
<u>(17,227)</u>	<u>(479,810)</u>	<u>(497,037)</u>
<u>(17,227)</u>	<u>(479,810)</u>	<u>213,377</u>
<u>\$ 204,693</u>	<u>\$ 94,315</u>	<u>\$ 2,046,451</u>

CITY OF ROSSFORD, OHIO

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

	Landfill Closure	Fire Capital Improvement	Permanent Recreation Improvement	TID Road Acquisition
Revenues:				
Property Taxes	\$ 0	\$ 163,834	\$ 45,381	\$ 0
Payments in Lieu of Taxes	0	0	0	0
Intergovernmental Revenues	0	33,358	3,222	247,216
Total Revenue	0	197,192	48,603	247,216
Expenditures:				
Security of Persons and Property	0	268,302	0	0
Capital Outlay	60,379	0	127,732	0
Debt Service:				
Principal Retirement	20,000	16,476	0	0
Interest & Fiscal Charges	1,290	1,303	0	0
Total Expenditures	81,669	286,081	127,732	0
Excess (Deficiency) of Revenues Over Expenditures	(81,669)	(88,889)	(79,129)	247,216
Other Financing Sources (Uses):				
Transfers In	75,000	612,740	0	0
Transfers Out	0	0	0	(550,000)
Total Other Financing Sources (Uses)	75,000	612,740	0	(550,000)
Net Change in Fund Balances	(6,669)	523,851	(79,129)	(302,784)
Fund Balances (Deficit) at Beginning of Year	37,267	79,743	142,172	315,963
Fund Balances (Deficit) End of Year	\$ 30,598	\$ 603,594	\$ 63,043	\$ 13,179

CITY OF ROSSFORD, OHIO

TIEF Urban Redevelopment	TIF Crossroads 2	Total Nonmajor Capital Project Funds
\$ 0	\$ 0	\$ 209,215
0	6,051	6,051
0	0	283,796
0	6,051	499,062
0	0	268,302
3,560	26,792	218,463
0	165,000	201,476
0	59,248	61,841
3,560	251,040	750,082
(3,560)	(244,989)	(251,020)
0	0	687,740
0	0	(550,000)
0	0	137,740
(3,560)	(244,989)	(113,280)
(13,667)	(234,821)	326,657
\$ (17,227)	\$ (479,810)	\$ 213,377

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 540,000	\$ 556,801	\$ 556,801	\$ 0
Municipal Income Taxes	3,765,000	4,539,361	4,774,755	235,394
Other Local Taxes	430,000	495,465	505,973	10,508
Intergovernmental Revenues	358,290	442,686	473,010	30,324
Charges for Services	101,000	91,500	97,612	6,112
Licenses and Permits	9,000	21,200	22,703	1,503
Investment Earnings	40,000	118,020	144,694	26,674
Special Assessments	7,000	3,007	3,007	0
Fines and Forfeitures	26,000	27,857	29,360	1,503
All Other Revenues	42,000	326,318	336,146	9,828
Total Revenues	5,318,290	6,622,215	6,944,061	321,846
Expenditures:				
Security of Persons and Property:				
Police:				
Personal Services	1,663,414	1,695,594	1,608,572	87,022
Contractual Services	212,259	226,369	206,996	19,373
Materials and Supplies	88,406	86,106	82,836	3,270
Capital Outlay	24,954	13,144	11,418	1,726
Total Police	1,989,033	2,021,213	1,909,822	111,391
Fire:				
Personal Services	375,000	353,726	312,615	41,111
Contractual Services	122,647	120,472	105,561	14,911
Materials and Supplies	23,300	23,300	19,898	3,402
Total Fire	520,947	497,498	438,074	59,424
Emergency Management:				
Contractual Services	6,500	5,500	4,531	969
Total Security of Persons and Property	2,516,480	2,524,211	2,352,427	171,784
Leisure Time Activities:				
Parks:				
Contractual Services	10,000	18,400	16,473	1,927
Materials and Supplies	1,000	4,100	3,427	673
Total Leisure Time Activities	11,000	22,500	19,900	2,600

(Continued)

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Basic Utility Services:				
Solid Waste and Refuse:				
Contractual Services	387,758	386,513	350,674	35,839
Total Basic Utility Services	<u>387,758</u>	<u>386,513</u>	<u>350,674</u>	<u>35,839</u>
Transportation:				
Public Works:				
Personal Services	601,608	612,333	585,739	26,594
Contractual Services	114,590	125,784	119,447	6,337
Materials and Supplies	36,023	31,445	24,256	7,189
Capital Outlay	25,000	25,290	25,290	0
Total Transportation	<u>777,221</u>	<u>794,852</u>	<u>754,732</u>	<u>40,120</u>
General Government:				
City Council:				
Personal Services	32,463	32,525	31,483	1,042
Contractual Services	7,800	7,660	4,126	3,534
Materials and Supplies	0	140	0	140
Total City Council	<u>40,263</u>	<u>40,325</u>	<u>35,609</u>	<u>4,716</u>
Mayor:				
Personal Services	8,903	8,975	8,749	226
Contractual Services	1,110	1,060	645	415
Materials and Supplies	150	150	0	150
Total Mayor	<u>10,163</u>	<u>10,185</u>	<u>9,394</u>	<u>791</u>
Administrator:				
Personal Services	190,401	58,911	44,826	14,085
Contractual Services	5,250	3,250	1,720	1,530
Materials and Supplies	500	500	0	500
Capital Outlay	500	0	0	0
Total Administrator	<u>196,651</u>	<u>62,661</u>	<u>46,546</u>	<u>16,115</u>

(Continued)

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
General Government:				
Contractual Services	172,901	272,086	243,901	28,185
Materials and Supplies	10,000	9,556	7,408	2,148
Other Expenditures	415,994	343,073	212,476	130,597
Capital Outlay	14,816	13,616	12,436	1,180
Total General Government	613,711	638,331	476,221	162,110
Facilities and Grounds:				
Contractual Services	229,481	221,753	195,084	26,669
Other Expenditures	0	3,278	3,278	0
Capital Outlay	0	60,650	60,557	93
Total Facilities and Grounds	229,481	285,681	258,919	26,762
Finance/Tax:				
Personal Services	221,230	230,550	215,339	15,211
Contractual Services	147,150	169,050	154,098	14,952
Materials and Supplies	500	500	0	500
Capital Outlay	2,500	2,500	0	2,500
Total Finance/Tax	371,380	402,600	369,437	33,163
Zoning and Planning:				
Personal Services	21,819	23,800	21,582	2,218
Contractual Services	28,775	28,775	7,813	20,962
Total Zoning and Planning	50,594	52,575	29,395	23,180
Law:				
Contractual Services	281,700	274,722	238,388	36,334
Civil Service Commission:				
Personal Services	0	100	100	0
Contractual Services	4,000	3,900	1,762	2,138
Total Civil Service Commission	4,000	4,000	1,862	2,138
Street Tree Commission:				
Personal Services	0	200	199	1
Contractual Services	8,450	8,250	5,644	2,606
Total Street Tree Commission	8,450	8,450	5,843	2,607

(Continued)

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Planning Commission:				
Personal Services	2,000	2,000	1,093	907
Contractual Services	65,515	65,400	28,024	37,376
Total Planning Commission	<u>67,515</u>	<u>67,400</u>	<u>29,117</u>	<u>38,283</u>
Total General Government	<u>1,873,908</u>	<u>1,846,930</u>	<u>1,500,731</u>	<u>346,199</u>
Total Expenditures	<u>5,566,367</u>	<u>5,575,006</u>	<u>4,978,464</u>	<u>596,542</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(248,077)	1,047,209	1,965,597	918,388
Other Financing Sources (Uses):				
Transfers In	0	28,015	28,015	0
Transfers Out	(1,520,296)	(2,198,037)	(2,183,036)	15,001
Advances In	0	44,200	0	(44,200)
Advances Out	0	(218,200)	(218,200)	0
Total Other Financing Sources (Uses)	<u>(1,520,296)</u>	<u>(2,344,022)</u>	<u>(2,373,221)</u>	<u>(29,199)</u>
Net Change in Fund Balance	(1,768,373)	(1,296,813)	(407,624)	889,189
Fund Balance at Beginning of Year	5,887,841	5,887,841	5,887,841	0
Prior Year Encumbrances	<u>215,287</u>	<u>215,287</u>	<u>215,287</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,334,755</u>	<u>\$ 4,806,315</u>	<u>\$ 5,695,504</u>	<u>\$ 889,189</u>

