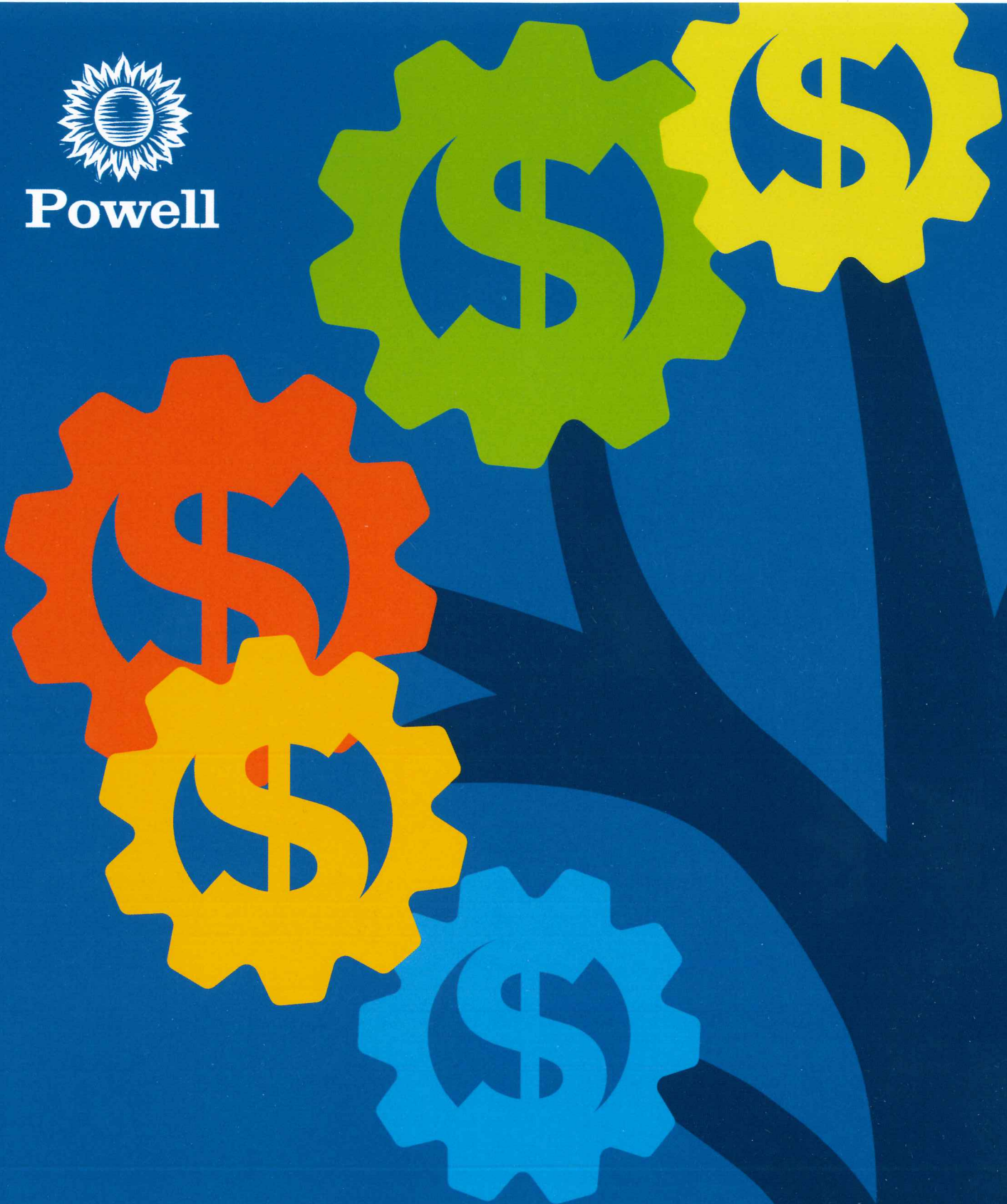




**Powell**



City of Powell, Ohio

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year ending December 31, 2018



# OHIO AUDITOR OF STATE KEITH FABER



Members of Council  
City of Powell  
47 Hall Street  
Powell, Ohio 43065

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

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Powell 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

April 23, 2019

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**City of Powell, Ohio**  
**Comprehensive Annual Financial Report**

**For the Fiscal Year Ended December 31, 2018**



*Prepared by the City of Powell Finance Department*

**Debra K. Miller, CGMA, CPA\*, MAccy**  
***Finance Director***  
*\*Inactive 1/1/2019*

**Jessica N. Marquez, CPA, MAFM**  
***Assistant Finance Director***

**Nancy Stanfill**  
***Finance Specialist***



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**CITY OF POWELL, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

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City of Powell  
47 Hall Street  
Powell, Ohio  
43065-8357

[www.cityofpowell.us](http://www.cityofpowell.us)  
614.885.5380 tel  
614.885.5339 fax

**March 28, 2019**

**To:** Members of City Council and Citizens of the  
City of Powell

The Comprehensive Annual Financial Report (CAFR) of the City of Powell, Ohio (City), for the year ended December 31, 2018, is submitted herewith. The report has a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted government auditing standards (GAGAS) by Julian & Grube, Inc. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview and analysis of the basic financial statements and complements this letter of transmittal and should be read in conjunction with it.

The City's Finance Department is responsible for management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed its anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding the safeguarding of assets from loss, theft or misuse, and reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

As management, we believe the data presented is accurate in all material respects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

#### Profile of the City

The City of Powell was incorporated in February 1947 and is located in central Ohio in the state's fastest-growing county. The City, currently encompassing five and three quarters square miles, is located on the rolling highlands between the Scioto and Olentangy river valleys, approximately 18 miles north of downtown Columbus, which is the capital of Ohio. The City is empowered by State Statute to extend its corporate limits by annexation, which was not utilized during 2018.

The City is a home-rule, municipal corporation under the laws of the State of Ohio. The City is empowered to levy property tax and income tax within its boundaries. The City operates under a Council-City Manager form of government. Policy-making and legislative authority are vested in the City Council, consisting of the Mayor and six other members, all elected on a nonpartisan basis. City Council members serve four-year overlapping terms. The City Council appoints a City Manager who serves at the pleasure of the Council. The City Manager is the chief executive officer of the City and is charged with the responsibility of conserving the peace and enforcing all laws, ordinances and terms of the Charter.

The City provides numerous services to its citizens, including police protection; the construction and maintenance of highways, streets and other infrastructure; and recreational and cultural activities. The sanitation services are provided by an independent hauler with the City contracting for the citizens. Fire protection services are provided by Liberty and Concord Townships, separate government entities that overlap the City boundaries. Sanitary sewer services are provided by the county while electric service is provided by a for-profit corporation and water by a private company.

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders, and through the use of the City's automated financial system. The City Council is required to hold public hearings on the proposed budget and to adopt the budget by no later than December 31, the close of the City's fiscal year. The appropriated budget is prepared by fund, department or function (i.e. police), and category or object (i.e. personnel services). The City Council may pass supplemental appropriations at any time by ordinance. The City Manager may transfer resources within a category; however, transfers between categories, departments or funds need special approval from the City Council.

#### Factors Affecting Financial Condition

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

Local economy The City of Powell is a residential suburb community with only a small portion utilized for commercial or retail activity. Therefore, the City is not reliant on its own commercial base but on the larger, more diversified regional base in the Columbus metropolitan area, which includes Delaware and Franklin counties, for its residents' workplaces. Delaware County's and Franklin County's unemployment rates of 3.7 percent and 4.3 percent, respectively, are lower than both the state's average unemployment rate of 5.4 percent and the national average of 4.4 percent in 2018. This trend has continued for the last two decades.

The median household income for the U.S. and Ohio was \$57,652 and \$52,407, respectively. The median household income for Delaware County and the City of Powell was \$100,229 and \$139,851, respectively.

According to *focus-economics.com*, "While the labor market has recovered significantly and employment has returned to pre-crisis levels, there is still widespread debate regarding the health of the U.S. economy. In addition, even though the worst effects of the recession have faded, the economy still faces a variety of significant challenges going forward. Deteriorating infrastructure, wage stagnation, rising income inequality, elevated pension and medical costs, as well as large current account and government budget deficits, are all issues facing the U.S. economy."

When you look at the State of Ohio, you see similar steady recovery statistics, and similar challenges going forward. Overall the state is still seeing growth, but the economy is starting to slow as home construction and sales have been on a downward trend for several months. According to the Ohio

Office of Budget and Management, “The weakness in housing this year has been widely attributed to higher mortgage rates and home prices as well as less favorable tax treatment for property taxes and mortgage interest. While these cyclical factors remain in effect, underlying demographics are expected to provide some support to the market during the next few years.” Tax revenues in the state of Ohio fell roughly two percent below estimates for 2018, due to lower than expected collections in the personal income tax. The State legislature also continues to look for ways to close the funding gap in their infrastructure maintenance and repair budgets.

According to the website *bizjournals.com*, in October 2017, “Out of the 3,143 counties in the U.S., from April 2010 to July 2016, Delaware County ranks as the 115<sup>th</sup> fastest growing, as measured by change in resident population. During that time period, it has been the fastest growing county in Ohio, as it grew 13 percent.” In 2018, Delaware County was named the healthiest county in Ohio for four years running by the Robert Wood Johnson Foundation, and was ranked as the 12<sup>th</sup> healthiest county in the country by *U.S. News & World Report*. Delaware County also has very strong school systems and a high school graduation rate of 96% compared to the U.S. high school graduation rate of 82%. Home ownership in Delaware County also far exceeds the U.S. rate being 81.6% and 62.9%, respectively. These facts can all be attributed to the low poverty rate of just 4.8%. Delaware County has the second lowest unemployment rate in the State of Ohio at 3.7%; which likely is a result of being one of the fastest growing areas in the United States.

The Columbus metropolitan-area is the headquarters for many major corporations including Nationwide Mutual Insurance Company, Limited Brands, American Electric Power Company Inc., Bob Evans Farms, Inc., Huntington Bancshares, Inc., Big Lots, Inc., Abercrombie & Fitch Co., Cardinal Health, Inc., Abbott Nutrition and Battelle Memorial Institute. The area also has branches of many major corporations including JP Morgan Chase & Co., Honda Motor Co., Ltd., Wendy’s/Arby’s Group, Inc., the United States Government, Worthington Industries and McGraw-Hill.

In 2018 and 2015, Powell was named as the second best place in Ohio to live by *WalletHub*. *Business Insider* named Powell as number nine in the top fifty “Best Suburbs in America” in 2014. Powell was listed as number 20 in the best places to live - top-earning towns’ category by *CNN Money* in 2013. In December 2011, a survey conducted by *The Business Journals on Numbers* ranked the City of Powell fifth among 955 Midwestern communities for quality of life, placing Powell atop four other Central Ohio communities.

The City of Powell’s ‘Planning and Zoning Commission’ was busy working with new and expanding developments, some of these items included:

- Approved a Final Development Plan to construct four 2-unit residential buildings into a small subdivision on Sawmill Road. Aerial site image: <https://goo.gl/maps/HRmZPAUkTMO>
- Approved a sketch plan in anticipation of annexation into Powell, review for development of the property for neighborhood commercial, office, restaurant and storage at the Northwest Corner of Home Road and Steitz Road. Aerial site image: <https://goo.gl/maps/vvBnT6Yt3Wn>
- Approved a preliminary development plan for the Ohio State University ambulatory care medical facility on Royal Belfast Boulevard. Aerial site image: <https://goo.gl/maps/DA8khrq4pFJ2>
- Approved a preliminary development plan and zoning map amendment for a proposed single-family subdivision consisting of 21 residential units on 5.36 acres on North Liberty Street. Aerial site image: <https://goo.gl/maps/fxitHprtGJT2>
- Approved a combined preliminary and final development plan to construct a new 10,800 square foot building on approximately 1.8 acres off of Woodcutter Drive. Aerial site image: <https://goo.gl/maps/cBbgHHLmB2M2>

Long-term financial planning Providing high-quality municipal services to a community such as Powell, which has a small commercial and office tax base, creates challenges which is why the City Council and staff work continuously on the long-term financial health of the City's budget. The City continues to seek out alternative means to assist in the City's funding mechanisms. Effective January 1, 2006, the City approved a Downtown Tax Increment Financing District to assist in funding capital infrastructure improvements for approximately thirty years. Effective January 1, 2012, the City approved a Sawmill Parkway Commercial Corridor Tax Increment Financing District to also assist in funding capital improvements for approximately thirty years. Effective January 1, 2016, the City approved a Seldom Seen Tax Increment Financing District to assist in funding capital improvements for approximately thirty years; the first of which includes the Park at Seldom Seen that is expected to open in 2019. In 2018, the City asked the voters to increase the City income tax rate, allowing for dedicated funds to help fund ongoing capital maintenance needs. This request was defeated by the voters, and City Council continues to look for alternative ways to fund capital maintenance needs throughout the City.

The City maintains a general fund reserve, distinct and separate from its fund balance, to have funds available in case of loss of a revenue stream, unforeseen hazards (disasters) and/ or emergencies. The target amount for the general fund reserve is approximately 16 percent of the current year's general fund personnel and operating expenditures.

The City also maintains a twenty-seventh pay reserve, distinct and separate from its fund balance, to have funds available to pay every eleven to fourteen years when a "twenty-seventh" payday occurs. The City puts aside an amount each year to pay for this unusual occurrence. The City experienced a twenty-seventh payday in calendar year 2014 and it is projected to next occur in calendar year 2025.

The City also maintains a compensated absences reserve, distinct and separate from its fund balance, to have funds available to pay vacation and sick leave payouts upon an employee's retirement from the City. The City employee population has many people nearing the age and eligibility for retirement and this is one way that the City can avoid seeing a large decrease in fund balance as a result of the potential payouts in the next several years.

To ensure that debt capacity is available during emergencies and disasters, the City has limited its debt capacity through its debt policy to 90% of the statutory limit. The City also uses specific revenue sources that are dedicated to the repayment of a particular debt, which gives the City the ability to withstand the collection volatility of general and undesignated revenues sources.

One of the most important activities undertaken each year by the City is the budget process. The quality of the decisions made in the budget process conveys the City's long-range plans and policies for current and future services and programs. The City Council and staff strongly believe in the importance of the budget process that it compiles a budget document based on the GFOA budget award program criteria and submits the budget to the GFOA award program.

Relevant financial policies The City of Powell works yearly to review and modify its financial and financial-related policies. Policies that were adopted or amended during 2018 include: the Asset Management Policy.

The City's union contracts are for a three-year period which were re-negotiated in 2017 and do not expire until 2020.

Annually, the fee schedule for the City is evaluated to make sure current costs that should be recovered for certain activities are being covered by the fees being charged. The City also periodically surveys other similar cities to ensure those fees and costs are comparable.

In 2018, the City also issued its second Popular Annual Financial Report (PAFR) for the year ended December 31, 2017, which was mailed to all of the City residents and provided a snap shot of the City finances as well as a brief overview of the happenings in the City related to development and capital improvements.

Major initiatives In 2013, the City issued \$4.1 million and in 2016, the City issued \$3 million of the approved \$7.1 million in bonds paid for by a voted property tax. These bonds paid for capital improvements such as the Murphy Parkway extension/connection; bike path connections; various storm sewer and park feature repairs; and street repairs. The last major improvement is the engineering and construction of the first three phases of the Seldom Seen Park in 2018 and 2019.

Additionally, in 2018, the City Council appointed eighteen residents to the Powell Citizen Financial Review Task Force. This task force was formed to review the City's finances and identify possible cost-saving strategies, as well as review alternative revenue streams and identify the city's near-term and long-term capital needs. The task force met several times over the course of about six months and provided a recommendation to the City Council that involved going to the voters to seek an increase to the City's income tax rate and credit. However, this ballot initiative was defeated, and City Council is continuing to examine the options for funding both near-term and long-term capital needs.

The City continued working with its residents in maintaining its well-maintained appearance and infrastructure through its mandatory sidewalk repair program, and the annual street maintenance program.

#### Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded its eleventh Certificate of Achievement for Excellence in Financial Reporting to the City of Powell for its comprehensive annual report for the fiscal year ended December 31, 2017.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,

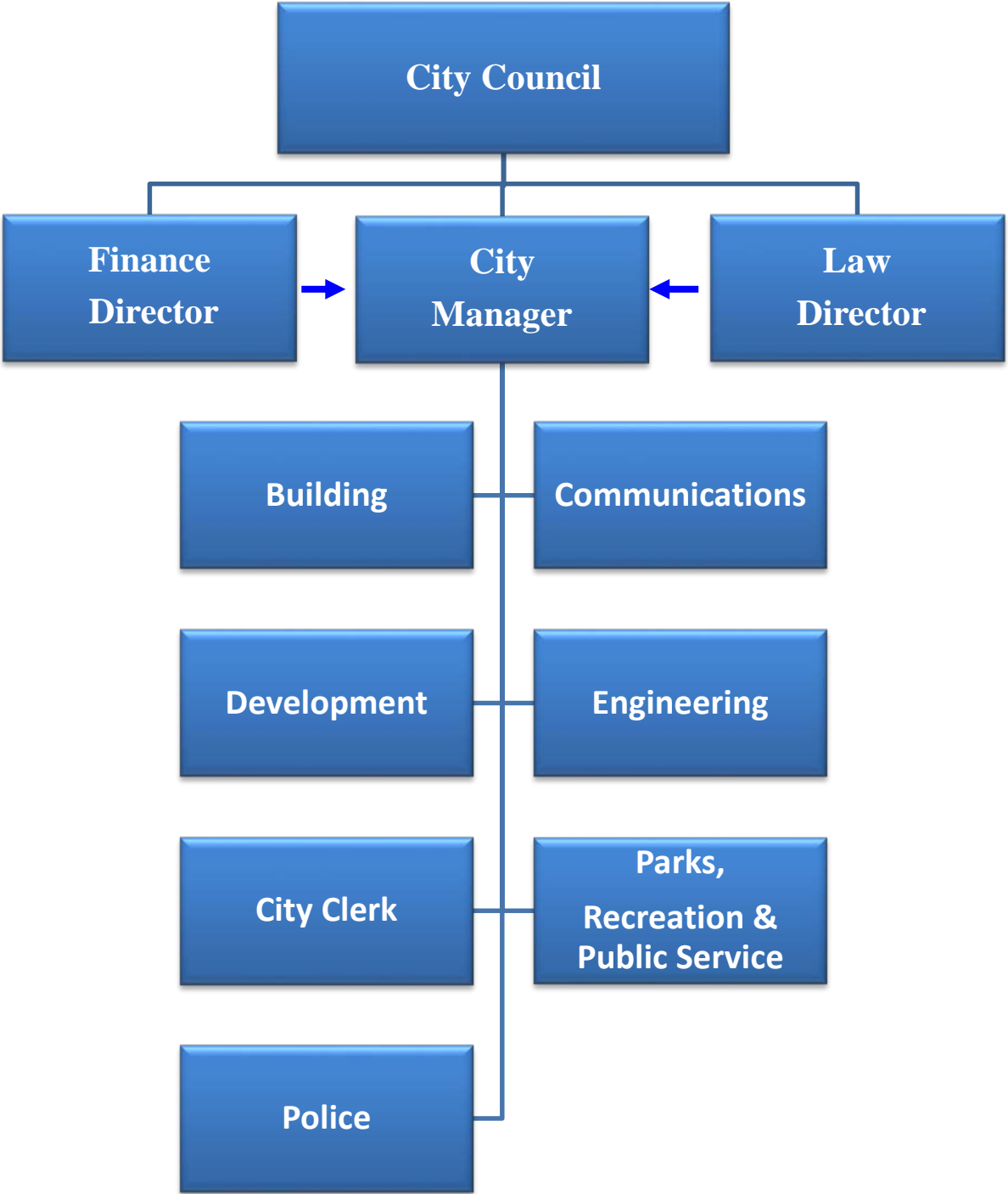


**Debra K. Miller**  
Finance Director  
City of Powell



**Steve Lutz**  
City Manager  
City of Powell

**CITY OF POWELL, OHIO  
ORGANIZATIONAL CHART  
DECEMBER 31, 2018**





**CITY OF POWELL, OHIO  
BOARDS, COMMISSIONS AND APPOINTMENTS CHART  
DECEMBER 31, 2018**



Note: The City of Powell is a member of the Regional Income Tax Agency's (RITA) Council of Governments, the Central Ohio Risk Management Association (CORMA), and the Central Ohio Healthcare Consortium (COHCC). The City Manager and Finance Director represent the City on these boards.

**CITY OF POWELL, OHIO  
LIST OF CITY OFFICIALS  
DECEMBER 31, 2018**

**City Council**

Mayor	(term expires 12/31/19)	Jon Bennehoof
Vice Mayor	(term expires 12/31/21)	Tom Counts
Council Member	(term expires 12/31/21)	Frank Bertone
Council Member	(term expires 12/31/21)	Brian Lorenz
Council Member	(term expires 12/31/19)	Brendan Newcomb
Council Member	(term expires 12/31/21)	Melissa Riggins
Council Member	(term expires 12/31/19)	Daniel Swartwout

**City Manager**

City Manager	Stephen Lutz
--------------	--------------

**Administration**

Finance Director	Debra K. Miller
Chief Building Official	Kevin Moran
City Engineer	Christopher Huber
Council/Planning & Zoning Clerk	Karen Mitchell
Development Director	David Betz
Parks, Recreation & Public Service Director	Jeffrey Snyder
Police Chief	Gary Vest



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Powell**  
**Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morill*

Executive Director/CEO



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# Julian & Grube, Inc.

*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

## Independent Auditor's Report

City of Powell  
Delaware County  
47 Hall Street  
Powell, Ohio 43065

To the Members of Council and Mayor:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Powell, Delaware County, Ohio, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City of Powell's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Powell, Delaware County, Ohio, as of December 31, 2018, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 18 to the financial statements, during fiscal year 2018, the City of Powell adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. 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 this presentation to include *Management's discussion and analysis, required budgetary comparison schedules*, and schedules of net pension and other postemployment benefit assets and liabilities and pension and other postemployment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

***Supplementary and Other Information***

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

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

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

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

City of Powell  
Delaware County  
Independent Auditor's Report

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2019, on our consideration of the City of Powell'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 of Powell's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Julian & Grube, Inc." with a period at the end.

Julian & Grube, Inc.  
March 28, 2019

City of Powell, Ohio  
Management's Discussion and Analysis  
(Unaudited)

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As management of the City of Powell (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Powell for the fiscal year ended December 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the front of this report.

### Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$19,194,992 (net position).
- The City had a restatement of beginning Net Position as a result of the implementation of GASB Statement No. 75, outlined in Note 18. The net effect of the restatement was a decrease to the beginning net position of \$4,639,646, making the net position, January 1, 2018 \$17,610,764. This was a result of the reporting of OPEB Liabilities on the City's financial statements.
- The City's total net position increased from the restated beginning Net Position by \$1,584,228 or 9.0%.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$12,177,056, a decrease of \$645,038. Approximately, 28.0% of this total amount, \$3,410,512, is available for spending at the City's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,908,513 or 76.4% of the total general fund expenditures.
- The City's total long-term net debt decreased by \$1,860,004 (4.7%) from the prior year restated amount, due to making scheduled debt payments on existing debt and the annual amortization of premiums.
- The City issued a bond anticipation note in the amount of \$1,450,000 in August of 2016; this note was rolled and an additional \$815,000 was added to the note in August of 2017. The principal and interest of this note was rolled again in August of 2018; the outstanding balance on the note at December 31, 2018 was \$2,330,000. The existing note matures on August 2, 2019.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. The statements are organized so the reader can understand the City's financial position. This report also contains other supplementary information in addition to the basic financial statements themselves.

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



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The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Non-financial factors can include changes in the City's property tax base and the condition of the City's capital assets (buildings, streets, etc). These factors must be considered when assessing the overall health of the City.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows for future fiscal periods (i.e., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). The governmental activities of the City include general government, public service, public safety, community development, and parks and recreation. The City does not have any business-type activities at this time.

The government-wide financial statements can be found on pages **17-19** of this report.

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

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements or provide a detailed short-term view of the City's general government operations and the basic services being provided.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Powell maintains 20 individual governmental funds, and in 2018 the Powell CIC has been included as a blended component unit of the City; thus being presented as a special revenue fund of the City. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Construction and Maintenance Fund, Debt Service Fund, Voted Capital Improvements Fund, Downtown TIF Public Improvements Fund, Seldom Seen TIF Park

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Improvements Fund, Seldom Seen TIF Public Improvements Fund and the Sanitary Sewer Agreements Fund, all of which are considered major funds. The Special Projects fund is combined into the General Fund for financial reporting, and data from the other 12 governmental funds and the CIC are combined into a single, aggregated presentation. The governmental fund financial statements can be found on pages **20-26**.

Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the supplemental section of this report.

**Proprietary funds.** *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City does not have any proprietary funds at this time.

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

The City maintains 8 individual fiduciary funds. Information is presented separately in the fiduciary funds combining statement of fiduciary assets and liabilities and in the combining statement of changes in assets and liabilities for the Unclaimed Funds, Flexible Benefits Fund, Health Reimbursement Account Fund, Board of Building Standards Fund, Development (Engineering) Inspections Fund, Plumbing Inspection Fund, Escrowed Deposits Fund and Fingerprint Processing Fees Fund. The basic fiduciary fund financial statement can be found on page **27** of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages **28-81** of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City. Required supplementary information can be found on pages **82-98** of this report.

The combining statements referred to earlier containing nonmajor governmental funds are presented immediately following the other supplemental information. Combining and individual fund statements and schedules can be found on pages **105-112** of this report.

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**Government-wide Financial Analysis**

The following table provides a summary of the City's net position for 2018 and 2017.

<b>City of Powell</b>		<b>Net Position</b>	
		<u>Governmental Activities</u>	
		<u>2018</u>	<u>2017</u>
			<u>Restated</u>
Current and other assets	\$ 21,143,002	\$ 21,720,828	
Capital Assets	39,378,437	38,303,159	
<b>Total assets</b>	<u>\$ 60,521,439</u>	<u>\$ 60,023,987</u>	
Deferred outflows of resources	<u>\$ 2,857,361</u>	<u>\$ 2,767,787</u>	
Long-term liabilities outstanding	\$ 37,419,761	\$ 39,279,765	
Other liabilities	3,430,965	3,069,927	
<b>Total liabilities</b>	<u>\$ 40,850,726</u>	<u>\$ 42,349,692</u>	
Deferred inflows of resources	<u>\$ 3,333,082</u>	<u>\$ 2,831,318</u>	
Net Position:			
Net investment in capital assets	\$ 28,260,131	\$ 26,504,802	
Restricted	6,237,627	5,008,349	
Unrestricted	(15,302,766)	(13,902,387)	
<b>Total net position</b>	<u>\$ 19,194,992</u>	<u>\$ 17,610,764</u>	

As mentioned previously, net position may serve over time as a useful indicator of a City's financial position. The City's net position is \$19,194,992 at the close of the most recent year.

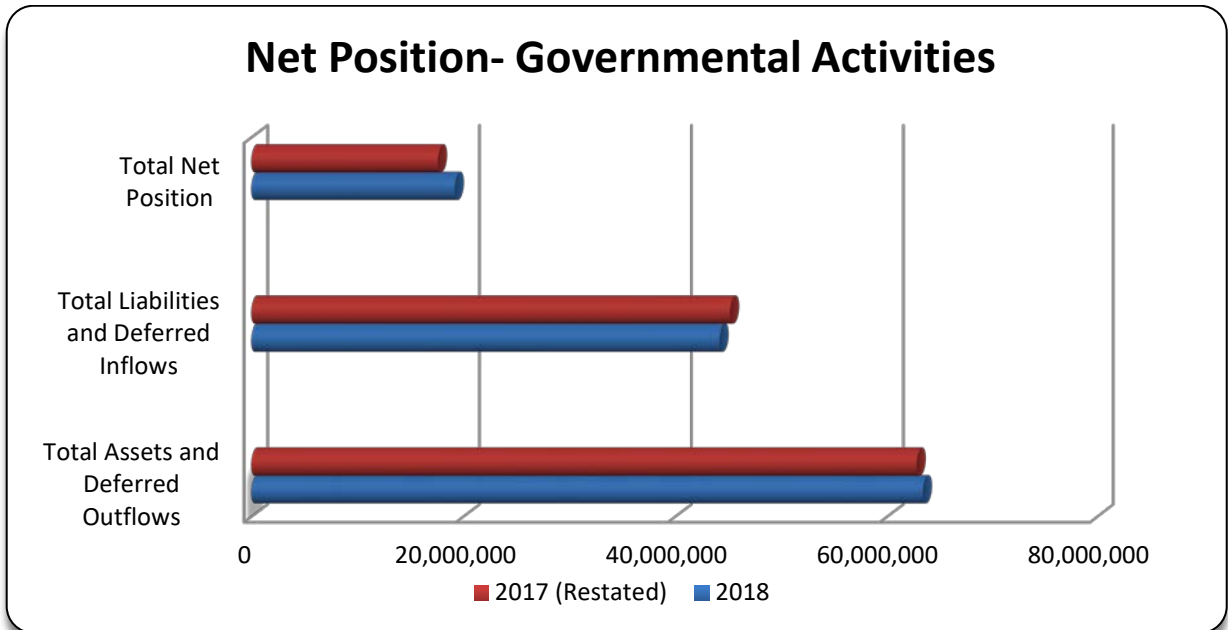
The City's net position is divided into three parts: net investment in capital assets, restricted and unrestricted. The largest portion of the City's net position (147.2%) reflects its investment in capital assets (i.e. land, buildings, improvements other than buildings, machinery and equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding plus any significant unspent bond proceeds. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. Any debt not related to acquiring those assets and that is still outstanding is reflected with unrestricted net position.

An additional portion of the City's net position (32.5%) represents resources that are subject to restrictions on how they may be used. The remaining portion or balance of unrestricted net position is (\$15,302,766) (-79.7%) which reflects unrestricted resources, including the net pension and OPEB liabilities that resulted from the implementation of GASB Statements No. 68 and 75, respectively, less any debt not related to acquiring capital assets which usually is available to meet the City's on-going obligations to citizens and creditors. The City has issued infrastructure debt that was used to purchase capital assets that are reported by other legal entities. More information about this infrastructure debt can be found in Notes 8 and 13.

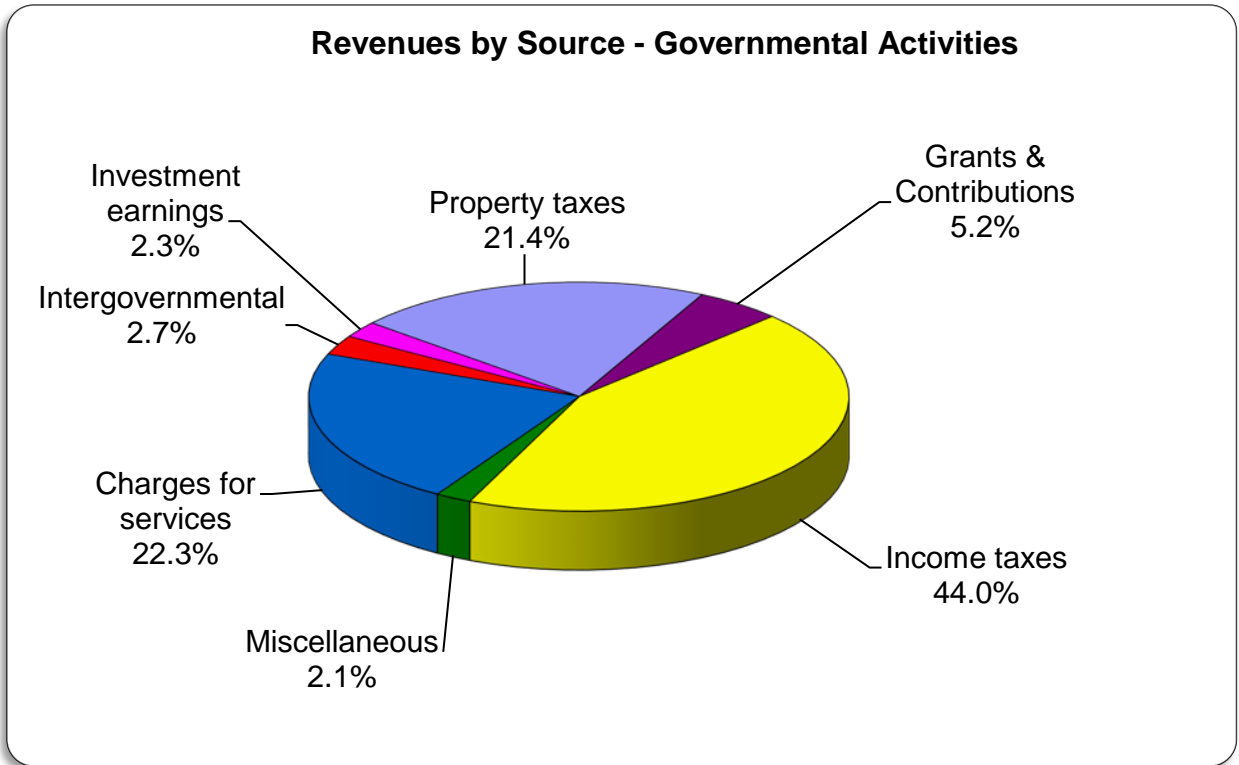
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At the end of the current fiscal year, the City is able to report a positive balance.