CITY OF ROSSFORD, OHIO

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

TAX INCREMENT EQUALIZATION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 900,000	\$ 908,915	\$ 908,917	\$ 2
Intergovernmental Revenues	225	200	203	3
Investment Earnings	3,500	6,015	6,453	438
Total Revenues	<u>903,725</u>	<u>915,130</u>	<u>915,573</u>	<u>443</u>
Expenditures:				
Capital Outlay	313,731	467,841	438,295	29,546
Debt Service:				
Principal Retirement	2,005,000	1,888,610	1,888,610	0
Interest and Fiscal Charges	366,579	246,992	246,991	1
Total Expenditures	<u>2,685,310</u>	<u>2,603,443</u>	<u>2,573,896</u>	<u>29,547</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(1,781,585)	(1,688,313)	(1,658,323)	29,990
Other Financing Sources (Uses):				
Advances Out	(224,250)	0	0	0
Total Other Financing Sources (Uses)	<u>(224,250)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(2,005,835)	(1,688,313)	(1,658,323)	29,990
Fund Balance at Beginning of Year	3,536,235	3,536,235	3,536,235	0
Prior Year Encumbrances	2,385,060	2,385,060	2,385,060	0
Fund Balance at End of Year	<u>\$ 3,915,460</u>	<u>\$ 4,232,982</u>	<u>\$ 4,262,972</u>	<u>\$ 29,990</u>

CITY OF ROSSFORD, OHIO

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

CAPITAL IMPROVEMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 659,757	\$ 659,757	\$ 0
Special Assessments	0	6,065	6,065	0
All Other Revenues	0	164,514	0	(164,514)
Total Revenues	<u>0</u>	<u>830,336</u>	<u>665,822</u>	<u>(164,514)</u>
Expenditures:				
Capital Outlay	1,123,361	4,153,008	4,076,167	76,841
Total Expenditures	<u>1,123,361</u>	<u>4,153,008</u>	<u>4,076,167</u>	<u>76,841</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,123,361)	(3,322,672)	(3,410,345)	(87,673)
Other Financing Sources (Uses):				
General Obligation Notes Issued	0	1,244,800	1,244,800	0
Transfers In	250,000	650,000	650,000	0
Total Other Financing Sources (Uses)	<u>250,000</u>	<u>1,894,800</u>	<u>1,894,800</u>	<u>0</u>
Net Change in Fund Balance	(873,361)	(1,427,872)	(1,515,545)	(87,673)
Fund Balance at Beginning of Year	512,176	512,176	512,176	0
Prior Year Encumbrances	1,003,796	1,003,796	1,003,796	0
Fund Balance at End of Year	<u>\$ 642,611</u>	<u>\$ 88,100</u>	<u>\$ 427</u>	<u>\$ (87,673)</u>

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 23,000	\$ 24,999	\$ 27,309	\$ 2,310
Total Revenues	<u>23,000</u>	<u>24,999</u>	<u>27,309</u>	<u>2,310</u>
Expenditures:				
Transportation:				
Contractual Services	15,240	15,240	13,690	1,550
Materials and Supplies	<u>15,063</u>	<u>17,388</u>	<u>15,813</u>	<u>1,575</u>
Total Expenditures	<u>30,303</u>	<u>32,628</u>	<u>29,503</u>	<u>3,125</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,303)	(7,629)	(2,194)	5,435
Fund Balance at Beginning of Year	19,994	19,994	19,994	0
Prior Year Encumbrances	<u>303</u>	<u>303</u>	<u>303</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 12,994</u>	<u>\$ 12,668</u>	<u>\$ 18,103</u>	<u>\$ 5,435</u>

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND				
Revenues:				
Intergovernmental Revenues	\$ 225,000	\$ 298,448	\$ 336,806	\$ 38,358
Investment Earnings	0	19	19	0
All Other Revenues	0	2,793	2,793	0
Total Revenues	<u>225,000</u>	<u>301,260</u>	<u>339,618</u>	<u>38,358</u>
Expenditures:				
Transportation:				
Contractual Services	79,064	119,450	114,364	5,086
Materials and Supplies	179,321	196,081	178,262	17,819
Capital Outlay	50,000	19,000	19,000	0
Debt Service:				
Principal Retirement	31,435	31,279	31,279	0
Interest and Fiscal Charges	5,121	5,277	5,277	0
Total Expenditures	<u>344,941</u>	<u>371,087</u>	<u>348,182</u>	<u>22,905</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(119,941)	(69,827)	(8,564)	61,263
Fund Balance at Beginning of Year	445,612	445,612	445,612	0
Prior Year Encumbrances	<u>13,614</u>	<u>13,614</u>	<u>13,614</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 339,285</u>	<u>\$ 389,399</u>	<u>\$ 450,662</u>	<u>\$ 61,263</u>

CITY OF ROSSFORD, OHIO

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

	DRUG FINE FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 1,000	\$ 200	\$ 181	\$ (19)
Total Revenues	<u>1,000</u>	<u>200</u>	<u>181</u>	<u>(19)</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	200	181	(19)
Fund Balance at Beginning of Year	<u>24,273</u>	<u>24,273</u>	<u>24,273</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 25,273</u>	<u>\$ 24,473</u>	<u>\$ 24,454</u>	<u>\$ (19)</u>

CITY OF ROSSFORD, OHIO

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

ENFORCEMENT AND EDUCATION FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 7,500	\$ 20,614	\$ 20,614	\$ 0
Fines and Forfeitures	1,000	731	731	0
All Other Revenues	<u>0</u>	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Total Revenues	<u>8,500</u>	<u>21,345</u>	<u>22,345</u>	<u>1,000</u>
Expenditures:				
Security of Persons and Property:				
Contractual Services	10,000	9,300	4,875	4,425
Materials and Supplies	10,000	8,700	1,643	7,057
Capital Outlay	<u>0</u>	<u>2,000</u>	<u>1,586</u>	<u>414</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>8,104</u>	<u>11,896</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,500)	1,345	14,241	12,896
Other Financing Sources (Uses):				
Transfers Out	<u>(20,000)</u>	<u>(25,015)</u>	<u>(25,015)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(20,000)</u>	<u>(25,015)</u>	<u>(25,015)</u>	<u>0</u>
Net Change in Fund Balance	(31,500)	(23,670)	(10,774)	12,896
Fund Balance at Beginning of Year	49,986	49,986	49,986	0
Fund Balance at End of Year	<u>\$ 18,486</u>	<u>\$ 26,316</u>	<u>\$ 39,212</u>	<u>\$ 12,896</u>

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	10,000	2,136	2,166	30
All Other Revenues	\$ 0	\$ 35	\$ 35	\$ 0
Total Revenues	10,000	2,171	2,201	30
Expenditures:				
Security of Persons and Property:				
Contractual Services	3,500	3,408	3,408	0
Capital Outlay	7,500	9,592	7,840	1,752
Total Expenditures	11,000	13,000	11,248	1,752
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,000)	(10,829)	(9,047)	1,782
Fund Balance at Beginning of Year	11,333	11,333	11,333	0
Fund Balance at End of Year	\$ 10,333	\$ 504	\$ 2,286	\$ 1,782

CITY OF ROSSFORD, OHIO

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

ACCRUED COMPENSATION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
General Government:				
Contractual Services	5,900	5,900	5,883	17
Materials and Supplies	2,922	2,922	2,858	64
Total Expenditures	8,822	8,822	8,741	81
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,822)	(8,822)	(8,741)	81
Other Financing Sources (Uses):				
Transfers In	0	15,000	15,000	0
Total Other Financing Sources (Uses)	0	15,000	15,000	0
Net Change in Fund Balance	(8,822)	6,178	6,259	81
Fund Balance at Beginning of Year	267,959	267,959	267,959	0
Prior Year Encumbrances	(2,423)	(2,423)	(2,423)	0
Fund Balance at End of Year	<u>\$ 256,714</u>	<u>\$ 271,714</u>	<u>\$ 271,795</u>	<u>\$ 81</u>

CITY OF ROSSFORD, OHIO

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

RECREATION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 41,100	\$ 45,381	\$ 45,381	\$ 0
Intergovernmental Revenues	6,500	4,223	4,222	(1)
Charges for Services	130,620	132,920	138,906	5,986
All Other Revenues	9,100	9,080	9,080	0
Total Revenues	<u>187,320</u>	<u>191,604</u>	<u>197,589</u>	<u>5,985</u>
Expenditures:				
Leisure Time Activities:				
Personal Services	315,853	315,149	279,007	36,142
Contractual Services	126,599	155,270	141,915	13,355
Materials and Supplies	24,811	25,162	21,854	3,308
Other Expenditures	1,000	1,000	915	85
Capital Outlay	2,000	3,000	1,800	1,200
Total Expenditures	<u>470,263</u>	<u>499,581</u>	<u>445,491</u>	<u>54,090</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(282,943)	(307,977)	(247,902)	60,075
Other Financing Sources (Uses):				
Transfers In	250,000	250,000	250,000	0
Total Other Financing Sources (Uses)	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>0</u>
Net Change in Fund Balance	(32,943)	(57,977)	2,098	60,075
Fund Balance at Beginning of Year	113,262	113,262	113,262	0
Prior Year Encumbrances	7,542	7,542	7,542	0
Fund Balance at End of Year	<u>\$ 87,861</u>	<u>\$ 62,827</u>	<u>\$ 122,902</u>	<u>\$ 60,075</u>

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	200	200	200	0
Fund Balance at End of Year	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 0</u>

CITY OF ROSSFORD, OHIO

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

	BLOCK GRANT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Community Environment:				
Other Expenditures	100,000	50,000	0	50,000
Total Expenditures	100,000	50,000	0	50,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(100,000)	(50,000)	0	50,000
Fund Balance at Beginning of Year	163,494	163,494	163,494	0
Fund Balance at End of Year	\$ 63,494	\$ 113,494	\$ 163,494	\$ 50,000

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Special Assessments	\$ 210,000	\$ 212,696	\$ 212,696	\$ 0
Total Revenues	<u>210,000</u>	<u>212,696</u>	<u>212,696</u>	<u>0</u>
Expenditures:				
Security of Persons and Property:				
Contractual Services	210,910	207,910	182,490	25,420
Capital Outlay	517	3,000	3,000	0
Total Expenditures	<u>211,427</u>	<u>210,910</u>	<u>185,490</u>	<u>25,420</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,427)	1,786	27,206	25,420
Fund Balance at Beginning of Year	104,648	104,648	104,648	0
Prior Year Encumbrances	<u>18,882</u>	<u>18,882</u>	<u>18,882</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 122,103</u>	<u>\$ 125,316</u>	<u>\$ 150,736</u>	<u>\$ 25,420</u>

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Other Local Taxes	\$ 130,000	\$ 150,000	\$ 153,836	\$ 3,836
Total Revenues	<u>130,000</u>	<u>150,000</u>	<u>153,836</u>	<u>3,836</u>
Expenditures:				
General Government:				
Contractual Services	<u>166,980</u>	<u>183,300</u>	<u>183,300</u>	<u>0</u>
Total Expenditures	<u>166,980</u>	<u>183,300</u>	<u>183,300</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,980)	(33,300)	(29,464)	3,836
Fund Balance at Beginning of Year	31,081	31,081	31,081	0
Prior Year Encumbrances	<u>36,980</u>	<u>36,980</u>	<u>36,980</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 31,081</u>	<u>\$ 34,761</u>	<u>\$ 38,597</u>	<u>\$ 3,836</u>

CITY OF ROSSFORD, OHIO

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

	ROSSFORD PERMISSIVE TAX FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 30,000	\$ 29,987	\$ 32,140	\$ 2,153
Investment Earnings	0	13	13	0
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>32,153</u>	<u>2,153</u>
Expenditures:				
Transportation:				
Capital Outlay	<u>30,000</u>	<u>15,000</u>	<u>9,900</u>	<u>5,100</u>
Total Expenditures	<u>30,000</u>	<u>15,000</u>	<u>9,900</u>	<u>5,100</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	15,000	22,253	7,253
Fund Balance at Beginning of Year	<u>63,304</u>	<u>63,304</u>	<u>63,304</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 63,304</u>	<u>\$ 78,304</u>	<u>\$ 85,557</u>	<u>\$ 7,253</u>

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Debt Service:				
Principal Retirement	2,100,000	2,104,462	2,104,462	0
Interest and Fiscal Charges	45,150	64,181	54,133	10,048
Total Expenditures	2,145,150	2,168,643	2,158,595	10,048
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,145,150)	(2,168,643)	(2,158,595)	10,048
Other Financing Sources (Uses):				
Transfers In	1,255,296	1,255,296	1,255,296	0
Total Other Financing Sources (Uses)	1,255,296	1,255,296	1,255,296	0
Net Change in Fund Balance	(889,854)	(913,347)	(903,299)	10,048
Fund Balance at Beginning of Year	959,136	959,136	959,136	0
Fund Balance at End of Year	\$ 69,282	\$ 45,789	\$ 55,837	\$ 10,048

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay	81,327	79,547	71,305	8,242
Debt Service:				
Principal Retirement	20,000	20,000	20,000	0
Interest and Fiscal Charges	1,290	1,290	1,290	0
Total Expenditures	102,617	100,837	92,595	8,242
Excess (Deficiency) of Revenues Over (Under) Expenditures	(102,617)	(100,837)	(92,595)	8,242
Other Financing Sources (Uses):				
Transfers In	75,000	75,000	75,000	0
Total Other Financing Sources (Uses)	75,000	75,000	75,000	0
Net Change in Fund Balance	(27,617)	(25,837)	(17,595)	8,242
Fund Balance at Beginning of Year	39,739	39,739	39,739	0
Prior Year Encumbrances	6,327	6,327	6,327	0
Fund Balance at End of Year	\$ 18,449	\$ 20,229	\$ 28,471	\$ 8,242

CITY OF ROSSFORD, OHIO

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

FIRE CAPITAL IMPROVEMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 165,000	\$ 163,834	\$ 163,834	\$ 0
Intergovernmental Revenues	20,000	33,358	33,358	0
Total Revenues	<u>185,000</u>	<u>197,192</u>	<u>197,192</u>	<u>0</u>
Expenditures:				
Personal Services	112,485	189,858	127,015	62,843
Contractual Services	48,500	48,258	41,805	6,453
Capital Outlay	12,221	655,522	654,370	1,152
Debt Service:				
Principal Retirement	16,476	16,476	16,476	0
Interest and Fiscal Charges	1,303	1,303	1,303	0
Total Expenditures	<u>190,985</u>	<u>911,417</u>	<u>840,969</u>	<u>70,448</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,985)	(714,225)	(643,777)	70,448
Other Financing Sources (Uses):				
Transfers In	0	612,740	612,740	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>612,740</u>	<u>612,740</u>	<u>0</u>
Net Change in Fund Balance	(5,985)	(101,485)	(31,037)	70,448
Fund Balance at Beginning of Year	101,911	101,911	101,911	0
Prior Year Encumbrances	178	178	178	0
Fund Balance at End of Year	<u>\$ 96,104</u>	<u>\$ 604</u>	<u>\$ 71,052</u>	<u>\$ 70,448</u>

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 41,100	\$ 45,380	\$ 45,381	\$ 1
Intergovernmental Revenues	6,000	3,222	3,222	0
Total Revenues	<u>47,100</u>	<u>48,602</u>	<u>48,603</u>	<u>1</u>
Expenditures:				
Capital Outlay	<u>113,175</u>	<u>147,121</u>	<u>146,357</u>	<u>764</u>
Total Expenditures	<u>113,175</u>	<u>147,121</u>	<u>146,357</u>	<u>764</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(66,075)	(98,519)	(97,754)	765
Fund Balance at Beginning of Year	133,622	133,622	133,622	0
Prior Year Encumbrances	<u>18,175</u>	<u>18,175</u>	<u>18,175</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 85,722</u>	<u>\$ 53,278</u>	<u>\$ 54,043</u>	<u>\$ 765</u>

CITY OF ROSSFORD, OHIO

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

TID ROAD ACQUISITION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 225,000	\$ 247,216	\$ 247,216	\$ 0
Total Revenues	<u>225,000</u>	<u>247,216</u>	<u>247,216</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	225,000	247,216	247,216	0
Other Financing Sources (Uses):				
Transfers Out	<u>(250,000)</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(250,000)</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>0</u>
Net Change in Fund Balance	(25,000)	(302,784)	(302,784)	0
Fund Balance at Beginning of Year	<u>315,963</u>	<u>315,963</u>	<u>315,963</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 290,963</u>	<u>\$ 13,179</u>	<u>\$ 13,179</u>	<u>\$ 0</u>

CITY OF ROSSFORD, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay	18,564	18,564	18,564	0
Total Expenditures	18,564	18,564	18,564	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,564)	(18,564)	(18,564)	0
Fund Balance at Beginning of Year	192,100	192,100	192,100	0
Prior Year Encumbrances	18,564	18,564	18,564	0
Fund Balance at End of Year	<u>\$ 192,100</u>	<u>\$ 192,100</u>	<u>\$ 192,100</u>	<u>\$ 0</u>

CITY OF ROSSFORD, OHIO

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

TIF CROSSROADS 2 FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 0	\$ 6,051	\$ 6,051	\$ 0
Total Revenues	<u>0</u>	<u>6,051</u>	<u>6,051</u>	<u>0</u>
Expenditures:				
Capital Outlay	139,231	139,231	139,231	0
Debt Service:				
Principal Retirement	165,000	165,000	165,000	0
Interest and Fiscal Charges	59,250	59,250	59,248	2
Total Expenditures	<u>363,481</u>	<u>363,481</u>	<u>363,479</u>	<u>2</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(363,481)	(357,430)	(357,428)	2
Other Financing Sources (Uses):				
Advances In	224,250	218,200	218,200	0
Total Other Financing Sources (Uses)	<u>224,250</u>	<u>218,200</u>	<u>218,200</u>	<u>0</u>
Net Change in Fund Balance	(139,231)	(139,230)	(139,228)	2
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	139,231	139,231	139,231	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 1</u>	<u>\$ 3</u>	<u>\$ 2</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 Fund

Cafeteria Plan Fund

To account for funds related to the IRS 125 Employee Benefits Plan.