- ❑ The increase in total assets of \$497,452 (.8%) was due primarily to the increase in construction in progress due to ongoing projects throughout the City.
- ❑ The decrease in total liabilities of \$1,498,966 (3.5%) was due primarily to the payments made on existing debt throughout the year.
- ❑ Net position increased from the restated prior year by \$1,584,228 (9.0%).

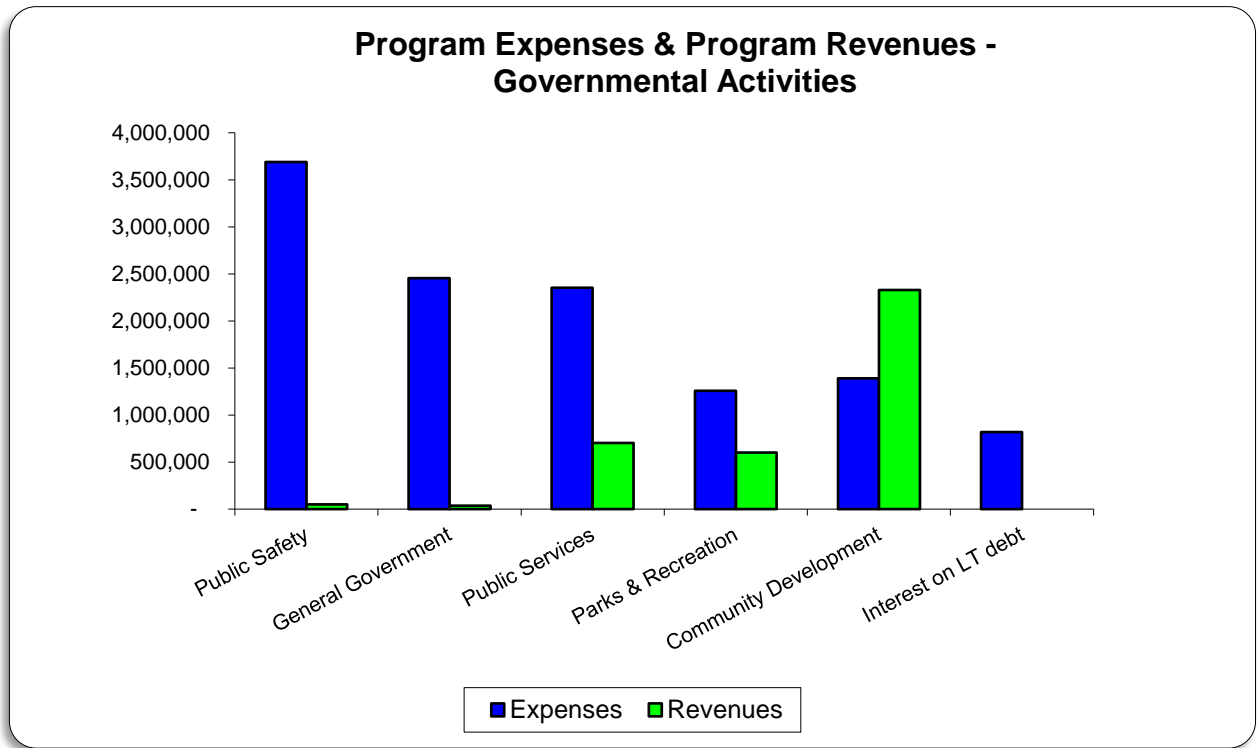


**Governmental activities.** The following charts illustrate 2018 revenues by source, program expenses and program revenues, and the change in net position for Governmental Activities. Income tax, property tax and charges for services account for 87.7% of the revenues received by the City.



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Program expenses for community development, public safety, and public service account for 62.1% of the program expenses in 2018. Program revenues account for 27.4% of the total revenue received by the City.



Governmental activities total revenues increased \$594,767 (4.6%) due to the combination of increased income tax, property tax and investment earnings. Program expenses decreased \$1,778,657 (12.9%) due mostly to a combination of a large decreases in general government and public services.

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<b>City of Powell</b>		
<b>Activities</b>		
	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
<b>Revenues:</b>		<b><u>Restated</u></b>
<i>Program revenues:</i>		
Charges for services	\$ 3,017,539	\$ 3,049,249
Operating grants & contributions	698,043	689,780
<i>General Revenues:</i>		
Income taxes	5,954,083	5,785,260
Property taxes	2,898,012	2,326,209
Intergovernmental (unrestricted)	371,258	464,555
Investment earnings	314,734	165,121
Other miscellaneous revenues	291,428	470,156
Total revenues	<u>13,545,097</u>	<u>12,950,330</u>
<b>Expenses:</b>		
Public safety	3,689,223	3,134,953
General government	2,453,269	3,485,044
Public services	2,352,455	3,653,607
Parks and recreation	1,255,890	1,217,032
Community development	1,390,448	1,405,839
Interest on long-term debt	819,584	843,051
Total expenses	<u>11,960,869</u>	<u>13,739,526</u>
Increase (decrease) in net position	1,584,228	(789,196)
Net position----January 1 <sup>st</sup>	17,610,764	N/A
Net position----December 31 <sup>st</sup>	<u>\$ 19,194,992</u>	<u>\$ 17,610,764</u>

### Financial Analysis of the City's Funds

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

**Governmental funds.** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balances* may serve as a useful measure of a City's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$12,177,056, a decrease of \$645,038 (5.0%) from the prior year.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$5,908,513, while total fund balance was \$8,556,825.

The City's general fund decreased its fund balance by \$41,558. The key factors in this small decrease are as follows:

- ❑ Decreased revenues over the prior year, specifically income taxes.
- ❑ A substantial decrease in general government expenditures, due to the inflated legal fees and related settlement that occurred in 2017.

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- ❑ Overall, expenditures decreased \$806,247 (9.4%) revenues decreased \$267,795 (3.3%) and other financing sources and uses increased \$67,989 (64.8%).

The City's Street Construction and Maintenance fund increased its fund balance by \$277,319, during the fiscal year. The increase is due to smaller than normal street maintenance programs as the City prepares for a large grant that will be occurring in the next couple of years that will require a large portion of the fund balance to be used as matching funds.

The City's Debt Service fund increased its fund balance by \$496,607, during the fiscal year. The increase is largely due to an adjustment that was made by the County auditor to the 2017 millage which resulted in lower revenue collections; additional revenue was collected in 2018 to make up for this shortfall created by this adjustment.

The City's Voted Capital Improvements fund decreased its fund balance by \$1,505,733, during the current fiscal year. This decrease is a result of spending down bond funds that remain from the 2013 voted debt issue.

The City's Downtown TIF Public Improvements Fund decreased its fund balance by \$147,241, during the current fiscal year. This decrease is due to larger projects occurring out of this fund in 2018, which exceeded the annual revenue and caused spending down of the fund balance.

The City's Seldom Seen TIF Park Improvements Fund decreased its fund balance by \$101,993 during the current fiscal year. This decrease is due to the construction of the Park at Seldom Seen beginning in 2018.

The City's Seldom Seen TIF Public Improvement Fund decreased its fund balance by \$26,670 as a result of transferring excess funds to the Seldom Seen TIF Park Improvements Fund to be used for the construction of the Park at Seldom Seen.

The City's Sanitary Sewer Agreements Fund increased its fund balance by \$9,169 as a result of the small repayment of the advance that occurred during 2018 as a result of the collection of special assessments. In 2016 the General Fund advanced funds that will be paid back with interest over time to the General Fund.

### **Capital Asset and Debt Administration**

**Capital assets.** The City's investment in capital assets for its governmental activities as of December 31, 2018, amounts to \$39,378,437 net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress. The total increase in the City's investment in capital assets for the current fiscal year was \$1,075,278 (2.8%).

Construction-in-progress infrastructure projects included: Downtown turn-lanes, Grace Dr/Liberty Traffic Signal, Multi-use pathway program the Park at Seldom Seen and Liberty Rd Pedestrian Rail Crossing planning and engineering.

Additional information on the City's capital assets can be found in note 5 on pages **47-48** of this report.

**Long-term debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$23,830,000. This debt is backed by the full faith and credit of the City. The City does not have any revenue bonds.



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During the current fiscal year, the City's total bonded debt decreased by \$2,050,000 or 7.9%, which was the result of the City making their annual debt payments.

The City is within all of its legal debt limitations. The Ohio Revised Code provides that the net debt (as defined in the Ohio Revised Code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of the property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of a percentage. The current debt limitation for the City is \$60,965,490 which is greater than the City's outstanding general obligation debt.

The last few years, the City's debt ratings have changed multiple times. In 2013, the Standard and Poor's rating was increased to "AAA" for general obligation debt. The Standard and Poor's rating had last changed in 2008 when it increased to "AA+". The City has an "Aa1" rating from Moody's for general obligation debt. The Moody's rating had last changed in 2011 when it increased from an "Aa2". All ratings remained unchanged as of December 31, 2018.

The net pension liability (NPL) is the next largest liability reported by the City at December 31, 2018 and is reported 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*. 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

City of Powell, Ohio  
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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. This implementation also had the effect of restating net position at December 31, 2017, from \$22,250,410 to \$17,610,764.

Additional information on the City's long-term debt can be found in note 8 on pages **49-54** of this report. Additional information on the City's pension and OPEB liabilities can be found in notes 15 and 16, respectively, on pages **59-80**.

**General Fund Budgetary Highlights**

Ordinance #2017-63 appropriated \$8,602,557 for the original 2018 general fund budget which included \$75,000 for contingencies. This amount does not include \$427,499 in prior-year encumbrances that were carried over. The total original budget is \$9,030,056. The budget had a few amendments that, combined with carry over appropriations that lapsed, decreased the budget by \$86,557; this small increase in appropriations was mostly due to the need for additional appropriation to pay legal fees and for additional codification services. The budget also was decreased by \$174,457 due to the lapse of prior year encumbrances. The total revised budget is \$8,274,812.

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Management's Discussion and Analysis  
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The final budget and the actual results for the general fund varied favorably by \$688,835 before adding to the City's Reserve accounts. This favorable variance is due to favorable variances in all of the expense categories, as well as the partial return of a few outstanding advances and the transfer of interest on the Sanitary Sewer outstanding advance.

**Economic Factors and Next Year's Budgets and Rates**

- ❑ The unemployment rate for Delaware County is currently 3.7%, which is a slight increase from a rate of 3.3% a year ago, but still the second lowest in the State of Ohio. This compares favorably to the state's average unemployment rate of 5.4% and the national average rate of 4.4%.
- ❑ The personal income per capita for Powell area is \$126,752. This compares favorably to the state's personal income per capita of \$42,236 and the national average rate of \$46,049.
- ❑ The State of Ohio legislation has passed a state-wide revision of the municipal income tax laws based on the concept of uniformity, which will go into effect over the next several years. Parts of the law went into effect for tax year 2015 with the many others becoming effective for the tax year 2016; additional changes will continue to go into effect over the next couple of years that will impact the City's tax collections.
- ❑ The State of Ohio legislation passed a budget that will continue to decrease funding from the State level to assist with local government operations in the coming years.
- ❑ For the last nine years, the City hasn't had any significant capital improvements. However, with the passage of the 2012 levy, which enabled the city to issue debt in 2013. The planning and construction of those capital improvements began in 2014 and will be completed in the next few years.
- ❑ The City utilized a task force made up of residents and business owners in 2018 to evaluate the City's finances and assist with finding an alternative funding method for capital improvements. An income tax issue appeared on the November 2018 ballot and was defeated. The City is continuing to look for alternative sources of funding necessary capital maintenance and improvements throughout the City.

All of these factors were considered in preparing the City's Budget for the 2019 fiscal year and projecting for the 2020, 2021 and 2022 fiscal years.

**Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 47 Hall Street, Powell, Ohio, 43065-8357. This report is also available on the City's website at [www.cityofpowell.us](http://www.cityofpowell.us).



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**City of Powell, Ohio**  
Statement of Net Position  
December 31, 2018

	Governmental Activities
<b>Assets:</b>	
Cash, cash equivalents and investments	\$ 14,880,475
Receivables (net of allowances)	6,105,109
Prepaid items	134,427
Inventories	18,623
Net pension asset	4,368
Capital assets:	
Land	4,023,159
Construction in progress	3,205,883
Other capital assets, net of accumulated depreciation	32,149,395
Total assets	60,521,439
<b>Deferred Outflows of Resources:</b>	
Deferred amount on refunding	561,095
Pension	1,531,850
OPEB	764,416
Total deferred outflows of resources	2,857,361
<b>Liabilities:</b>	
Accounts payable	160,021
Accrued wages and benefits	98,448
Due to other governments	22,631
Contracts payable	524,834
Retainage payable	214,392
Bond anticipation notes payable	2,330,000
Accrued interest payable	80,639
Long-term liabilities:	
Due within one year	
Accrued vacation and sick leave	185,884
Bonds payable	1,985,000
Due in more than one year	
Accrued vacation and sick leave	300,966
Bonds payable	22,581,668
Net pension liability	6,642,701
Net OPEB liability	5,723,542
Total liabilities	40,850,726
<b>Deferred Inflows of Resources:</b>	
Property and other local taxes	2,485,997
Pension	678,890
OPEB	168,195
Total deferred inflows of resources	3,333,082
<b>Net Position:</b>	
Net investment in capital assets	28,260,131
Restricted for:	
Street maintenance	2,702,589
Debt service	787,612
Capital projects	2,186,789
Parks and recreation	478,607
Public safety	82,030
Unrestricted	(15,302,766)
Total net position	\$ 19,194,992

See accompanying notes to the basic financial statements.

**City of Powell, Ohio**  
**Statement of Activities**  
For the Year Ended December 31, 2018

Functions/Programs	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
Governmental activities:			
Public safety	\$ 3,689,223	\$ 48,987	\$ -
General government	2,453,269	14,375	22,360
Public services	2,352,455	26,253	675,683
Parks and recreation	1,255,890	600,711	-
Community development	1,390,448	2,327,213	-
Interest and fiscal charges	819,584	-	-
<b>Total governmental activities</b>	<b>\$ 11,960,869</b>	<b>\$ 3,017,539</b>	<b>\$ 698,043</b>

General Revenues:

- Property and other local taxes:
- Income taxes
- Property taxes
- Unrestricted intergovernmental
- Unrestricted investment earnings
- Miscellaneous
- Total general revenues

Change in net position

- Net position, beginning of year, restated
- Net position, end of year

Net (Expense)  
Revenue and  
Changes in  
Net Position

\$	(3,640,236)
	(2,416,534)
	(1,650,519)
	(655,179)
	936,765
	(819,584)
	<u>(8,245,287)</u>

	5,954,083
	2,898,012
	371,258
	314,734
	291,428
	<u>9,829,515</u>

1,584,228

	17,610,764
\$	<u><u>19,194,992</u></u>

**City of Powell, Ohio**  
Balance Sheet  
Governmental Funds  
December 31, 2018

	General Fund	Street Construction & Maintenance Fund	Debt Service Fund	Voted Capital Improvements Fund
<b>Assets:</b>				
Cash, cash equivalents and investments	\$ 6,942,002	\$ 2,048,449	\$ 734,041	\$ 683,196
Receivables (net of allowances)	2,489,534	319,524	972,929	1,336
Due from other funds	34,000	-	-	-
Prepaid items	130,166	6	-	-
Inventories	-	18,623	-	-
Advanced to other funds	1,231,478	-	-	-
Total assets	<u>\$ 10,827,180</u>	<u>\$ 2,386,602</u>	<u>\$ 1,706,970</u>	<u>\$ 684,532</u>
<b>Liabilities:</b>				
Accounts payable	\$ 82,160	\$ 37,294	\$ -	\$ -
Accrued wages and benefits	98,124	-	-	-
Due to other governments	22,536	-	-	-
Due to other funds	-	-	-	-
Accrued vacation and sick leave	31,245	-	-	-
Contracts payable	4,535	86,548	-	91,426
Retainage payable	-	-	-	121,168
Advances from other funds	-	-	-	-
Bond anticipation notes payable	-	-	94,000	-
Total liabilities	<u>238,600</u>	<u>123,842</u>	<u>94,000</u>	<u>212,594</u>
<b>Deferred Inflows of Resources:</b>				
Property and other local taxes	632,273	-	855,136	-
Unavailable revenue	1,399,482	269,687	110,476	1,336
Total deferred inflows of resources	<u>2,031,755</u>	<u>269,687</u>	<u>965,612</u>	<u>1,336</u>
<b>Fund Balances:</b>				
Nonspendable	1,361,644	18,629	-	-
Restricted	-	1,974,444	647,358	470,602
Committed	169,034	-	-	-
Assigned	1,117,634	-	-	-
Unassigned	5,908,513	-	-	-
Total fund balances	<u>8,556,825</u>	<u>1,993,073</u>	<u>647,358</u>	<u>470,602</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,827,180</u>	<u>\$ 2,386,602</u>	<u>\$ 1,706,970</u>	<u>\$ 684,532</u>

See accompanying notes to the basic financial statements.



Downtown TIF Public Improvements Fund	Seldom Seen TIF Park Improvements Fund	Seldom Seen TIF Public Improvements Fund	Sanitary Sewer Agreements Fund	Other Governmental Funds	Total Governmental Funds
\$ 1,648,175	\$ 1,267,692	\$ 12,477	\$ -	\$ 1,544,443	\$ 14,880,475
370,970	1,474	219,413	1,265,478	464,451	6,105,109
-	-	-	-	-	34,000
-	-	-	-	4,255	134,427
-	-	-	-	-	18,623
-	-	-	-	-	1,231,478
<u>\$ 2,019,145</u>	<u>\$ 1,269,166</u>	<u>\$ 231,890</u>	<u>\$ 1,265,478</u>	<u>\$ 2,013,149</u>	<u>\$ 22,404,112</u>
\$ -	\$ -	\$ -	\$ -	\$ 40,567	\$ 160,021
-	-	-	-	324	98,448
-	-	-	-	95	22,631
-	-	-	34,000	-	34,000
-	-	-	-	-	31,245
259,206	83,119	-	-	-	524,834
35,300	57,924	-	-	-	214,392
-	-	-	1,231,478	-	1,231,478
-	991,000	1,245,000	-	-	2,330,000
<u>294,506</u>	<u>1,132,043</u>	<u>1,245,000</u>	<u>1,265,478</u>	<u>40,986</u>	<u>4,647,049</u>
340,912	-	219,413	-	438,263	2,485,997
23,772	1,474	-	1,265,478	22,305	3,094,010
<u>364,684</u>	<u>1,474</u>	<u>219,413</u>	<u>1,265,478</u>	<u>460,568</u>	<u>5,580,007</u>
-	-	-	-	4,255	1,384,528
1,359,955	135,649	-	-	1,057,962	5,645,970
-	-	-	-	449,378	618,412
-	-	-	-	-	1,117,634
-	-	(1,232,523)	(1,265,478)	-	3,410,512
<u>1,359,955</u>	<u>135,649</u>	<u>(1,232,523)</u>	<u>(1,265,478)</u>	<u>1,511,595</u>	<u>12,177,056</u>
<u>\$ 2,019,145</u>	<u>\$ 1,269,166</u>	<u>\$ 231,890</u>	<u>\$ 1,265,478</u>	<u>\$ 2,013,149</u>	<u>\$ 22,404,112</u>

**City of Powell, Ohio**  
 Reconciliation of the Balance Sheet to the Statement  
 of Net Position - Governmental Funds  
 December 31, 2018

**Total Governmental Fund Balances** \$ 12,177,056

*Amounts reported for governmental activities in the statement of net position are different due to the following:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 39,378,437

Other long-term assets are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the funds.

Property taxes	16,118	
Income taxes	1,152,149	
Special assessments	1,265,478	
Intergovernmental revenues	560,002	
Licenses and permits	23,574	
Charges for services	5,768	
Fines and forfeitures	175	
Other revenues	2,200	
Investment earnings	68,546	
	68,546	3,094,010

Long-Term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:

Interest payable	(80,639)	
Accrued vacation and sick leave	(455,605)	
Unamortized deferred amount on refunding	561,095	
Bonds payable, net	(24,566,668)	
	(24,566,668)	(24,541,817)

The net pension/OPEB asset (liability) is not receivable (payable) in the current period; therefore, the asset (liability) and related deferred inflows/outflows are not reported in governmental funds:

Deferred outflows - pension	1,531,850	
Deferred outflows - OPEB	764,416	
Deferred inflows - pension	(678,890)	
Deferred inflows - OPEB	(168,195)	
Net pension liability	(6,642,701)	
Net OPEB liability	(5,723,542)	
Net pension asset	4,368	
	4,368	(10,912,694)

**Net Position of Governmental Activities** \$ 19,194,992

See accompanying notes to the basic financial statements.



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

	General Fund	Street Construction & Maintenance Fund	Debt Service Fund	Voted Capital Improvements Fund
<b>Revenues:</b>				
Taxes:				
Property	\$ 601,220	\$ -	\$ 1,457,176	\$ -
Income	5,808,300	-	-	-
Intergovernmental:				
Motor Fuel	-	405,188	-	-
Other Intergovernmental	281,616	221,442	201,628	-
Licenses and permits	768,691	-	-	-
Charges for services	39,776	-	-	-
Fines and forfeitures	651	-	-	-
Development charges	-	-	1,606,966	-
Investment earnings	232,064	22,972	320	27,120
Miscellaneous	137,031	-	-	-
<b>Total revenues</b>	<b>7,869,349</b>	<b>649,602</b>	<b>3,266,090</b>	<b>27,120</b>
<b>Expenditures:</b>				
Current:				
Public safety	3,015,653	-	-	-
General government	2,184,130	-	20,336	-
Public services	771,895	372,283	-	-
Parks and recreation	537,992	-	-	-
Community development	1,228,371	-	-	-
Debt service:				
Principal	-	-	2,050,000	-
Interest	-	-	898,287	-
Issuance costs	-	-	20,135	-
Capital outlay	-	-	-	1,532,853
<b>Total expenditures</b>	<b>7,738,041</b>	<b>372,283</b>	<b>2,988,758</b>	<b>1,532,853</b>
Excess (deficiency) of revenues over (under) expenditures	131,308	277,319	277,332	(1,505,733)
<b>Other Financing Sources (Uses):</b>				
Proceeds from sale of capital assets	8,733	-	-	-
Premium on notes	-	-	22,275	-
Insurance claims	15,401	-	-	-
Transfers in	-	-	197,000	-
Transfers out	(197,000)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(172,866)</b>	<b>-</b>	<b>219,275</b>	<b>-</b>
Net change in fund balances	(41,558)	277,319	496,607	(1,505,733)
Fund balance at beginning of year	8,598,383	1,715,754	150,751	1,976,335
<b>Fund balance at end of year</b>	<b>\$ 8,556,825</b>	<b>\$ 1,993,073</b>	<b>\$ 647,358</b>	<b>\$ 470,602</b>

See accompanying notes to the basic financial statements.

Downtown TIF Public Improvements Fund	Seldom Seen TIF Park Improvements Fund	Seldom Seen TIF Public Improvements Fund	Sanitary Sewer Agreements Fund	Other Governmental Funds	Total Governmental Funds
\$ 360,340	\$ -	\$ 12,389	\$ -	\$ 464,471	\$ 2,895,596
-	-	-	-	-	5,808,300
-	-	-	-	32,853	438,041
18,649	-	-	-	12,906	736,241
-	-	-	-	-	768,691
-	-	-	-	423,657	463,433
-	-	-	-	3,010	3,661
-	-	-	10,372	110,261	1,727,599
-	16,550	404	-	6,515	305,945
-	-	-	-	224,104	361,135
<u>378,989</u>	<u>16,550</u>	<u>12,793</u>	<u>10,372</u>	<u>1,277,777</u>	<u>13,508,642</u>
-	-	-	-	6,874	3,022,527
4,522	-	136	1,203	-	2,210,327
-	-	-	-	19,844	1,164,022
-	-	-	-	299,056	837,048
-	-	-	-	29,704	1,258,075
-	-	-	-	-	2,050,000
-	-	-	-	-	898,287
-	-	-	-	-	20,135
521,708	493,087	-	-	192,020	2,739,668
<u>526,230</u>	<u>493,087</u>	<u>136</u>	<u>1,203</u>	<u>547,498</u>	<u>14,200,089</u>
(147,241)	(476,537)	12,657	9,169	730,279	(691,447)
-	-	-	-	-	8,733
-	-	-	-	-	22,275
-	-	-	-	-	15,401
-	374,544	-	-	-	571,544
-	-	(39,327)	-	(335,217)	(571,544)
-	<u>374,544</u>	<u>(39,327)</u>	-	<u>(335,217)</u>	<u>46,409</u>
(147,241)	(101,993)	(26,670)	9,169	395,062	(645,038)
1,507,196	237,642	(1,205,853)	(1,274,647)	1,116,533	12,822,094
<u>\$ 1,359,955</u>	<u>\$ 135,649</u>	<u>\$ (1,232,523)</u>	<u>\$ (1,265,478)</u>	<u>\$ 1,511,595</u>	<u>\$ 12,177,056</u>

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

**Net Change in Fund Balances - Total Governmental Funds** \$ (645,038)

*Amounts reported for governmental activities in the statement of activities are different due to the following:*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

	Capital outlays	2,815,909	
	Depreciation expense	(1,729,079)	
	Net effect of capital assets sales and disposals	<u>(11,552)</u>	
			1,075,278

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 12,321

Contractually required contributions for pension are reported as expenditures in governmental funds however, the statement of net position reports these amounts as deferred outflow: 661,969

Contractually required contributions for OPEB are reported as expenditures in governmental funds however, the statement of net position reports these amounts as deferred outflow: 9,376

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (1,128,368)

Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability are reported as OPEB expense in the statement of activities. (497,051)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

	Repayment of debt	<u>2,050,000</u>	
			2,050,000

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

	Accrued vacation and sick leave	(30,822)	
	Interest payable	(1,126)	
	Amortization of deferred amount on refunding	(80,359)	
	Amortization of premium	<u>158,048</u>	
			45,741

**Change in Net Position of Governmental Activities** \$ 1,584,228

See accompanying notes to the basic financial statements.

**City of Powell, Ohio**  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
December 31, 2018

	<u>Agency Funds</u>
<b>Assets</b>	
Cash, cash equivalents and investments	\$ 1,017,707
Total assets	<u>\$ 1,017,707</u>
<b>Liabilities</b>	
Due to others	\$ 1,017,707
Total liabilities	<u>\$ 1,017,707</u>

See accompanying notes to the basic financial statements.

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Reporting Entity

The City of Powell (City) is a home-rule, municipal corporation under the laws of the State of Ohio. The City of Powell was established as a village in 1947 and was incorporated as a city in 2001. The City operates under a Council-Manager form of government and provides the following services: police protection, parks and recreation, street maintenance and repair as well as, staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers.

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government is the City of Powell and consists of all funds, departments, boards, and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. This description complies with the provisions of the Government Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*", as amended by (GASB) Statement No. 39, "*Determining Whether Certain Organizations Are Component Units*", (GASB) Statement No. 61, "*The Financial Reporting Entity: Omnibus*" and (GASB) Statement No. 80, "*Blending Requirements for Certain Component Units—an Amendment of GASB Statement No. 14.*"

In 2018, there was one component unit of the City, the Powell Community Improvement Corporation (CIC). The CIC is governed by a 3-member board. For financial reporting purposes, the CIC is reported as if it were part of the City's operations because its purpose is to assist the City in advancing, encouraging and promoting the industrial, commercial, distribution and research development within the City, and the City is able to significantly influence the programs or services performed or provided by the organization. The CIC is presented as a blended component unit with additional information in Note 14. Complete financial statements for the CIC may be obtained from the City's Finance department.

The City participates in two jointly governed organizations, the Liberty Community Infrastructure Financing Authority and the Powell Community Infrastructure Financing Authority. These organizations are presented in Notes 13A and 13B, respectively, to the basic financial statements.

The accompanying basic financial statements include all the organizations, activities and functions in which the City (the primary government) exercises financial accountability.



City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-wide and fund financial statements

Beginning January 1, 2003, the City changed its financial reporting to comply with GASB Statement No. 34, "*Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*" and beginning January 1, 2010, the City included GASB Statement No. 62, "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.*"

Basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The basic financial statements report information on all of the non-fiduciary activities of the primary government.

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.

In April 2018, the GASB issued Statement No. 88, "*Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements.*" The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The City has not fully determined the effects, if any GASB No. 88 will have on its financial statements.

In June 2018, the GASB issued Statement No. 89, "*Accounting for Interest Cost Incurred Before the End of a Construction Period.*" The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, with requirements being applied prospectively. The City has not fully determined the effects, if any GASB No. 89 will have on its financial statements.

In August 2018, the GASB issued Statement No. 90, "*Majority Equity Interests—An Amendment of GASB Statements No. 14 and No. 61.*" The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. The requirements for this Statement are effective for reporting periods beginning after December 15, 2018. The City has not fully determined the effects, if any GASB No. 90 will have on its financial statements.

**C. Measurement focus and basis of accounting**

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The accounts of the City are organized on the basis of funds where each 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 and deferred outflows of resources, liabilities and deferred inflows of resources, fund equity, revenues and expenditures (expenses), as appropriate. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The basis of accounting refers to when revenues and expenditures (expenses) are recognized in the accounts of the financial statements and relates to the timing of the measurement focus.

The government-wide financial statements are prepared using a flow of economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized only as they become susceptible to accrual or measurable and available. Because of differences in circumstances and because of the flexibility of this criteria, the timing of revenue recognition for a given revenue source may vary considerably among governments. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within thirty-one days after year-end. Expenditures are recorded when the related fund liability is incurred, for principal and interest on long-term debt, and claims and judgments, and compensated absences, which are recognized as expenditures when matured.

Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

sources. Current assets and deferred outflows of resources and current liabilities and deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a separate reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. The City currently does not have trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for various fees charged by the City and remitted to other government agencies and for deposits held pending compliance with established requirements.

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

Amounts reported as program revenues include: charges to customers or applicants for goods, services, or privileges provided, operating grants and contributions, and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include taxes and all revenues that don't qualify as program revenue.

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there was an enforceable legal claim at December 31, 2018, but were levied to finance 2019 operations, have been recorded as deferred inflows of resources. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred inflows of resources. On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred inflows of resources.

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

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The State of Ohio requires all governmental funds to have a legally adopted annual budget. The following are the City's major governmental funds:

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

Street Construction and Maintenance Fund -- This fund is required by Ohio Revised Code Sections 4501.04 and 5735.27 to account for receipts from the licensing of motor vehicles and receipts from fuel taxes. The funds are used for the construction, repair and maintenance of the City's streets. The City for financial reporting purposes combines the Street Construction and Maintenance Fund with the Municipal Motor Vehicle License Tax Fund. However, for internal budgeting/appropriation purposes the two funds are reflected separately.

Debt Service Fund – The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general obligation long-term debt principal, interest and related costs.

Capital Projects – Voted Capital Improvements Fund – The Voted Capital Improvements Fund accounts for the activity related to a bond issuance done to fund capital improvements that were voted on and approved by the residents in November of 2012 to replace an existing issue that expired in 2013.

Capital Projects – Downtown TIF Public Improvements Fund – The Downtown TIF Public Improvements Fund accounts for the activity related to the public improvements and renovations in a designated section of downtown funded by tax increment financing.

Capital Projects – Seldom Seen TIF Park Improvements Fund – The Seldom Seen TIF Park Improvements Fund accounts for the activity related to park improvements at the Park at Seldom Seen, funded by tax increment financing.

Capital Projects – Seldom Seen TIF Public Improvements Fund – The Seldom Seen TIF Public Improvements Fund accounts for the activity related to capital improvements in a designated area near Seldom Seen Road funded by tax increment financing.

Capital Projects – Sanitary Sewer Agreements Fund – The Sanitary Sewer Agreements Fund accounts for the activity related to sanitary sewer improvements in the Verona subdivision. The City's General Fund advanced funds for the improvements and will be paid back through the collection of special assessments over several years.