Contractor's Guarantee Fund

To account for funds deposited from contractors in guarantee of work performance.

Fire Damaged Structures Repair Fund

To account for funds deposited to be used in place of insurance proceeds from the owners of structures damaged by fire.

Fallen Heroes Fund

To account for deposits made toward a memorial in honor of war veterans.

CITY OF ROSSFORD, OHIO

**Combining Statement Of Changes In Net Position
Agency Fund
For the Year Ended December 31, 2019**

	Balance December 31, 2018	Additions	Deductions	Balance December 31, 2019
<u>Cafeteria Plan</u>				
Assets:				
Equity in Pooled Cash and Investments	\$11,919	\$24,693	(\$21,484)	\$15,128
Total Assets	<u>\$11,919</u>	<u>\$24,693</u>	<u>(\$21,484)</u>	<u>\$15,128</u>
Liabilities:				
Due to Others	\$11,919	\$24,693	(\$21,484)	\$15,128
Total Liabilities	<u>\$11,919</u>	<u>\$24,693</u>	<u>(\$21,484)</u>	<u>\$15,128</u>
<u>Contractor's Guarantee Fund</u>				
Assets:				
Equity in Pooled Cash and Investments	\$4,217	\$0	(\$4,217)	\$0
Total Assets	<u>\$4,217</u>	<u>\$0</u>	<u>(\$4,217)</u>	<u>\$0</u>
Liabilities:				
Due to Others	\$4,217	\$0	(\$4,217)	\$0
Total Liabilities	<u>\$4,217</u>	<u>\$0</u>	<u>(\$4,217)</u>	<u>\$0</u>
<u>Fire Damaged Structures Repair Fund</u>				
Assets:				
Equity in Pooled Cash and Investments	\$0	\$9,320	(\$9,320)	\$0
Total Assets	<u>\$0</u>	<u>\$9,320</u>	<u>(\$9,320)</u>	<u>\$0</u>
Liabilities:				
Due to Others	\$0	\$9,320	(\$9,320)	\$0
Total Liabilities	<u>\$0</u>	<u>\$9,320</u>	<u>(\$9,320)</u>	<u>\$0</u>
<u>Fallen Heroes Fund</u>				
Assets:				
Equity in Pooled Cash and Investments	\$698	\$0	\$0	\$698
Total Assets	<u>\$698</u>	<u>\$0</u>	<u>\$0</u>	<u>\$698</u>
Liabilities:				
Due to Others	\$698	\$0	\$0	\$698
Total Liabilities	<u>\$698</u>	<u>\$0</u>	<u>\$0</u>	<u>\$698</u>
<u>Total</u>				
Assets:				
Equity in Pooled Cash and Investments	\$16,834	\$34,013	(\$35,021)	\$15,826
Total Assets	<u>\$16,834</u>	<u>\$34,013</u>	<u>(\$35,021)</u>	<u>\$15,826</u>
Liabilities:				
Due to Others	\$16,834	\$34,013	(\$35,021)	\$15,826
Total Liabilities	<u>\$16,834</u>	<u>\$34,013</u>	<u>(\$35,021)</u>	<u>\$15,826</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, income tax.	
Debt Capacity	S 18 – S 25
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 26 – S 29
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 30 – S 35
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 ROSSFORD, OHIO

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

	2010	2011	2012	2013
Governmental Activities:				
Net Investment in Capital Assets	\$844,106	\$1,101,415	\$1,674,067	\$1,932,205
Restricted	3,474,771	4,398,663	5,341,888	6,232,428
Unrestricted (Deficit)	4,215,412	4,642,103	5,898,462	6,653,032
Total Governmental Activities Net Position	<u>\$8,534,289</u>	<u>\$10,142,181</u>	<u>\$12,914,417</u>	<u>\$14,817,665</u>
Business-type Activities: (1)				
Net Investment in Capital Assets	\$3,621,210	\$420,295	\$417,661	\$396,088
Unrestricted	1,088,175	33,955	53,177	75,298
Total Business-type Activities Net Position	<u>\$4,709,385</u>	<u>\$454,250</u>	<u>\$470,838</u>	<u>\$471,386</u>
Primary Government:				
Net Investment in Capital Assets	\$4,465,316	\$1,521,710	\$2,091,728	\$2,328,293
Restricted	3,474,771	4,398,663	5,341,888	6,232,428
Unrestricted	5,303,587	4,676,058	5,951,639	6,728,330
Total Primary Government Net Position	<u>\$13,243,674</u>	<u>\$10,596,431</u>	<u>\$13,385,255</u>	<u>\$15,289,051</u>

Source: Finance Director's Office

- 1) In 2011, the City transferred the majority of its water and sewer capital assets, as well as some debt obligations, to the Northwestern Water and Sewer District.

CITY OF ROSSFORD, OHIO

2014	2015	2016	2017	2018	2019
\$2,630,252	\$3,039,471	\$4,209,647	\$6,305,909	\$6,942,429	\$8,813,370
7,546,700	7,566,671	7,996,876	6,946,087	9,801,488	9,820,697
6,159,749	4,288,665	5,283,348	4,647,421	1,247,405	3,831,139
<u>\$16,336,701</u>	<u>\$14,894,807</u>	<u>\$17,489,871</u>	<u>\$17,899,417</u>	<u>\$17,991,322</u>	<u>\$22,465,206</u>
\$677,189	\$659,031	\$447,837	\$427,143	\$414,624	\$590,415
76,938	42,914	73,490	60,681	70,799	89,860
<u>\$754,127</u>	<u>\$701,945</u>	<u>\$521,327</u>	<u>\$487,824</u>	<u>\$485,423</u>	<u>\$680,275</u>
\$3,307,441	\$3,698,502	\$4,657,484	\$6,733,052	\$7,357,053	\$9,403,785
7,546,700	7,566,671	7,996,876	6,946,087	9,801,488	9,820,697
6,236,687	4,331,579	5,356,838	4,708,102	1,318,204	3,920,999
<u>\$17,090,828</u>	<u>\$15,596,752</u>	<u>\$18,011,198</u>	<u>\$18,387,241</u>	<u>\$18,476,745</u>	<u>\$23,145,481</u>

CITY OF ROSSFORD, OHIO

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

	2010	2011	2012
Expenses			
Governmental Activities:			
Security of Persons and Property	\$2,278,312	\$2,463,233	\$2,426,459
Leisure Time Activities	343,283	334,710	354,398
Community Environment	0	0	0
Basic Utility Services	245,451	240,951	257,033
Transportation	1,259,259	1,133,391	788,056
General Government	1,526,620	1,538,812	1,540,986
Interest and Fiscal Charges	170,187	154,848	197,821
<i>Total Governmental Activities Expenses</i>	<u>5,823,112</u>	<u>5,865,945</u>	<u>5,564,753</u>
Business-type Activities:			
Water	273,194	124,592	24,438
Sewer	366,184	103,003	19,935
Storm Water	8,485	10,932	2,580
Marina	99,502	110,647	87,724
<i>Total Business-type Activities Expenses</i>	<u>747,365</u>	<u>349,174</u>	<u>134,677</u>
<i>Total Primary Government Expenses</i>	<u>\$6,570,477</u>	<u>\$6,215,119</u>	<u>\$5,699,430</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$275,879	\$235,390	\$177,201
Leisure Time Activities	136,304	141,450	148,458
Transportation	0	0	0
General Government	425,947	530,983	549,837
Operating Grants and Contributions	378,338	362,823	613,213
Capital Grants and Contributions	2,000	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>1,218,468</u>	<u>1,270,646</u>	<u>1,488,709</u>

CITY OF ROSSFORD, OHIO

2013	2014	2015	2016	2017	2018	2019
\$2,349,654	\$2,664,585	\$2,843,321	\$2,877,424	\$3,361,943	\$3,422,950	\$1,588,643
391,005	476,758	428,713	541,068	627,617	512,826	622,002
0	0	63,432	31,418	32	0	0
394,247	551,667	318,075	343,959	330,067	361,390	326,781
879,242	994,937	1,230,777	995,204	1,730,834	556,428	1,417,684
1,854,569	1,634,589	1,430,432	1,557,087	1,763,144	1,602,142	1,617,983
75,648	68,249	60,755	53,219	45,892	213,860	109,363
<u>5,944,365</u>	<u>6,390,785</u>	<u>6,375,505</u>	<u>6,399,379</u>	<u>7,859,529</u>	<u>6,669,596</u>	<u>5,682,456</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	32,386	7,532	21,013	107,532	46,340
100,184	111,839	113,795	114,710	129,385	136,689	176,532
<u>100,184</u>	<u>111,839</u>	<u>146,181</u>	<u>122,242</u>	<u>150,398</u>	<u>244,221</u>	<u>222,872</u>
<u>\$6,044,549</u>	<u>\$6,502,624</u>	<u>\$6,521,686</u>	<u>\$6,521,621</u>	<u>\$8,009,927</u>	<u>\$6,913,817</u>	<u>\$5,905,328</u>
\$182,848	\$291,102	\$359,926	\$384,443	\$256,879	\$456,303	\$611,355
152,815	144,235	154,125	164,959	145,797	139,840	147,433
0	0	12,589	0	3,157	6,195	8,794
153,365	265,335	27,982	27,875	90,589	112,348	143,974
417,515	325,465	379,823	327,328	405,404	304,438	455,841
164,675	409,606	390,475	268,173	637,133	1,388,157	915,915
<u>1,071,218</u>	<u>1,435,743</u>	<u>1,324,920</u>	<u>1,172,778</u>	<u>1,538,959</u>	<u>2,407,281</u>	<u>2,283,312</u>

(continued)

CITY OF ROSSFORD, OHIO

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

	2010	2011	2012	2013
Business-type Activities:				
Charges for Services				
Water (1)	150,995	118,408	0	0
Sewer (1)	491,520	141,941	0	0
Storm Water	59	1,099	0	3,555
Marina	79,773	86,269	91,837	92,482
Capital Grants and Contributions	15,000	0	0	0
<i>Total Business-type Activities Program Revenues</i>	<u>737,347</u>	<u>347,717</u>	<u>91,837</u>	<u>96,037</u>
<i>Total Primary Government Program Revenues</i>	<u>1,955,815</u>	<u>1,618,363</u>	<u>1,580,546</u>	<u>1,167,255</u>
Net (Expense)/Revenue				
Governmental Activities	(4,604,644)	(4,595,299)	(4,076,044)	(4,873,147)
Business-type Activities	(10,018)	(1,457)	(42,840)	(4,147)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$4,614,662)</u>	<u>(\$4,596,756)</u>	<u>(\$4,118,884)</u>	<u>(\$4,877,294)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property and Other Local Taxes	\$1,344,363	\$1,285,512	\$1,344,554	\$1,349,964
Municipal Income Taxes	3,103,985	3,220,479	3,733,340	3,757,961
Payment in Lieu of Taxes	873,815	874,505	924,330	998,592
Grants and Entitlements not Restricted to Specific Programs	867,975	736,664	548,128	489,316
Investment Earnings	16,054	30,461	38,152	13,284
Miscellaneous	5,787	59,570	260,471	171,973
Transfers	(350,510)	0	(4,695)	(4,695)
<i>Total Governmental Activities</i>	<u>5,861,469</u>	<u>6,207,191</u>	<u>6,844,280</u>	<u>6,776,395</u>
Business-type Activities:				
Transfers	350,510	0	4,695	4,695
Special Items	-	(4,253,678)	54,733	0
<i>Total Business-type Activities</i>	<u>350,510</u>	<u>(4,253,678)</u>	<u>59,428</u>	<u>4,695</u>
<i>Total Primary Government</i>	<u>\$6,211,979</u>	<u>\$1,953,513</u>	<u>\$6,903,708</u>	<u>\$6,781,090</u>
Change in Net Position				
Governmental Activities	\$1,256,825	\$1,611,892	\$2,768,236	\$1,903,248
Business-type Activities	340,492	(4,255,135)	16,588	548
<i>Total Primary Government Change in Net Position</i>	<u>\$1,597,317</u>	<u>(\$2,643,243)</u>	<u>\$2,784,824</u>	<u>\$1,903,796</u>

Source: Finance Director's Office

- 1) In 2011, the City transferred the operations of its water and sewer utilities to the Northwestern Water and Sewer District

CITY OF ROSSFORD, OHIO

2014	2015	2016	2017	2018	2019
0	0	0	0	0	0
0	0	0	0	0	0
727	100	5,169	588	1,050	352,302
99,800	95,476	96,710	93,357	94,271	99,546
0	100	0	0	1,457	18,876
<u>100,527</u>	<u>95,676</u>	<u>101,879</u>	<u>93,945</u>	<u>96,778</u>	<u>470,724</u>
<u>1,536,270</u>	<u>1,420,596</u>	<u>1,274,657</u>	<u>1,632,904</u>	<u>2,504,059</u>	<u>2,754,036</u>
(4,955,042)	(5,050,585)	(5,226,601)	(6,320,570)	(4,262,315)	(3,399,144)
(11,312)	(50,505)	(20,363)	(56,453)	(147,443)	247,852
<u>(\$4,966,354)</u>	<u>(\$5,101,090)</u>	<u>(\$5,246,964)</u>	<u>(\$6,377,023)</u>	<u>(\$4,409,758)</u>	<u>(\$3,151,292)</u>
\$1,353,609	\$1,365,147	\$1,424,610	\$1,515,676	\$1,267,629	\$1,466,855
3,807,309	3,278,073	4,479,327	3,928,036	4,394,945	4,780,412
955,654	903,604	942,974	870,627	919,053	914,968
475,800	391,582	469,904	291,625	304,844	487,958
20,368	23,166	38,833	46,167	98,074	151,179
155,391	90,764	305,762	100,935	19,660	18,656
(294,053)	(28,100)	160,255	(22,950)	(172,950)	53,000
<u>6,474,078</u>	<u>6,024,236</u>	<u>7,821,665</u>	<u>6,730,116</u>	<u>6,831,255</u>	<u>7,873,028</u>
294,053	28,100	(160,255)	22,950	172,950	(53,000)
0	0	0	0	0	0
<u>294,053</u>	<u>28,100</u>	<u>(160,255)</u>	<u>22,950</u>	<u>172,950</u>	<u>(53,000)</u>
<u>\$6,768,131</u>	<u>\$6,052,336</u>	<u>\$7,661,410</u>	<u>\$6,753,066</u>	<u>\$7,004,205</u>	<u>\$7,820,028</u>
\$1,519,036	\$973,651	\$2,595,064	\$409,546	\$2,568,940	\$4,473,884
282,741	(22,405)	(180,618)	(33,503)	25,507	194,852
<u>\$1,801,777</u>	<u>\$951,246</u>	<u>\$2,414,446</u>	<u>\$376,043</u>	<u>\$2,594,447</u>	<u>\$4,668,736</u>

CITY OF ROSSFORD, OHIO

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

	2010	2011	2012	2013
General Fund				
Nonspendable	\$50,535	\$39,609	\$58,086	\$66,857
Restricted	0	0	0	0
Assigned	204,641	488,205	1,246,027	1,582,497
Unassigned	4,156,861	4,035,419	4,036,134	4,298,697
Reserved	0	0	0	0
Unreserved	0	0	0	0
<i>Total General Fund</i>	<u>4,412,037</u>	<u>4,563,233</u>	<u>5,340,247</u>	<u>5,948,051</u>
All Other Governmental Funds				
Nonspendable	16,111	20,050	84,308	32,431
Restricted	2,740,699	3,548,268	4,637,731	5,628,394
Assigned	0	0	10,248	4,980
Unassigned	(938,979)	(622,557)	0	0
Reserved	0	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Projects Funds	0	0	0	0
<i>Total All Other Governmental Funds</i>	<u>1,817,831</u>	<u>2,945,761</u>	<u>4,732,287</u>	<u>5,665,805</u>
<i>Total Governmental Funds</i>	<u>\$6,229,868</u>	<u>\$7,508,994</u>	<u>\$10,072,534</u>	<u>\$11,613,856</u>

Source: Finance Office

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

CITY OF ROSSFORD, OHIO

2014	2015	2016	2017	2018	2019
\$87,042	\$67,069	\$132,999	\$125,772	\$134,614	\$112,342
0	0	0	0	1,400	0
1,067,654	701,307	803,880	1,212,644	1,725,381	1,289,760
4,259,415	5,098,976	5,600,856	5,215,301	5,359,193	6,021,577
0	0	0	0	0	0
0	0	0	0	0	0
<u>5,414,111</u>	<u>5,867,352</u>	<u>6,537,735</u>	<u>6,553,717</u>	<u>7,220,588</u>	<u>7,423,679</u>
28,871	78,008	38,042	34,078	27,464	35,891
6,881,264	7,474,648	7,900,039	6,826,905	7,949,468	9,324,684
4,946	7,393	5,898	13,956	959,136	55,837
0	(32,472)	(12,360)	0	(877,508)	(497,037)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>6,915,081</u>	<u>7,527,577</u>	<u>7,931,619</u>	<u>6,874,939</u>	<u>8,058,560</u>	<u>8,919,375</u>
<u>\$12,329,192</u>	<u>\$13,394,929</u>	<u>\$14,469,354</u>	<u>\$13,428,656</u>	<u>\$15,279,148</u>	<u>\$16,343,054</u>