Additionally, the City has the other following governmental funds:

Other special revenue governmental funds of the City account for grants and other resources whose use is restricted for a particular purpose as specified by City ordinance or federal and state statutes. The City has the following nonmajor special revenue funds: State Highway Improvement, Parks and Recreation Program, Park and Recreation

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(Development), Enforcement and Education (D.U.I.), Board of Pharmacy, Law Enforcement, Veteran’s Memorial, Law Enforcement Assistance Training, the Police Canine Support, and the Powell Community Improvement Corporation.

Other capital project governmental funds of the City account for financial resources used for acquisition or construction of major capital facilities. The City has the following nonmajor capital project funds: Sawmill Corridor Commercial Improvement TIF, Village Development and Improvement, and the Olentangy/Liberty Street Intersection Fund.

The City has the following non-governmental or fiduciary funds:

Fiduciary funds of the City account for financial resources held for others. The City has the following nonmajor fiduciary funds: Unclaimed Funds, Health Reimbursement Account, Board of Building Standards, Development (Engineering) Inspections, Plumbing Inspection, Escrowed Deposits, and Fingerprint Processing.

**D. Assets, liabilities, and net position**

**1. Deposits and Investments**

City funds are pooled and invested to improve cash management. The City’s cash and cash equivalents are considered to be cash on hand and demand deposits. Individual fund integrity is maintained through City records.

The City is authorized by Ordinance to invest in notes, bonds or other obligations of the United States or of any agency or instrumentality thereof, including repurchase agreements secured by such obligations, as well as the State Treasury Asset Reserve of Ohio (STAROhio), STAR Plus and certificate of deposits. STAROhio is an investment pool managed by the State Treasurer’s Office that allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the Securities Exchange Commission (SEC) as an investment company, but does operate in a manner similar to Rule 2a-7 of the Investment Company Act of 1940. Interest earnings are allocated to City funds according to State statutes and City ordinances.

Investments for the City are reported at fair value as in accordance with GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Investments in STAROhio are valued at amortized cost.

**2. Receivables and Payables**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” for the current portion of the Interfund activity or “advances to/from other funds” for the non-current portion of the Interfund activity.

**Property tax**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the City. Real property tax revenues received in 2018 represent the collection of 2017 taxes.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Real property taxes received in 2018 were levied after October 1, 2017, on the assessed values as of January 1, 2017, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2018 represent the collection of 2017 taxes. Public utility real and tangible personal property taxes received in 2018 became a lien on December 31, 2017, were levied after October 1, 2017, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The Delaware County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City of Powell. The County Auditor periodically remits to the City its portion of the taxes collected.

Accrued property taxes receivable represents real property and public utility property taxes which were measurable as of December 31, 2018, and for which there was an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2018 operations.

Collectible delinquent real property taxes have been recorded as a receivable and revenue on the full accrual basis. On the modified accrual basis, the entire receivable is deferred.

The full tax rate for all City operations for the year ended December 31, 2018, was \$4.12 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2018 property tax receipts were based are as follows:

Category	Amount
Real Property	
Agricultural/Residential	\$526,317,910
Commercial/Industrial	54,297,060
Public Utility Property	
Real	8,740
Total Assessed Value	\$580,623,710

Income tax

The City levies and collects an income tax of .75 percent based on all income 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 .25 percent of the tax paid to another municipality, not to exceed the amount paid to other municipalities.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. All income tax revenue is credited to the General Fund.

The Regional Income Tax Agency (R.I.T.A.) provides services to collect income tax for over 250 municipalities in Ohio, including the City of Powell. Each member municipality appoints its own delegate to the Regional Council of Governments which oversees R.I.T.A. There are over 900 municipalities in Ohio.

3. Inventory

Inventory is presented at cost on a first-in, first-out (FIFO) basis. The costs of government fund-types inventories are recorded as expenditures when consumed rather than when purchased. Inventory consists of salt used on roadways during winter.

4. Prepaid Items

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

5. Capital Assets

All of the City's capital assets are general capital assets generally resulting from expenditures in the governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. The City maintains a capitalization threshold of five thousand dollars (\$5,000). Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Description	Estimated Lives
Land Improvements	20-60 years
Buildings	50 years
Equipment	3-10 years
Vehicles	3-10 years
Streets	15-45 years
Storm Sewers	50 years

**6. Capital Contributions**

Capital contributions arise from outside contributions of capital assets. Donated capital assets, works of art, historical treasures and similar assets, as well as assets received in a service concession arrangement are valued at acquisition value as of the date they were received.

**7. Compensated Absences**

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in City policies or by union contracts. The City records a liability for accumulated unused sick leave for all employees with ten or more years of service. The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

**8. Long-term Obligations**

Long-term debt and other long-term obligations are reported as liabilities on the government-wide financial statements. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest rate method. Bonds payable are reported net of the applicable unamortized bond premium or discount. Net pension and net OPEB liabilities are also included in the long-term obligations and recalculated on an annual basis.



City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. However, claims and judgments, compensated absences, net pension liability and net OPEB liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

**9. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, deferred outflows and deferred inflows of resources related 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.

**10. Interfund Transactions**

Transfers within governmental activities are eliminated on the government-wide financial statements. 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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**11. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City deferred outflows of resources are reported on the government-wide statement of net position for pension, OPEB and a deferred amount on refunding of bonds. The deferred outflows of resources related to pension and other postemployment benefits (OPEB) are explained in Notes 15 and 16, respectively.

In addition to liabilities, the statement of financial position will report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property and other local taxes, unavailable revenues, pension and OPEB. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance 2019 operations.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, special assessments, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and other postemployment benefits (OPEB) are reported on the government-wide statement of net position (See Notes 15 and 16, respectively).

12. 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 management and are either unusual in nature or infrequent in occurrence. The City had no extraordinary or special items in 2018.

13. Estimates

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

14. Fund Balance Restrictions

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 purposes for which amounts in the fund can be spent” in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The five fund classifications are as follows:

Non-spendable – The non-spendable classification includes amounts that cannot be spent because they are not in a spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” includes items that are not expected to be converted to cash.

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

Committed – The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the City Council.

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

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Assigned – Amounts in the assigned classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed and has an intended use established by City Council. In the General Fund assigned amounts represent intended uses established by City Council (i.e., carryover encumbrances and future General Fund appropriations).

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

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

15. Net Position

Net position represents the difference between asset and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. As of December 31, 2018, net position restricted by enabling legislation was \$0, as defined by GASB Statement No. 46, *Net Assets Restricted by Enabling Legislation*.

E. Budget Process

All funds, except agency funds, are required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting.

The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations ordinance is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. For all funds, council appropriations are made to the fund, department, and category level (object – personnel services).

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by City Council.

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

**NOTE 2 – DEPOSITS AND INVESTMENTS**

**A. Cash and Cash Equivalents**

State statutes classify monies held by the City into three categories: active, inactive and interim.

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

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

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

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 that any financial institution located within the State of Ohio is an institution which is eligible to become a public depository for active deposits. All deposits, except for deposits held by fiscal and escrow agents or trustees, are collateralized with eligible securities in amounts equal to at least 105% of the total amount of all public moneys on deposit with the institutions; or, if a member of the Ohio Pooled Collateral System (OPCS) the amount determined necessary by the Ohio Treasurer of State's Office.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Finance Director by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Such collateral, as permitted by Chapter 135 of the ORC is held with the qualified trustee approved by the Finance Director.

At December 31, 2018, the carrying value of the City's cash deposits was \$2,299,127, of which \$360,066 was non-negotiable certificates of deposit. Cash balances per the banks were \$2,344,914. \$1,911,025 of the City's deposits was insured by Federal depository insurance, which includes \$1,182,868 held in a STAR Plus account. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, as of December 31, 2018, \$433,889 of the City's bank balance was exposed to custodial risk as follows:

Uninsured and collateral held by the pledging financial institutions agents not in the City's name	\$433,889
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Interest revenue credited to the General Fund during 2018 was \$232,064, which includes \$93,566 assigned from other funds not entitled to earn interest per Ohio statute.

B. Investment Policies

The City follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and records all its investments at fair value, with the exception of STAR Ohio which is reported at amortized cost. At December 31, 2018 fair value was \$80,422 below the City's net cost for its investments. At December 31, 2017 fair value was \$82,766 below the City's net cost.

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. Of the City's fair value measurements, money market mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs), and all other investments are valued using institutional bond quotes and evaluations based on various market and industry inputs (Level 2 inputs).

The City pools its cash, except for that held by trustees, and fiscal and escrow agents, for maximum investing efficiency. Interest earnings are allocated to City funds according to State statutes and City ordinances. In management's opinion, all statutory requirements were met in distributing earnings of the pool to various funds.

City Council Resolution 2017-20 provides the City with its authorized investment instruments, which do not include derivatives. The City does invest in STAROhio, an investment pool managed by the State Treasurer's office that allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the Securities Exchange Commission (SEC) as an investment company, but does operate in a manner similar to Rule 2a-7 of the Investment Company Act of 1940.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 2 – DEPOSITS AND INVESTMENTS (continued)**

Since 1995, STAROhio has Standard and Poor's highest rating of AAAm. Investments in STAROhio are valued at STAROhio's share price that is the price the investment could be sold for on December 31, 2018. The annualized yield at December 31<sup>st</sup> was 2.52% with an overnight yield of 2.49%. Management of STAROhio states that its policy also prohibits investing in derivatives and/or engaging in the use of reverse repurchase agreements. Average days to maturity of the STAROhio portfolio at December 31, 2018 were 44.9 days.

In accordance with GASB Statement No. 79, the City's investment in STAR Ohio is reported at amortized cost. For the year ended December 31, 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

The City also invests in STAR Plus, a federally insured cash account powered by the Federally Insured Cash Account (FICA) program. STAR Plus enables political subdivisions to generate a competitive yield on cash deposits in a network of carefully-selected FDIC-insured banks via a single, convenient account. STAR Plus offers attractive yields with no market or credit risk, weekly liquidity and penalty free withdrawals. All deposits with STAR Plus have full FDIC insurance, with no term commitment on deposits. As of December 31, 2018 the Net Annual Percentage Yield (APY) for STAR Plus was 2.40%

The City is prohibited from using reverse repurchase agreements and does not leverage its investment portfolio in any manner. The City purchases their investments through financial institutions. Each financial institution must acknowledge in writing, their comprehension and receipt of the City policies. Investments may only be made through specified dealers and institutions.

Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

The City's investment policy and practices have consistently protected the portfolio from unnecessary credit risk (safety) and market risks (liquidity) while providing a competitive yield. Average days to maturity of the City's investments at December 31, 2018 were 633.34 days or 1.76 years. The StarOhio balances which is excluded from the aforementioned average days to maturity calculation, has an average days to maturity of 44.9 days.

Investments permitted by City policy are:

1. United States Treasury bills, notes, 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 (excluding investments in stripped principal or interest obligations);

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 2 – DEPOSITS AND INVESTMENTS (continued)**

2. Bonds, notes, debentures, or any other obligation or security 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 Association, Government Home Loan Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Interim deposits in authorized depositories provided these deposits are properly insured or collateralized. These interim deposits include but are not limited to: certificates of deposit, CDARS®, and savings accounts.
4. Bonds and other obligations of this state; or other subdivisions of the state (such as municipalities and school districts) that are rated at the time of purchase in the double-A category or higher as established by one of the nationally recognized standard rating services.

Both the Finance Director and Assistant Finance Director have attended the required training offered by the Treasurer of State's office to allow for investments in this category.

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The Ohio subdivision's funds, include but are not limited to, STAR Ohio and STAR Plus.
7. The City may also invest up to 40% of interim moneys in the following:
  - a. Commercial paper notes issued by an entity that has assets exceeding \$500 million and:
    - (a) Are rated at the time of purchase by at least two nationally recognized standard rating services.
    - (b) The aggregate value of notes does not exceed 10% of the aggregate value of the outstanding commercial paper of the issuing corporations.
    - (c) The notes mature not later than 270 days after purchase.
    - (d) The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim monies available for investment at the time of purchase.
  - b. Bankers acceptance of banks that are insured by the Federal Deposit Insurance Corporation (FDIC) and:
    - (a) The obligations are eligible for purchase by the Federal Reserve System.
    - (b) The obligations mature not later than 180 days after purchase.

Both the Finance Director and Assistant Finance Director have attended the required training offered by the Auditor of State's office to allow for investments in this category.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 2 – DEPOSITS AND INVESTMENTS (continued)**

The type and amount of additional training shall be approved by the Auditor of the State of Ohio and may be conducted by or provided by the supervision of the Auditor of the State of Ohio.

8. Written repurchase agreements with eligible financial institutions and dealers not to exceed 30 days with the market value of the collateral securities exceeding the principal of 2% (subject to daily mark-to-market). All securities purchased pursuant to this section shall be delivered into the custody of the Finance Director or City Council.

**C. Investments**

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy generally limits investment portfolio maturities to five years or less.

*Concentration Credit Risk.* As a means of limiting its exposure to losses arising from an issuer or other party not fulfilling its obligation, the City's investment policy has included portfolio diversifications limits by instrument and financial institution.

At year-end, the City had the following investments and maturities as follows:

<u>Measurement/Investment Type</u>	<u>Measurement Value</u>	<u>Investment Maturities</u>			
		<u>12 months or less</u>	<u>13 to 24 months</u>	<u>25 to 36 months</u>	<u>37 to 60 months</u>
<u>Fair Value:</u>					
State of Ohio Bonds	\$ 245,955	\$ -	\$ 245,955	\$ -	\$ -
Federal Home Loan Banks	3,197,231	346,381	489,755	1,184,616	1,176,479
Federal Home Loan Mtg.	1,297,003	249,203	247,178	-	800,622
Federal National Mtg Assoc.	745,442	395,827	-	349,615	-
Federal Farm CR Bks	1,186,900	697,270	489,630	-	-
Ohio Subdivisions	1,395,380	607,039	534,744	253,597	-
Negotiable CDs	2,910,765	1,085,998	570,804	1,010,073	243,890
Money Market Mutual Funds	719,373	719,373	-	-	-
StarOhio (Amortized Cost)	1,770,258	1,770,258	-	-	-
<b>Total investments</b>	<b>\$ 13,468,307</b>	<b>\$ 5,871,349</b>	<b>\$ 2,578,066</b>	<b>\$ 2,797,901</b>	<b>\$ 2,220,991</b>

*Credit Risk.* The City's investments in U.S. government securities can include: U.S. Treasury Bills, Notes, and Bonds. Federal agency securities can include: Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corp. (FHLMC), Federal Home Loan Bank (FHLB), Federal Farm Credit Banks (FFCB), and Government National Mortgage Association (GNMA). The investments in FHLMC, FFCB, FHLB, FNMA above were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Service, respectively. The Ohio State Taxable Third Frontier Bonds were rated Aa1 and AA+ by Moody's and Standard and Poor's, respectively. The Ohio State Taxable Bonds were rated Aa1 and AA+ by Moody's and Standard and Poor's, respectively. The Ohio subdivision bonds for the City of Cincinnati were rated AA3 by Moody's and AA by Standard and Poor's, while the City of Cincinnati Water Revenue Bonds were rated AAA by both Moody's and Standard and Poor's;



City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 2 – DEPOSITS AND INVESTMENTS (continued)**

the Brecksville Broadview Heights CSD bonds were rated AA2 by Moody's, and the Olentangy LSD Bonds were rated AA1 and AAA by Moody's and Standard and Poor's, respectively. The Fairborn and Springboro Notes are each bank qualified. STAROhio has Standard and Poor's rating of AAAm. The Money Market Mutual Funds are unrated.

In management's opinion, all of the City's cash deposits and investments comply with State statutes, City ordinances and resolutions, and applicable bond indentures.

**D. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments to the Statement of Net Position as of December 31, 2018.

Investments (summarized above)	\$13,468,307
Certificate of deposits	360,066
Carry amount of the City's deposits	1,939,061
Carry amount of CIC deposits	<u>130,748</u>
Total	<u>\$ 15,898,182</u>
Cash and Investments:	
Governmental Activities -	
Governmental funds	\$ 14,880,475
Agency funds	<u>1,017,707</u>
Total	<u>\$ 15,898,182</u>

**NOTE 3 – RECEIVABLES**

Receivables as of year-end for the City consisted primarily of accounts; accrued interest; intergovernmental receivables arising from grants, entitlements, and shared revenues; municipal income taxes; other local taxes; and property taxes. All receivables are considered collectible in full within one year, except for special assessments for sidewalks and sanitary sewers, which are due over the next five and seven years, respectively.

	GOVERNMENTAL MAJOR FUNDS									
	<u>General</u>	Street Const. & Maint.	Debt Service	Voted Capital Imp.	Downtown TIF Pub Imp.	SS TIF Park Imp.	SS TIF Public Imp.	Sanitary Sewer Agreements	Nonmajor Governmental Funds	Governmental Total
Receivables:										
Interest	\$ 55,518	\$ 8,459	\$ 28	\$ 1,336	\$ -	\$ 1,474	\$ -	\$ -	\$ 1,731	\$ 68,546
Taxes	2,219,157	-	867,784	-	352,770	-	219,413	-	446,229	4,105,353
Special Assessments	-	-	-	-	-	-	1,265,478	-	-	1,265,478
Intergovernmental	175,737	311,065	105,117	-	18,200	-	-	-	16,241	626,360
Claims	2,200	-	-	-	-	-	-	-	-	2,200
Other	36,922	-	-	-	-	-	-	-	250	37,172
Total receivables	<u>\$ 2,489,534</u>	<u>\$ 319,524</u>	<u>\$ 972,929</u>	<u>\$ 1,336</u>	<u>\$ 370,970</u>	<u>\$ 1,474</u>	<u>\$ 219,413</u>	<u>\$ 1,265,478</u>	<u>\$ 464,451</u>	<u>\$ 6,105,109</u>

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 4- FUND BALANCE**

Fund balance is classified as non-spendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in governmental funds.

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

Fund Balance	General	Street Const. & Maint.	Debt Service	Voted Cap Imp.	Downtown TIF Pub Imp	SS TIF Park Imp	SS TIF Pub Imp	Sanitary Sewer Agreements	Other Govt'l Funds	Total Govt'l Funds
Nonspendable for:										
Prepaid items	\$ 130,166	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,255	\$ 134,427
Inventories	-	18,623	-	-	-	-	-	-	-	18,623
Advances	1,231,478	-	-	-	-	-	-	-	-	1,231,478
<b>Total Nonspendable</b>	<b>1,361,644</b>	<b>18,629</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,255</b>	<b>1,384,528</b>
Restricted for:										
Debt Service	-	-	647,358	-	-	-	-	-	-	647,358
Capital Outlays	-	-	-	470,602	1,359,955	135,649	-	-	78,387	2,044,593
Street Maintenance	-	1,974,444	-	-	-	-	-	-	419,037	2,393,481
Parks and recreation	-	-	-	-	-	-	-	-	478,607	478,607
Public Safety	-	-	-	-	-	-	-	-	81,931	81,931
<b>Total Restricted</b>	<b>-</b>	<b>1,974,444</b>	<b>647,358</b>	<b>470,602</b>	<b>1,359,955</b>	<b>135,649</b>	<b>-</b>	<b>-</b>	<b>1,057,962</b>	<b>5,645,970</b>
Committed for:										
CORMA	65,262	-	-	-	-	-	-	-	-	65,262
27th Payroll	61,466	-	-	-	-	-	-	-	-	61,466
Compensated Absences	42,306	-	-	-	-	-	-	-	-	42,306
Parks and recreation	-	-	-	-	-	-	-	-	281,421	281,421
Capital Outlays	-	-	-	-	-	-	-	-	69,809	69,809
Community Dev.	-	-	-	-	-	-	-	-	98,148	98,148
<b>Total Committed</b>	<b>169,034</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>449,378</b>	<b>618,412</b>
Assigned for:										
Unpaid Obligations	276,167	-	-	-	-	-	-	-	-	276,167
Future Appropriations	841,467	-	-	-	-	-	-	-	-	841,467
<b>Total Assigned</b>	<b>1,117,634</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,117,634</b>
Unassigned	5,908,513	-	-	-	-	-	(1,232,523)	(1,265,478)	-	3,410,512
<b>Total Fund Balance</b>	<b>\$ 8,556,825</b>	<b>\$ 1,993,073</b>	<b>\$ 647,358</b>	<b>\$ 470,602</b>	<b>\$ 1,359,955</b>	<b>\$ 135,649</b>	<b>\$ (1,232,523)</b>	<b>\$ (1,265,478)</b>	<b>\$ 1,511,595</b>	<b>\$ 12,177,056</b>

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2018, was as follows:

	Balance 12/31/2017	Additions	Reductions	Transfer	Balance 12/31/2018
Governmental Activities:					
Nondepreciable Capital Assets					
Land	\$ 4,023,159	\$ -	\$ -	\$ -	\$ 4,023,159
Construction in Progress	1,051,621	2,556,742	-	(402,480)	3,205,883
<b>Total Nondepreciable Capital Assets</b>	<b>5,074,780</b>	<b>2,556,742</b>	<b>-</b>	<b>(402,480)</b>	<b>7,229,042</b>
Depreciable Capital Assets					
Land Improvements:					
Land Improvements	9,635,519	-	-	-	9,635,519
Bike Paths	1,524,473	-	-	-	1,524,473
Buildings	6,334,190	-	-	-	6,334,190
Equipment	698,695	82,443	(131,193)	-	649,945
Vehicles	1,380,590	176,724	(50,922)	-	1,506,392
Streets	22,620,948	-	-	272,719	22,893,667
Storm Sewer	15,675,521	-	-	129,761	15,805,282
<b>Total Depreciable Capital Assets</b>	<b>57,869,936</b>	<b>259,167</b>	<b>(182,115)</b>	<b>402,480</b>	<b>58,349,468</b>
Less Accumulated Depreciation for:					
Land Improvements:					
Land Improvements	(5,377,941)	(494,195)	-	-	(5,872,136)
Bike Paths	(444,132)	(25,407)	-	-	(469,539)
Buildings	(1,651,921)	(126,682)	-	-	(1,778,603)
Equipment	(505,924)	(71,415)	119,641	-	(457,698)
Vehicles	(860,995)	(186,522)	50,922	-	(996,595)
Streets	(10,045,450)	(508,752)	-	-	(10,554,202)
Storm Sewer	(5,755,194)	(316,106)	-	-	(6,071,300)
<b>Total Accumulated Depreciation</b>	<b>(24,641,557)</b>	<b>(1,729,079)</b>	<b>170,563</b>	<b>-</b>	<b>(26,200,073)</b>
<b>Total Depreciable Capital Assets, Net</b>	<b>33,228,379</b>	<b>(1,469,912)</b>	<b>(11,552)</b>	<b>402,480</b>	<b>32,149,395</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 38,303,159</b>	<b>\$ 1,086,830</b>	<b>\$ (11,552)</b>	<b>\$ -</b>	<b>\$ 39,378,437</b>

There were no contributions of capital assets received during 2018.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 5 – CAPITAL ASSETS (continued)**

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Public Safety	\$149,317
General Government	147,929
Public Services	1,019,179
Parks and Recreation	410,604
Community Development	2,050
Total Depreciation Expense- Govt Activities	\$1,729,079

**NOTE 6 – INTERFUND TRANSACTIONS**

During 2018, the General Fund made a transfer to the Debt Service Fund in the amount of \$197,000, to move funds to debt service funds as debt payments came due. Additionally, the Seldom Seen TIF Public Improvements Fund and the Village Development Fund transferred \$39,327 and \$335,217, respectively, to the Seldom Seen TIF Park Improvements Fund.

In 2014, the General Fund advanced \$850,000 to the Sawmill Corridor TIF Fund which will be paid back over the course of several years as the funds begin to be generated from the TIF area. The balance at December 31, 2017 was \$250,000; the final \$250,000 was repaid during 2018.

In 2016, the General Fund advanced \$1,280,103 to the Sanitary Sewer Agreements Fund which will be paid back, with interest, over the course of several years through special assessments. The balance at December 31, 2017 was \$1,274,647; \$9,169 was repaid during 2018 leaving a remaining balance as of December 31, 2018 of \$1,265,478. Interest that was repaid to the General Fund from the Sanitary Sewer Agreements fund totaled \$43,621 in 2018.

In 2017, the General Fund advanced \$25,000 to the Debt Service Fund to cover a short fall in collections as a result of millage changes made by the County auditor's office, the amount was repaid in full in 2018.

Transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

Transfers between governmental funds are eliminated on the government-wide financial statements.

**NOTE 7 – CONTRACTUAL COMMITMENTS**

At December 31, 2018, the City had contractual commitments as follows:

Company	Contract Amount	Amount Remaining on Contract
Thomas & Marker Construction	\$1,211,681	\$870,119
Trucco Construction Company, Inc.	\$1,879,200	\$801,022
Columbus Asphalt Paving, Inc.	\$ 462,972	\$312,830
Delaware County Engineer	\$ 292,680	\$292,680

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 7 – CONTRACTUAL COMMITMENTS (continued)**

Thomas & Marker Construction	\$ 148,019	\$148,019
Delaware County Engineer	\$ 110,000	\$110,000
Decker Construction Company	\$ 122,156	\$ 87,920
EMH & T, Inc.	\$ 95,405	\$ 46,597
Strawser Paving Co., Inc.	\$ 44,000	\$ 44,000
Meyers & Associates	\$ 37,500	\$ 22,013
Julian & Grube, Inc.	\$ 19,800	\$ 19,800
EMH & T, Inc.	\$ 15,000	\$ 12,694
Meyers & Associates	\$ 7,996	\$ 7,996
Kennedy Cottrell Richards, LLC	\$ 7,250	\$ 7,250
EMH & T, Inc.	\$ 35,000	\$ 5,966
Quality Control Inspection, Inc.	\$ 5,000	\$ 5,000
Meyers & Associates	\$ 4,237	\$ 4,237
MAD Scientist & Associates, LLC	\$ 11,345	\$ 1,999
Burgess & Niple, Ltd.	\$ 44,000	\$ 600
Burgess & Niple, Ltd.	\$ 24,500	\$ 400
Quality Control Inspection, Inc.	\$ 68,000	\$ 271

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by all funds on a budgetary basis of accounting. On the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities. Outstanding encumbrances, net of related payables, in the governmental funds at December 31, 2018 were as follows:

	<u>General Fund</u>	<u>Street Construction &amp; Repair Fund</u>	<u>Voted Capital Imp. Fund</u>	<u>Downtown TIF</u>	<u>Seldom Seen TIF Park Imp. Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Encumbrances, net of related payables	<u>\$ 282,167</u>	<u>\$483,708</u>	<u>\$449,414</u>	<u>\$32,667</u>	<u>\$1,078,018</u>	<u>\$25,521</u>	<u>\$2,351,995</u>

**NOTE 8 – LONG TERM LIABILITIES**

Bonds payable in the Statement of Net Position are comprised of the following:

Bonds payable outstanding at December 31, 2018	\$ 23,830,000
Unamortized premium on bonds	<u>736,668</u>
Total	<u>\$ 24,566,668</u>

**A. General Obligation Bonds**

General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City issues general obligation bonds and notes to provide funds for acquisition and construction of major capital equipment, infrastructure and facilities.

All general obligation bonds are supported by the full faith and credit of the City of Powell and are payable from unvoted property tax revenues to the extent that other resources are not available to meet annual principal and interest expenditures.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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NOTE 8 – LONG TERM LIABILITIES (continued)

Police Facility Construction 2006

In 2006, the City issued \$2,750,000 in capital improvement and construction bonds. The bond issue summary is as follows:

- ◆ \$2,750,000 of bonds, dated April 25, 2006 and maturing December 1, 2025, were issued for the purpose of constructing, improving, furnishing and equipping a police facility with related facilities and site improvements and acquiring the necessary real estate.
- ◆ In 2015, the City advance refunded \$1,480,000 of the remaining \$1,615,000 that was outstanding on these bonds. The City paid the remaining portion of the original bond as scheduled, in 2016.

Golf Village 2008

In 2008, the City issued \$6,900,000 in general obligation bonds to retire an outstanding bond anticipation note issued to purchase certain assets (none will be owned by the City of Powell) from the Liberty Community Infrastructure Financing Authority. The Bond issuance cost incurred and related premium on the issuance were \$91,700 and \$122,796, respectively. The bond issue summary is as follows:

- ◆ \$6,900,000 of bonds, dated April 24, 2008 and maturing December 1, 2030 were issued for the purpose of acquiring streets, utility lines, drainage facilities and other public infrastructure improvements.
- ◆ In 2015, the City advance refunded \$4,340,000 of the remaining \$5,145,000 that was outstanding on these bonds. The City paid the remaining portion of the original bond as scheduled, during 2018.

Refunding Issue 2010

In 2010, the City issued \$3,155,000 in general obligation bonds to retire two outstanding general obligation bonds issued in 1997 and 1999. The Bond issuance cost incurred and related premium on the issuance were \$ 73,946 and \$179,225, respectively. The bond issue summary is as follows:

- ◆ \$3,155,000 of bonds, dated June 1, 2010 and maturing December 1, 2020 were issued for the purpose of currently refunding (a) a portion of the City's Various Purpose General Obligation Bonds, Series 1997-A, dated July 1, 1997; and (b) a portion of the City's Road Improvement Bonds, Series 1999, dated February 1, 1999.

Refunding Issue 2011

In 2011, the City issued \$9,015,000 in general obligation bonds, to advance refund outstanding general obligation Golf Village bonds issued in 2002. The Bond, a portion of the issuance cost incurred and related premium on the issuance were \$144,996 and \$398,033, respectively. The bond issue summary is as follows:

- ◆ \$9,015,000 of bonds, with serial bonds dated December 1, 2012 and maturing December 1, 2023; and term bonds dated December 1, 2026, 2029 and 2032; were issued for the purpose of advance refunding a portion of the Golf Village Various Purpose Refunding Bonds, Series 2002, dated October 15, 2002.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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NOTE 8 – LONG TERM LIABILITIES (continued)

The Bonds maturing after December 1, 2021 are subject to redemption at the option of the City, either in whole, or in part, in such order of maturity as the City shall determine, on any date on or after December 1, 2021, at a redemption price equal to 100 percent of the principal amount redeemed plus, accrued interest to the date fixed for redemption.

The Bonds maturing on December 1, 2026, 2029 and 2032 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount redeemed plus interest accrued to the redemption date on December 1 for the specified years.

Infrastructure Acquisition Bonds 2012

In 2012, the City issued \$9,915,000 in limited-tax general obligation bonds for the purpose of (i) financing \$6,785,000 public infrastructure improvements for LCIFA, and (ii) \$3,130,000 public infrastructure improvements for PCIFA. These capital assets are reported by these legally separate entities, thus; this debt is accounted for in the unrestricted net position component calculation of the City's net position in the "Statement of Net Position."

Issuance Costs and the related discount were \$194,825 and \$79,617, respectively. The Bond issue summary is as follows:

- ◆ \$9,915,000 of bonds with serial bonds dated December 1, 2013 through December 1, 2022; and term bonds dated December 1, 2024, 2027, 2030, 2032, 2034 and 2036; were issued for the purpose of (i) acquiring various public infrastructure improvements from the PCIFA, and (ii) acquiring various public infrastructure improvements from the LCIFA.

The Bonds maturing after December 1, 2021 are subject to redemption at the option of the City, either in whole, or in part, in such order of maturity as the City shall determine, or any date on or after June 1, 2022, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

The Bonds maturing on December 1, 2024, 2027, 2030, 2032, 2034, and 2036 are subject to mandatory sinking fund redemption prior to stated maturity.

The City has designated these Bonds as "qualified tax exempt obligations" within the meaning of Section 265 (b)(3) of the Ohio Revised Code.

Municipal Facilities Construction and Improvement Bonds 2013

In 2013, the City issued \$4,100,000 in voted general obligation bonds for the purpose of constructing, improving, and repairing City infrastructure, bike paths and parks. The Bond issuance cost incurred and related premium on the issuance were \$90,144 and \$279,631, respectively. The bond issue summary is as follows:

- ◆ \$4,100,000 in bonds, dated October 3, 2013 maturing December 1, 2020 were issued for the purpose of constructing, improving, and repairing streets, roads, sewer and other related infrastructure improvements; constructing, improving, and repairing municipal parks, bike paths, and other park-related infrastructure; constructing, improving, and repairing the City's Public Service Facility, with

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

NOTE 8 – LONG TERM LIABILITIES (continued)

related site improvements and appurtenances thereto; and constructing and improving general municipal improvements.