CITY OF ROSSFORD, OHIO

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

	2010	2011	2012	2013
Revenues:				
Taxes	\$5,677,491	\$5,161,189	\$5,633,077	\$5,880,232
Intergovernmental Revenues	1,236,292	1,123,724	1,114,608	1,104,860
Charges for Services	272,059	275,420	258,924	298,451
Licenses and Permits	69,483	117,720	66,150	51,159
Investment Earnings	16,054	30,461	38,152	13,284
Special Assessments	485,642	473,548	481,268	215,756
Fines and Forfeitures	0	0	0	0
All Other Revenue	5,787	60,172	298,965	180,034
Total Revenue	<u>7,762,808</u>	<u>7,242,234</u>	<u>7,891,144</u>	<u>7,743,776</u>
Expenditures:				
Current:				
Security of Persons and Property	2,026,427	2,236,476	2,207,023	2,110,972
Leisure Time Activities	310,586	301,426	316,544	348,347
Community Environment	0	0	0	0
Basic Utility Services	245,451	240,951	257,033	6,853
Transportation	1,256,501	919,925	737,565	809,590
General Government	1,096,015	1,463,278	1,434,595	1,663,394
Capital Outlay	788,085	455,547	660,235	814,130
Debt Service:				
Principal Retirement	185,000	190,000	262,440	370,000
Interest and Fiscal Charges	170,803	155,505	201,252	74,473
Total Expenditures	<u>6,078,868</u>	<u>5,963,108</u>	<u>6,076,687</u>	<u>6,197,759</u>
Excess (Deficiency) of Revenues Over Expenditures	1,683,940	1,279,126	1,814,457	1,546,017

CITY OF ROSSFORD, OHIO

2014	2015	2016	2017	2018	2019
\$5,965,237	\$6,111,702	\$6,582,365	\$6,367,550	\$6,567,030	\$7,261,298
1,256,227	1,194,921	1,099,760	1,310,786	1,945,590	1,824,566
339,382	206,755	293,701	261,466	258,433	241,746
108,259	25,937	16,022	28,903	23,751	27,868
20,368	23,166	38,833	46,167	98,074	151,179
207,290	229,191	225,166	368,291	233,559	221,768
0	34,198	39,340	53,415	56,604	32,438
165,989	68,503	40,315	122,859	189,411	353,077
<u>8,062,752</u>	<u>7,894,373</u>	<u>8,335,502</u>	<u>8,559,437</u>	<u>9,372,452</u>	<u>10,113,940</u>
2,466,247	2,454,400	2,569,812	2,608,071	2,892,314	2,776,846
401,836	344,138	449,683	417,652	405,547	450,913
0	63,432	31,418	32	0	0
318,993	318,075	343,959	330,067	361,390	326,781
900,158	815,292	929,874	1,261,752	1,068,344	972,923
1,413,647	1,414,850	1,496,023	1,446,794	1,499,463	1,500,431
1,179,569	963,340	1,159,734	3,329,271	2,642,006	2,541,862
377,231	372,231	391,693	229,462	324,462	434,563
67,073	59,572	52,052	44,473	197,749	109,258
<u>7,124,754</u>	<u>6,805,330</u>	<u>7,424,248</u>	<u>9,667,574</u>	<u>9,391,275</u>	<u>9,113,577</u>
937,998	1,089,043	911,254	(1,108,137)	(18,823)	1,000,363

(Continued)

CITY OF ROSSFORD, OHIO

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

	2010	2011	2012	2013
Other Financing Sources (Uses):				
Inception of Capital Lease	0	0	0	0
Loans Issued	0	0	0	0
G.O. Bonds Issued	0	0	3,550,000	0
Premium on Issuance of Bonds	0	0	68,797	0
Payment on Refunding Agent	0	0	(2,865,019)	0
Transfers In	540,153	660,000	797,623	915,047
Transfers Out	(890,663)	(660,000)	(802,318)	(919,742)
Total Other Financing Sources (Uses)	<u>(350,510)</u>	<u>0</u>	<u>749,083</u>	<u>(4,695)</u>
Net Change in Fund Balance	<u>\$1,333,430</u>	<u>\$1,279,126</u>	<u>\$2,563,540</u>	<u>\$1,541,322</u>
 Debt Service as a Percentage of Noncapital Expenditures	 6.35%	 6.01%	 6.06%	 7.65%

Source: Finance Director's Office

CITY OF ROSSFORD, OHIO

2014	2015	2016	2017	2018	2019
0	0	0	92,963	49,428	0
71,391	0	0	0	0	0
0	0	0	0	2,000,000	0
0	0	0	0	0	0
0	0	0	0	0	0
1,726,443	787,250	973,539	1,780,050	2,159,622	3,698,155
(2,020,496)	(815,350)	(813,284)	(1,803,000)	(2,332,572)	(3,645,155)
(222,662)	(28,100)	160,255	70,013	1,876,478	53,000
<u>\$715,336</u>	<u>\$1,060,943</u>	<u>\$1,071,509</u>	<u>(\$1,038,124)</u>	<u>\$1,857,655</u>	<u>\$1,053,363</u>
7.15%	6.83%	7.30%	3.79%	9.30%	8.57%

CITY OF ROSSFORD, OHIO

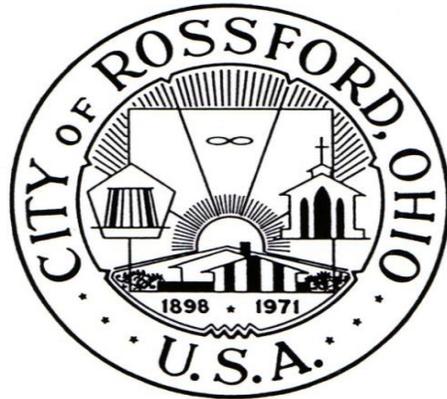
Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Income Tax Rate	2.25%	2.25%	2.25%	2.25%	2.25%
Estimated Personal Income	\$281,684,192	\$290,134,718	\$305,156,048	\$317,806,048	\$347,960,698
Total Tax Collected	\$3,136,946	\$3,168,408	\$3,358,765	\$3,578,835	\$3,799,895
Income Tax Receipts					
Withholding	2,359,991	2,376,330	2,547,716	2,659,188	2,795,031
Percentage	75.23%	75.00%	75.85%	74.30%	73.56%
Corporate	115,680	182,634	208,585	281,560	410,682
Percentage	3.69%	5.76%	6.21%	7.87%	10.81%
Individuals	661,305	609,444	602,585	582,069	594,182
Percentage	21.08%	19.24%	17.94%	17.83%	15.63%

Source: City Income Tax Department

CITY OF ROSSFORD, OHIO

2015	2016	2017	2018	2019
2.25%	2.25%	2.25%	2.25%	2.25%
\$266,368,014	\$277,919,136	\$286,716,848	\$204,450,752	\$301,063,944
\$3,604,715	\$4,135,455	\$4,128,199	\$4,245,238	\$4,704,589
2,720,504	3,027,153	2,998,978	3,190,904	3,421,513
75.47%	73.20%	72.65%	75.17%	72.72%
290,852	392,868	724,145	396,268	526,283
8.07%	9.50%	17.54%	9.33%	11.19%
593,359	715,434	405,076	658,066	756,793
16.46%	17.30%	9.81%	15.50%	16.09%



CITY OF ROSSFORD, OHIO

*Income Tax Collections
Current Year and Nine Years Ago*

Calendar Year 2019		
Income Tax Filers	Income Tax Collections	Percent of Income
Top Ten	\$1,348,693	28.25%
All Others	3,426,062	71.75%
Total	<u>\$4,774,755</u>	<u>100.00%</u>
Calendar Year 2010		
Income Tax Filers	Income Tax Collections	Percent of Income
Top Ten	\$1,175,182	37.46%
All Others	1,961,794	62.54%
Total	<u>\$3,136,976</u>	<u>100.00%</u>