Refunding Issue 2015

In 2015, the City issued \$5,600,000 in general obligation bonds for the purpose of advance refunding portions of the following outstanding issues: (1) \$2,750,000 Police Facility Improvement and Construction Bonds, dated May 18, 2006, and (2) \$6,900,000 LCIFA Golf Village Various Purpose Bonds, dated April, 24, 2008. Issuance costs and the related premium on the issuance were \$139,600 and \$743,949, respectively. The refunding of these issues will save the City at least \$548,903 over the remaining life of the bonds. The bond issue summary is as follows:

- ◆ \$5,600,000 of bonds maturing from December 1, 2016 through December 1, 2029, inclusive. The Bonds maturing after December 1, 2025 are subject to redemption at the option of the City, either in whole or in part, in such order of maturity as the City shall determine, on any date on or after December 1, 2025, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

The City has designated the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Municipal Facilities Construction and Improvement Bank Loan

In 2017, the City refinanced an outstanding note related to constructing, improving and repairing City infrastructure, bike paths and parks, in the amount of \$2,700,000 into a bank loan with a maturity date of December 1, 2022. The interest rate on this bank loan is 2.06%. The issuance costs incurred on this bank loan totaled \$35,000. This issuance was the remaining allowed by the 2013 Bond issue.

B. Compensated Absences

The criterion for determining vacation and sick leave benefits is derived from negotiated agreements and State laws.

City employees earn vacation at varying rates depending on length of service. Current policy credits vacation leave on the employee’s anniversary date. Employees are paid for 100 percent of accumulated unused vacation leave upon termination.

Sick leave is earned at a rate of four and six-tenths hours for every eighty hours worked. Full-time employees with more than ten years of public service under the applicable retirement system, who retire from the City, are entitled to receive one-fourth of the value of their accumulated unused sick leave up to a maximum payment of two hundred sixty hours.

The compensated absences liability will be paid from the fund from which the employees’ salaries are paid. These funds include the General Fund and the Parks and Recreation Program special revenue fund. As of December 31, 2018, the compensated absences



City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 8 – LONG TERM LIABILITIES (continued)**

payable is \$486,850. The short-term liability, or \$185,884 which is due within one year, is the estimated cost to the City for 2019 sick and vacation usage.

**C. Changes in Long-term Liabilities**

The long-term obligations at December 31, 2017 have been restated as described in Note 18. The City's long-term obligations activity for the year ended December 31, 2018 was as follows:

<u>General Obligation Bonds</u>	<u>Restated Balance 12/31/17</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/18</u>	<u>Due Within One Year</u>
Golf Village 2008 Interest Rate: 3 – 4.2% (Original Amount \$6,900,000)	280,000	0	280,000	0	0
Refinanced 1997A & 1999 Interest Rate: 2.00% (Original Amount \$3,155,000)	315,000	0	200,000	115,000	100,000
Refinanced Golf Village 2002 Interest Rate: 2 -- 5.0% (Original Amount \$9,015,000)	7,395,000	0	345,000	7,050,000	340,000
Powell CIFA Notes 2012 Interest Rate: 1.90 -- 2.05% (Original Amount \$3,130,000)	2,615,000	0	110,000	2,505,000	115,000
Liberty CIFA Developer Bonds 2012 Interest Rate: 1.90 -- 2.05% (Original Amount \$6,785,000)	6,050,000	0	145,000	5,905,000	160,000
Municipal Facilities Const/Imp Bonds 2013 Interest Rate: 2.00—5.00% (Original Amount \$4,100,000)	1,510,000	0	495,000	1,015,000	500,000
Refinanced 2006 Police Facility Bonds Interest Rate: 2.00—4.00% (Original Amount \$1,425,000)	1,190,000	0	155,000	1,035,000	160,000
Refinanced Golf Village 2008 Interest Rate: 2.00—4.00% (Original Amount \$4,175,000)	4,125,000	0	20,000	4,105,000	310,000
Municipal Facilities Const/Imp Bank Loan 2017 Interest Rate: 2.06% (Original Amount \$2,700,000)	2,400,000	0	300,000	2,100,000	300,000
Unamortized Bond Premiums	894,716	0	158,048	736,668	0
<b>Total General Obligation Bonds</b>	<b>26,774,716</b>	<b>0</b>	<b>2,208,048</b>	<b>24,566,668</b>	<b>1,985,000</b>

Other Long Term Obligations  
continued on next page

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 8 – LONG TERM LIABILITIES (continued)**

Other Long-Term Obligations

Compensated Absences Payable	449,006	206,907	169,063	486,850	185,884
Net Pension Liability					
OPERS	3,132,383	0	938,094	2,194,289	0
OP&FP	4,254,037	194,375	0	4,448,412	0
Total Net Pension Liability	<u>7,386,420</u>	<u>194,375</u>	<u>938,094</u>	<u>6,642,701</u>	<u>0</u>
Net OPEB Liability					
OPERS	1,481,546	135,398	0	1,616,944	0
OP&FP	3,188,077	918,521	0	4,106,598	0
Total Net OPEB Liability	<u>4,669,623</u>	<u>1,053,919</u>	<u>0</u>	<u>5,723,542</u>	<u>0</u>
Total Other Long-Term Obligations	<u>12,505,049</u>	<u>1,455,201</u>	<u>1,107,157</u>	<u>12,853,093</u>	<u>185,884</u>
Total Long-Term Obligations	<u>\$39,279,765</u>	<u>\$1,455,201</u>	<u>\$3,315,205</u>	<u>\$37,419,761</u>	<u>\$2,170,884</u>

The following is a summary of the City's future annual debt service requirements for general obligation bonds:

	<u>General Obligation Bonds</u>	
<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2019	1,985,000	785,431
2020	1,930,000	740,901
2021	1,825,000	689,080
2022	1,990,000	638,385
2023	1,210,000	582,140
2024-2028	6,330,000	2,286,298
2029-2033	5,805,000	1,050,375
2034-2036	2,755,000	187,875
	<u>\$23,830,000</u>	<u>\$6,960,485</u>

D. Operating Leases

The City leases a postage machine and occasionally other equipment under noncancelable operating leases. Total costs for such leases were \$1,320 for the year ended December 31, 2018. The future minimum lease payments for these leases are as follows:

<u>Year ending</u>	<u>Amount</u>
December 31, 2019	\$720
December 31, 2020	720
December 31, 2021	720
December 31, 2022	720
December 31, 2023	720
Total	<u>\$3,600</u>

E. Conduit Debt

The City has not been a party of conduit debt.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 9 – SHORT TERM LIABILITIES**

On August 2, 2018, the City rolled a various purpose bond anticipation note that was originally issued in 2017; the purpose of the note is for designing, engineering, constructing and reconstructing various City infrastructure and parks. This refinanced note was issued at a premium of \$22,275, interest from the original note was also rolled. Interest rate on the existing note is 2.875% with a maturity date of August 2, 2019.

	<u>Beginning Balance 12/31/2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance 12/31/2018</u>
August 8, 2017 Note	\$2,265,000	\$0	\$2,265,000	\$0
August 2, 2018 Note	0	2,330,000	0	2,330,000
Total Short term Liabilities	<u>\$2,265,000</u>	<u>\$2,330,000</u>	<u>\$2,265,000</u>	<u>\$2,330,000</u>

**NOTE 10 – 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. Effective February 1, 2010, the City joined the Central Ohio Risk Management Association (CORMA) self-insurance pool. The plan year begins October 1 and runs through September 30 each year.

The Association purchases specific excess insurance for amounts and limits above their internal risk level coverage. CORMA was formed pursuant to Ohio Revised Code (ORC) Section 2744.081. Members consist of cities of Upper Arlington, Westerville, Pickerington, Dublin, Grove City, Groveport, Canal Winchester, Grandview Heights and Powell. This Board establishes its own budget, hires and fires personnel and determines annual rates for its members. Membership in CORMA enables the City to take advantage of any economies to be realized from an insurance pool with other cities and also provides the City with more control over claims than what is normally available with traditional insurance coverage.

CORMA is managed by the Board of Trustees which is comprised of two representatives from each member city. Wichert Insurance, a third-party administrator, provides claims services while all lines of coverage are reinsured with multiple A-rated carriers. The additional information on CORMA can be attained at: 1200 Graham Road, Cuyahoga Falls, Ohio 44224.

City of Powell, Ohio  
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For the Year Ended December 31, 2018

**NOTE 10 – RISK MANAGEMENT (continued)**

Type of Coverage	Coverage	Deductible
General Liability		
Occurrence	\$1,000,000	\$0
Aggregate	2,000,000	0
Pool Retention	150,000	0
Public Official or Employment Practices Liability		
Occurrence	1,000,000	0
Aggregate	1,000,000	0
Pool Retention	150,000	0
Umbrella		
Limit	15,000,000	0
Aggregate	20,000,000	0
Pool Retention	750,000	0
Law Enforcement Liability		
Occurrence	1,000,000	0
Aggregate	1,000,000	0
Pool Retention	150,000	0
Automobile Liability		
Occurrence	1,000,000	0
Pool Retention	150,000	50,000
Property		
Per statement of values		Various
Pool	430,228,288	
City	14,817,780	
Pool Retention	25,000	

Other smaller types of coverage include: equipment, electronic/media equipment, crime, cyber crime, boiler and machinery and terrorism. No insurance settlement has exceeded insurance coverage during the past 5 years, with either the previous or the current provider.

Changes in the balances of claims receivable during the two most recent fiscal years are as follows:

	2018	2017
	<u>General Liability</u>	<u>General Liability</u>
Unpaid claims -- January 1	\$ 11,294	\$ 1,334
Incurred claims	2,200	36,676
Payment of claims	11,294	26,716
Unpaid claims -- December 31	<u>\$ 2,200</u>	<u>\$ 11,294</u>

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**NOTE 11 – CONTINGENT LIABILITIES**

**A. Litigation**

The City is a defendant in lawsuits pertaining to matters, which are incidental to performing routine government functions. City management is in the opinion that ultimate settlements of such claims will not result in a material adverse effect on the City's financial position as of December 31, 2018.

**B. Federal and State Grants**

For the period January 1, 2018 to December 31, 2018, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowances, if any, would be immaterial.

**NOTE 12 - INSURANCE POOLS**

**Workers' Compensation Group Rating-** The City is a participant in the Ohio Association of Public Treasurer's (OAPT) Workers' Compensation Group Rating Program (Program), an insurance purchasing pool for workers' compensation. The Program is intended to (1) manage workers' compensation costs to potentially achieve a lower workers' compensation rate for participants, (2) foster safer working environments, and (3) foster cost-effective claims management skills in the area of workers' compensation.

The Program term is September 1 through August 31. The term is automatically renewed for each subsequent year unless the participant provides written notice to the Group Administrator of its intent to non-renew at least sixty (60) days prior to the renewal date. Each participant also agrees that OAPT has the right to remove any participant or rescind the Program invitation for any group rating year by providing written notice to the participant. The Ohio Bureau of Workers' Compensation group rating year is January 1 to December 31 as it relates to payroll reporting and premium payment.

The OAPT was established to promote the general and professional interest of public treasurers and fiscal officers in their respective communities, to obtain a higher standard of efficiency, to improve service with allied institutions and to inspire friendly and fraternal relationships among its members. The OAPT Group Rating Program is administered by Comp Management, Inc., the leading third party administration (TPA) in Ohio.

**Central Ohio Health Care Consortium-** On January 1, 2013, the City joined the Central Ohio Health Care Consortium (COHCC), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the employer sponsored health plan. The COHCC consists of eleven political subdivisions, including; Obetz, Canal Winchester, Granville, New Albany, Gahanna, Grove City, Worthington, Washington Courthouse, Madison Township, Pataskala and Powell. These entities pool risk for basic medical, hospital, surgical and prescription drug coverage. The City pays monthly contributions to the COHCC, which are used to cover claims and administrative costs, purchase excess loss insurance for the COHCC and establish adequate reserves. Each members' contribution rate is established based on the number of employees enrolled in the plan and the prior loss experience of the respective member group.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 12 - INSURANCE POOLS (continued)**

In total, the members' contributions represent 110 percent of the projected consortium costs to allow for adequate funding to establish and maintain an excess reserve for future operational needs.

The COHCC entered into an agreement with an independent plan supervisor to oversee the day to day operations of the COHCC, such as administration and approval of submitted claims, the payment of operating expenses incurred by the COHCC and preparation of a monthly activity report which is presented to the Board. The COHCC has also entered into an agreement for individual and aggregate excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the COHCC for medical claims paid for an individual in excess of \$200,000 with an unlimited individual lifetime maximum. In the event that the losses of the COHCC in any year exceeds amounts paid to the COHCC, together with all stop-loss, reinsurance and other coverage then in effect, then the payment of all uncovered losses shall revert to and be the sole obligation of the political subdivision against which the claim was made. No such loss has occurred in the past five years. In the event that an entity should withdraw from the plan, the withdrawing member is required to either reimburse the COHCC for claims paid on its behalf or the member must pay the claims directly.

The funds held by the COHCC are maintained in a bank trust account established for the sole purpose and benefit of the COHCC operations. Financial information for the COHCC can be obtained from Ms. Debra Miller, Treasurer of the COHCC, 47 Hall Street, Powell, Ohio 43065.

**NOTE 13 - JOINTLY GOVERNED ORGANIZATIONS**

**A. Liberty Community Infrastructure Financing Authority**

The Liberty Community Infrastructure Financing Authority, Delaware County, Ohio (Financing Authority) is a jointly governed organization created according to Chapter 349 of the Ohio Revised Code. The Financing Authority was established to encourage the orderly development of a well-planned, diversified, and economically sound community; to encourage initiative and participation of private enterprise in this undertaking; and to encourage cooperation between the developer and the financing authority to carry out the new community development program.

The Financing Authority is governed by a seven member Board of Trustees consisting of seven members elected by the residents of the community. All Trustees are empowered to vote on all matters within the authority of the Board of Trustees.

Financial information can be obtained from the Liberty Community Infrastructure Financing Authority, in care of: Parns & Company, LLC, and 585 South Front Street, Suite 220, Columbus, Ohio 43215.

**B. Powell Community Infrastructure Financing Authority**

The Powell Community Infrastructure Financing Authority, Delaware County, Ohio (Financing Authority) is a jointly governed organization created according to Chapter 349 of the Ohio Revised Code. The Financing Authority was established to encourage the orderly development of a well-planned, diversified, and economically sound community; to encourage initiative and participation of private enterprise in this undertaking; and to encourage cooperation between the developer and the financing authority to carry out the new community development program.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 13 - JOINTLY GOVERNED ORGANIZATIONS (continued)**

The Financing Authority is governed by a seven member Board of Trustees consisting of seven members elected by the residents of the community. All Trustees are empowered to vote on all matters within the authority of the Board of Trustees. Financial information can be obtained from the Powell Community Infrastructure Financing Authority, in care of: Parns & Company, LLC, and 585 South Front Street, Suite 220, Columbus, Ohio 43215.

**NOTE 14 – COMPONENT UNIT**

As described in Note 1, the City reports the Powell Community Improvement Corporation (CIC) as a blended component unit because its purpose is to assist the City in advancing, encouraging and promoting the industrial, commercial, distribution and research development within the City, and because the City is able to significantly influence the programs or services performed or provided by the organization.

**A. Authority**

The Powell Community Improvement Corporation (CIC) was created by the City of Powell pursuant Ordinance 2010-19 adopted on May 5, 2010 and incorporated as a corporation not-for-profit under the provisions of Chapters 1702 and 1724 of the Ohio Revised Code. The CIC was formed to advance, encourage and promote the industrial, commercial, distribution and research development of the City. The CIC has been designated an Agent for the City for economic development.

**B. Significant Accounting Policies and Disclosures for the CIC**

The financial statements of the CIC have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

At December 31, 2018, the carrying amount of the CIC's cash was \$130,748. Cash balances per the bank were \$130,748. All of the CIC's deposits were insured by Federal depository insurance.

The CIC is exempt from federal income tax under Section 501 (c) (6) of the Internal Revenue Code. The CIC application for Section 501 (c) (4) status was approved in 2014.

**NOTE 15 – DEFINED BENEFIT PENSION PLANS**

***Net Pension Liability/Asset***

The net pension liability/asset 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.

**NOTE 15 – DEFINED BENEFIT PENSION PLANS (continued)**

The net pension liability/asset 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/asset 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 Authority does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the net pension liability/asset 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 due to other governments on both the accrual and modified accrual bases of accounting.

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

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

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



City of Powell, Ohio  
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For the Year Ended December 31, 2018

**NOTE 15 – DEFINED BENEFIT PENSION PLANS (continued)**

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):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 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 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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.

City of Powell, Ohio  
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For the Year Ended December 31, 2018

**NOTE 15 – DEFINED BENEFIT PENSION PLANS (continued)**

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:

	State and Local
<b>2018 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
 <b>2018 Actual Contribution Rates</b>	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$305,708 for 2018. Of this amount, \$12,941 is reported as due to other governments.

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

Plan Description – The City's full-time police employees 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](http://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.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 15 – DEFINED BENEFIT PENSION PLANS (continued)**

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

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

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

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

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

	Police
<b>2018 Statutory Maximum Contribution Rates</b>	
Employer	19.50 %
Employee	12.25
 <b>2018 Actual Contribution Rates</b>	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	0.50
Total Employer	19.50 %
 Employee	 12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$356,262 for 2018. Of this amount, \$19,844 is reported as due to other governments.

***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, 2017, and the total pension liability used to calculate the net pension asset/liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2017 and was determined by rolling forward the total pension liability as of

City of Powell, Ohio  
Notes to the Basic Financial Statements  
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**NOTE 15 – DEFINED BENEFIT PENSION PLANS (continued)**

January 1, 2017, to December 31, 2017. The City's proportion of the net pension asset/liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate Share of the Net Pension (Asset)/Liability	\$2,194,289	(\$4,368)	\$4,448,412	\$6,638,333
2017 Proportion of the Net Pension (Asset)/Liability	0.0139870%	0.0032090%	0.07247979%	
2016 Proportion of the Net Pension (Asset)/Liability	0.0137940%	0.0021990%	0.0671630%	
2017 Change in Proportionate Share	<u>0.0001930%</u>	<u>0.0010100%</u>	<u>0.0053168%</u>	
Pension Expense	\$534,482	\$331	\$593,555	\$1,128,368

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

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>				
Differences between expected and actual experience	\$ 2,241	\$ -	\$ 67,507	\$ 69,748
Changes of assumptions	262,233	381	193,841	456,455
Changes in proportionate share	43,597	635	299,446	343,678
Authority contributions subsequent to the measurement date	303,549	2,159	356,262	661,970
Total Deferred Outflows of Resources	<u>611,620</u>	<u>3,175</u>	<u>917,056</u>	<u>1,531,851</u>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	43,242	1,302	8,046	52,590
Net difference between projected and actual earnings on pension plan investments	471,083	689	153,884	625,656
Changes in proportionate share	153	491	-	644
Total Deferred Inflows of Resources	<u>\$ 514,478</u>	<u>\$ 2,482</u>	<u>\$ 161,930</u>	<u>\$ 678,890</u>

\$661,970 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 (asset)/liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

City of Powell, Ohio  
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For the Year Ended December 31, 2018

**NOTE 15 – DEFINED BENEFIT PENSION PLANS (continued)**

Year Ending December 31:	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
2019	\$228,281	(\$185)	\$173,977	\$402,073
2020	(33,671)	(201)	133,521	99,649
2021	(207,442)	(358)	(25,864)	(233,664)
2022	(193,575)	(341)	(5,100)	(199,016)
2023	-	(99)	98,684	98,585
Thereafter	-	(282)	23,646	23,364
Total	<u>(\$206,407)</u>	<u>(\$1,466)</u>	<u>\$398,864</u>	<u>\$190,991</u>

**Actuarial Assumptions - OPERS**

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

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

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 Post-1/7/13 Retirees: 3 percent simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.5 percent
Actuarial Cost Method	Individual Entry Age

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 for the five year period ended December 31, 2015.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
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**NOTE 15 – DEFINED BENEFIT PENSION PLANS (continued)**

**Discount Rate** The discount rate used to measure the total pension (asset)/liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension (asset)/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 a discount rate of 7.5 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
City's proportionate share of the net pension liability			
Traditional Plan	\$3,896,498	\$2,194,289	\$775,160
Combined Plan	(2,375)	(4,368)	(5,744)

The allocation of investment assets with the Defined Benefit portfolio is approved by the OPERS 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 following table displays the OPERS Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

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

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 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 15 – DEFINED BENEFIT PENSION PLANS (continued)**

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 16.82% for 2017.

**Actuarial Assumptions – OPF**

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

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

Valuation Date	January 1, 2017 with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption	5 year period ended December 31, 2016
Experience Study Date	
Investment Rate of Return	8.00 percent
Cost of Living Increases (COLA)	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3.00 percent
Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent

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 as follows, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent. For ages 67 or less, rates for police and fire are 77 percent and 68 percent, respectively. For ages 68 to 77, rates for police and fire are 105 percent and 87 percent, respectively. For ages 78 and up, rates for police and fire are 115 percent and 120 percent, respectively. Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the following rates and projected with the Conduit Modified 2016 Improvement Scale. Rates for ages 59 or less for police and fire are 35 percent. Rates for ages 60 to 69 for police and fire are 60 percent and 45 percent, respectively. Rates for ages 70 to 79 for police and fire are 75 percent and 70 percent, respectively. Rates for ages 80 and up for police and fire are 100 percent and 90 percent, respectively.

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**NOTE 15 – DEFINED BENEFIT PENSION PLANS (continued)**

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 and Guidelines. 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 OPF's target asset allocation as of December 31, 2017 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return	30 Year Expected Real Rate of Return
Cash and Cash Equivalents	- %	- %	- %
Domestic Equity	16.00	4.22	5.39
Non-US Equity	16.00	4.41	5.59
Private Markets	8.00	6.67	8.08
Core Fixed Income *	20.00	1.57	2.71
High Yield Fixed Income	15.00	2.94	4.71
Private Credit		6.93	7.26
Global Inflation Protected *	20.00	0.98	2.52
Master Limited Partnerships	8.00	7.50	7.93
Real Assets	5.00	6.88	7.24
Private Real Estate	12.00	5.58	6.34
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 1.20 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.00 percent. A discount rate of 8.25% was used in the prior measurement period. 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.



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**NOTE 15 – DEFINED BENEFIT PENSION PLANS (continued)**

***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	\$6,166,665	\$4,448,412	\$3,047,019

**NOTE 16 – DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability***

For 2018, Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" was effective. The net OPEB liability has been disclosed below.

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 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.

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**NOTE 16 – DEFINED BENEFIT OPEB PLANS (continued)**

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 would be included in due to other governments on both the accrual and modified accrual bases of accounting.

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

**NOTE 16 – 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 1.0 percent during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2017 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 2018.

***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](http://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.

City of Powell, Ohio  
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For the Year Ended December 31, 2018

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**NOTE 16 – 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 2018, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

The City's contractually required contribution to OP&F was \$9,376 for 2018.

City of Powell, Ohio  
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**NOTE 16 – DEFINED BENEFIT OPEB PLANS (continued)**

***Net OPEB Liability***

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

	OPERS	OP&F	Total
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.0148900%	0.07247970%	
Prior Measurement Date	0.0146683%	0.06716300%	
Change in Proportionate Share	0.0002217%	0.0053167%	
Proportionate Share of the Net OPEB Liability	\$1,616,944	\$4,106,598	\$5,723,542
OPEB Expense	\$142,839	\$354,212	\$497,051

City of Powell, Ohio  
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**NOTE 16 – DEFINED BENEFIT OPEB PLANS (continued)**

At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS OPEB Plan	OP&F OPEB Plan	Total
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$ 1,260	\$0	\$1,260
Changes of assumptions	117,731	400,717	518,448
Changes in proportionate share	15,151	220,181	235,332
City contributions subsequent to the measurement date	0	9,376	9,376
<b>Total Deferred Outflows of Resources</b>	<b>\$ 134,142</b>	<b>\$630,274</b>	<b>\$764,416</b>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$0	\$20,712	\$20,712
Net difference between projected and actual earnings on pension plan investments	120,452	27,031	147,483
<b>Total Deferred Inflows of Resources</b>	<b>\$120,452</b>	<b>\$47,743</b>	<b>\$168,195</b>

\$9,376 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 the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	OPERS OPEB Plan	OP&F Plan	Total
2019	\$ 34,020	\$ 80,988	\$ 115,008
2020	34,020	80,988	115,008
2021	(24,237)	80,988	56,751
2022	(30,113)	80,989	50,876
2023	-	87,746	87,746
Thereafter	-	161,456	161,456
<b>Total</b>	<b>\$ 13,690</b>	<b>\$ 573,155</b>	<b>\$ 586,845</b>

**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.

City of Powell, Ohio  
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**NOTE 16 – DEFINED BENEFIT OPEB PLANS (continued)**

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

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

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

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

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

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

City of Powell, Ohio  
Notes to the Basic Financial Statements  
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**NOTE 16 – DEFINED BENEFIT OPEB PLANS (continued)**

The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 15.2 percent for 2017.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

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

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

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



City of Powell, Ohio  
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**NOTE 16 – DEFINED BENEFIT OPEB PLANS (continued)**

	1% Decrease (2.85%)	Current Discount Rate (3.85%)	1% Increase (4.85%)
City's proportionate share of the net OPEB liability	\$2,148,150	\$1,616,944	\$1,187,150

***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 2018 is 7.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$1,547,071	\$1,616,944	\$1,689,122

***Actuarial Assumptions – OP&F***

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

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

City of Powell, Ohio  
Notes to the Basic Financial Statements  
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**NOTE 16 – DEFINED BENEFIT OPEB PLANS (continued)**

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, 2017, with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Single discount rate:	
Current measurement date	3.24 percent
Prior measurement date	3.79 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

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

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

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

City of Powell, Ohio  
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**NOTE 16 – DEFINED BENEFIT OPEB PLANS (continued)**

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

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2017, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Real Rate of Return</u>	<u>30 Year Expected Real Rate of Return</u>
Cash and Cash Equivalents	- %	- %	- %
Domestic Equity	16.00	4.22	5.39
Non-US Equity	16.00	4.41	5.59
Private Markets	8.00	6.67	8.08
Core Fixed Income *	20.00	1.57	2.71
High Yield Fixed Income	15.00	2.94	4.71
Private Credit		6.93	7.26
Global Inflation Protected *	20.00	0.98	2.52
Master Limited Partnerships	8.00	7.50	7.93
Real Assets	5.00	6.88	7.24
Private Real Estate	<u>12.00</u>	5.58	6.34
Total	<u>120.00 %</u>		

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

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 16 – DEFINED BENEFIT OPEB PLANS (continued)**

The long-term expected rate of return on health care investments was applied to projected costs through 2025, and the municipal bond rate was applied to all health care costs after that date.

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

	1% Decrease (2.24%)	Current Discount Rate (3.24%)	1% Increase (4.24%)
City's proportionate share of the net OPEB liability	\$5,133,297	\$4,106,598	\$3,316,598

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

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

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

	1% Decrease	Current Rates	1% Increase
City's proportionate share of the net OPEB liability	\$3,190,079	\$4,106,598	\$5,341,756

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

**NOTE 17- FUND DEFICITS/ACCOUNTABILITY**

The Seldom Seen TIF Public Improvements fund had a GAAP basis fund balance deficit of (\$1,232,523) and the Sanitary Sewer Agreements fund has a GAAP basis fund balance deficit of (\$1,265,478) at December 31, 2018. The GAAP deficit balances are a result of the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, that is done when cash is needed rather than when accruals occur.

**NOTE 18 – RESTATEMENT OF NET POSITION**

For 2018, Governmental Accounting Standards Board (GASB) Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions” was effective. GASB Statement No. 75 improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB) and improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities by establishing new accounting and financial reporting requirements for OPEB plans. The implementation of this statement had the following effect on net position as reported December 31, 2017:

	Governmental <u>Activities</u>
Net Position December 31, 2017	22,250,410
Adjustments:	
Net OPEB Liability	(4,669,623)
Deferred Outflows - Payments Subsequent to Measurement Date	<u>29,977</u>
Restated Net Position December 31, 2017	<u><u>17,610,764</u></u>

**City of Powell, Ohio**  
**Required Supplementary Information**  
**Schedule of City's Proportionate Share of the Net Pension (Asset)/Liability**  
**Ohio Public Employees Retirement System**

**Last Five Years (1)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's Proportion of the Net Pension (Asset)/Liability					
Traditional Plan	0.0139870%	0.0137940%	0.0132650%	0.013290%	0.013290%
Combined Plan	0.0032090%	0.0021990%	0.0031400%	0.004588%	0.004588%
City's Proportionate Share of the Net Pension (Asset)/Liability					
Traditional Plan	\$ 2,194,289	\$ 3,132,383	\$ 2,297,665	\$ 1,602,922	\$ 1,566,717
Combined Plan	(4,368)	(1,224)	(1,528)	(1,766)	(481)
City's Covered Payroll	\$ 2,113,059	\$ 2,194,590	\$ 1,851,345	\$ 1,651,650	\$ 1,712,231
City's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Payroll	103.84%	142.73%	124.11%	97.05%	91.50%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability					
Traditional Plan	84.66%	77.25%	81.08%	86.45%	86.36%
Combined Plan	137.28%	116.55%	116.90%	114.83%	105%

(1) Information prior to 2014 is not available.

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

See accompanying notes to the required supplementary information.

**City of Powell, Ohio**  
**Required Supplementary Information**  
**Schedule of City's Proportionate Share of the Net Pension Liability**  
**Ohio Police and Fire Pension Fund**

**Last Five Years (1)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's Proportion of the Net Pension Liability	0.07247979%	0.0671630%	0.0669870%	0.0655312%	0.0655312%
City's Proportionate Share of the Net Pension Liability	\$ 4,448,412	\$ 4,254,037	\$ 4,309,321	\$ 3,394,789	\$ 3,191,575
City's Covered Payroll	\$ 1,769,221	\$ 1,618,860	\$ 1,516,075	\$ 1,443,389	\$ 1,678,395
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	251.43%	262.78%	284.24%	235.20%	190.16%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.91%	68.36%	66.77%	72.20%	73.00%

(1) Information prior to 2014 is not available.

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

See accompanying notes to the required supplementary information.

**City of Powell, Ohio**  
**Required Supplementary Information**  
**Schedule of City Pension Contributions**  
**Ohio Public Employees Retirement System - Traditional Plan**

**Last Six Years (1)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 305,708	\$ 274,698	\$ 263,351	\$ 222,161	\$ 198,198	\$ 222,590
Contributions in Relation to the Contractually Required Contribution	<u>\$ 305,708</u>	<u>\$ 274,698</u>	<u>\$ 263,351</u>	<u>\$ 222,161</u>	<u>\$ 198,198</u>	<u>\$ 222,590</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 2,183,622	\$ 2,113,059	\$ 2,194,590	\$ 1,851,345	\$ 1,651,650	\$ 1,712,231
Contributions as a Percentage of Covered Payroll	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.





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**City of Powell, Ohio**  
**Required Supplementary Information**  
**Schedule of City Pension Contributions**  
**Ohio Police and Fire Pension Fund**

**Last Ten Years**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 356,262	\$ 336,152	\$ 307,583	\$ 288,054
Contributions in Relation to the Contractually Required Contribution	<u>\$ 356,262</u>	<u>\$ 336,152</u>	<u>\$ 307,583</u>	<u>\$ 288,054</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 1,875,064	\$ 1,769,221	\$ 1,618,860	\$ 1,516,075
Contributions as a Percentage of Covered Payroll	19.00%	19.00%	19.00%	19.00%

See accompanying notes to the required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 274,244	\$ 266,697	\$ 261,400	\$ 267,186	\$ 251,626	\$ 239,621
\$ 274,244	\$ 266,697	\$ 261,400	\$ 267,186	\$ 251,626	\$ 239,621
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,443,389	\$ 1,678,395	\$ 2,050,196	\$ 2,095,576	\$ 1,973,537	\$ 1,879,380
19.00%	15.89%	12.75%	12.75%	12.75%	12.75%

**City of Powell, Ohio**  
**Required Supplementary Information**  
**Schedule of City's Proportionate Share of the Net OPEB Liability**  
**Ohio Public Employees Retirement System**

**Last Two Years (1)**

	<u>2018</u>	<u>2017</u>
City's Proportion of the Net OPEB Liability	0.0148900%	0.0146683%
City's Proportionate Share of the Net OPEB	\$ 1,616,944	\$ 1,481,546
City's Covered Payroll	\$ 2,113,059	\$ 2,194,590
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	76.52%	67.51%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	54.14%	54.05%

(1) Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

**City of Powell, Ohio**  
**Required Supplementary Information**  
**Schedule of City's Proportionate Share of the Net OPEB Liability**  
**Ohio Police and Fire Pension Fund**

**Last Two Years (1)**

	<u>2018</u>	<u>2017</u>
City's Proportion of the Net OPEB Liability	0.07247970%	0.06716300%
City's Proportionate Share of the Net OPEB Liability	\$ 4,106,598	\$ 3,188,077
City's Covered Payroll	\$ 1,769,221	\$ 1,618,860
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	232.11%	196.93%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.13%	15.96%

(1) Information prior to 2014 is not available.

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

See accompanying notes to the required supplementary information.

**City of Powell, Ohio**  
**Required Supplementary Information**  
**Schedule of City OPEB Contributions**  
**Ohio Public Employees Retirement System**

**Last Six Years (1)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ -	\$ 21,131	\$ 43,892	\$ 36,825	\$ 35,518	\$ 15,893
Contributions in Relation to the Contractually Required Contribution	\$ -	\$ 21,131	\$ 43,892	\$ 36,825	\$ 35,518	\$ 15,893
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 2,183,622	\$ 2,113,059	\$ 2,194,590	\$ 1,851,345	\$ 1,651,650	\$ 1,712,231
Contributions as a Percentage of Covered Payroll	0.00%	1.00%	2.00%	2.00%	2.00%	1.00%

(1) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.



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**City of Powell, Ohio**  
**Required Supplementary Information**  
**Schedule of City OPEB Contributions**  
**Ohio Police and Fire Pension Fund**

**Last Ten Years**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 9,376	\$ 8,846	\$ 8,094	\$ 6,193
Contributions in Relation to the Contractually Required Contribution	<u>\$ 9,376</u>	<u>\$ 8,846</u>	<u>\$ 8,094</u>	<u>\$ 6,193</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 1,875,064	\$ 1,769,221	\$ 1,618,860	\$ 1,516,075
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.41%

See accompanying notes to the required supplementary information.



<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 7,299	\$ 51,367	\$ 90,444	\$ 92,446	\$ 87,063	\$ 82,909
<u>\$ 7,299</u>	<u>\$ 51,367</u>	<u>\$ 90,444</u>	<u>\$ 92,446</u>	<u>\$ 87,063</u>	<u>\$ 82,909</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,443,389	\$ 1,678,395	\$ 2,050,196	\$ 2,095,576	\$ 1,973,537	\$ 1,879,380
0.51%	3.06%	4.41%	4.41%	4.41%	4.41%

**City of Powell, Ohio**  
**Notes to the Required Supplementary Information**  
**For the Year Ended December 31, 2018**

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**Ohio Public Employees Retirement System**

*Changes of benefit terms.* There were no significant changes of benefit terms in 2018.

*Changes of assumptions.* There were no significant changes in assumptions in 2018.

**Ohio Police and Fire Pension System**

*Changes of benefit terms.* There were no significant changes of benefit terms in 2018.

*Changes of assumptions.* Amounts reported in 2018 reflect changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.25% down to 8.00%, for the defined benefit investments.

**City of Powell, Ohio**  
**Budgetary Comparison Schedule (Non-GAAP Budgetary Basis)**  
**General Fund**  
**Required Supplementary Information**  
**For the Year Ended December 31, 2018**

<b>Revenues:</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
Income tax	\$ 6,136,450	\$ 6,136,450	\$ 5,946,216	\$ (190,234)
Property tax	620,676	620,676	630,037	9,361
Intergovernmental	268,497	268,497	275,985	7,488
Estate tax	-	-	-	-
Licenses and permits	803,841	749,119	769,807	20,688
Charges for services	32,400	32,400	39,643	7,243
Fines and forfeits	250	250	3,147	2,897
Investment earnings	97,500	97,500	187,949	90,449
Miscellaneous	117,500	117,500	172,459	54,959
<b>Total revenues</b>	<b>8,077,114</b>	<b>8,022,392</b>	<b>8,025,243</b>	<b>2,851</b>
<b>Expenditures:</b>				
Current:				
Public safety	3,086,596	3,058,541	2,953,197	105,344
General government	2,423,111	2,421,956	2,188,103	233,853
Public services	848,643	818,633	723,237	95,396
Parks and recreation	631,858	607,392	518,007	89,385
Community development	1,391,730	1,386,688	1,288,173	98,515
Capital outlay	451,118	453,289	407,095	46,194
<b>Total expenditures</b>	<b>8,833,056</b>	<b>8,746,499</b>	<b>8,077,812</b>	<b>668,687</b>
Excess (deficiency) of revenues over expenditures	(755,942)	(724,107)	(52,569)	671,538
<b>Other Financing Sources (Uses):</b>				
Transfers-in	52,993	52,993	43,621	(9,372)
Transfers-out	(197,000)	(197,000)	(197,000)	-
Advances repaid	257,500	257,500	284,169	26,669
Advances out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>113,493</b>	<b>113,493</b>	<b>130,790</b>	<b>17,297</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(642,449)	(610,614)	78,221	688,835
<b>Fund balances at beginning of the year</b>	<b>6,139,400</b>	<b>6,139,400</b>	<b>6,139,400</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>253,042</b>	<b>253,042</b>	<b>253,042</b>	<b>-</b>
<b>Lapsed encumbrances</b>	<b>174,457</b>	<b>174,457</b>	<b>174,457</b>	<b>-</b>
<b>Fund balances at end of year</b>	<b>\$ 5,924,450</b>	<b>\$ 5,956,285</b>	<b>\$ 6,645,120</b>	<b>\$ 688,835</b>

Adjustments necessary to convert the results of operations at end of year on the budget basis to the modified accrual basis (GAAP) are as follows:

<b>Excess of revenues and other financing sources over expenditures and other uses per the Budgetary Comparison Schedule</b>	<b>\$ 78,221</b>
(Increases) decreases from revenues:	
Received in cash during year but already accrued as receivables (GAAP) at December 31, 2017	(565,210)
Accrued as receivables at December 31, 2018 but not recognized in budget	457,779
(Increases) decreases from expenditures:	
Accrued as liabilities at December 31, 2017 recognized as expenditures (GAAP) but not in budget	83,378
Accrued as liabilities at December 31, 2018	(108,434)
Fair value adjustment for investments	(24,329)
Encumbrances outstanding - Budget basis	364,827
Advances	(284,169)
Transfers	(43,621)
Net change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u><u>\$ (41,558)</u></u>

**City of Powell, Ohio**  
**Budgetary Comparison Schedule (Non-GAAP Budgetary Basis)**  
**Street Construction and Maintenance Fund**  
**For the Year Ended December 31, 2018**

<b>Revenues:</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
Intergovernmental				
Motor fuel tax	\$ 573,725	\$ 573,725	\$ 622,034	\$ 48,309
Investment earnings	11,000	11,000	24,250	13,250
<b>Total revenues</b>	<b>584,725</b>	<b>584,725</b>	<b>646,284</b>	<b>61,559</b>
<b>Expenditures:</b>				
Current:				
Public services	1,165,799	1,406,940	1,023,240	383,700
<b>Total expenditures</b>	<b>1,165,799</b>	<b>1,406,940</b>	<b>1,023,240</b>	<b>383,700</b>
Excess (deficiency) of revenues over expenditures	(581,074)	(822,215)	(376,956)	445,259
<b>Other Financing Sources (Uses):</b>				
Transfers-in	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and and other uses	(581,074)	(822,215)	(376,956)	445,259
<b>Fund balances at beginning of the year</b>	1,491,910	1,491,910	1,491,910	-
<b>Prior year encumbrances appropriated</b>	284,440	284,440	284,440	-
<b>Lapsed encumbrances</b>	51,858	51,858	51,858	-
<b>Fund balances at end of year</b>	<b>\$ 1,247,134</b>	<b>\$ 1,005,993</b>	<b>\$ 1,451,252</b>	<b>\$ 445,259</b>

Adjustments necessary to convert the results of operations at end of year on the budget basis to the modified accrual basis (GAAP) are as follows:

<b>Excess of revenues and other financing sources over expenditures and other uses per the Budgetary Comparison Schedule</b>	<b>\$ (376,956)</b>
(Increases) decreases from revenues:	
Received in cash during year but already accrued as receivables (GAAP) at December 31, 2017	(36,264)
Accrued as receivables at December 31, 2018 but not recognized in budget	49,935
(Increases) decreases from expenditures:	
Accrued as liabilities at December 31, 2017 recognized as expenditures (GAAP) but not in budget	148,620
Accrued as liabilities at December 31, 2018	(105,213)
Encumbrances outstanding - Budget basis	607,550
Fair value adjustment for investments	(10,353)
Net change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balances	<b>\$ 277,319</b>

**City of Powell, Ohio**  
**Notes to the Required Supplementary Information**  
**For the Year Ended December 31, 2018**

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**Budgetary Information**

All governmental fund types are subject to annual expenditures budgets. The City Council follows procedures outlined below in establishing the expenditure budget data reported in the Annual Budget adopted for 2018.

In November, the City Manager and the Finance Director submit to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the fiscal year commencing the following January 1. Budget estimates are distributed throughout the City including newspapers and are available to be picked up at the City offices. Public hearings are held to obtain taxpayers comments.

Subsequent to January 1, and after publication of the proposed budget ordinance, the budget is legally enacted through passage of the ordinance. The budget specifies expenditure amounts by category (object) for each activity within each fund. The approved budget is posted on the City's website.

No transfer of appropriations can be made without City Council action, with the exception of certain transfers within a department's appropriation and within the same fund. Expenditures cannot legally exceed appropriations at the object level which is: personnel services, operating expenditures and capital outlay. During 2018 various transfer of appropriations and supplemental appropriations were made in the following amounts:

General Fund	\$ 87,900
Street Construction & Maintenance Fund	\$ 293,000
Debt Service Fund	\$ 27,150
Voted Capital Improvements	\$ 121,976
Downtown TIF Public & Housing Fund	\$ 41,000
Seldom Seen TIF Pub. Improvements Fund	\$ 33,440
Seldom Seen TIF Park Improvements Fund	\$ 176,544
Sanitary Sewer Agreements Fund	\$ (6,256)
Nonmajor Special Revenue Funds	\$ 58,500
Nonmajor Capital Project Funds	\$ 317,952

Unencumbered appropriations lapse at year-end and additional appropriations are made for any encumbrances carried forward. The City's budgetary process is based upon accounting for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP). Encumbrance accounting is employed in governmental funds. Encumbrances (e.g. purchase orders, contracts) outstanding at year-end are reported as part of the assigned fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

**Budgetary Control**

The budgets presented in the required supplementary information are shown in a condensed version of the actual budget. The legal level of budgetary control is at the department level (function - police) and category level (object - personnel services) which is shown in the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual statements in the Other Supplementary Information section.

**City of Powell, Ohio**  
**Notes to the Required Supplementary Information**  
**For the Year Ended December 31, 2018**

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**General Fund Budgetary Highlights**

The difference between the original appropriated budget and the final amended budget was a decrease of \$86,557 summarized as follows:

- \$427,499 was the carry forward of prior year (2017) encumbrances that was added to the original appropriated budget. \$174,457 of the carry forward of prior year (2017) encumbrances lapsed during the fiscal year.
- \$87,900 in supplemental appropriations was mostly due to requests for increases for legal expenses due to ongoing litigation. Other small increases were for adjustments to personnel services as a result of changes to benefit coverages, and an increase in the needed codification services for the year.

**Street Construction and Maintenance Fund Budgetary Highlights**

The difference between the original appropriated budget and final amended budget was an increase of \$241,142, summarized as follows:

- \$336,298 was the carry forward of prior year (2017) encumbrances that was added to the original appropriated budget. \$51,858 of the carryforward of prior year (2017) encumbrances lapsed during the fiscal year.
- \$293,000 in supplemental appropriations was due to the need to appropriate funds in anticipation of a grant for road repairs that the City is in the process of applying for; the grant is expected to be awarded sometime in 2019.

### **MAJOR FUNDS**

These funds are characterized as “major funds”, as defined by GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. The criteria in GASB Statement No. 34 for characterizing a fund as “major” is as follows”

- a) The general fund is **always** a major fund.
- b) Total assets, liabilities, revenues or expenditures (excluding extraordinary items) of a fund are at least 10% of the corresponding total for all funds of that fund type **and**
- c) Total assets, liabilities, revenues or expenditures of a fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.
- d) Internal service funds and fiduciary funds are excluded from major fund testing.

#### **General Fund**

The general fund is the chief operating fund of the City. The general fund is used to account for all financial activities except those that have been required to be accounted for in another fund. The general fund is the first of the five governmental fund types.

The City has the following administrative departments operating in the general fund: police; parks maintenance; development; building; engineering; public service; administration; council; public information; finance; lands and building maintenance; information technology; and other charges. The City for financial reporting purposes combines the General Fund Reserve, Central Ohio Risk Management Association Fund (CORMA), the Compensated Absences Reserve fund and the 27<sup>th</sup> Payroll Reserve fund with the general fund.

#### **Special Revenue Funds**

A special revenue fund is a fund used to account for the proceeds of a specific revenue source (other than major capital projects) that are restricted to expenditures for a specified purpose. Special revenue funds are the second of five governmental fund types.

#### **Street Construction and Maintenance Fund**

This fund is required by Ohio Revised Code Sections 4501.04 and 5735.27 to account for receipts from the licensing of motor vehicles and receipts from fuel taxes. The funds are used for the construction, repair and maintenance of the City’s streets. The City for financial reporting purposes combines the Street Construction and Maintenance Fund with the Municipal Motor Vehicle License Tax Fund. However, for internal budgeting/appropriation purposes the two funds are reflected separately.

#### **Debt Service Funds**

These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Debt service funds are the third of five governmental fund types.

#### **Combined Debt Service Funds**

These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

City of Powell, Ohio  
Description of All Funds

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The City for financial reporting purposes combines the individual debt service funds into one Debt Service Fund. However, for budgeting/appropriation purposes the funds are reflected separately.

**Capital Projects Funds**

A capital projects fund is used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds. Capital projects funds are the fourth of five governmental fund types.

**Voted Capital Improvement Fund**

This fund was established to receive all funding for the capital improvement levy and pay the expenditures associated with the acquisition and construction of parks and other capital items throughout the City, as determined necessary by City Council.

**Downtown TIF (Tax Increment Financing) Public Improvements Fund**

This fund is used to account for designated real estate taxes to improve the downtown incentive area.

**Seldom Seen TIF (Tax Increment Financing) Park Improvements Fund**

This fund is used to account for designated real estate taxes to fund park improvements at Seldom Seen Park.

**Seldom Seen TIF (Tax Increment Financing) Public Improvements Fund**

This fund is used to account for designated real estate taxes to fund capital projects in the Seldom Seen incentive area.

**Sanitary Sewer Agreements Fund**

This fund was established to reimburse a developer for public sewer improvements through the use of an advance by the General Fund. Collections into this fund will come from special assessments placed on the properties in a designated area of the City which will be used to pay back the advance over time.

**Nonmajor Funds**

Nonmajor funds are all the funds that did not qualify as a major fund as defined in GASB Statement No. 34.

**Special Revenue Funds**

**State Highway Improvement Fund**

This fund is required by Ohio Revised Code Sections 4501.04 and 5735.27 to account for receipts from licensing fee of motor vehicles and receipts from fuel taxes. These funds are used for the construction, repair and maintenance of the City's section of Highway 750 (or Powell Road).



City of Powell, Ohio  
Description of All Funds

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Parks and Recreation Program Fund

The purpose of this fund is to create, design, sponsor and oversee recreational activities for the community. These are a fee-based activity.

Park and Recreation (Development) Fund

This fund is used to account for designated developer fees for the development of parks within the City.

Enforcement and Education (D.U.I.) Fund

This fund receives court fees assessed in criminal and traffic cases. The uses of these fees are limited to detection and prevention of driving while impaired. (ORC Section 4511.99)

Board of Pharmacy Fund

This fund receives court fines assessed in drug related cases. The uses of these fines are limited to detection and prevention of drug offenses. (ORC Section 513.99)

Veteran's Memorial Fund

This fund was created to receive donations from a variety of sources in order to maintain and assist in construction of the Veteran's Memorial and the surrounding area.

Law Enforcement Fund

This fund was created to receive funds from Local, State, and Federal Agencies for the seizure of tangible property.

Law Enforcement Assistance Training Fund

This fund was created to receive funds from the State to assist in maintaining our officers' training.

Police Canine Support Fund

This fund is supported by donations from the community to fund the City's police canine unit. All expenditures related to the canine unit are accounted for in this fund.

Powell Community Improvement Corporation (CIC)

The Powell CIC is a blended component unit of the City because its purpose is to assist the City in advancing, encouraging and promoting the industrial, commercial, distribution and research development within the City, and because the City is able to significantly influence the programs or services performed or provided by the organization. There is no legally adopted budget for the CIC, therefore no budget versus actual statement is presented in this report.

**Debt Service Funds**

Debt Service does not have any nonmajor funds.

**Capital Project Funds**

Sawmill Corridor Commercial Improvement TIF (Tax Increment Financing) Fund

This fund is used to account for designated real estate taxes to fund capital projects in the commercial incentive area.

Village Development and Improvement Fund

This fund is used to account for designated developer fees for the development of city.

Olentangy/Liberty Street Intersection Fund

This fund is used to account for designated developer fees for the improvements to the Olentangy/Liberty Street intersection. This fund has been authorized but at year-end no activity had begun.

**Fiduciary Funds**

These funds are used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds. The City currently has agency funds which involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Unclaimed Funds Fund

The City places the funds of stale dated checks in this fund. The payee has up to five years to claim the funds before it reverts back to the City.

Health Reimbursement Account Fund

The City uses this fund to track the contributions and related expenses to employee Health Reimbursement Accounts for employees enrolled in this health plan option.

Board of Building Standards Fund

The City collects the 3% required State of Ohio fee on all commercial building projects. The deposits are remitted to the state on a monthly basis.

Development (Engineering) Inspections Fund

The City collects fees from developers to pay for the inspections of infrastructure improvements in subdivisions. These inspections are handled by other organizations and are remitted on a billed basis. Any remaining fees are refunded at the developer's request. If after one-year after the close of the project the funds there has been no refund request the balance becomes the property of the City.

City of Powell, Ohio  
Description of All Funds

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Plumbing Inspection Fund

The City collects the fees for plumbing inspections in Liberty Township and is required to remit 20% to the Delaware General Health Department. The deposits are remitted to the Delaware General Health Department on a monthly basis.

Escrowed Deposits Fund

The City collects security deposits for the use of the Community Meeting Room and for the construction of decks. These are returned to the depositor at completion. The security deposits for the Community Meeting Room may become the property of the City if the room was left damaged or unclean.

Fingerprint Processing Fees Fund

The City collects fees for fingerprint processing. A portion of this fee is to cover the costs of processing with the Ohio Bureau of Criminal Investigation Office. The City is invoiced monthly for this service based on the number of background checks performed.



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**City of Powell, Ohio**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>			
Cash, cash equivalents and investments	\$ 1,396,247	\$ 148,196	\$ 1,544,443
Receivables (net of allowances)	24,675	439,776	464,451
Prepaid items	4,255	-	4,255
Total assets	<u>\$ 1,425,177</u>	<u>\$ 587,972</u>	<u>\$ 2,013,149</u>
<b>Liabilities:</b>			
Accounts payable	\$ 40,567	\$ -	\$ 40,567
Accrued wages and benefits	324	-	324
Due to other governments	95	-	95
Total liabilities	<u>40,986</u>	<u>-</u>	<u>40,986</u>
<b>Deferred Inflows of Resources:</b>			
Property and other local taxes	-	438,263	438,263
Unavailable revenue	20,792	1,513	22,305
Total deferred inflows of resources	<u>20,792</u>	<u>439,776</u>	<u>460,568</u>
<b>Fund Balances:</b>			
Nonspendable	4,255	-	4,255
Restricted	979,575	78,387	1,057,962
Committed	379,569	69,809	449,378
Total fund balances	<u>1,363,399</u>	<u>148,196</u>	<u>1,511,595</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,425,177</u>	<u>\$ 587,972</u>	<u>\$ 2,013,149</u>

**City of Powell, Ohio**  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2018

	State Highway Improvement	Parks and Recreation Program	Parks and Recreation (Development)	Enforcement and Education (D.U.I.)	Board of Pharmacy
<b>Assets:</b>					
Cash, cash equivalents and investments	\$ 415,404	\$ 289,557	\$ 471,606	\$ 4,252	\$ 5,956
Receivables (net of allowances)	24,425	250	-	-	-
Prepaid items	-	4,156	-	-	-
Total assets	<u>\$ 439,829</u>	<u>\$ 293,963</u>	<u>\$ 471,606</u>	<u>\$ 4,252</u>	<u>\$ 5,956</u>
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ 7,967	\$ -	\$ -	\$ -
Accrued wages and benefits	-	324	-	-	-
Due to other governments	-	95	-	-	-
Total liabilities	<u>-</u>	<u>8,386</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	20,792	-	-	-	-
Total deferred inflows of resources	<u>20,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>					
Nonspendable	-	4,156	-	-	-
Restricted	419,037	-	471,606	4,252	5,956
Committed	-	281,421	-	-	-
Total fund balances	<u>419,037</u>	<u>285,577</u>	<u>471,606</u>	<u>4,252</u>	<u>5,956</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 439,829</u>	<u>\$ 293,963</u>	<u>\$ 471,606</u>	<u>\$ 4,252</u>	<u>\$ 5,956</u>

Veteran's Memorial	Law Enforcement	Law Enforcement Assistance Training	Police Canine Support	Powell Community Improvement Corporation	Total Non-major Special Revenue Funds
\$ 7,001	\$ 18,541	\$ 13,213	\$ 39,969	\$ 130,748	\$ 1,396,247
-	-	-	-	-	24,675
-	-	-	99	-	4,255
<u>\$ 7,001</u>	<u>\$ 18,541</u>	<u>\$ 13,213</u>	<u>\$ 40,068</u>	<u>\$ 130,748</u>	<u>\$ 1,425,177</u>
\$ -	\$ -	\$ -	\$ -	\$ 32,600	\$ 40,567
-	-	-	-	-	324
-	-	-	-	-	95
-	-	-	-	32,600	40,986
-	-	-	-	-	20,792
-	-	-	-	-	20,792
-	-	-	99	-	4,255
7,001	18,541	13,213	39,969	-	979,575
-	-	-	-	98,148	379,569
<u>7,001</u>	<u>18,541</u>	<u>13,213</u>	<u>40,068</u>	<u>98,148</u>	<u>1,363,399</u>
<u>\$ 7,001</u>	<u>\$ 18,541</u>	<u>\$ 13,213</u>	<u>\$ 40,068</u>	<u>\$ 130,748</u>	<u>\$ 1,425,177</u>

**City of Powell, Ohio**  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2018

	Sawmill Corridor Commercial Improvement TIF	Village Development and Improvement	Olentangy/ Liberty Street Intersection	Total Non-major Capital Project Funds
<b>Assets:</b>				
Cash, cash equivalents and investments	\$ 51,787	\$ 69,809	\$ 26,600	\$ 148,196
Receivables (net of allowances)	439,776	-	-	439,776
Total assets	<u>\$ 491,563</u>	<u>\$ 69,809</u>	<u>\$ 26,600</u>	<u>\$ 587,972</u>
<b>Deferred Inflows of Resources:</b>				
Property and other local taxes	438,263	-	-	438,263
Unavailable revenue	1,513	-	-	1,513
Total deferred inflows of resources	<u>439,776</u>	<u>-</u>	<u>-</u>	<u>439,776</u>
<b>Fund Balances:</b>				
Restricted	51,787	-	26,600	78,387
Committed	-	69,809	-	69,809
Total fund balances	<u>51,787</u>	<u>69,809</u>	<u>26,600</u>	<u>148,196</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 491,563</u>	<u>\$ 69,809</u>	<u>\$ 26,600</u>	<u>\$ 587,972</u>



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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Taxes:			
Property	\$ -	\$ 464,471	\$ 464,471
Intergovernmental:			
Motor Fuel	32,853	-	32,853
Other Intergovernmental	12,906	-	12,906
Charges for services	423,657	-	423,657
Fines and forfeitures	3,010	-	3,010
Development charges	-	110,261	110,261
Investment earnings	6,515	-	6,515
Miscellaneous	224,104	-	224,104
Total revenues	<u>703,045</u>	<u>574,732</u>	<u>1,277,777</u>
<b>Expenditures:</b>			
Current:			
Public safety	6,874	-	6,874
Public services	14,566	5,278	19,844
Parks and recreation	299,056	-	299,056
Community development	29,704	-	29,704
Capital outlay	-	192,020	192,020
Total expenditures	<u>350,200</u>	<u>197,298</u>	<u>547,498</u>
Excess of revenues over expenditures	352,845	377,434	730,279
<b>Other Financing Uses:</b>			
Transfers out	-	(335,217)	(335,217)
Total other financing uses	<u>-</u>	<u>(335,217)</u>	<u>(335,217)</u>
Net change in fund balances	352,845	42,217	395,062
Fund balance at beginning of year	1,010,554	105,979	1,116,533
Fund balance at end of year	<u>\$ 1,363,399</u>	<u>\$ 148,196</u>	<u>\$ 1,511,595</u>

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

	State Highway Improvement	Parks and Recreation Program	Parks and Recreation (Development)	Enforcement and Education (D.U.I.)	Board of Pharmacy
<b>Revenues:</b>					
Intergovernmental:					
Motor Fuel	\$ 32,853	\$ -	\$ -	\$ -	\$ -
Other Intergovernmental	12,906	-	-	-	-
Charges for services	-	169,340	253,916	-	-
Fines and forfeitures	-	-	-	160	350
Investment earnings	6,515	-	-	-	-
Miscellaneous	-	176,504	-	-	-
Total revenues	<u>52,274</u>	<u>345,844</u>	<u>253,916</u>	<u>160</u>	<u>350</u>
<b>Expenditures:</b>					
Current:					
Public safety	-	-	-	-	-
Public services	14,566	-	-	-	-
Parks and recreation	-	290,055	8,957	-	-
Community development	-	-	-	-	-
Total expenditures	<u>14,566</u>	<u>290,055</u>	<u>8,957</u>	<u>-</u>	<u>-</u>
Net change in fund balances	37,708	55,789	244,959	160	350
Fund balance at beginning of year	381,329	229,788	226,647	4,092	5,606
Fund balance at end of year	<u>\$ 419,037</u>	<u>\$ 285,577</u>	<u>\$ 471,606</u>	<u>\$ 4,252</u>	<u>\$ 5,956</u>

<u>Veteran's Memorial</u>	<u>Law Enforcement</u>	<u>Law Enforcement Assistance Training</u>	<u>Police Canine Support</u>	<u>Powell Community Improvement Corporation</u>	<u>Total Non-major Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,853
-	-	-	-	-	12,906
401	-	-	-	-	423,657
-	2,500	-	-	-	3,010
-	-	-	-	-	6,515
-	-	7,600	25,000	15,000	224,104
<u>401</u>	<u>2,500</u>	<u>7,600</u>	<u>25,000</u>	<u>15,000</u>	<u>703,045</u>
-	1,855	1,067	3,952	-	6,874
-	-	-	-	-	14,566
44	-	-	-	-	299,056
-	-	-	-	29,704	29,704
<u>44</u>	<u>1,855</u>	<u>1,067</u>	<u>3,952</u>	<u>29,704</u>	<u>350,200</u>
357	645	6,533	21,048	(14,704)	352,845
6,644	17,896	6,680	19,020	112,852	1,010,554
<u>\$ 7,001</u>	<u>\$ 18,541</u>	<u>\$ 13,213</u>	<u>\$ 40,068</u>	<u>\$ 98,148</u>	<u>\$ 1,363,399</u>

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

	Sawmill Corridor Commercial Improvement TIF	Village Development and Improvement	Olentangy/ Liberty Street Intersection	Total Non-major Capital Project Funds
<b>Revenues:</b>				
Taxes:				
Property	\$ 464,471	\$ -	\$ -	\$ 464,471
Development charges	-	110,261	-	110,261
Total revenues	<u>464,471</u>	<u>110,261</u>	<u>-</u>	<u>574,732</u>
<b>Expenditures:</b>				
Current:				
Public services	5,278	-	-	5,278
Capital outlay	188,820	3,200	-	192,020
Total expenditures	<u>194,098</u>	<u>3,200</u>	<u>-</u>	<u>197,298</u>
Excess (deficiency) of revenues over (under) expenditures	270,373	107,061	-	377,434
<b>Other Financing Sources:</b>				
Transfers out	-	(335,217)	-	(335,217)
Total other financing sources	<u>-</u>	<u>(335,217)</u>	<u>-</u>	<u>(335,217)</u>
Net change in fund balances	270,373	(228,156)	-	42,217
Fund balance at beginning of year	(218,586)	297,965	26,600	105,979
Fund balance at end of year	<u>\$ 51,787</u>	<u>\$ 69,809</u>	<u>\$ 26,600</u>	<u>\$ 148,196</u>



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**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**General Fund**  
**For the Fiscal Year Ended December 31, 2018**

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Income tax	\$ 6,136,450	\$ 6,136,450	\$ 5,946,216	\$ (190,234)
Property tax	620,676	620,676	630,037	9,361
Intergovernmental	268,497	268,497	275,985	7,488
Estate tax	-	-	-	-
Licenses and permits	803,841	749,119	769,807	20,688
Charges for services	32,400	32,400	39,643	7,243
Fines and forfeits	250	250	3,147	2,897
Investment earnings	97,500	97,500	187,949	90,449
Miscellaneous	117,500	117,500	172,459	54,959
<b>Total revenues</b>	<b>8,077,114</b>	<b>8,022,392</b>	<b>8,025,243</b>	<b>2,851</b>
<b>Expenditures:</b>				
Current:				
Public Safety (Police)				
Personnel services	2,863,756	2,860,625	2,770,989	89,636
Operating expenditures	222,840	197,916	182,208	15,708
Capital outlay	137,265	136,089	131,424	4,665
General Government (Administration)				
Personnel services	282,795	282,358	271,889	10,469
Operating expenditures	38,600	38,400	33,236	5,164
General Government (Comm. Affairs)				
Personnel services	117,335	117,191	107,812	9,379
Operating expenditures	81,375	108,769	100,552	8,217
Capital outlay	-	-	-	-
General Government (City Council)				
Personnel services	197,275	196,968	190,641	6,327
Operating expenditures	57,756	61,645	54,620	7,025
Capital outlay	-	-	-	-
General Government (Finance)				
Personnel services	390,546	389,992	357,366	32,626
Operating expenditures	345,274	344,138	316,242	27,896
Capital outlay	-	-	-	-
General Government (Technology)				
Operating expenditures	91,696	91,247	87,251	3,996
Capital outlay	116,374	113,600	105,142	8,458
General Government (Facility Maintenance)				
Operating expenditures	222,847	207,731	164,843	42,888
Capital outlay	45,279	43,150	21,397	21,753

	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
General Government (Other Charges)				
Operating expenditures	597,612	583,517	503,651	79,866
Public Services				
Personnel services	557,012	555,850	529,331	26,519
Operating expenditures	291,631	262,783	193,906	68,877
Capital outlay	117,000	115,000	104,092	10,908
Parks and Recreation (Maintenance)				
Personnel services	386,568	385,898	364,678	21,220
Operating expenditures	245,290	221,494	153,329	68,165
Capital outlay	35,200	45,450	45,040	410
Community Development (Building)				
Personnel services	517,377	516,659	482,984	33,675
Operating expenditures	131,545	117,496	99,450	18,046
Capital outlay	-	-	-	-
Community Development (Development)				
Personnel services	262,128	261,765	248,779	12,986
Operating expenditures	59,192	70,940	56,510	14,430
Capital outlay	-	-	-	-
Community Development (Engineering)				
Personnel services	341,778	343,632	341,699	1,933
Operating expenditures	79,710	76,196	58,751	17,445
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>8,833,056</b>	<b>8,746,499</b>	<b>8,077,812</b>	<b>668,687</b>
Transfers-in	52,993	52,993	43,621	(9,372)
Transfers-out	(197,000)	(197,000)	(197,000)	-
Advance repaid	257,500	257,500	284,169	26,669
Total other financing sources (uses)	113,493	113,493	130,790	17,297
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(642,449)	(610,614)	78,221	688,835
Fund balances at beginning of year	6,139,400	6,139,400	6,139,400	-
Prior year encumbrances appropriated	253,042	253,042	253,042	-
Lapsed encumbrances	174,457	174,457	174,457	-
	<b>\$ 5,924,450</b>	<b>\$ 5,956,285</b>	<b>\$ 6,645,120</b>	<b>\$ 688,835</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Street Construction and Maintenance Fund**  
**For the Fiscal Year Ended December 31, 2018**

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Intergovernmental				
Motor fuel tax	\$ 573,725	\$ 573,725	\$ 622,034	\$ 48,309
Investment earnings	11,000	11,000	24,250	13,250
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>584,725</b>	<b>584,725</b>	<b>646,284</b>	<b>61,559</b>
<b>Expenditures:</b>				
Current:				
Public Service				
Operating expenditures (Maintenance)	951,024	1,236,225	873,598	362,627
Operating expenditures (Snow/Ice Removal)	161,135	119,124	104,555	14,569
Operating expenditures (Traffic)	53,640	51,591	45,087	6,504
<b>Total expenditures</b>	<b>1,165,799</b>	<b>1,406,940</b>	<b>1,023,240</b>	<b>383,700</b>
<b>Other Financing Sources (Uses):</b>				
Transfers-in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(581,074)	(822,215)	(376,956)	445,259
Fund balances at beginning of year	1,491,910	1,491,910	1,491,910	-
Prior year encumbrances appropriated	284,440	284,440	284,440	-
Lapsed encumbrances	51,858	51,858	51,858	-
<b>Fund balances at end of year</b>	<b>\$ 1,247,134</b>	<b>\$ 1,005,993</b>	<b>\$ 1,451,252</b>	<b>\$ 445,259</b>



**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Debt Service Fund**  
**For the Fiscal Year Ended December 31, 2018**

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Property tax	\$ 1,512,584	\$ 1,512,584	\$ 1,533,186	\$ 20,602
Intergovernmental	206,261	206,261	201,628	(4,633)
Community development charges	1,606,965	1,606,965	1,606,966	1
Investment earnings	-	-	320	320
<b>Total revenues</b>	<b>3,325,810</b>	<b>3,325,810</b>	<b>3,342,100</b>	<b>16,290</b>
<b>Expenditures:</b>				
Current:				
Operating expenditures (Auditor's fees)	17,500	24,500	20,336	4,164
Bond principal	4,315,000	4,315,000	4,315,000	-
Bond interest	908,286	908,286	898,287	9,999
Cost of issuance	-	20,150	20,135	15
<b>Total expenditures</b>	<b>5,240,786</b>	<b>5,267,936</b>	<b>5,253,758</b>	<b>14,178</b>
<b>Other Financing Sources (Uses):</b>				
Note Proceeds	2,321,625	2,321,625	2,330,000	8,375
Note Premium	2,000	2,000	22,275	20,275
Transfers-in	197,000	197,000	197,000	-
Repay Advance to General Fund	(25,000)	(25,000)	(25,000)	-
<b>Total other financing sources (uses)</b>	<b>2,495,625</b>	<b>2,495,625</b>	<b>2,524,275</b>	<b>28,650</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	580,649	553,499	612,617	59,118
Fund balances at beginning of year	121,426	121,426	121,426	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
<b>Fund balances at end of year</b>	<b>\$ 702,075</b>	<b>\$ 674,925</b>	<b>\$ 734,043</b>	<b>\$ 59,118</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Voted Capital Improvements**  
**For the Fiscal Year Ended December 31, 2018**

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Investment earnings	\$ 7,500	\$ 147,980	\$ 23,778	\$ (124,202)
Miscellaneous revenue	-	-	-	-
<b>Total revenues</b>	<b>7,500</b>	<b>147,980</b>	<b>23,778</b>	<b>(124,202)</b>
<b>Expenditures:</b>				
Current:				
Operating Expenditures	-	-	-	-
Capital Outlay	2,300,521	2,292,177	2,278,651	13,526
<b>Total expenditures</b>	<b>2,300,521</b>	<b>2,292,177</b>	<b>2,278,651</b>	<b>13,526</b>
<b>Other Financing Sources (Uses):</b>				
Note Proceeds	-	-	-	-
Advance from General Fund	-	-	-	-
Transfer to Debt Service	-	-	-	-
Repay Advance to General Fund	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(2,293,021)	(2,144,197)	(2,254,873)	(110,676)
Fund balances at beginning of year	1,839,344	1,839,344	1,839,344	-
Prior year encumbrances appropriated	306,395	306,395	306,395	-
Lapsed encumbrances	130,322	130,322	130,322	-
<b>Fund balances at end of year</b>	<b>\$ (16,960)</b>	<b>\$ 131,864</b>	<b>\$ 21,188</b>	<b>\$ (110,676)</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Downtown Tax Increment Financing Public Improvements Fund**  
**For the Fiscal Year Ended December 31, 2018**

<b><u>Revenues:</u></b>	<b><u>Adopted Budget</u></b>	<b><u>Revised Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance</u></b>
Property Tax	\$ 281,300	\$ 281,300	\$ 354,054	\$ 72,754
Intergovernmental	17,200	17,200	18,649	1,449
<b>Total revenues</b>	<b>298,500</b>	<b>298,500</b>	<b>372,703</b>	<b>74,203</b>
<b><u>Expenditures:</u></b>				
Current:				
Operating Expenditures	5,100	5,100	4,522	578
Capital Outlay	795,597	813,317	615,728	197,589
<b>Total expenditures</b>	<b>800,697</b>	<b>818,417</b>	<b>620,250</b>	<b>198,167</b>
<b><u>Other Financing Sources (Uses):</u></b>				
Advance from General Fund	-	-	-	-
Repay Advance to General Fund	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(502,197)	(519,917)	(247,547)	272,370
Fund balances at beginning of year	1,472,952	1,472,952	1,472,952	-
Prior year encumbrances appropriated	72,317	72,317	72,317	-
Lapsed encumbrances	23,280	23,280	23,280	-
<b>Fund balances at end of year</b>	<b>\$ 1,066,352</b>	<b>\$ 1,048,632</b>	<b>\$ 1,321,002</b>	<b>\$ 272,370</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Seldom Seen TIF Park Improvements Fund**  
**For the Fiscal Year Ended December 31, 2018**

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Investment Earnings	\$ -	\$ 956	\$ 16,550	\$ 15,594
<b>Total revenues</b>	<b>-</b>	<b>956</b>	<b>16,550</b>	<b>15,594</b>
<b>Expenditures:</b>				
Current:				
Operating Expenditures	-	-	-	-
Capital Outlay	1,424,922	1,601,466	1,571,106	30,360
<b>Total expenditures</b>	<b>1,424,922</b>	<b>1,601,466</b>	<b>1,571,106</b>	<b>30,360</b>
<b>Other Financing Sources (Uses):</b>				
Transfer from Other Funds	198,000	374,544	374,544	-
Transfer to Other Funds	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>198,000</b>	<b>374,544</b>	<b>374,544</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(1,226,922)	(1,225,966)	(1,180,012)	45,954
Fund balances at beginning of year	1,228,642	1,228,642	1,228,642	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
<b>Fund balances at end of year</b>	<b>\$ 1,720</b>	<b>\$ 2,676</b>	<b>\$ 48,630</b>	<b>\$ 45,954</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Seldom Seen TIF Public Improvements Fund**  
**For the Fiscal Year Ended December 31, 2018**

<b><u>Revenues:</u></b>	<b><u>Adopted Budget</u></b>	<b><u>Revised Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance</u></b>
Property Taxes	\$ 15,000	\$ 15,000	\$ 12,389	\$ (2,611)
Intergovernmental	500	500	-	(500)
Investment Earnings	-	3,180	404	(2,776)
<b>Total revenues</b>	<b>15,500</b>	<b>18,680</b>	<b>12,793</b>	<b>(5,887)</b>
<b><u>Expenditures:</u></b>				
Current:				
Operating Expenditures	1,000	1,000	136	864
Capital Outlay	-	-	-	-
<b>Total expenditures</b>	<b>1,000</b>	<b>1,000</b>	<b>136</b>	<b>864</b>
<b><u>Other Financing Sources (Uses):</u></b>				
Note Proceeds	-	-	-	-
Note Premium	-	-	-	-
Transfer to Other Funds	(17,500)	(50,940)	(39,327)	11,613
Total other financing sources (uses)	(17,500)	(50,940)	(39,327)	11,613
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(3,000)	(33,260)	(26,670)	6,590
Fund balances at beginning of year	39,147	39,147	39,147	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
<b>Fund balances at end of year</b>	<b>\$ 36,147</b>	<b>\$ 5,887</b>	<b>\$ 12,477</b>	<b>\$ 6,590</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Sanitary Sewer Agreements Fund**  
**For the Fiscal Year Ended December 31, 2018**

<b><u>Revenues:</u></b>	<b><u>Adopted Budget</u></b>	<b><u>Revised Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance</u></b>
Developer Contributions	\$ -	\$ -	\$ -	\$ -
Assessments	61,000	63,000	53,993	(9,007)
<b>Total revenues</b>	<b>61,000</b>	<b>63,000</b>	<b>53,993</b>	<b>(9,007)</b>
<b><u>Expenditures:</u></b>				
Current:				
Operating Expenditures	1,250	1,203	1,203	-
Capital Outlay	-	-	-	-
<b>Total expenditures</b>	<b>1,250</b>	<b>1,203</b>	<b>1,203</b>	<b>-</b>
<b><u>Other Financing Sources (Uses):</u></b>				
Repay Advance to General Fund	(7,500)	(9,169)	(9,169)	-
Transfer to General Fund	(51,500)	(43,621)	(43,621)	-
Total other financing sources (uses)	(59,000)	(52,790)	(52,790)	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	750	9,007	-	(9,007)
Fund balances at beginning of year	-	-	-	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
<b>Fund balances at end of year</b>	<b>\$ 750</b>	<b>\$ 9,007</b>	<b>\$ -</b>	<b>\$ (9,007)</b>



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City of Powell, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (NON-GAAP Budgetary Basis)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2018

	State Highway Improvement Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>				
Property tax				-
Intergovernmental				-
Motor fuel tax	\$ 41,775	\$ 41,775	\$ 45,388	\$ 3,613
Investment earnings	2,000	2,000	6,728	4,728
Charges for services				-
Fines and forfeitures				-
Miscellaneous				-
<b>Total revenues</b>	<u>43,775</u>	<u>43,775</u>	<u>52,116</u>	<u>8,341</u>
<b>Expenditures:</b>				
Current:				
Personnel service				
Operating expenditures				
Operating expenditures (Maintenance)	-	-	-	-
Operating expenditures (Snow/ice)	-	-	-	-
Operating expenditures (Storm Sewers)	5,000	15,000	9,998	5,002
Operating expenditures (Traffic)	13,245	10,000	7,600	2,400
Capital outlay				-
<b>Total expenditures</b>	<u>18,245</u>	<u>25,000</u>	<u>17,598</u>	<u>7,402</u>
<b>Other Financing Sources (Uses):</b>				
Note Premium				
Note Proceeds				
Transfers-in				-
Transfers-out				-
Advance from General Fund				-
Repay Advance to General Fund				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	25,530	18,775	34,518	15,743
Fund balances at beginning of year	376,728	376,728	376,728	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	3,245	3,245	3,245	-
<b>Fund balances at end of year</b>	<u>\$ 405,503</u>	<u>\$ 398,748</u>	<u>\$ 414,491</u>	<u>\$ 15,743</u>





City of Powell, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (NON-GAAP Budgetary Basis)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2018

	Enforcement and Education (D.U.I.) Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>				
Property tax				-
Intergovernmental				-
Motor fuel tax				-
Investment earnings				-
Charges for services				-
Fines and forfeitures	\$ 200	\$ 200	\$ 185	\$ (15)
Miscellaneous				-
<b>Total revenues</b>	<u>200</u>	<u>200</u>	<u>185</u>	<u>(15)</u>
<b>Expenditures:</b>				
Current:				
Personnel service				-
Operating expenditures	1,000	1,000	-	1,000
Operating expenditures (Maintenance)				-
Operating expenditures (Snow/Ice)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay				-
<b>Total expenditures</b>	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
<b>Other Financing Sources (Uses):</b>				
Note Premium				
Note Proceeds				
Transfers-in				-
Transfers-out				-
Advance from General Fund				-
Repay Advance to General Fund				-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(800)	(800)	185	985
Fund balances at beginning of year	4,067	4,067	4,067	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
<b>Fund balances at end of year</b>	<u>\$ 3,267</u>	<u>\$ 3,267</u>	<u>\$ 4,252</u>	<u>\$ 985</u>

Board of Pharmacy Fund				Veteran's Memorial Fund			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
			-				-
			-				-
			-				-
			-				-
\$ 100	\$ 100	\$ 350	\$ 250				
			-	\$ -	\$ -	\$ 401	\$ 401
<u>100</u>	<u>100</u>	<u>350</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>401</u>	<u>401</u>
			-				-
			-	-	500	500	-
			-				-
			-				-
			-				-
			-				-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>	<u>-</u>
			-				-
			-				-
			-				-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
			-				-
			-				-
			-				-
			-				-
100	100	350	250	-	(500)	(99)	401
5,606	5,606	5,606	-	6,643	6,643	6,643	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 5,706</u>	<u>\$ 5,706</u>	<u>\$ 5,956</u>	<u>\$ 250</u>	<u>\$ 6,643</u>	<u>\$ 6,143</u>	<u>\$ 6,544</u>	<u>\$ 401</u>

(continued)

City of Powell, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (NON-GAAP Budgetary Basis)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2018

	Law Enforcement Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>				
Property tax				-
Intergovernmental				-
Motor fuel tax				-
Investment earnings				-
Charges for services				-
Fines and forfeitures	\$ 400	\$ 400	\$ 2,500	\$ 2,100
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>400</u>	<u>400</u>	<u>2,500</u>	<u>2,100</u>
<b>Expenditures:</b>				
Current:				
Personnel service				-
Operating expenditures	3,755	3,755	1,855	1,900
Operating expenditures (Maintenance)				-
Operating expenditures (Snow/Ice)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay				-
<b>Total expenditures</b>	<u>3,755</u>	<u>3,755</u>	<u>1,855</u>	<u>1,900</u>
<b>Other Financing Sources (Uses):</b>				
Note Premium				-
Note Proceeds				-
Transfers-in				-
Transfers-out				-
Advance from General Fund				-
Repay Advance to General Fund				-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(3,355)	(3,355)	645	4,000
Fund balances at beginning of year	16,643	16,643	16,643	-
Prior year encumbrances appropriated	1,253	1,255	1,255	-
Lapsed encumbrances	-	-	-	-
<b>Fund balances at end of year</b>	<u>\$ 14,541</u>	<u>\$ 14,543</u>	<u>\$ 18,543</u>	<u>\$ 4,000</u>



City of Powell, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (NON-GAAP Budgetary Basis)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2018

	Total Nonmajor Special Revenue Funds			
	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>				
Property tax	-	-	-	-
Intergovernmental	-	-	-	-
Motor fuel tax	41,775	41,775	45,388	3,613
Investment earnings	2,000	2,000	6,728	4,728
Charges for services	194,375	194,375	423,006	228,631
Fines and forfeitures	700	700	3,035	2,335
Miscellaneous	138,050	138,050	209,505	71,455
<b>Total revenues</b>	<b>376,900</b>	<b>376,900</b>	<b>687,662</b>	<b>310,762</b>
<b>Expenditures:</b>				
Current:				
Personnel service	47,688	47,581	42,998	4,583
Operating expenditures	265,044	306,376	275,916	30,460
Operating expenditures (Maintenance)	-	-	-	-
Operating expenditures (Snow/Ice)	-	-	-	-
Operating expenditures (Storm Sewers)	5,000	15,000	9,998	5,002
Operating expenditures (Traffic)	13,245	10,000	7,600	2,400
Capital outlay	1,935	1,935	1,907	28
<b>Total expenditures</b>	<b>332,912</b>	<b>380,892</b>	<b>338,419</b>	<b>42,473</b>
<b>Other Financing Sources (Uses):</b>				
Note Premium	-	-	-	-
Note Proceeds	-	-	-	-
Transfers-in	-	-	-	-
Transfers-out	-	-	-	-
Advance from General Fund	-	-	-	-
Repay Advance to General Fund	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	43,988	(3,992)	349,243	353,235
Fund balances at beginning of year	880,310	880,310	880,310	-
Prior year encumbrances appropriated	5,459	5,461	5,461	-
Lapsed encumbrances	10,519	10,519	10,519	-
<b>Fund balances at end of year</b>	<b>\$ 940,276</b>	<b>\$ 892,298</b>	<b>\$ 1,245,533</b>	<b>\$ 353,235</b>

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City of Powell, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (NON-GAAP Budgetary Basis)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2018

	Village Development and Improvement Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>				
Property tax				-
Intergovernmental				-
Motor fuel tax				-
Investment earnings				-
Charges for services	\$ 123,211	\$ 123,211	\$ 110,261	\$ (12,950)
Fines and forfeitures				-
Miscellaneous				-
<b>Total revenues</b>	<u>123,211</u>	<u>123,211</u>	<u>110,261</u>	<u>(12,950)</u>
<b>Expenditures:</b>				
Current:				
Personnel service				-
Operating expenditures	-	3,200	3,200	-
Operating expenditures (Maintenance)				-
Operating expenditures (Snow/Ice)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay	44,000	44,000	44,000	-
<b>Total expenditures</b>	<u>44,000</u>	<u>47,200</u>	<u>47,200</u>	<u>-</u>
<b>Other Financing Sources (Uses):</b>				
Note Premium				-
Note Proceeds				-
Transfers-in				-
Transfers-out	(198,000)	(335,217)	(335,217)	-
Advance from General Fund				-
Repay Advance to General Fund				-
Total other financing sources (uses)	<u>(198,000)</u>	<u>(335,217)</u>	<u>(335,217)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(118,789)	(259,206)	(272,156)	(12,950)
Fund balances at beginning of year	253,966	253,966	253,966	-
Prior year encumbrances appropriated	44,000	44,000	44,000	-
Lapsed encumbrances	-	-	-	-
<b>Fund balances at end of year</b>	<u>\$ 179,177</u>	<u>\$ 38,760</u>	<u>\$ 25,810</u>	<u>\$ (12,950)</u>



	Olentangy				Sawmill Corridor			
	Liberty Street Intersection Fund				Commercial TIF Fund			
	Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>								
Property tax				-	\$ 300,000	475,000	464,471	(10,529)
Intergovernmental				-				-
Motor fuel tax				-				-
Investment earnings				-				-
Charges for services				-				-
Fines and forfeitures				-				-
Miscellaneous				-				-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300,000</b>	<b>475,000</b>	<b>464,471</b>	<b>(10,529)</b>
<b>Expenditures:</b>								
Current:								
Personnel service				-				-
Operating expenditures				-	3,350	5,850	5,278	572
Operating expenditures (Maintenance)				-				-
Operating expenditures (Snow/Ice)				-				-
Operating expenditures (Storm Sewers)				-				-
Operating expenditures (Traffic)				-				-
Capital outlay	26,600	26,600	-	26,600	65,000	240,036	188,820	51,216
<b>Total expenditures</b>	<b>26,600</b>	<b>26,600</b>	<b>-</b>	<b>26,600</b>	<b>68,350</b>	<b>245,886</b>	<b>194,098</b>	<b>51,788</b>
<b>Other Financing Sources (Uses):</b>								
Note Premium				-				-
Note Proceeds				-				-
Transfers-in				-				-
Transfers-out				-				-
Advance from General Fund				-				-
Repay Advance to General Fund				-	(250,000)	(250,000)	(250,000)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(250,000)</b>	<b>(250,000)</b>	<b>(250,000)</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(26,600)	(26,600)	-	26,600	(18,350)	(20,886)	20,373	41,259
Fund balances at beginning of year	\$ 26,600	\$ 26,600	\$ 26,600	\$ -	\$ 31,412	\$ 31,412	\$ 31,412	\$ -
Prior year encumbrances appropriated	-	-	-	-	-	-	-	-
Lapsed encumbrances	-	-	-	-	-	-	-	-
<b>Fund balances at end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,600</b>	<b>\$ 26,600</b>	<b>\$ 13,062</b>	<b>\$ 10,526</b>	<b>\$ 51,785</b>	<b>\$ 41,259</b>

(continued)

City of Powell, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (NON-GAAP Budgetary Basis)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2018

	Total Nonmajor Capital Project Funds				Total Nonmajor Governmental Funds			
	Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>								
Property tax	\$ 300,000	\$ 475,000	\$ 464,471	\$ (10,529)	\$ 300,000	\$ 475,000	\$ 464,471	\$ (10,529)
Intergovernmental	-	-	-	-	-	-	-	-
Motor fuel tax	-	-	-	-	41,775	41,775	45,388	3,613
Investment earnings	-	-	-	-	2,000	2,000	6,728	4,728
Charges for services	123,211	123,211	110,261	(12,950)	317,586	317,586	533,267	215,681
Fines and forfeitures	-	-	-	-	700	700	3,035	2,335
Miscellaneous	-	-	-	-	138,050	138,050	209,505	71,455
<b>Total revenues</b>	<b>423,211</b>	<b>598,211</b>	<b>574,732</b>	<b>(23,479)</b>	<b>800,111</b>	<b>975,111</b>	<b>1,262,394</b>	<b>287,283</b>
<b>Expenditures:</b>								
Current:								
Personnel service	-	-	-	-	47,688	47,581	42,998	4,583
Operating expenditures	3,350	9,050	8,478	572	268,394	315,426	284,394	31,032
Operating expenditures (Maintenance)	-	-	-	-	-	-	-	-
Operating expenditures (Snow/Ice)	-	-	-	-	-	-	-	-
Operating expenditures (Storm Sewers)	-	-	-	-	5,000	15,000	9,998	5,002
Operating expenditures (Traffic)	-	-	-	-	13,245	10,000	7,600	2,400
Capital outlay	135,600	310,636	232,820	77,816	137,535	312,571	234,727	77,844
<b>Total expenditures</b>	<b>138,950</b>	<b>319,686</b>	<b>241,298</b>	<b>78,388</b>	<b>471,862</b>	<b>700,578</b>	<b>579,717</b>	<b>120,861</b>
<b>Other Financing Sources (Uses):</b>								
Note Premium	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Transfers-in	-	-	-	-	-	-	-	-
Transfers-out	(198,000)	(335,217)	(335,217)	-	(198,000)	(335,217)	(335,217)	-
Advance from General Fund	-	-	-	-	-	-	-	-
Repay Advance to General Fund	(250,000)	(250,000)	(250,000)	-	(250,000)	(250,000)	(250,000)	-
Total other financing sources (uses)	<b>(448,000)</b>	<b>(585,217)</b>	<b>(585,217)</b>	<b>-</b>	<b>(448,000)</b>	<b>(585,217)</b>	<b>(585,217)</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(163,739)	(306,692)	(251,783)	54,909	(119,751)	(310,684)	97,460	408,144
Fund balances at beginning of year	311,978	311,978	311,978	-	1,192,288	1,192,288	1,192,288	-
Prior year encumbrances appropriated	44,000	44,000	44,000	-	49,459	49,461	49,461	-
Lapsed encumbrances	-	-	-	-	10,519	10,519	10,519	-
<b>Fund balances at end of year</b>	<b>\$ 192,239</b>	<b>\$ 49,286</b>	<b>\$ 104,195</b>	<b>\$ 54,909</b>	<b>\$ 1,132,515</b>	<b>\$ 941,584</b>	<b>\$ 1,349,728</b>	<b>\$ 408,144</b>



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**City of Powell, Ohio**  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds - (Agency Funds Only)  
December 31, 2018

	<u>Unclaimed Funds</u>	<u>Health Reimbursement Account</u>	<u>Board of Building Standards</u>	<u>Development (Engineering) Inspections</u>	<u>Plumbing Inspections</u>
<b>Assets</b>					
Cash and investments	\$ 1,548	\$ 939	\$ 618	\$ 968,391	\$ -
Total assets	<u>\$ 1,548</u>	<u>\$ 939</u>	<u>\$ 618</u>	<u>\$ 968,391</u>	<u>\$ -</u>
<b>Liabilities</b>					
Due to others	\$ 1,548	\$ 939	\$ 618	\$ 968,391	\$ -
Total liabilities	<u>\$ 1,548</u>	<u>\$ 939</u>	<u>\$ 618</u>	<u>\$ 968,391</u>	<u>\$ -</u>

<u>Escrowed Deposits</u>	<u>Fingerprint Processing Fees</u>	<u>Total Agency Funds</u>
\$ 45,183	\$ 1,028	\$ 1,017,707
<u>\$ 45,183</u>	<u>\$ 1,028</u>	<u>\$ 1,017,707</u>
\$ 45,183	\$ 1,028	\$ 1,017,707
<u>\$ 45,183</u>	<u>\$ 1,028</u>	<u>\$ 1,017,707</u>

**City of Powell, Ohio**  
Combining Statement of Changes in Assets and Liabilities  
Fiduciary Funds - (Agency Funds Only)  
For the Year Ended December 31, 2018

	Balances Jan. 1, 2018	Additions	Deductions	Balances Dec. 31, 2018
<b>UNCLAIMED FUNDS</b>				
<b>Assets</b>				
Cash and investments	\$ 993	555	-	\$ 1,548
Total Assets	<u>\$ 993</u>	<u>555</u>	<u>-</u>	<u>\$ 1,548</u>
<b>Liabilities</b>				
Due to others	\$ 993	555	-	\$ 1,548
Total Liabilities	<u>\$ 993</u>	<u>555</u>	<u>-</u>	<u>\$ 1,548</u>
<b>HEALTH REIMBURSEMENT ACCOUNT</b>				
<b>Assets</b>				
Cash and investments	\$ 1,311	-	(372)	\$ 939
Total Assets	<u>\$ 1,311</u>	<u>-</u>	<u>(372)</u>	<u>\$ 939</u>
<b>Liabilities</b>				
Due to others	\$ 1,311	5,931	(6,303)	\$ 939
Total Liabilities	<u>\$ 1,311</u>	<u>5,931</u>	<u>(6,303)</u>	<u>\$ 939</u>
<b>BOARD OF BUILDING STANDARDS</b>				
<b>Assets</b>				
Cash and investments	\$ 906	-	(288)	\$ 618
Total Assets	<u>\$ 906</u>	<u>-</u>	<u>(288)</u>	<u>\$ 618</u>
<b>Liabilities</b>				
Due to others	\$ 906	11,282	(11,570)	\$ 618
Total Liabilities	<u>\$ 906</u>	<u>11,282</u>	<u>(11,570)</u>	<u>\$ 618</u>
<b>DEVELOPMENT (ENGINEERING) INSPECTIONS</b>				
<b>Assets</b>				
Cash and investments	888,853	79,538	-	968,391
Total Assets	<u>\$ 888,853</u>	<u>79,538</u>	<u>-</u>	<u>\$ 968,391</u>
<b>Liabilities</b>				
Due to others	\$ 888,853	507,580	(428,042)	\$ 968,391
Total Liabilities	<u>\$ 888,853</u>	<u>507,580</u>	<u>(428,042)</u>	<u>\$ 968,391</u>
<b>PLUMBING INSPECTIONS</b>				
<b>Assets</b>				
Cash and investments	\$ 791	-	(791)	\$ -
Total Assets	<u>\$ 791</u>	<u>-</u>	<u>(791)</u>	<u>\$ -</u>
<b>Liabilities</b>				
Due to others	\$ 791	22	(813)	\$ -
Total Liabilities	<u>\$ 791</u>	<u>22</u>	<u>(813)</u>	<u>\$ -</u>

**City of Powell, Ohio**  
Combining Statement of Changes in Assets and Liabilities  
Fiduciary Funds - (Agency Funds Only)  
For the Year Ended December 31, 2018

	Balances Jan. 1, 2018	Additions	Deductions	Balances Dec. 31, 2018
<b>ESCROWED DEPOSITS</b>				
<b>Assets</b>				
Cash and investments	\$ 60,101	-	(14,918)	\$ 45,183
Total Assets	\$ 60,101	-	(14,918)	\$ 45,183
<b>Liabilities</b>				
Due to others	\$ 60,101	26,881	(41,799)	\$ 45,183
Total Liabilities	\$ 60,101	26,881	(41,799)	\$ 45,183
 <b>FINGERPRINT PROCESSING FEES</b>				
<b>Assets</b>				
Cash and investments	\$ 1,140	-	(112)	\$ 1,028
Total Assets	\$ 1,140	-	(112)	\$ 1,028
<b>Liabilities</b>				
Due to others	\$ 1,140	12,794	(12,906)	\$ 1,028
Total Liabilities	\$ 1,140	12,794	(12,906)	\$ 1,028
 <b>TOTAL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and investments	\$ 954,095	\$ 80,093	\$ (16,481)	\$ 1,017,707
Total Assets	\$ 954,095	80,093	(16,481)	\$ 1,017,707
<b>Liabilities</b>				
Due to others	\$ 954,095	565,045	(501,433)	\$ 1,017,707
Total Liabilities	\$ 954,095	565,045	(501,433)	\$ 1,017,707



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**City of Powell, Ohio**  
**Statistical Section**

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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. These tables are presented in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 44, *Economic Condition Reporting: The Statistical Section*.

**Financial Trends**

These schedules contain trend information to help understand how the City's financial performance and well-being have changed over time.

**Tables**

A - G

**Revenue Capacity**

These schedules contain information to help assess the City's most significant local revenue sources.

H - M

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

N - Q

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

R - U

**Operating Information**

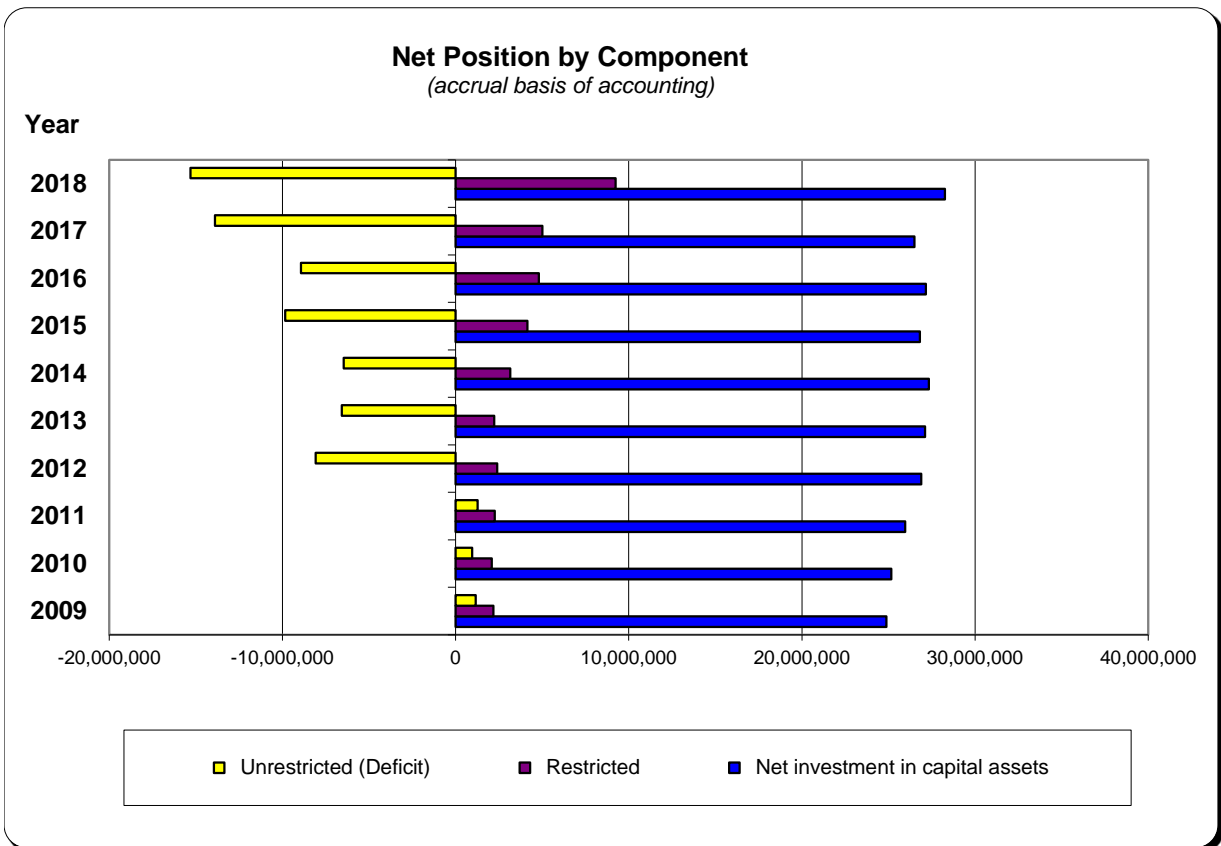
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

V - X

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

**City of Powell, Ohio**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year			
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Governmental activities				
Net investment in capital assets	\$ 24,882,701	\$ 25,160,621	\$ 25,969,322	\$ 26,886,415
Restricted	2,176,460	2,082,435	2,262,529	2,397,386
Unrestricted (Deficit)	1,162,047	952,254	1,278,313	(8,079,317)
<b>Total governmental activities net position</b>	<b>\$ 28,221,208</b>	<b>\$ 28,195,310</b>	<b>\$ 29,510,164</b>	<b>\$ 21,204,484</b>



**Note:**

- (1) The City implemented GASB Statement No. 65 in 2012. Net Assets are now referred to as Net Position.
- (2) In 2017 the Powell CIC became a blended component unit with the implementation of GASB Statement No. 80; 2016 Net Position was restated to reflect the change.