Source: City Income Tax Department

CITY OF ROSSFORD, OHIO

Ratio of Outstanding Debt By Type Last Ten Years

	2010	2011	2012	2013
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$3,015,000	\$2,855,000	\$3,439,498	\$3,065,199
Special Assessment Bonds Payable	30,000	0	0	0
Ohio Public Works Commission Loan	0	0	0	0
Capital Leases	0	0	0	0
Business-type Activities ⁽¹⁾				
General Obligation Bonds Payable	\$2,675,000	\$2,555,000	\$0	\$0
Ohio Water Development Authority Loans Payable	855,331	0	0	0
Ohio Public Works Commission Loan	42,250	37,555	32,860	28,165
Total Primary Government	<u>\$6,617,581</u>	<u>\$5,447,555</u>	<u>\$3,472,358</u>	<u>\$3,093,364</u>
Population ⁽²⁾				
City of Rossford	6,293	6,293	6,337	6,499
Outstanding Debt Per Capita	\$1,052	\$866	\$548	\$476
Income ⁽³⁾				
Personal (in thousands)	281,681	290,132	305,158	317,808
Percentage of Personal Income	2.35%	1.88%	1.14%	0.97%

Sources:

- (1) City Finance Director'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 ROSSFORD, OHIO

2014	2015	2016	2017	2018	2019
\$2,685,900	\$2,311,601	\$1,922,302	\$1,693,003	\$3,368,704	\$2,979,405
0	0	0	0	0	0
69,160	66,929	60,236	55,774	51,312	46,850
0	0	0	76,354	103,027	57,926
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
23,470	18,775	194,362	180,421	166,480	152,544
<u>\$2,778,530</u>	<u>\$2,397,305</u>	<u>\$2,176,900</u>	<u>\$2,005,552</u>	<u>\$3,689,523</u>	<u>\$3,236,725</u>
6,499	6,499	6,512	6,512	6,512	6,548
\$428	\$369	\$334	\$308	\$567	\$494
347,963	266,368	277,919	286,717	204,451	301,064
0.80%	0.90%	0.78%	0.70%	1.80%	1.08%

CITY OF ROSSFORD, OHIO

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2010	2011	2012	2013
Population (1)	6,293	6,293	6,337	6,499
Assessed Value (2)	\$141,109,678	\$143,916,690	\$128,335,460	\$123,029,480
General Bonded Debt (3)				
General Obligation Bonds	\$5,690,000	\$5,410,000	\$3,439,498	\$3,065,199
Resources Available to Pay Principal (4)	\$0	\$0	\$8,533	\$3,415
Net General Bonded Debt	\$5,690,000	\$5,410,000	\$3,430,965	\$3,061,784
Ratio of Net Bonded Debt to Estimated Actual Value	4.03%	3.76%	2.67%	2.49%
Net Bonded Debt per Capita	\$904.18	\$859.69	\$541.42	\$471.12

Sources:

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

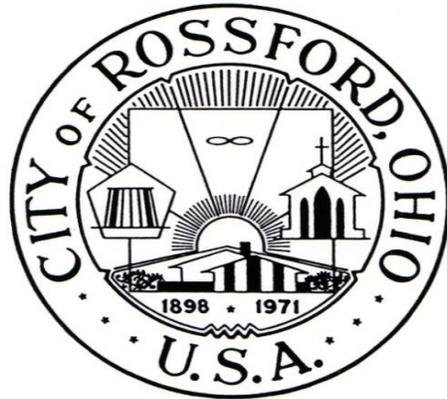
(2) Wood County Auditor

(3) Includes all general obligation bonded debt supported by property taxes.

(4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

CITY OF ROSSFORD, OHIO

2014	2015	2016	2017	2018	2019
6,499	6,499	6,512	6,512	6,512	6,548
\$122,689,720	\$123,958,960	\$124,406,510	\$129,324,300	\$130,836,920	\$130,650,210
\$2,685,900	\$2,311,601	\$1,922,302	\$1,693,003	\$3,368,704	\$2,979,405
\$4,946	\$7,393	\$5,898	\$13,956	\$959,136	\$55,837
\$2,680,954	\$2,304,208	\$1,916,404	\$1,679,047	\$2,409,568	\$2,923,568
2.19%	1.86%	1.54%	1.30%	1.84%	2.24%
\$412.52	\$354.55	\$294.29	\$257.84	\$370.02	\$446.48



CITY OF ROSSFORD, OHIO

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

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Rossford (1)</u>	<u>Amount Applicable to the City of Rossford</u>
Direct:			
City of Rossford	\$3,026,255	100.00%	\$3,026,255
Overlapping:			
Wood County	5,214,911	4.46%	<u>232,585</u>
		Total	<u><u>\$3,258,840</u></u>

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

Source: Wood County

CITY OF ROSSFORD, OHIO

Debt Limitations Last Ten Years

Collection Year	2010	2011	2012	2013
Total Debt				
Net Assessed Valuation	\$141,109,678	\$143,916,690	\$128,335,460	\$123,029,480
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	14,816,516	15,111,252	13,475,223	12,918,095
City Debt Outstanding (2)	4,126,000	3,705,000	3,439,498	3,065,199
Less: Applicable Debt Service Fund Amounts	0	0	(8,533)	(3,415)
Net Indebtedness Subject to Limitation	<u>4,126,000</u>	<u>3,705,000</u>	<u>3,364,752</u>	<u>3,000,020</u>
Overall Legal Debt Margin	<u>\$10,690,516</u>	<u>\$11,406,252</u>	<u>\$10,110,471</u>	<u>\$9,918,075</u>
Unvoted Debt				
Net Assessed Valuation	\$141,109,678	\$143,916,690	\$128,335,460	\$123,029,480
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	7,761,032	7,915,418	7,058,450	6,766,621
City Debt Outstanding (2)	4,126,000	3,705,000	3,439,498	3,065,199
Less: Applicable Debt Service Fund Amounts	0	0	(8,533)	(3,415)
Net Indebtedness Subject to Limitation	<u>4,126,000</u>	<u>3,705,000</u>	<u>3,364,752</u>	<u>3,000,020</u>
Overall Legal Debt Margin	<u>\$3,635,032</u>	<u>\$4,210,418</u>	<u>\$3,693,698</u>	<u>\$3,766,601</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.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.
The Total Value of the RTID Notes is included.

Source: Finance Director's Office

CITY OF ROSSFORD, OHIO

2014	2015	2016	2017	2018	2019
\$122,689,720	\$123,958,960	\$124,406,510	\$129,324,300	\$130,836,920	\$130,650,210
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
12,882,421	13,015,691	13,062,684	13,579,052	13,737,877	13,718,272
2,755,060	2,378,530	1,982,538	1,748,777	3,420,016	3,026,255
(4,946)	(7,393)	(5,898)	(13,956)	(959,136)	(55,837)
2,750,114	2,371,137	1,976,640	1,734,821	2,460,880	2,970,418
\$10,132,307	\$10,644,554	\$11,086,044	\$11,844,231	\$11,276,997	\$10,747,854
\$122,689,720	\$123,958,960	\$124,406,510	\$129,324,300	\$130,836,920	\$130,650,210
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
6,747,935	6,817,743	6,842,358	7,112,837	7,196,031	7,185,762
2,755,060	2,378,530	1,982,538	1,748,777	3,420,016	3,026,255
(4,946)	(7,393)	(5,898)	(13,956)	(959,136)	(55,837)
2,750,114	2,371,137	1,976,640	1,734,821	2,460,880	2,970,418
\$3,997,821	\$4,446,606	\$4,865,718	\$5,378,016	\$4,735,151	\$4,215,344

CITY OF ROSSFORD, OHIO

Demographic and Economic Statistics Last Ten Years

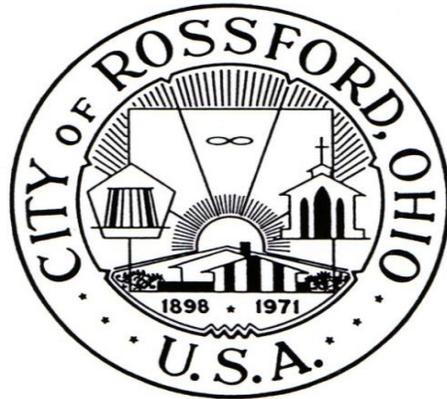
Calendar Year	2010	2011	2012	2013
Population (1)				
City of Rossford	6,293	6,293	6,337	6,499
Wood County	125,380	125,488	128,200	129,264
Income (2) (a)				
Total Personal (in thousands)	281,681	290,132	305,158	317,808
Per Capita	44,761	46,104	48,155	48,901
Unemployment Rate (3)				
Federal	9.6%	8.9%	8.1%	7.4%
State	10.4%	8.6%	7.2%	7.4%
Wood County	10.2%	8.3%	6.9%	7.2%
Civilian Work Force Estimates (3)				
State	5,935,167	5,806,000	5,748,000	5,766,000
Wood County	67,000	65,500	65,700	67,000

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2010 for the presentation of 2011 statistics, the City is using the latest information available.
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation
- (3) State Department of Labor Statistics