**Sources:**

1. City of Powell Finance Department

Table A

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Fiscal Year					
<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u> Restated	<u>2017</u> Restated	<u>2018</u>
\$ 27,112,009	\$ 27,337,901	\$ 26,816,136	\$ 27,162,927	\$ 26,504,802	\$ 28,260,131
2,235,882	3,156,308	4,153,617	4,811,254	5,008,349	9,237,627
(6,574,747)	(6,458,363)	(9,846,355)	(8,934,575)	(13,902,387)	(15,302,766)
\$ 22,773,144	\$ 24,035,846	\$ 21,123,398	\$ 23,039,606	\$ 17,610,764	\$ 22,194,992

**City of Powell, Ohio**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year			
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Expenses</b>				
Governmental activities:				
Public Safety	\$ 2,210,257	\$ 2,309,528	\$ 2,237,486	\$ 2,275,656
Parks and Recreation	917,797	1,002,506	927,582	951,128
Community Development	999,129	980,563	848,718	10,482,974
Public Services/Transportation	2,030,814	2,173,177	1,887,240	1,965,286
General Government	1,668,454	1,599,452	1,854,360	1,731,950
Interest and fiscal charges	1,208,441	1,104,642	813,397	1,359,578
Total governmental activities expenses	<u>\$ 9,034,892</u>	<u>\$ 9,169,868</u>	<u>\$ 8,568,783</u>	<u>\$ 18,766,572</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
Public Safety	\$ 31,261	\$ 39,251	\$ 78,065	\$ 30,916
Parks and Recreation	147,471	137,712	150,186	169,869
Community Development	1,596,685	1,526,793	1,731,422	1,716,061
Public Services/Transportation	3,650	3,050	5,240	24,832
General Government	16,643	14,070	14,900	37,433
Operating grants and contributions	563,447	564,181	563,452	608,901
Capital grants and contributions	26,449	181,434	200,343	821,861
Total governmental activities program revenues	<u>\$ 2,385,606</u>	<u>\$ 2,466,491</u>	<u>\$ 2,743,608</u>	<u>\$ 3,409,873</u>
Net(expense)revenue				
Governmental activities	<u>\$ (6,649,286)</u>	<u>\$ (6,703,377)</u>	<u>\$ (5,825,175)</u>	<u>\$ (15,356,699)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes:				
Property taxes	\$ 1,849,495	\$ 1,888,454	\$ 1,806,671	\$ 1,848,339
Municipal Income taxes	3,968,885	3,313,296	4,473,048	4,782,182
Intergovernmental				
Estate taxes	55,671	545,873	112,286	204,027
Other intergovernmental	516,191	533,849	577,287	99,603
Interest	123,460	59,413	45,134	61,270
Other	101,130	336,594	125,603	342,752
Total governmental activities	<u>\$ 6,614,832</u>	<u>\$ 6,677,479</u>	<u>\$ 7,140,029</u>	<u>\$ 7,338,173</u>
<b>Change in Net Position</b>				
Governmental activities	<u>\$ (34,454)</u>	<u>\$ (25,898)</u>	<u>\$ 1,314,854</u>	<u>\$ (8,018,526)</u>

Note:

(1) The City implemented GASB Statement No. 65 in 2012. Net Assets are now referred to as Net Position.

Sources:

1. City of Powell Finance Department

Table B

		Fiscal year									
		<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>				
\$	2,439,689	\$	2,507,080	\$	2,657,872	\$	2,978,513	\$	3,134,953	\$	3,689,223
	981,658		983,404		964,346		1,104,229		1,217,032		1,255,890
	897,061		1,030,777		1,072,634		1,230,203		1,405,839		1,390,448
	2,217,542		2,853,698		2,341,430		3,807,186		3,653,607		2,352,455
	1,846,603		1,972,267		2,162,996		2,077,962		3,485,044		2,453,269
	1,121,426		1,029,951		1,102,804		864,090		843,051		819,584
\$	<u>9,503,979</u>	\$	<u>10,377,177</u>	\$	<u>10,302,082</u>	\$	<u>12,062,183</u>	\$	<u>13,739,526</u>	\$	<u>11,960,869</u>
\$	33,011	\$	21,698	\$	18,475	\$	33,603	\$	26,400	\$	48,987
	148,281		233,762		213,593		417,934		487,604		600,711
	2,155,817		2,262,678		2,281,186		2,506,443		2,492,824		2,327,213
	28,933		32,430		18,848		1,292,502		23,709		26,253
	18,444		19,254		15,255		14,785		18,712		14,375
	621,053		630,784		642,545		646,476		689,780		698,043
	-		675,012		59,202		-		-		-
\$	<u>3,005,539</u>	\$	<u>3,875,618</u>	\$	<u>3,249,104</u>	\$	<u>4,911,743</u>	\$	<u>3,739,029</u>	\$	<u>3,715,582</u>
\$	<u>(6,498,440)</u>	\$	<u>(6,501,559)</u>	\$	<u>(7,052,978)</u>	\$	<u>(7,150,440)</u>	\$	<u>(10,000,497)</u>	\$	<u>(8,245,287)</u>
\$	2,003,323	\$	2,060,181	\$	2,095,337	\$	2,218,408	\$	2,326,209	\$	2,898,012
	5,146,984		4,904,132		5,561,386		5,915,685		5,785,260		5,954,083
	14,118		-		7,814		-		-		-
	584,024		425,952		433,728		411,116		464,555		371,258
	23,871		85,236		92,655		120,998		165,121		314,734
	294,780		288,760		234,979		297,030		470,156		291,428
\$	<u>8,067,100</u>	\$	<u>7,764,261</u>	\$	<u>8,425,899</u>	\$	<u>8,963,237</u>	\$	<u>9,211,301</u>	\$	<u>9,829,515</u>
\$	<u>1,568,660</u>	\$	<u>1,262,702</u>	\$	<u>1,372,921</u>	\$	<u>1,812,797</u>	\$	<u>(789,196)</u>	\$	<u>1,584,228</u>

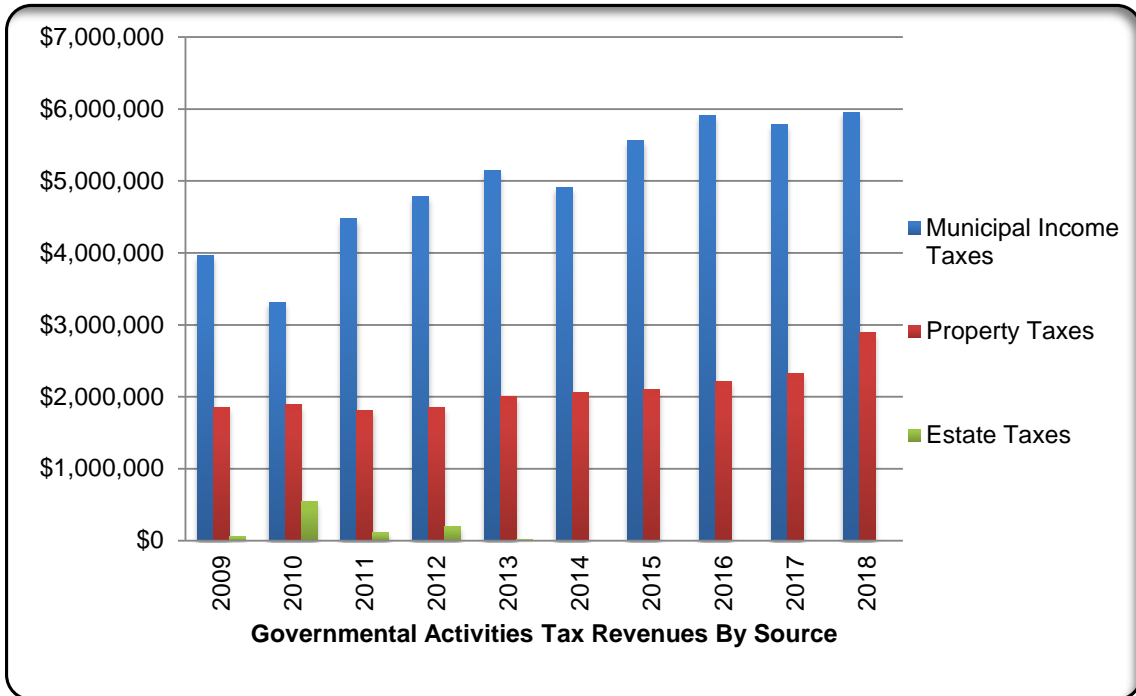


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**City of Powell, Ohio**  
**Governmental Activities Tax Revenues by Source**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Table C

<b>Fiscal Year</b>	<b>Municipal Income Taxes</b>	<b>Property Taxes</b>	<b>Estate Taxes</b>	<b>Total</b>
2009	3,968,885	1,849,495	55,671	5,874,051
2010	3,313,296	1,888,454	545,873	5,747,623
2011	4,473,048	1,806,671	112,286	6,392,005
2012	4,782,182	1,848,339	204,027	6,834,548
2013	5,146,984	2,003,323	14,118	7,164,425
2014	4,904,132	2,060,181	-	6,964,313
2015	5,561,386	2,095,337	7,814	7,664,537
2016	5,915,685	2,218,408	-	8,134,093
2017	5,785,260	2,326,209	-	8,111,469
2018	5,954,083	2,898,012	-	8,852,095



Sources:  
1. City of Powell Finance Department

**City of Powell, Ohio**  
**Program Revenues of Governmental Activities by Program**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Program	Fiscal Year			
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>General Government</b>				
<b><i>Charges for services:</i></b>				
Public Safety	\$ 31,261	\$ 39,251	\$ 78,065	\$ 30,916
Parks and Recreation	147,471	137,712	150,186	169,869
Community Development	1,596,685	1,526,793	1,731,422	1,716,061
Public Services/Transportation	3,650	3,050	5,240	24,832
General Government	16,643	14,070	14,900	37,433
<b><i>Operating grants and contributions:</i></b>				
Public Safety	1,920	320	-	-
Parks and Recreation	-	-	-	12,108
Community Development	-	-	-	-
Public Services/Transportation	561,527	563,861	563,452	596,793
General Government	-	-	-	-
<b><i>Capital grants and contributions:</i></b>				
Public Safety	-	-	-	-
Parks and Recreation	-	-	-	-
Community Development	-	-	-	-
Public Services/Transportation	26,449	181,434	-	-
General Government	-	-	200,343	821,861
<b>Total Program Revenues</b>	<b>\$ <u>2,385,606</u></b>	<b>\$ <u>2,466,491</u></b>	<b>\$ <u>2,743,608</u></b>	<b>\$ <u>3,409,873</u></b>

Sources:

1. City of Powell Finance Department



		Fiscal Year									
		<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>				
\$	33,011	\$	21,698	\$	18,475	\$	33,603	\$	26,400	\$	48,987
	148,281		233,762		213,593		417,934		487,604		600,711
	2,155,817		2,262,678		2,281,186		2,506,443		2,492,824		2,327,213
	28,933		32,430		18,848		1,292,502		23,709		26,253
	18,444		19,254		15,255		14,785		18,712		14,375
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	599,269		613,227		616,872		627,372		665,429		675,683
	21,784		17,557		25,673		19,104		24,351		22,360
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		675,012		59,202		-		-		-
	-		-		-		-		-		-
\$	<u>3,005,539</u>	\$	<u>3,875,618</u>	\$	<u>3,249,104</u>	\$	<u>4,911,743</u>	\$	<u>3,739,029</u>	\$	<u>3,715,582</u>

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**City of Powell, Ohio**  
**Governmental Revenues by Source**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

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<u>Fiscal Year</u>	<u>Income Taxes</u>	<u>Property Taxes</u>	<u>Intergovernmental</u>	<u>Estate Taxes</u> <sup>1</sup>
2009	4,015,942	1,810,880	1,076,935	168,072
2010	3,781,176	1,886,645	1,088,515	210,334
2011	4,357,270	1,823,309	1,118,719	441,785
2012	4,392,127	1,829,709	1,851,318	88,848
2013	4,831,415	2,058,081	1,038,277	136,170
2014	4,948,747	2,065,573	1,034,144	1,133
2015	5,462,810	2,094,026	1,060,900	7,814
2016	6,093,177	2,222,168	1,062,035	-
2017	6,032,579	2,325,082	1,081,469	-
2018	5,808,300	2,895,596	1,174,282	-

Note:

- Information was included in intergovernmental in the statements

Sources:

- City of Powell Finance Department

Table E

<b><u>Charges and Fees for Services</u></b>	<b><u>Community Development Charges</u></b>	<b><u>Other</u></b>	<b><u>Total</u></b>
630,110	1,223,274	208,287	9,133,500
571,106	1,204,738	335,606	9,078,120
721,111	1,315,486	162,203	9,939,883
750,212	1,317,405	280,693	10,510,312
879,202	1,661,910	150,355	10,755,410
1,105,004	1,657,901	160,809	10,973,311
1,033,187	1,658,635	138,124	11,455,496
1,301,213	1,729,682	276,294	12,684,569
1,274,448	1,756,810	520,192	12,990,580
1,235,785	1,727,599	667,080	13,508,642

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

	<u>2009</u>		<u>2010</u>		<u>2011</u>		<u>2012</u>
General fund							
Reserved	\$ 266,814	\$	293,734	\$	N/A	\$	N/A
Unreserved	6,422,566		6,036,963		N/A		N/A
Nonspendable	N/A		N/A		73,794		80,672
Committed	N/A		N/A		2,003		95,526
Assigned	N/A		N/A		379,357		202,497
Unassigned	N/A		N/A		6,470,704		6,791,636
Total general fund	<u>\$ 6,689,380</u>	<u>\$</u>	<u>6,330,697</u>	<u>\$</u>	<u>6,925,858</u>	<u>\$</u>	<u>7,170,331</u>
All other governmental funds							
Reserved	\$ 127,294	\$	93,504	\$	N/A	\$	N/A
Unreserved, reported in:							
Special revenue funds	1,258,143		1,044,225		N/A		N/A
Capital projects funds (deficit)	441,286		714,895		N/A		N/A
Debt service funds	28,328		86,065		N/A		N/A
Nonspendable	N/A		N/A		32,385		4,990
Restricted	N/A		N/A		1,668,938		1,824,506
Committed	N/A		N/A		198,773		176,303
Assigned	N/A		N/A		213,921		184,155
Unassigned (Deficit)	N/A		N/A		(183,760)		(914)
Total all other governmental funds	<u>\$ 1,855,051</u>	<u>\$</u>	<u>1,938,689</u>	<u>\$</u>	<u>1,930,257</u>	<u>\$</u>	<u>2,189,040</u>

Note: The City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. As a result fund balance classifications were changed as of December 31, 2011.

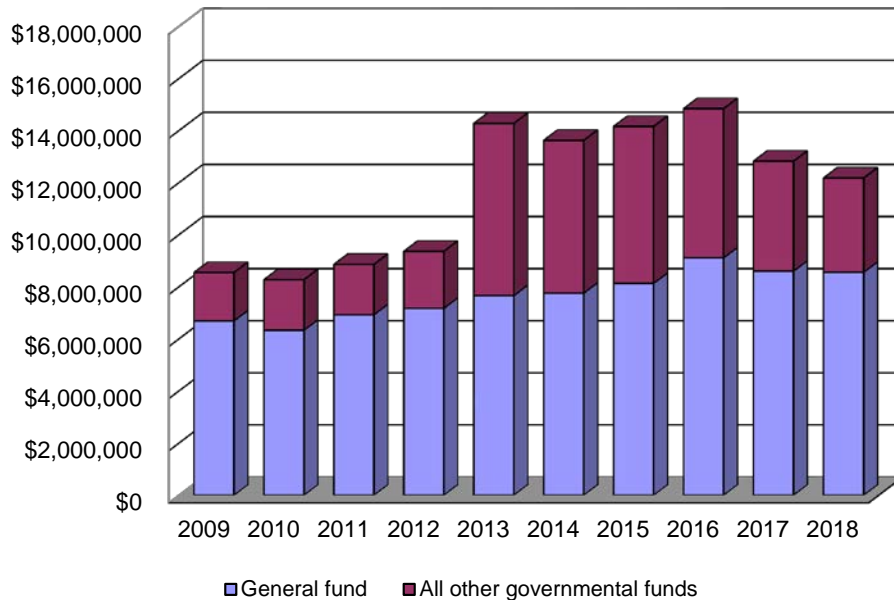
Sources:

1. City of Powell Finance Department

Table F

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
\$	70,442	\$ 748,595	\$ 586,082	\$ 1,627,426	\$ 1,399,474	\$ 1,361,644
	140,545	46,671	73,173	133,608	133,603	169,034
	1,930,024	917,821	644,094	635,388	547,059	1,117,634
	5,517,076	6,038,607	6,827,192	6,713,982	6,518,247	5,908,513
\$	<u>7,658,087</u>	<u>7,751,694</u>	<u>8,130,541</u>	<u>9,110,404</u>	<u>8,598,383</u>	<u>8,556,825</u>
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
\$	18,998	\$ 19,365	\$ 35,973	\$ 26,412	\$ 13,601	\$ 22,884
	6,388,327	6,138,070	6,283,354	6,981,258	6,269,452	5,645,970
	205,720	263,686	332,675	435,571	639,744	449,378
	-	-	-	-	-	-
	-	(553,490)	(626,599)	(1,714,084)	(2,699,086)	(2,498,001)
\$	<u>6,613,045</u>	<u>5,867,631</u>	<u>6,025,403</u>	<u>5,729,157</u>	<u>4,223,711</u>	<u>3,620,231</u>

**General & All Other Governmental Fund Balances**  
(modified accrual basis only)



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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Revenues</b>				
Property Taxes	\$ 1,810,880	\$ 1,886,645	\$ 1,823,309	\$ 1,829,709
Municipal Income Taxes	4,015,942	3,781,176	4,357,270	4,392,127
Other Local Taxes	348,109	406,853	642,953	297,797
Charges for Services	130,284	119,051	147,467	196,540
Development Charges	1,223,274	1,204,738	1,315,486	1,317,405
Fees, Licenses, and Permits	499,826	452,055	573,644	553,672
Fines and Forfeitures	9,137	20,799	46,355	9,407
Intergovernmental	896,898	891,996	917,551	1,642,369
Interest	136,833	65,547	48,655	67,147
Other	62,317	249,260	67,193	204,139
Total Revenues	<u>9,133,500</u>	<u>9,078,120</u>	<u>9,939,883</u>	<u>10,510,312</u>
<b>Expenditures</b>				
Public Safety	2,089,772	2,207,481	2,176,399	2,156,837
Parks and Recreation	570,742	625,075	559,988	561,995
Community Development	982,243	975,662	843,701	10,475,823
Public Services/Transportation	1,187,860	1,345,507	1,148,520	1,112,297
General Government	1,575,066	1,535,303	1,567,973	1,574,518
Capital outlay	55,032	5,500	352,175	982,630
Debt service:				
Principal	1,440,000	1,620,000	1,690,000	1,730,000
Interest	1,184,753	1,123,916	840,837	979,789
Other charges	-	73,946	144,995	359,443
Total Expenditures	<u>9,085,468</u>	<u>9,512,390</u>	<u>9,324,588</u>	<u>19,933,332</u>
Excess of revenues over (under) expenditures	48,032	(434,270)	615,295	(9,423,020)
<b>Other financing sources (uses)</b>				
Transfers in	373,100	347,350	322,500	216,341
Transfers out	(373,100)	(347,350)	(322,500)	(216,341)
Insurance Claims				
Issuance of Loans				
Refunding bonds issued		3,155,000	9,015,000	-
Bonds issued				9,915,000
Repayment of refunded notes/bonds		(3,175,000)	(9,441,599)	-
Proceeds from issuance of notes				-
Premium on bonds and notes issued		179,225	398,033	-
Proceeds from sale of capital assets				11,276
Total other financing sources (uses)	<u>-</u>	<u>159,225</u>	<u>(28,566)</u>	<u>9,926,276</u>
Net change in fund balances	\$ 48,032	\$ (275,045)	\$ 586,729	\$ 503,256
Debt service as a percentage of noncapital expenditures	41.94%	29.42%	28.39%	14.30%

Sources:

1. City of Powell Finance Department

Table G

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$	2,058,081	\$ 2,065,573	\$ 2,094,026	\$ 2,222,168	\$ 2,325,082	\$ 2,895,596
	4,831,415	4,948,747	5,462,810	6,093,177	6,032,579	5,808,300
	504,932	396,004	405,445	394,270	421,052	438,041
	193,828	283,772	257,426	315,041	356,751	463,433
	1,661,910	1,657,901	1,658,635	1,729,682	1,756,810	1,727,599
	685,374	821,232	775,761	978,546	911,884	768,691
	21,405	10,074	5,210	7,626	5,813	3,661
	669,515	639,273	663,269	667,765	660,417	736,241
	23,871	85,236	92,655	69,512	156,850	305,945
	105,079	65,499	40,259	206,782	363,342	361,135
	<u>10,755,410</u>	<u>10,973,311</u>	<u>11,455,496</u>	<u>12,684,569</u>	<u>12,990,580</u>	<u>13,508,642</u>
	2,379,247	2,398,963	2,510,564	2,589,935	2,862,044	3,022,527
	574,677	614,705	590,215	743,091	795,177	837,048
	894,342	1,034,338	1,091,174	1,198,782	1,261,044	1,258,075
	1,275,444	853,198	735,992	1,530,879	1,119,834	1,164,022
	1,696,339	1,840,989	2,023,927	1,981,108	3,207,749	2,210,327
	268,433	1,806,440	969,465	3,941,738	2,510,139	2,739,668
	2,065,000	1,965,000	2,000,000	2,155,000	5,195,000	2,050,000
	1,028,594	1,132,876	1,043,781	925,019	968,277	898,287
	69,139	-	139,601	35,434	18,494	20,135
	<u>10,251,215</u>	<u>11,646,509</u>	<u>11,104,719</u>	<u>15,100,986</u>	<u>17,937,758</u>	<u>14,200,089</u>
	504,195	(673,198)	350,777	(2,416,417)	(4,947,178)	(691,447)
	207,150	699,500	217,500	275,500	203,000	571,544
	(207,150)	(699,500)	(217,500)	(275,500)	(203,000)	(571,544)
	3,191	4,896	24,094	19,034	63,923	15,401
	-	-	-	3,000,000	2,700,000	-
	-	-	5,600,000	-	-	-
	4,100,000	-	-	-	-	-
	-	-	(6,199,445)	-	-	-
	-	-	-	-	-	-
	279,631	-	743,949	37,405	28,177	22,275
	24,744	16,495	17,244	43,595	34,200	8,733
	<u>4,407,566</u>	<u>21,391</u>	<u>185,842</u>	<u>3,100,034</u>	<u>2,826,300</u>	<u>46,409</u>
\$	4,911,761	\$ (651,807)	\$ 536,619	\$ 683,617	\$ (2,120,878)	\$ (645,038)
	30.93%	30.52%	28.51%	25.14%	36.85%	25.90%

**City of Powell, Ohio**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Tax <sup>1</sup> Year Ended December 31</b>	<b>Real Property<sup>2</sup></b>					<b>Total Real Property</b>
	<b>Residential Property</b>	<b>Agricultural Property</b>	<b>Commercial Property</b>	<b>Public Utility Property</b>		
2009	444,894,270	12,920	40,565,620	8,440		485,481,250
2010	446,702,160	12,920	47,050,320	9,110		493,774,510
2011	423,655,810	10,930	47,180,690	10,270		470,857,700
2012	426,036,980	10,930	46,265,090	8,550		472,321,550
2013	431,731,700	46,030	46,704,750	8,870		478,491,350
2014	451,088,230	17,290	49,676,000	9,020		500,790,540
2015	463,054,860	17,290	51,104,970	9,110		514,186,230
2016	478,559,220	17,290	53,095,890	8,790		531,681,190
2017	526,223,270	94,640	54,297,060	8,740		580,623,710
2018	535,357,180	124,560	52,864,040	9,080		588,354,860

Note:

1. Tax year is the tax year assessed but collections are in following year, i.e. Tax year 2004 collected in '2005.
2. Assessed real property is 35% of estimated actual value; assessed public utility property is 50% of estimated actual value; tangible personal property is being phased out. In the tax year 2006, the assessment percentage for machinery and equipment, inventory and fixtures was reduced to 18.75%; in tax year 2007, to 12.5%; in tax year 2008, 6.5%; and for tax year 2009 and thereafter, 0%.

Source:

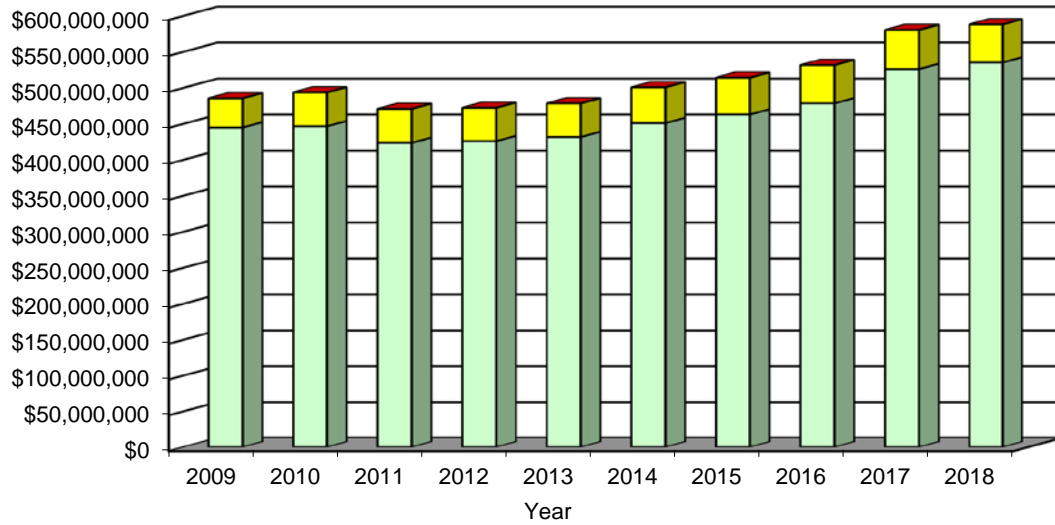
Delaware County Auditor's Office



Table H

<u>Personal Property</u> <sup>2</sup>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
<u>General</u>				
-	485,481,250	3.80	1,387,082,051	35.00%
-	493,774,510	3.72	1,410,776,506	35.00%
-	470,857,700	3.89	1,345,298,911	35.00%
-	472,321,550	3.96	1,349,482,814	35.00%
-	478,491,350	3.88	1,367,110,540	35.00%
-	500,790,540	3.80	1,430,822,383	35.00%
-	514,186,230	3.80	1,469,095,706	35.00%
-	531,681,190	3.57	1,519,081,580	35.00%
-	580,623,710	4.12	1,658,917,394	35.00%
-	588,354,860	2.82	1,681,006,103	35.00%

Assessed Valuation by Property Type Collections by Collection Year



■ Residential Property   
 ■ Agricultural Property   
 ■ Commercial Property

■ Public Utility Property   
 ■ Personal Property

**City of Powell, Ohio  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years**

<u>Tax Year</u>	<b>Direct</b>			<b>Overlapping</b>		
	<b>City of Powell</b>			<b>Delaware County</b>		
	<u>Operating Millage</u>	<u>Debt Service Millage</u>	<u>Total City Millage</u>	<u>Operating Millage</u>	<u>Debt Service Millage</u>	<u>Total County Millage</u>
2009	1.20	2.60	3.80	4.90	0.14	5.04
2010	1.20	2.52	3.72	4.90	0.14	5.04
2011	1.20	2.69	3.89	4.90	0.15	5.05
2012	1.20	2.76	3.96	4.90	0.15	5.05
2013	1.20	2.68	3.88	5.76	0.15	5.91
2014	1.20	2.60	3.80	5.76	0.15	5.91
2015	1.20	2.60	3.80	5.76	0.14	5.90
2016	1.20	2.37	3.57	5.76	0.12	5.88
2017	1.20	2.92	4.12	5.76	0.10	5.86
2018	1.20	1.62	2.82	6.26	0.11	6.37

<b>City of Powell/Concord Township Residents:</b>						Total
	<u>City Millage</u>	<u>County Millage</u>	<u>School Millage</u>	<u>Township Millage</u>	<u>All Other Millage</u>	<u>Direct &amp; Overlapping</u>
2016	3.42	5.88	85.44	9.85	5.43	110.02
2017	3.97	5.86	84.30	9.85	7.13	111.11
2018	2.67	6.37	84.30	9.85	7.43	110.62

Note:

- Other Operating Millage includes: Preservation Park District, 911 District, County Health Department, Mental Health District and Library.
- JVSD - Joint Vocational School District

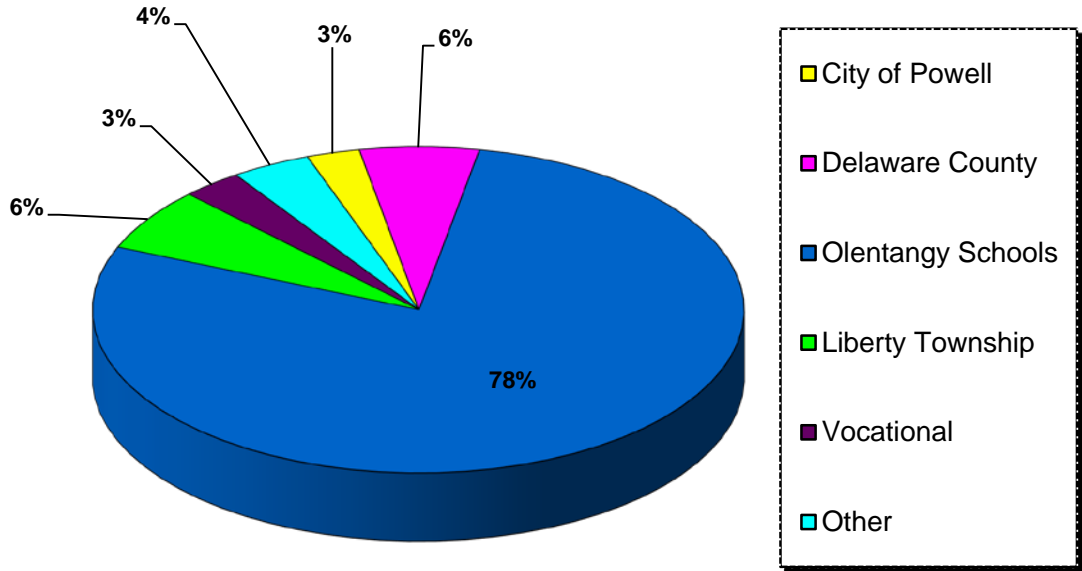
Sources:

- Delaware County Auditor

Table I

Overlapping						Total Direct & Overlapping Rates
Olentangy Schools			Liberty Township Millage	JVSD <sup>2</sup> Millage	Other Millage <sup>1</sup>	
Operating Millage	Debt Service Millage	Total School Millage				
62.00	8.72	70.72	7.24	3.20	3.78	93.78
62.00	8.72	70.72	7.23	3.20	3.75	93.66
69.90	8.72	78.62	7.25	3.20	3.75	101.76
69.90	8.72	78.62	1.25	3.20	3.75	95.83
69.90	8.72	78.62	6.85	3.20	3.75	102.21
69.90	8.72	78.62	6.85	3.20	3.75	102.13
69.90	8.72	78.62	6.85	3.20	3.00	101.37
76.80	8.64	85.44	6.83	1.50	3.93	107.15
75.80	8.50	84.30	6.77	3.20	3.93	108.18
75.80	8.50	84.30	6.74	3.20	4.23	107.66

How each \$1 of Property Tax is allocated for Powell Residents



**City of Powell, Ohio  
Income Tax Rates  
Direct and Overlapping Governments  
Last Ten Years**

<b>Fiscal Year</b>	<b>Resident of the City of Powell <sup>1</sup></b>	<b>Works in City of</b>					
		<b><u>Powell</u></b>	<b><u>Columbus</u></b>	<b><u>Gahanna</u></b>	<b><u>Worthington</u></b>	<b><u>Dublin</u></b>	<b><u>Delaware</u></b>
2009	0.50%	0.25%	2.50%	1.50%	2.00%	2.00%	1.55%
2010	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.55%
2011	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2012	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2013	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2014	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2015	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2016	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2017	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2018	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%

n/a = not available

Note:

1. The City of Powell gives the resident a .25% credit if they work outside the city and pay taxes where they work.

Sources:

City of Powell, Columbus, Gahanna, Worthington, Dublin and Delaware Finance/Income Tax Departments



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**City of Powell, Ohio**  
**Property Tax Levies and Collection**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended December 31</b>	<b>Fiscal Year Received In</b>	<b>Total Tax Levy for Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Delinquent Tax Collections<sup>1</sup></b>	<b>Total Tax Collected</b>	<b>Percent of Total Tax Collections to Current Tax Levy<sup>1</sup></b>
			<b>Current Tax Collections</b>	<b>Percent of Levy</b>			
2008	2009	1,824,195	1,770,673	97.07%	31,400	1,802,073	98.79%
2009	2010	1,858,206	1,814,767	97.66%	45,849	1,860,616	100.13%
2010	2011	1,849,585	1,819,204	98.36%	34,323	1,853,527	100.21%
2011	2012	1,846,796	1,792,965	97.09%	30,224	1,823,189	98.72%
2012	2013	1,886,893	1,849,201	98.00%	39,436	1,888,637	100.09%
2013	2014	1,873,259	1,848,730	98.69%	33,267	1,881,997	100.47%
2014	2015	1,919,959	1,899,891	98.95%	31,213	1,931,104	100.58%
2015	2016	1,977,480	1,966,750	99.46%	29,405	1,996,155	100.94%
2016	2017	1,922,521	1,902,871	98.98%	10,687	1,913,558	99.53%
2017	2018	2,424,159	2,381,983	98.26%	44,343	2,426,326	100.09%

## Note:

1. No County in the State of Ohio identifies delinquent tax collections by tax year, as a result some years will show collections greater than 100 percent.

**City of Powell**  
**Principal Revenue Payers for Property Taxes**  
**December 31, 2018**

<u>Property Taxpayer</u>	<u>2018</u>			<u>2009</u>		
	<u>Taxable Assessed</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed</u>	<u>Taxable Assessed</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed</u>
	<u>Value</u>		<u>Value</u>	<u>Value</u>		<u>Value</u>
Ohio Power Company	6,895,270	1	1.17%			
Market at Liberty Crossing LLC	5,911,780	2	1.00%			
CSRA Columbus Oh Fitness St LLC	2,800,000	3	0.48%			
Kinsale Golf and Fitness Club LLC	2,186,130	4	0.37%	1,973,870	3	0.41%
LDH 2000 Family Ltd. Partnership	1,723,850	5	0.29%	1,723,860	4	0.36%
Mt Carmel health System	1,594,920	6	0.27%			
Powell Grand Communities LLC	1,441,090	7	0.24%			
Verona LLC	1,266,390	8	0.22%			
Store Master Funding IV LLC	1,019,410	9	0.17%			
Columbia Gas of Ohio	914,060	10	0.16%			
Columbus Southern Power				2,946,060	1	0.61%
P&P Real Estate LLC				2,800,010	2	0.58%
Golf Village Self Storage Ltd				1,116,300	5	0.23%
Triangle Properties Inc				1,085,630	6	0.22%
8761 Moreland LLC				1,019,410	7	0.21%
The Kenney Company LLC				879,210	8	0.18%
Bob Webb Lakes Edge LLC				855,960	9	0.18%
Presidential Pointe LLC				798,000	10	0.16%

**City of Powell**  
**Tax Incremental Financing (TIF) Collections**  
**December 31, 2018**  
(cash basis of accounting)

<u>Fiscal Year Ended</u>	<u>Fiscal Year Received In</u>	<u>Current Tax Collections</u>	<u>Retroactive Tax Collections</u>	<u>Total Tax Collected</u>
<u>December 31</u>				
2009	2010	241,882	-	241,882
2010	2011	200,813	-	200,813
2011	2012	222,872	-	222,872
2012**	2013	206,023	19,960	225,983
2013	2014	434,104	-	434,104
2014	2015	401,941	-	401,941
2015	2016	479,989	-	479,989
2016	2017	544,599	-	544,599
2017***	2018	830,916	-	830,916

## Note:

\*Downtown Tax Incremental Financing effective January 1, 2006 with base year being 2005

\*\*Commercial Tax Incremental Financing effective January 1, 2012 with base year being 2011

\*\*\*Seldom Seen Tax Incremental Financing effective January 1, 2017 with base year being 2016

## Sources:

1. City of Powell Finance Department
2. Delaware County, Ohio Auditor's Office

**City of Powell**  
**Principal Revenue Payer Type for Income Taxes**  
**December 31, 2018**  
(cash basis of accounting)

<u>Year</u>	<u>Individual</u>				<u>Business</u>		<u>Total Income Tax</u>
	<u>Withholding</u>	<u>% of total</u>	<u>Non- withholding</u>	<u>% of total</u>	<u>Net Profits</u>	<u>% of total</u>	
2009	1,252,602	31.3%	2,528,860	63.3%	216,233	5.4%	3,997,695
2010	1,280,117	34.8%	2,327,950	63.2%	73,575	2.0%	3,681,642
2011	1,354,054	30.6%	2,929,395	66.2%	144,600	3.3%	4,428,049
2012	1,423,843	33.1%	2,701,991	62.8%	179,793	4.2%	4,305,627
2013	1,579,230	32.9%	2,952,926	61.6%	263,489	5.5%	4,795,645
2014	1,714,074	35.2%	2,852,847	58.7%	295,982	6.1%	4,862,903
2015	1,896,781	35.2%	3,262,425	60.5%	236,459	4.4%	5,395,665
2016	2,120,084	36.2%	3,338,580	57.0%	401,568	6.9%	5,860,232
2017	2,189,662	37.0%	3,399,027	57.5%	327,613	5.5%	5,916,302
2018	2,288,458	38.9%	3,259,723	55.3%	341,380	5.8%	5,889,561

**City of Powell**  
**Principal Income Levels for Income Taxes**  
**December 31, 2018**

<u>Year</u>	<u>Income Amounts</u>	<u>Number of Taxpayers</u>	<u>Total Income</u>	<u>Percentage Of Income</u>
2014	\$0 to \$49,999	1,291	\$ 20,371,998	3.2%
	\$50,000 to \$149,999	1,555	\$ 159,360,196	25.3%
	\$150,000 to \$249,999	1,030	\$ 197,855,678	31.4%
	\$250,000 & over	579	\$ 253,335,486	40.2%
			<u>\$ 630,923,358</u>	
2015	\$0 to \$49,999	1,331	\$ 19,540,782	2.9%
	\$50,000 to \$149,999	1,517	\$ 155,422,813	23.1%
	\$150,000 to \$249,999	1,084	\$ 209,067,340	31.1%
	\$250,000 & over	661	\$ 287,348,516	42.8%
			<u>\$ 671,379,451</u>	
2016	\$0 to \$49,999	1,404	\$ 21,198,536	3.1%
	\$50,000 to \$149,999	1,413	\$ 143,672,609	20.7%
	\$150,000 to \$249,999	1,162	\$ 224,749,053	32.4%
	\$250,000 & over	680	\$ 304,624,950	43.9%
			<u>\$ 694,245,148</u>	
2017	\$0 to \$49,999	1,459	\$ 21,099,048	3.0%
	\$50,000 to \$149,999	1,401	\$ 140,903,946	20.3%
	\$150,000 to \$249,999	1,149	\$ 222,808,559	32.1%
	\$250,000 & over	727	\$ 316,483,410	45.6%
			<u>\$ 701,294,963</u>	

## Sources:

1. City of Powell Finance Department
2. Regional Income Tax Agency (R.I.T.A.)



**City of Powell, Ohio**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

**Governmental Activities**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Long-Term Bank Loan</u>	<u>Unamortized Premium on Bonds</u>	<u>Total Outstanding Debt</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
2009	24,540,000		112,118	24,652,118	6.74%	\$ 1,984.39
2010	22,900,000		269,711	23,169,711	6.36%	\$ 2,014.76
2011	21,495,000		645,605	22,140,605	6.00%	\$ 1,899.83
2012	29,680,000		593,565	30,273,565	8.10%	\$ 2,565.56
2013	31,715,000		809,396	32,524,396	8.55%	\$ 2,710.37
2014	29,750,000		686,627	30,436,627	7.57%	\$ 2,400.18
2015	27,530,000		1,251,943	28,781,943	7.17%	\$ 2,273.46
2016	25,375,000	3,000,000	1,065,572	29,440,572	6.54%	\$ 2,309.06
2017	23,480,000	2,400,000	894,716	26,774,716	5.85%	\$ 2,035.64
2018	21,730,000	2,100,000	736,668	24,566,668	4.98%	\$ 1,725.43

**City of Powell, Ohio**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Add: Unamortized Premium on Bonds</u>	<u>Less: Amounts Available to pay Principal</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>	<u>Amounts Available to pay Interest</u>
2009	24,540,000	112,118	-	24,652,118	1.777%	\$ 1,984.39	\$ 28,328
2010	22,900,000	269,711	-	23,169,711	1.642%	\$ 2,014.76	\$ 86,065
2011	21,495,000	645,605	-	22,140,605	1.646%	\$ 1,899.83	\$ 110,028
2012	29,680,000	593,565	-	30,273,565	2.243%	\$ 2,565.56	\$ 61,661
2013	31,715,000	809,396	-	32,524,396	2.379%	\$ 2,710.37	\$ 312,567
2014	29,750,000	686,627	-	30,436,627	2.127%	\$ 2,400.18	\$ 297,591
2015	27,530,000	1,251,943	-	28,781,943	1.959%	\$ 2,273.46	\$ 372,668
2016	25,375,000	1,065,572	-	26,440,572	1.741%	\$ 2,073.77	\$ 493,995
2017	23,480,000	894,716	-	24,374,716	1.469%	\$ 1,853.17	\$ 121,424
2018	21,730,000	736,668	-	22,466,668	1.337%	\$ 1,577.94	\$ 734,041



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**City of Powell, Ohio**  
**Legal Debt Margin Information**  
*(accrual basis of accounting)*

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Overall debt limit	\$ 51,353,625	\$ 50,975,531	\$ 51,846,324	\$ 49,440,059
Total net debt applicable to limit	24,511,672	22,813,935	12,369,972	10,758,339
Legal debt margin	\$ 26,841,953	\$ 28,161,596	\$ 39,476,352	\$ 38,681,720
Total net debt applicable to the limit as a percentage of debt limit	47.7%	44.8%	23.86%	21.76%
-----				
Unvoted debt limit	\$ 26,899,518	\$ 26,701,469	\$ 27,157,598	\$ 25,897,174
Total net debt applicable to limit	18,255,000	17,658,935	8,279,972	7,793,339
Legal debt margin	\$ 8,672,846	\$ 9,042,534	\$ 18,877,626	\$ 18,103,835
Total net debt applicable to the limit as a percentage of debt limit	67.9%	66.1%	30.49%	30.09%

**Legal Debt Margin Calculation for Fiscal Year 2018**

<u>Overall (Voted and Unvoted) Debt Limitation:</u>	
Total assessed value	\$ 580,623,710
Debt limit (10 1/2% of total assessed value)	60,965,490
Debt applicable to limit: (See Note 1)	
General obligation bonds & notes	10,700,000
Less: Amount set aside for repayment of general obligation debt	<u>734,041</u>
Total net debt applicable to limit	<u>9,965,959</u>
Legal debt margin	<u>\$ 50,999,531</u>

Note 1: Section 10 of Ordinance 2011-15 and Section 11 of Ordinances 2012-04 and 2012-05 allows for the exemption of debt from the legal debt margin calculation under ORC section 133.05(B)(7).  
(Total Debt exempt by Ordinances: \$15,460,000)

Sources:

1. City of Powell Finance Department

Table P

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 49,593,763	\$ 50,241,592	\$ 52,583,007	\$ 53,989,554	\$ 55,826,525	\$ 60,965,490
13,082,433	11,677,409	9,937,332	11,231,005	9,698,576	9,965,959
\$ 36,511,330	\$ 38,564,183	\$ 42,645,675	\$ 42,758,549	\$ 46,127,949	\$ 50,999,531
26.38%	23.24%	18.90%	20.80%	17.37%	16.35%
-----					
\$ 25,977,685	\$ 26,317,024	\$ 27,543,480	\$ 28,280,243	\$ 29,242,465	\$ 31,934,304
7,192,433	6,842,409	6,167,332	5,541,005	5,473,576	4,405,959
\$ 18,785,252	\$ 19,474,615	\$ 21,376,148	\$ 22,739,238	\$ 23,768,889	\$ 27,528,345
27.69%	26.00%	22.39%	19.59%	18.72%	13.80%

Unvoted Debt Limitation:

Total assessed value	\$ 580,623,710
Debt limit (5 1/2% of total assessed value)	31,934,304
Debt applicable to limit: (See Note 1)	
General obligation bonds & notes	10,700,000
Less: Debt outside limitations	<u>5,560,000</u>
Debt within limitation	5,140,000
Less: Amount set aside for repayment of general obligation debt	<u>734,041</u>
Total net debt applicable to limit	<u>4,405,959</u>
Legal debt margin	<u>\$ 27,528,345</u>

**City of Powell, Ohio**  
**Computation of Direct and Overlapping**  
**Debt Attributable to Governmental Activities**  
**December 31, 2018**

	<u>Debt Outstanding</u>	<u>Percentage Applicable to City <sup>1</sup></u>	<u>Amount of Direct and Overlapping Debt</u>
Direct:			
City of Powell	\$ 24,566,668	100.00%	\$ 24,566,668
Overlapping:			
Delaware County	109,141,023	7.88%	8,600,313
Olentangy Schools <sup>2</sup>	399,992,421	15.50%	61,998,825
Liberty Township	2,743,333	36.96%	1,013,936
Concord Township	-	0.79%	-
Other Governments - Library	9,187,155	10.44%	959,139
Subtotal	<u>521,063,932</u>	<u>13.93%</u>	<u>72,572,213</u>
Total	<u>\$ 545,630,600</u>		<u>\$ 97,138,881</u>

## Note:

1. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the government's taxable assessed value that is within the City's boundaries and dividing it by City's total taxable assessed value.
2. Outstanding debt as of June 30, 2018, per Olentangy LSD's most recent CAFR.



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**City of Powell, Ohio**  
**General Demographic Characteristics**  
**Based on Census Years**

	<u>2010</u>	<u>2000</u>
<b>Population</b>	11,500	6,247
<b>Age Distribution</b>		
Under 5 years	1,001	736
5 to 19 years	3,158	1,590
20 to 64 years	6,455	3,681
65 years and older	886	240
<b>Race</b>		
White	10,172	5,890
Asian	859	186
Black	221	97
Other	248	74
<b>Education Attainment</b>		
No diploma	68	48
High School	611	321
Some college	937	599
College degree	3,548	1,914
Graduate	1,781	968
<b>Income of Households</b>		
Less than \$74,999	786	431
Over \$75,000	2,959	1,563
Median income	\$ 126,752	\$ 115,904
<b>Sex</b>		
Male	5,663	3,137
Female	5,837	3,110
<b>Housing Units</b>		
Total housing units	3,796	2,002
Owner-occupied units	3,574	1,835
Renter-occupied units	222	62
Median value of unit	\$337,900	\$259,200

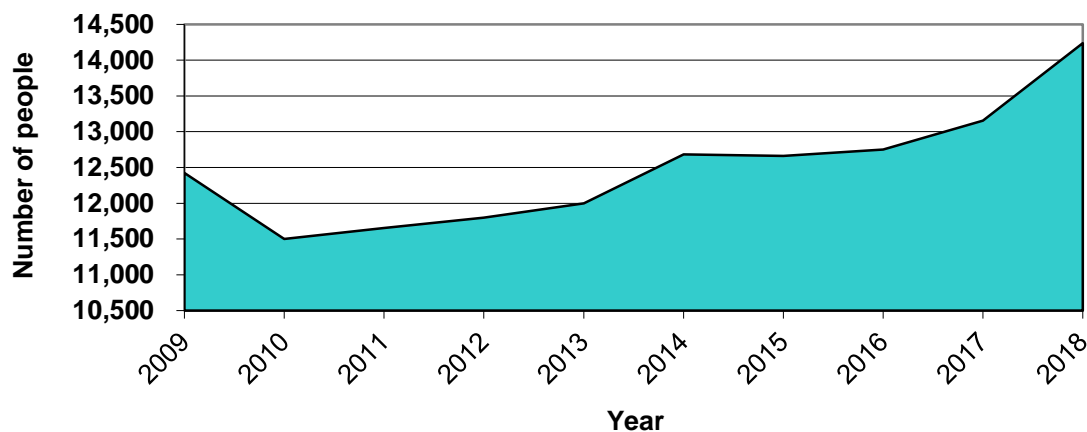
Source:  
U.S. Bureau of the Census



**City of Powell, Ohio**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Population <sup>1</sup>	Personal Income (amount expressed in thousands)	Per Capita Personal Income <sup>2</sup>	Median Age <sup>2</sup>	School Enrollment <sup>3</sup>	Unemployment		
						Delaware County Rate <sup>4</sup>	State Rate <sup>4</sup>	U.S. Rate <sup>4</sup>
2009	12,423	\$ 365,860	\$ 117,801	34.7	14,044	7.70%	10.70%	9.70%
2010	11,500	\$ 364,412	\$ 126,752	37.4	15,316	6.40%	9.60%	9.40%
2011	11,654	\$ 369,292	\$ 126,752	37.4	16,311	5.30%	7.60%	8.50%
2012	11,800	\$ 373,918	\$ 126,752	37.4	17,126	4.30%	6.70%	7.80%
2013	12,000	\$ 380,256	\$ 126,752	37.4	17,855	4.60%	7.10%	6.70%
2014	12,681	\$ 401,836	\$ 126,752	37.4	18,108	3.10%	4.80%	5.60%
2015	12,660	\$ 401,170	\$ 126,752	37.4	18,820	3.80%	5.60%	5.20%
2016	12,750	\$ 404,022	\$ 126,752	37.4	19,392	3.40%	4.70%	4.50%
2017	13,153	\$ 416,792	\$ 126,752	37.4	19,983	3.30%	4.90%	4.10%
2018	14,238	\$ 451,174	\$ 126,752	37.4	20,701	3.70%	5.40%	4.40%

**Population Growth**



Source:

1. Non Census years are estimates from Mid-Ohio Regional Planning Commission (MORPC)
2. U.S. Census Bureau, 2010 Census
3. Olentangy Local School District, Audited Financial Statements and website
4. Ohio Labor Market Information and Delaware County, Ohio Audited Financial Statements

**City of Powell, Ohio**  
**Principal Employers**  
**As of December 31, 2018 and December 31, 2009**

<u>Employer</u>	<u>Principal Business</u>	<u>Rank</u>	<u>2018</u>		<u>Rank</u>	<u>2009</u>	
			<u>Number of Employees</u>	<u>% of Total Employment</u>		<u>Number of Employees</u>	<u>% of Total Employment</u>
The Ohio State University	Education	1	32,111	4.23%	2	22,454	3.31%
OhioHealth	Health Care	2	26,599	3.51%	6	10,400	1.53%
Wal-Mart Stores Inc.	Retail	3	26,000	3.43%			0.00%
State of Ohio	Government	4	24,955	3.29%	1	27,961	4.12%
JPMorgan Chase & Co	Finance	5	18,701	2.47%	3	15,800	2.33%
Nationwide	Finance	6	13,455	1.77%	4	11,373	1.68%
Nationwide Children's Hospital	Health Care	7	12,023	1.59%			0.00%
Kroger Co.	Retail	8	11,206	1.48%	10	5,215	0.77%
City of Columbus	Government	9	8,873	1.17%	8	8,149	1.20%
Mount Carmel Health System	Health Care	10	8,708	1.15%	9	5,523	0.81%
United States Government	Government				5	10,800	1.59%
Columbus Public Schools	Education				7	8,198	1.21%
Total Principal Employers			<u>182,631</u>	<u>24.08%</u>		<u>125,873</u>	<u>18.56%</u>
			Franklin County Employment	658,600		591,600	
			Delaware County Employment	99,900		86,700	

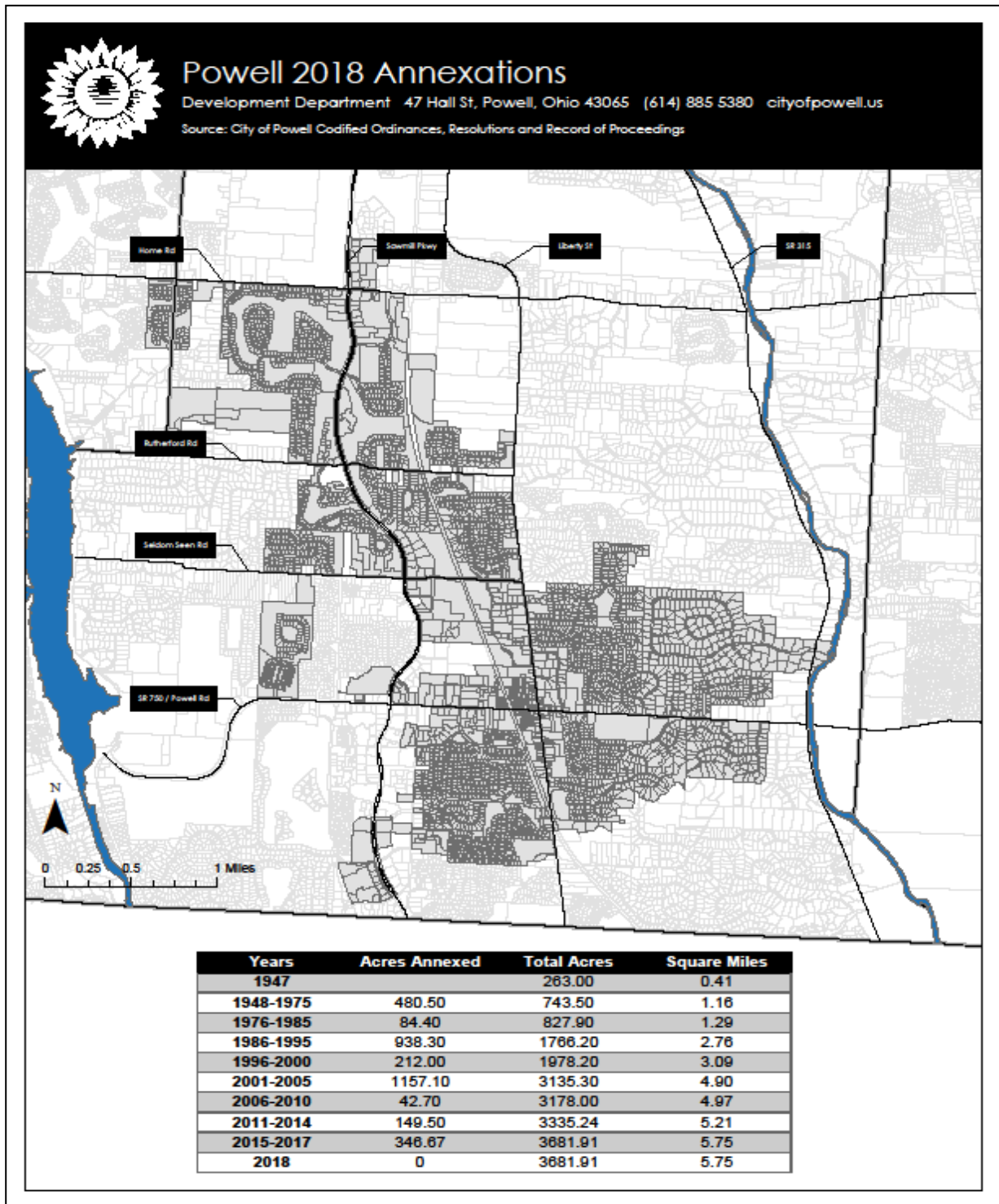
**Note:**

The City of Powell receives over 90% of its income tax revenue from individuals who work outside the City of Powell. Therefore, the City has reported the largest employers within Delaware and Franklin County where the majority of its residents work.

**Source:**

1. Franklin and Delaware County audited Financial Statements (most current available)
2. Business First, Columbus Metropolitan Book of Lists

### City of Powell, Ohio Growth in Land Area For Selected Years



Source: City Development Department

**City of Powell, Ohio**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<u>Public Safety</u>				
Traffic Citations	263	298	319	258
Arrests	153	96	101	121
Accidents	105	144	158	129
<u>Parks and Leisure</u>				
Programs offered	250	252	171	271
Program registrations	1,503	1,437	1,663	1,603
<u>Community Environment</u>				
<u>Building Dept.</u>				
Single-family building permits issued	32	34	45	50
Remodeling permits issued	28	30	49	24
Commercial building permits issued	167	184	214	238
<u>Development Dept.</u>				
Number of Planning & Zoning Projects Reviewed	11	16	14	11
Number of Board of Zoning Projects Reviewed	2	2	-	2
Number of Historical Downtown Projects Reviewed	4	5	3	6
<u>Engineering Dept.</u>				
Number of Engineering Plan Approvals	3	5	2	5
Number of Conditional Inspection Approvals	8	26	18	19
Number of Final Inspection Approvals	30	37	30	43
<u>Public Services</u>				
Snow accumulation per winter season (inches)	36.25	41.50	8.75	13.50
<u>General Government</u>				
<u>Community Affairs Dept.</u>				
Number of City sponsored events	10	13	-	-
<u>Finance Dept.</u>				
Vehicle registrations	10,076	11,209	11,462	11,826
Number of purchase orders issued	1,007	949	860	886
Finance Committee Meetings	12	11	10	10
<u>Council</u>				
Number of ordinances issued	41	55	29	41
Number of resolutions issued	20	17	23	24
Council meetings	20	26	22	22

Note:

(1) Beginning in 2011, no events were funded with taxpayer dollars, rather, donations were received by outside organizations to fund all city sponsored events. Beginning in 2015 the City took back Holidays in Powell; in 2016 the City took over Powell Festival

Sources:

1. Ohio Department of Public Safety, License Statistics report
2. City of Powell various departments

Table V

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
283	327	179	127	290	252
93	114	143	141	221	140
154	121	146	134	147	145
268	166	200	287	330	318
1,581	1,767	1,584	1,689	1,707	1,557
68	104	56	80	73	60
52	33	45	40	137	340
144	242	200	250	285	294
31	19	33	37	36	31
1	-	-	1	-	3
3	9	6	-	4	1
5	8	21	18	12	11
34	38	27	46	53	41
38	41	77	46	33	107
23.75	55.5	9.00	12.00	11.00	17.00
-	-	1	12	12	12
12,026	11,486	11,684	12,453	12,538	12,860
854	941	797	785	848	800
8	9	10	9	11	10
58	65	63	69	68	59
26	27	18	23	34	21
23	26	24	24	22	27

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**City of Powell, Ohio**  
**Capital Assets Statistics by Function**  
**Last Ten Years**

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	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Parks</b>				
Bike paths (feet) <sup>2</sup>	67,350	67,350	67,350	67,350
Buildings	1	1	1	1
Park Land (undeveloped)	3	4	4	4
Parks	9	9	9	9
<b>Public Service</b>				
Streets - Commercial (miles) <sup>2</sup>	22.30	22.30	22.30	22.30
Streets - Residential (miles) <sup>2</sup>	78.09	78.09	78.09	78.09
Vehicles	11	11	11	11
Building <sup>1</sup>	4.0	4.0	4.0	4.0
<b>Police</b>				
Vehicles	10	9	9	10
Police Station <sup>1</sup>	0.5	0.5	0.5	0.5
<b>Administration</b>				
Building <sup>1</sup>	0.5	0.5	0.5	0.5
<b>Building</b>				
Vehicles	0	0	0	0

Note:

1. Beginning in 2000, Public Service and Police shared the building because a building was purchased in 1997 and then renovated for the administration use.
2. The City implemented GASB Statement No. 34 in 2002 which required the tracking of capital assets therefore only the balance at the beginning of the 2002 is known for many of the previous years. When the actual number is actually available it has been reflected.
3. Administration utilized a building which was connected to an open garage. In 2007, the open garage section and exterior was renovated to include a new police facility.

Source:

1. City Finance Department

Table W

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
67,350	67,350	67,350	69,096	69,096	69,096
1	1	1	1	1	1
4	4	4	4	4	4
9	9	9	9	9	9
22.30	23.60	23.89	24.42	24.42	24.42
78.09	78.12	78.12	78.30	78.30	78.30
14	13	13	13	14	14
4.0	4.0	4.0	4.0	4.0	4.0
11	12	13	14	14	12
0.5	0.5	0.5	0.5	0.5	0.5
0.5	0.5	0.5	0.5	0.5	0.5
0	0	0	0	2	3



**City of Powell, Ohio**  
**Full-time Equivalent Employees by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>Full-time Equivalent Employees as of December 31</b>				
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Public Safety	20.0	20.0	20.0	19.0	19.0
Parks and Recreation					
Park Maintenance	7.0	7.0	7.0	7.0	7.0
Recreation Programs	3.5	3.5	3.5	3.5	3.5
Community Environment					
Building Dept.	5.0	5.0	3.0	3.5	3.5
Development Dept.	2.5	2.5	2.5	2.5	2.5
Engineering Dept.	3.0	3.0	3.0	3.0	3.0
Public Services	6.0	6.0	6.0	6.0	6.0
General Government					
Administration	2.0	2.0	2.0	2.0	2.0
Public Information*	1.0	1.0	1.0	0.0	1.0
Finance	3.0	3.0	3.0	3.0	3.0
Mayor/Council	1.5	1.5	1.0	1.0	1.0
<b>Total</b>	<b>54.5</b>	<b>54.5</b>	<b>52.0</b>	<b>50.5</b>	<b>51.5</b>

<b>Function</b>	<b>Full-time Equivalent Employees as of December 31</b>				
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Public Safety	20.0	20.0	21.0	21.0	21.0
Parks and Recreation					
Park Maintenance	7.0	7.0	7.0	7.0	7.0
Recreation Programs	3.5	3.5	3.5	3.5	3.5
Community Environment					
Building Dept.	5.0	5.0	5.0	5.0	5.0
Development Dept.	2.5	2.5	2.5	2.5	2.5
Engineering Dept.	3.0	3.0	3.0	3.0	3.0
Public Services	6.0	6.0	6.0	6.0	6.0
General Government					
Administration	2.0	2.0	2.0	2.0	2.0
Communications	1.0	1.0	1.0	1.0	1.0
Finance	3.0	3.0	3.0	3.0	3.0
Mayor/Council	1.0	2.0	2.0	2.0	2.0
<b>Total</b>	<b>54.0</b>	<b>55.0</b>	<b>56.0</b>	<b>56.0</b>	<b>56.0</b>

## Note:

All part-time and seasonal employees for the purposes of this chart are considered to be a 1/2 time employees.

## Source:

1. City of Powell Finance Department



**CITY OF POWELL  
DELAWARE COUNTY, OHIO**

*SUPPLEMENTAL REPORT*

FOR THE YEAR ENDED  
DECEMBER 31, 2018

**CITY OF POWELL  
DELAWARE COUNTY, OHIO**

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## **Julian & Grube, Inc.**

*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

### **Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards***

City of Powell  
Delaware County  
47 Hall Street  
Powell, Ohio 43065

To the Members of Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Powell, Delaware County, Ohio, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City of Powell's basic financial statements and have issued our report thereon dated March 28, 2019, wherein we noted as discussed in Note 18, the City of Powell adopted Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

#### ***Internal Control Over Financial Reporting***

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

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

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

City of Powell  
Delaware County  
Independent Auditor's Report on Internal Control over Financial Reporting and  
on Compliance and Other Matters Required by *Government Auditing Standards*  
Page Two

***Compliance and Other Matters***

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

***Purpose of this Report***

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc." The signature is written in dark ink and is positioned above the printed name of the firm.

Julian & Grube, Inc.  
March 28, 2019

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF POWELL**

**DELAWARE COUNTY**

### **CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MAY 9, 2019**