CITY OF ROSSFORD, OHIO

2014	2015	2016	2017	2018	2019
6,499	6,499	6,512	6,512	6,512	6,548
129,264	129,590	130,806	130,219	130,219	130,817
347,963	266,368	277,919	286,717	204,451	301,064
53,541	40,986	42,678	44,029	31,396	45,978
6.2%	5.3%	4.5%	4.1%	3.9%	3.7%
5.7%	4.9%	4.9%	4.7%	4.6%	4.1%
5.2%	4.3%	3.9%	4.2%	4.3%	3.2%
5,719,000	5,727,000	5,708,571	5,782,017	5,802,000	5,736,300
68,900	69,800	69,938	67,900	70,200	70,200



CITY OF ROSSFORD, OHIO

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2019		
		Number of Employees	Rank	Percentage of Total Employment
Pilkington North America Inc.	Float Glass Manufacturer	493	1	0.09
Rossford Exempted School District	Public Education	390	2	0.08
Adecco Employment Services	Employment Agency	390	3	0.08
Meijer Stores	Retail	350	4	0.07
Target Corporation	Retail	350	5	0.07
Industrial Power Systems	HVAC Manufacturer	347	6	0.07
Bass Pro Shops	Retail	242	7	0.05
Home Depot USA	Home Improvement Retailer	150	8	0.03
City of Rossford	Municipal Government	114	9	0.02
Electro Prime	Mfg - automotive industry supplier	85	10	0.02
Total		2,911		
Total Employment within the City		5,200		

Employer	Nature of Business	2010		
		Number of Employees	Rank	Percentage of Total Employment
Adecco Employment Services	Employment Agency	386	1	0.09
Meijer Stores	Retail	350	2	0.08
Rossford Exempted School District	Public Education	323	3	0.07
Pilkington North America, Inc.	Float Glass Manufacturer	262	4	0.06
Bass Pro Outdoor World	Retail Store	239	5	0.05
Target Corporation	Retail Store	207	6	0.05
Tamarkin Corp.	Grocery	164	7	0.04
Home Depot U.S.A.	Home Improvement Retailer	147	8	0.03
JCIA Enterprises	Business Services	134	9	0.03
City of Rossford	Municipal Government	78	10	0.02
Total		2,290		
Total Employment within the City		4,500		

Source: City of Rossford Income Tax Department

CITY OF ROSSFORD, OHIO

*Full Time Equivalent Employees by Function
Last Ten Years*

	2010	2011	2012	2013	2014
Governmental Activities					
General Government					
Finance	2.00	2.00	2.00	2.00	2.00
Administration	3.00	3.00	3.00	3.00	3.00
Security of Persons and Property					
Police	14.00	14.00	14.00	15.00	16.00
Fire*	19.50	19.50	19.50	19.50	19.50
Transportation					
Street	8.50	7.00	6.00	5.00	6.00
Leisure Time Activities					
Recreation Center**	6.25	6.50	6.50	7.50	6.25
Business-Type Activities					
Utilities					
Sewer	0.00	1.00	0.00	0.00	0.00
Marina	1.75	2.75	2.50	2.00	1.75
<i>Total Employees *</i>	<u>55.00</u>	<u>55.75</u>	<u>53.50</u>	<u>54.00</u>	<u>54.50</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

* Fire FTEs based on staffing of Fire Station. Volunteer Firefighters not included in total.

* * Recreation Center contract staff (umpires, etc.) not included in FTEs

Source: Finance Director's Office

CITY OF ROSSFORD, OHIO

2015	2016	2017	2018	2019
2.00	2.00	3.00	3.00	3.00
3.50	3.50	2.50	2.00	2.50
15.25	16.25	18.00	16.50	17.50
7.65	8.50	8.50	8.50	8.50
6.00	7.00	7.00	7.00	7.00
6.75	7.50	7.00	6.50	7.50
0.00	0.00	0.00	0.00	0.00
1.75	1.75	1.75	1.75	1.75
<u>42.90</u>	<u>46.50</u>	<u>47.75</u>	<u>45.25</u>	<u>47.75</u>

CITY OF ROSSFORD, OHIO

Operating Indicators by Function Last Ten Years

	2010	2011	2012
Governmental Activities			
General Government			
Population Served (1)	6,239	6,239	6,337
Licenses and Permits			
Number of Building Permits	34	38	24
Value of Building Permits	\$3,670,267	\$2,971,087	\$1,454,380
Security of Persons and Property			
Police			
Number of Citations Issued	898	876	600
Number of Tickets Issued	50	83	66
Number of Criminal Citations Issued	0	0	0
Fire			
Number of Fire Calls	155	134	143
Number of EMS Runs	484	595	619
Transportation			
Street			
Number of Streets Resurfaced	2	2	2
Number of Potholes Repaired (\$ Asphalt for repairs)	\$11,662	\$7,139	\$9,189
Leisure Time Activities			
Recreation/Seniors			
Number of Programs Offered	19	15	19
Individual Memberships	2,828	1,550	1,207
Corporate Memberships	4	2	4
Business-Type Activities			
Water (2)			
Number of Service Connections	2,445	NA	NA
Water Main Breaks	0	NA	NA
Daily Average Consumption (thousands of gallons)	71.0	NA	NA
Peak Daily Consumption (thousands of gallons)	NA	NA	NA
Sewer			
Number of Service Connections	2,324	NA	NA
Daily Average Sewage Treatment (thousands of gallons)	78.3	NA	NA
Marina			
Number of season dock rentals	149	170	178
Number of individual launches	611	520	637

Source: Finance Director's Office

(1) US Bureau of Census, Population Division. 2012 and 2014 based on estimates from Wood County

(2) In 2011, the City transferred the operations of its water and sewer utilities to the Northwestern Water and Sewer District

CITY OF ROSSFORD, OHIO

2013	2014	2015	2016	2017	2018	2019
6,499	6,499	6,512	6,512	6,512	6,512	6,548
26	23	19	35	26	24	25
\$6,402,703	\$5,846,864	\$684,012	\$9,157,835	\$8,990,200	\$16,073,890	\$9,252,026
641	627	362	672	765	771	834
47	39	72	117	58	23	25
306	256	108	10	229	281	324
132	145	222	214	170	196	208
674	680	768	817	841	847	796
2	1	9	3	5	3	1
\$18,663	\$39,458	\$44,904	\$28,545	\$59,639	N/A	\$82,469
23	26	28	32	35	32	35
1,697	1,668	1,652	1,394	1,317	1,234	1,268
12	63	53	52	52	48	39
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
183	193	182	187	174	165	175
502	575	548	604	548	507	488

CITY OF ROSSFORD, OHIO

Capital Asset Statistics by Function Last Ten Years

	2010	2011	2012	2013	2014
Governmental Activities					
General Government					
Public Land and Buildings					
Land (square miles)	4.3	4.3	4.3	4.3	4.3
Buildings	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	8	8	10	10	10
Fire					
Stations	1	1	1	1	1
Vehicles	6	6	7	7	7
Boats	1	1	1	1	1
Transportation					
Street					
Streets (lane miles)	28	28	28	28	28
Street Lights	944	944	949	949	949
Traffic Signals	126	126	126	126	126
Vehicles	12	12	12	13	13
Leisure Time Activities					
Recreation/Seniors					
Park (acres)	21	21	21	21	21
Parks	3	3	3	3	3
Tennis Courts	2	2	2	2	2
Baseball/Softball Diamonds	2	2	2	2	2
Business-Type Activities					
Utilities					
Water					
Waterlines (Miles)	36	N/A	N/A	N/A	N/A
Number of Service Connections	2,352	N/A	N/A	N/A	N/A
Number of Hydrants	315	N/A	N/A	N/A	N/A
Sewer					
Sewerlines (Miles)	32	N/A	N/A	N/A	N/A
Number of Service Connections	3	N/A	N/A	N/A	N/A
Storm Water Drainage					
Storm Drains (Miles)	18	18	18	18	18
Number of Catch Basins	N/A	N/A	N/A	N/A	N/A
Marina					
Number of Dock Spaces	224	213	197	193	193

Source: Finance Director's Office

CITY OF ROSSFORD, OHIO

2015	2016	2017	2018	2019
4.3 1	4.3 1	4.3 1	4.3 1	4.3 1
1 10	1 10	1 10	1 10	1 11
1 7 1	1 9 1	1 9 1	1 9 1	1 9 1
37 958 126 13	37 958 126 13	37 958 126 15	39 993 126 16	39 993 126 16
21 3 2 2	21 3 2 2	21 3 2 2	21 3 2 2	21 3 2 2
N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A
N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
18 N/A	18 1,233	19 1,251	19 1,255	19 1,255
193	193	193	192	192



CITY OF ROSSFORD



Yellow Book Report

December 31, 2019

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor and City Council
City of Rossford

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rossford (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 17, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
August 17, 2020

OHIO AUDITOR OF STATE KEITH FABER



CITY OF ROSSFORD

WOOD COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 10/8/2020

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov