

2019 Comprehensive Annual Financial Report

Gahanna, Ohio




Gahanna

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City of Gahanna, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2019

Issued by the Department of Finance

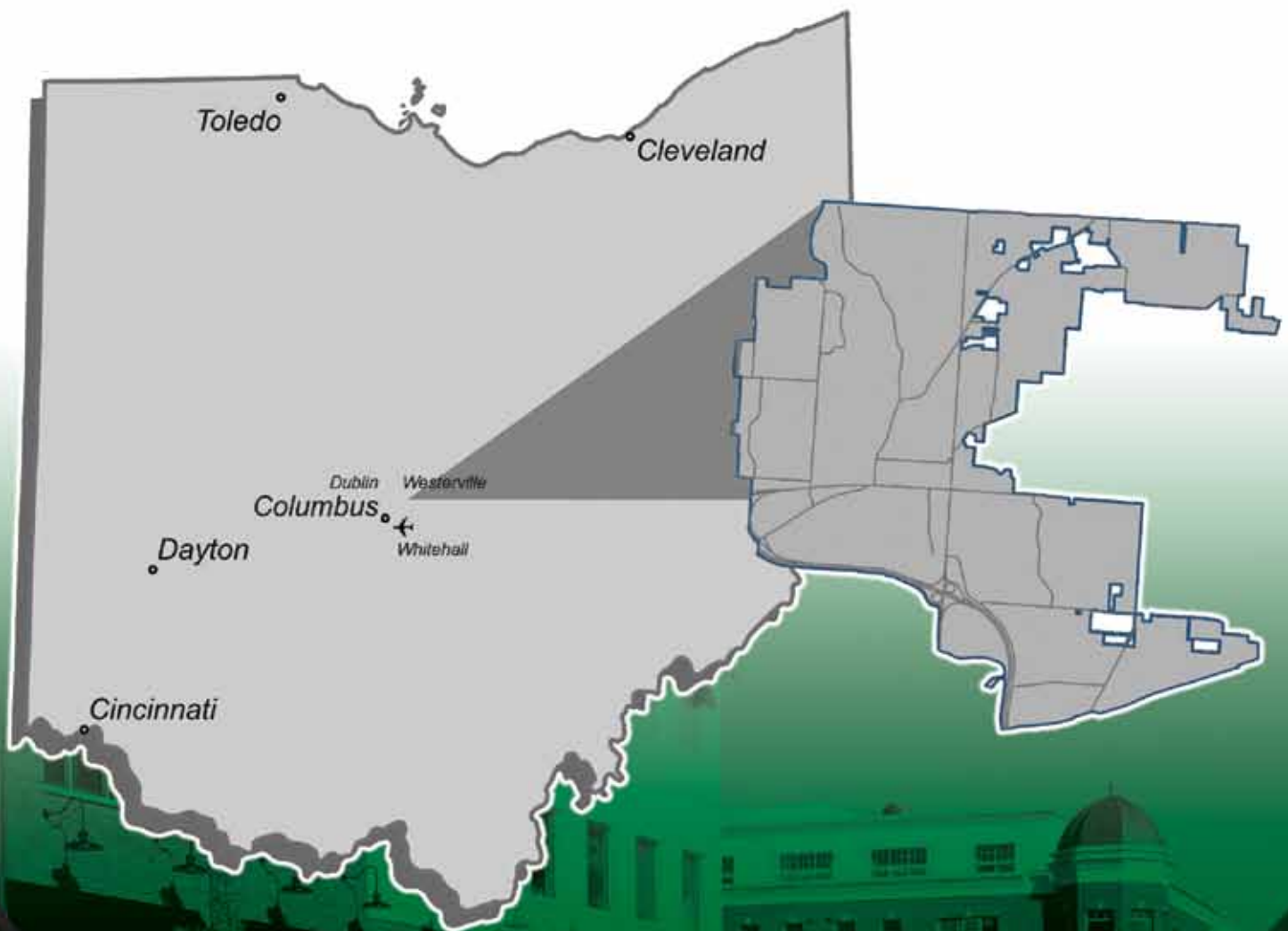
Joann Bury
Director of Finance



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Introductory SECTION



City Of Gahanna, Ohio

*Comprehensive Annual Financial Report
December 31, 2019*

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August 26, 2020

To the Citizens and Members of Council of the City of Gahanna:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Gahanna (the “City”). This CAFR, which includes an unmodified opinion from the Auditor of the State of Ohio, conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. The CAFR is intended to satisfy Ohio Administrative Code 117-2-03(B) which requires the City to report in accordance with GAAP, as well as, Ohio Revised Code 117.38 which requires local public offices to file their annual reports with the Auditor of State.

Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the City’s management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City’s financial activities have been included. To provide a reasonable basis for making these representations, management of the City has implemented a comprehensive internal control structure. Development of a comprehensive internal control structure does not provide absolute assurance that the financial statements are free of material misstatement due to the inherent limitations of internal controls, but does provide a reasonable assurance.

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

PROFILE OF THE CITY

The City is comprised of 12.6 square miles located within Franklin County in Central Ohio. Gahanna is approximately 8 miles from downtown Columbus, minutes away from John Glenn International Airport, and provides easy access to major highways within Central Ohio, including I-270, I-670, I-70, I-71 and US Route 62. Gahanna was founded in 1849 along the Big Walnut Creek by John Clark. Clark named his property the Gahanna Plantation, from which the City of Gahanna derives its name. The name “Gahanna” is derived from a Native American word for “three creeks joining into one” and is the former name of the Big Walnut Creek. The City of Gahanna’s official Seal refers to this confluence of three creeks with the inscription “Three In One”. In its early days, Gahanna maintained a considerable rivalry with the town of Bridgeport. Located directly across Granville Street from Gahanna and also along the banks of the Big Walnut Creek, Bridgeport was founded in 1853 by Jesse Baughman, a former Franklin County Commissioner. The two towns eventually put aside their differences and merged into one. They adopted the name Gahanna as there was already another town of Bridgeport in Ohio. In March 1881, 55 citizens of Gahanna petitioned Franklin County to incorporate the village, which was granted in June 1881 and recorded August 8th, 1881.

The City is a home rule municipal corporation established under the laws of the State of Ohio and operates under its own City Charter, its constitution. The City Charter can only be amended by a majority of the City's voters. The Charter provides for a Mayor-Council form of government. For 2019, the Mid-Ohio Regional Planning Commission estimated Gahanna's population to be 36,075.

The accompanying financial statements comply with the provisions of Governmental 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*, and GASB Statement No. 61 *The Financial Reporting Entity: Omnibus*. On this basis, the reporting entity of the City includes the following services to its citizens as authorized by its Charter: public safety, public service, street maintenance, parks and recreation, senior services, engineering and general administration. The City of Gahanna is also responsible for the construction, maintenance, and repairs associated with public utility infrastructure including the water and sewer lines and fiber optic cabling and conduit. The City purchases water and sewer treatment services from the City of Columbus. Council and the Mayor have direct responsibility for these activities. The City does not operate any schools and does not have any component units.

Legislative authority is vested in a seven member Council, four of which are elected from wards within the City and three elected at large for four-year terms. The at large terms are staggered from the ward terms. Council enacts ordinances and resolutions establishing administrative departments, City tax levies, the annual appropriation of available funding, authority to issue debt, compensation and benefits of City officials and employees, regulations for businesses and trade, and all other municipal purposes. The President of Council is the presiding officer for a one-year term elected by the members of Council. Council appoints the Clerk of Council and employs, at its discretion, other Council office employees.

The Mayor is the Chief Executive Officer and is elected by the Citizens of Gahanna for a four-year term. As the Chief Executive Officer, the Mayor is responsible for the general management of the City and ensuring all laws and ordinances are enforced. The Mayor appoints professional directors to the City's departments to administer the day-to-day operations of the City. The principal officials, who are appointed by and serve at the pleasure of the Mayor, are the Clerk of Court and Directors of Finance, Public Safety, Public Service, Human Resources, Information Technology, Parks & Recreation, and Planning & Development.

The City Attorney is elected by the Citizens of Gahanna for a four-year term and provides advice and legal representation to the City, elected and appointed officials, and employees in their official capacities. The City Attorney prosecutes or defends all suits for and on behalf of the City and serves as legal counsel for the various boards and commissions of the City.

The City has created, through its charter, five boards to assist and advise City Council and the Mayor on items pertaining to various functions of the City. These boards consist of the Planning Commission, Board of Zoning and Building Appeals, Civil Service Commission, Landscape Board and Parks and Recreation Board. Members are appointed by City Council and the Mayor.

BUDGETARY PROCESS

The annual budget of the City is a year-round process that concludes each December with the formal adoption of the City's appropriations effective, January 1 of the following year. The annual budget process begins with the Finance Department's development of the tax budget based on current revenue and expenditure estimates. The administration, which consists of the Mayor and Department Directors, review and provide input. Necessary changes are made by the Finance Department and the tax budget is then provided to Council for approval. Council approves the tax budget by motion resolution for submission to

the Franklin County Budget Commission by July 15th. The Franklin County Budget Commission uses the tax budget to substantiate the need to levy the full amount of authorized property taxes for the City and to certify the City's estimated resources. The City's appropriations are limited by the Budget Commission's Certification of Estimated Resources. As necessary, the City may request an amended Certificate of Estimated Resources from the Budget Commission.

After submission of the tax budget, the City begins developing the annual budget which serves as the foundation for the City's financial planning and control. From July through October, the Administration develops the annual budget through strategic planning, capital needs assessments, preparation of departmental operating budgets and budget work sessions. Once complete, the Administration provides the annual budget request to Council. From November to December, Council reviews the budget document, holds budget work sessions, and public hearings for citizen input to provide the Administration with final input on the budget. Once completed, Council submits their input to the Finance Department to make necessary changes to the budget and produce the annual appropriation ordinance. On or before December 31, Council passes an ordinance approving the adoption of the City's appropriations for the following year in accordance with Ohio Revised Code 5705. The appropriation ordinance sets forth the City's authority to spend resources at the fund, department, function, and object levels for all funds. As necessary, the City may amend or supplement the appropriation ordinance by Council action within the limits of the Certificate of Estimated Resources. City Council has passed legislation to allow the Finance Director to transfer appropriations between object levels within the same department, function and fund up to \$3,000. Transfers in excess of \$3,000 require Council approval.

LOCAL ECONOMY

The City has professional services, healthcare, retail trade, and food service and accommodations as the top four industries. The unemployment rate for 2019 was 3.1% which is lower than the national average of 3.7% and state average of 4.1%. The median household income for the City is \$84,429 compared to the national median of \$60,293 and state median of \$54,553.

As part of the City's GoForward Gahanna strategic plan adopted April 2016, there are four strategic results intended to support business and spur job development: create a livable, walkable downtown district characterized by arts, culture, retail and entertainment; create 2,750 well-paying jobs in southeast and southwest Gahanna targeting finance and insurance, education and health, professional and business services and manufacturing; develop jobs at a wage level and density that is greater than or equal to the 2015 average; create an updated unified development plan for the City. The status of the GoForward Gahanna strategic plan is located in the statistical section of this report.

The City will continue to use a proactive development strategy that combines successful public-private partnerships with a robust complement of development incentives to expand its employment base and retain existing businesses to meet the job growth and wage and density results. The City uses a mix of incentives and abatements to attract new businesses, as well as encourage existing businesses to grow. The incentives consist of Community Reinvestment Areas (CRA), which provide real property tax abatements to new or expanding facilities within the identified CRA; Tax Increment Financing (TIF) districts, which redirect and segregate increased property tax revenue that would normally flow to the General Fund for infrastructure and other improvements within the TIF District; Office and Industrial Incentive (O&I) program, which reimburses a negotiated percentage of income tax payments made by the business based on annual salary, project investment and jobs created and retained within the City; and investment in fiber optic connectivity, which allows businesses to access multiple internet service providers at below market cost reducing their cost of doing business in Gahanna.

During 2019, the City adopted a new land use plan to envision future land use patterns and design a long-term guide for future development. The plan was developed with a steering committee and a number of consultants to determine what the current land uses are, take an inventory of housing, obtain citizen feedback and conduct a mobility analysis. Based on the results of these activities, the land use plan was updated to provide assurance that future land use patterns position the City to be a thriving community in the Central Ohio region.

A major project to develop 17 acres within the City's Central Park District was also accomplished in 2019. TREVI constructed a new 262,000 square foot warehouse facility with a capital investment of over \$16 million dollars and the addition of at least forty new employees with estimated payroll in excess of \$1.2 million. The warehouse is currently at 100% occupancy.

LONG-TERM FINANCIAL PLANNING

Since 2010, when the City formulated a Citizens Financial Advisory Committee, Council and the Administration have been aware that revenue growth was not keeping pace with expenditures. One of the many reasons was a lack of funding dedicated for capital maintenance and improvements. It was the recommendation of the Committee to increase the income tax rate to maintain services and capital infrastructure at an appropriate level. The City placed an income tax initiative on the ballot twice in 2013 to increase the income tax rate from 1.5% to 2.5% and increase the credit from 83.33% to 100%, both failed. In 2018, the City again tried to increase the income tax rate and credit and added the requirement to use 75% of the 1% increased for capital improvements and maintenance. This initiative also failed.

Since 2013, the City has been spending down General Fund unreserved fund balance for capital improvements and has reduced capital maintenance included in the SOM to maintain the model. Finally, in May 2019 an increase to the income tax rate was approved by the voters. The voters overwhelmingly approved a 1% increase with 75% to be used for capital improvements and maintenance and 25% to be used for the operations of public safety, parks and recreation and public service. The voters also approved the increase to the credit for paying income tax to another local government from 83.33% to 100% credit.

The City prepared and updated the following items to identify the level of funding available for operations and services and to maintain its assets and infrastructure for 2020:

- Five Year Capital Needs Assessment – Outlines all capital projects identified by the administration to maintain, replace or add to existing assets and infrastructure. The projects are defined and prioritized to allow the Administration and Council to determine those projects that will be incorporated into the City's annual budget. Projects not selected for the next annual budget are re-evaluated and prioritized the following year or possibly removed if no longer considered necessary or feasible.
- Sustainable Operating Model (SOM) – A five-year operating budget built upon two key components; (1) the City will maintain its existing core infrastructure and assets at a professionally appropriate level; (2) ongoing operating costs will be funded with ongoing revenue sources. One-time windfalls, accumulated savings and short-term cost-cutting measures will not be used to balance the City's operating budget.
- The budget document – Incorporates the SOM and the Administration's recommendation on the use of excess reserves for capital improvements. The budget document is submitted to Council for discussion and public input.
- The appropriation ordinance – Final Council approved budget for the year derived from the budget document as amended by Council.

2020 has brought about many changes and challenges. A newly elected Mayor took office in January and shortly thereafter the COVID-19 pandemic swept the nation. The economic devastation is unknown at this time including when a possible recovery may begin. There are so many uncertainties surrounding the pandemic and the potential impact on the City's financials that four different models were developed to project what future revenue shortfalls may be experienced. The models were based on the likelihood of a re-occurrence and whether the re-occurrence would require the closure of surrounding businesses. The various scenarios show five year revenue losses of 10% to 30% per year and between 19% and 85% over a five-year period. In light of anticipated revenue losses the City's Administration took action to make reductions to the 2020 operating budget and will continue to evaluate and modify operations in response to the pandemic.

New leadership and economic uncertainties will require the City to re-visit the GoForward Gahanna strategic plan to determine if the goals and results are still relevant. However, the resources and time required to refresh the plan appropriately will not be possible before the 2021 budget is completed. The City will look to a facilitated plan for 2021 which may or may not include accomplishing results in GoForward Gahanna but will begin the process of re-aligning the City's strategic plan with current conditions.

RELEVANT FINANCIAL POLICIES

During 2012, the City issued its first debt policy. The policy sets forth the purposes for which debt will be issued, type of debt allowed, duration of the obligation and sources to be used for repayment. The City issued debt on an infrequent basis in the past and followed no formal policy. Under the current economic conditions, it is possible the City will issue debt more frequently, mainly to fund necessary capital projects. The administration and Council took the necessary measures to ensure there was an adequate policy in place to avoid the issuance of debt for a purpose, amount or time period that was not in conformity with the City's mission and vision.

During 2013, the City reviewed and updated its investment policy. The investment policy was originally passed by Council in 1998. The amended policy provides for a more diversified portfolio by approving investment types not previously allowed under the original policy, such as, investment in State of Ohio bonds and other obligations, bonds and obligations of political subdivisions of the State of Ohio and corporate bonds. Allowing for a more diversified investment policy not only reduces risk associated with over-investing in specific issuers but also lends the potential to increase investment earnings with more options from which to select.

During 2014, the City finalized its emergency reserve policy. As part of this process, the administration and Council set the reserve amount and how it is calculated, what the emergency reserve may or may not be used for, action required to spend from the reserve and how it will be replenished. This was a critical component to the strategic planning process. Before decisions could be made regarding the use of surplus balances, the amount that must remain intact for emergency costs had to be clearly defined and set-aside.

During 2015, the City reviewed and updated the capital asset policy and credit card policy. The capital asset policy defines what a capital asset is and identifies procedures to ensure the accurate reporting of these assets. The credit card policy re-vamped the entire purchasing card program for the City to make it more efficient. Some changes that have created a more efficient program were eliminating the need for card holders to check purchasing cards in and out of the Finance Department and creating an online account reconciliation process.

During 2016, the City implemented a virtual credit card purchasing program that allows vendors to receive payments for goods or services via credit card. The program allows vendors to receive payment more efficiently as well as maximize credit card rebates received by the City for using the program.

Two out of three phases for the new accounting system went live in 2019. This resulted in a new chart of accounts and implementation of a decentralized paperless accounts payable process. This has resulted in a number of efficiencies as employees are no longer making daily or weekly trips to the Finance Department to drop off invoices to be paid, purchase orders are no longer being printed, and approval is all being done electronically with workflow rather than physically signing a document. The Finance Department was able to eliminate three large filing cabinets and streamline the credit card reconciliation process.

MAJOR INITIATIVES

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual report for the year ended December 31, 2018. In order to be awarded the Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual report in accordance with generally accepted accounting principles and all applicable legal requirements. The Certificate of Achievement is valid for a one year period. The City will submit this current comprehensive annual financial report to the GFOA to be considered for another Certificate of Achievement.

The City prepares a comprehensive budget document for all funds to aid the administration and Council in developing a strategy for the City's future. The City was awarded the Distinguished Budget Presentation Award from the GFOA for its 2019 budget document. In order to receive this award the City must submit its comprehensive budget document to the GFOA where it is judged by three reviewers for 27 specific criteria. The City has submitted the 2020 budget document to the GFOA to be considered for the Distinguished Budget Presentation Award.

Looking beyond 2019 and the uncertainties surrounding the economic fallout from COVID-19, the City will need to re-evaluate the path forward while keeping the vision and mission of the City in the forefront. The City's vision is to be an innovative model community that values its rich heritage, pursues high standards, and promotes respect among its citizens. It is the mission of the City to ensure an exceptional quality of life for its residents and business community by providing comprehensive services, financial stability, and well-planned development which preserves the natural environment, and to continue to be responsive, accessible, and accountable to our diverse and growing community of citizens.

ACKNOWLEDGEMENTS

The Finance Department prepared this Comprehensive Annual Financial Report with the efficient and dedicated services of its entire staff. We wish to express our appreciation to everyone who contributed to its preparation, particularly Ms. Joann Bury, Director of Finance, who oversees all aspects of the CAFR process for the City. Copies of the Comprehensive Annual Financial Report are on file at City Hall for use by the general public as well as the City's website www.gahanna.gov

Respectfully submitted,



Joann Bury
Director of Finance



Laurie A. Jadwin
Mayor



Government Finance Officers Association

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

Presented to

**City of Gahanna
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrell

Executive Director/CEO

**City of Gahanna
Elected Officials and Administrative Staff
As of December 31, 2019**

ELECTED OFFICIALS

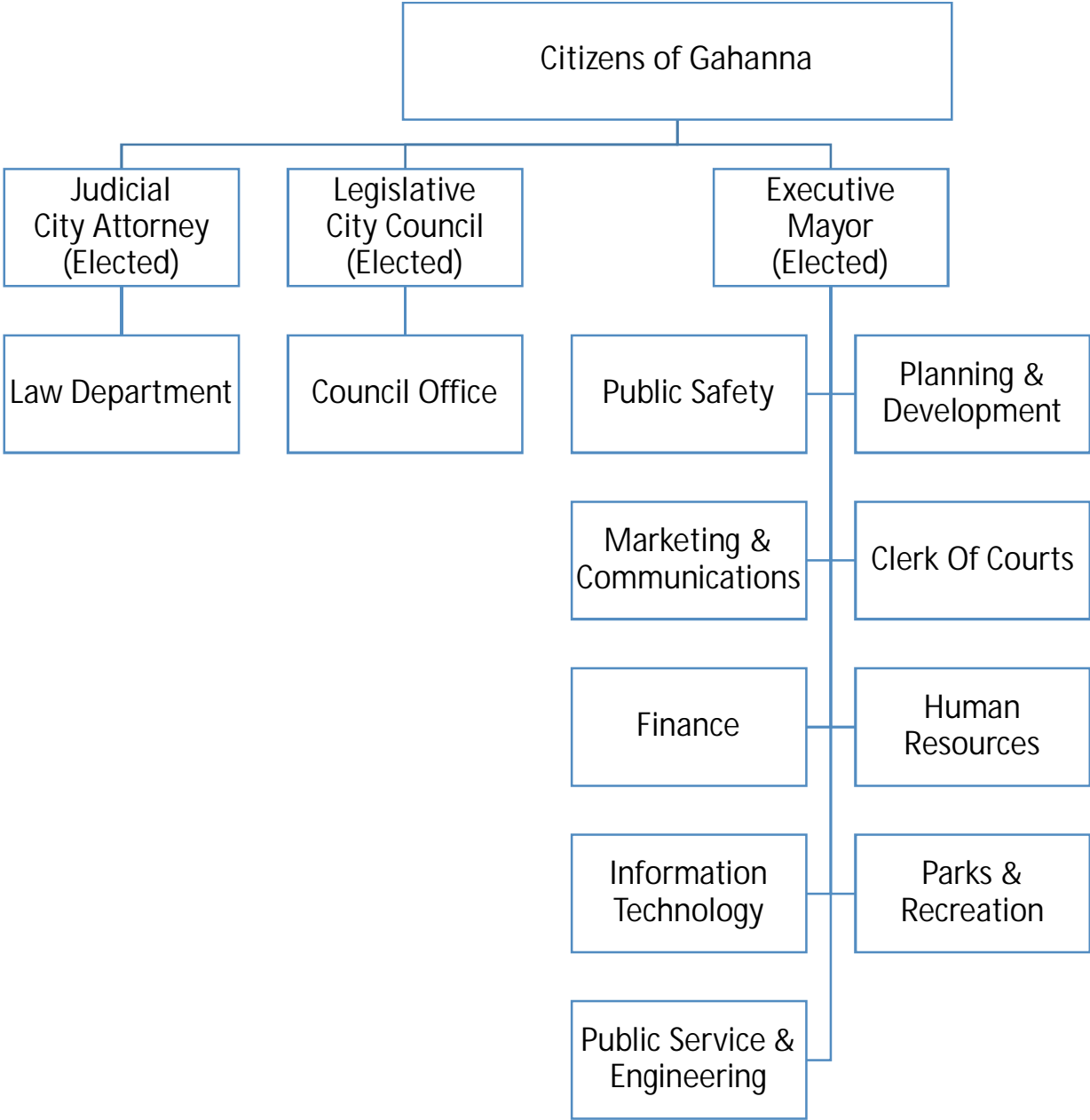
Thomas R. Kneeland	Mayor
Stephen A. Renner	Council President
Brian Larick	Council Vice President
Karen J. Angelou	Council Member
Michael Schnetzer	Council Member
Nancy McGregor	Council Member
Jamie Leeseberg	Council Member
Brian Metzbower	Council Member
Shane Ewald	City Attorney

ADMINISTRATIVE STAFF

Joann Bury	Director of Finance
Grant Crawford	Director of Public Service & Engineering
Jeff Spence	Chief of Police
Miranda Vollmer	Director of Human Resources
Vacant	Director of Planning & Development
Craig Main	Director of Information Technology
Jeff Barr	Director of Parks & Recreation
Amanda Parker	Clerk of Courts
April Beggerow	Clerk of Council
Mark Thomas	Director of Public Safety

City of Gahanna, Ohio

Organization Chart



The background of the entire image is a blue-tinted photograph. At the top, there is a 3D bar chart with several bars of varying heights. Below this, a green horizontal band contains the text 'Financial SECTION'. The bottom half of the image shows a close-up of a calculator and a pen resting on a document with printed numbers.

Financial

SECTION



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INDEPENDENT AUDITOR'S REPORT

City of Gahanna
Franklin County
200 South Hamilton Road
Gahanna, Ohio 43230

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gahanna, Franklin County, Ohio (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gahanna, Franklin County, Ohio, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Tax Increment Equivalent, Public Safety, Parks and Recreation and Public Service funds 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 23 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis*, *Schedules for infrastructure assets accounted for using the modified approach*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment 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'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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2020, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Keith Faber". The signature is fluid and cursive, with the first name "Keith" and last name "Faber" clearly distinguishable.

Keith Faber
Auditor of State

Columbus, Ohio

August 26, 2020

The Management's Discussion and Analysis of the City of Gahanna's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2019. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the Basic Financial Statements and the notes to the Basic Financial Statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2019 are as follows:

- The Statement of Net Position, reported on an accrual basis of accounting, reports an increase of total net position of the City of \$14,606,062 or 8% from 2018. Net position of Governmental Activities increased \$14,898,090 or 12% from 2018 and net position of Business-type Activities decreased \$292,028 or .44% from 2018.
- The Statement of Activities, reported on an accrual basis of accounting, reports general revenues and transfers of \$34,200,527 or 82% of total Governmental Activities revenues and transfers. Program specific revenues accounted for \$7,439,137 or 18% of total Governmental Activities revenue.
- The Statement of Activities reports \$26,741,574 in expenses related to Governmental Activities; \$7,439,137 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the Governmental Activities, \$19,302,437, were offset by general revenues (primarily income taxes, property taxes and unrestricted grants and entitlements) of \$34,476,352.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reported on a modified accrual basis of accounting, reports General Fund revenues and other financing sources of \$33,631,319 in 2019. This represents an increase of \$6,596,441 or 24% from 2018. The expenditures, other financing uses and special item of the General Fund, which totaled \$35,418,292 in 2019, increased \$3,416,130 or 11% from 2018. The net decrease in fund balance for the General Fund was \$1,786,973 or 9%.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Tax Increment Equivalent Fund revenues of \$5,008,024 during 2019. The expenditures and other financing uses of the Tax Increment Equivalent Fund were \$2,603,810 during 2019. The net increase in fund balance for the Tax Increment Equivalent Fund was \$2,404,214 or 157%.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Public Safety Fund revenues of \$373,566 during 2019. The expenditures and other financing uses of the Public Safety Fund were \$249,389 during 2019. The net increase in fund balance for the Public Safety Fund was \$124,177. This is a new fund for 2019.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Parks & Recreation Fund revenues of \$500,869 during 2019. The expenditures of the Parks & Recreation Fund were \$353,633 during 2019. The net increase in fund balance for the Parks & Recreation Fund was \$147,236. This is a new fund for 2019.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Public Service Fund revenues of \$461,463 during 2019. The expenditures of the Public Service Fund were \$102,274 during 2019. The net increase in fund balance for the Public Service Fund was \$359,189. This is a new fund for 2019.

- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Capital Improvement Fund revenue and other financing sources of \$6,855,679 in 2019. The expenditures and other financing uses of the Capital Improvement Fund totaled \$3,273,614 in 2019. The net increase in fund balance for the Capital Improvement Fund was \$3,582,065 or 46%.
- The Statement of Net Position reports a decrease of \$295,778 in net position for 2019 for the Business-type Activities, which consist of the Water, Sewer, and Storm Water Enterprise Funds. The Sewer and Storm Water funds had a decrease of net position of \$191,230 and \$227,853 respectively. The Water fund net position increased \$123,305.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the City as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position located on page 22 and Statement of Activities located on page 23 provide information about the activities of the City as a whole presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund Financial Statements beginning on page 24 provide the next level of detail. For Governmental Funds, these statements tell how services were financed in the short-term, as well as, what remains for future spending. The Fund Financial Statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a number of funds used by the City to provide programs and activities, the Government-wide Statements view the City as a whole by looking at all financial transactions and asking the question, "How did we do financially during 2019?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in net position. The change in net position is important because it tells the reader whether the financial position of the City as a whole has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors could include the City's income and property tax base, current income and property tax laws, facility conditions and required community programs.

In the Statement of Net Position and the Statement of Activities, the City is divided into two distinct kinds of activities:

Governmental Activities - Most of the City's programs and services are reported here including police, street maintenance, capital improvements and general administration. These services are funded primarily by income and property taxes, intergovernmental revenues and other shared revenues.

Business-type Activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's Water, Sewer and Storm Water operations are reported here.

Reporting the City's Most Significant Funds

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.

Fund Financial Statements provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these Fund Financial Statements focus on the City's most significant funds. The analysis of the City's Major Governmental and Proprietary Funds begins on page 12.

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 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.

Because the focus of the 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, the reader 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 reconciliations are located on pages 25 and 27.

The City maintains a number of individual Governmental Funds and has segregated them into two categories: major funds and non-major funds. The City's major Governmental Funds are the General Fund, Tax Increment Equivalent Fund (TIF), Public Safety Fund, Parks & Recreation Fund, Public Service Fund and Capital Improvement Fund. Information for major funds is presented separately in the Governmental Fund Balance Sheet and in the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances. Data from the Other Governmental Funds are combined into a single, aggregated presentation. The basic Governmental Fund Financial Statements can be found on pages 24-32 of this report.

Proprietary Funds

The City maintains two types of Proprietary Funds. The first type of Proprietary Funds is the Enterprise Funds used to report the same functions presented as Business-type Activities in the Government-wide Financial Statements. The City uses Enterprise Funds to account for its Water, Sewer and Storm Water management functions. These three funds are also all major Enterprise Funds. The second type of Proprietary Fund is the Internal Service Fund used by the City to accumulate and allocate workers compensation insurance costs internally among the City's various funds. The basic Proprietary Fund Financial Statements can be found on pages 33-35 of this report.

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Fiduciary Funds

Fiduciary Funds are used to account for resources held for the benefit of parties outside the City. Fiduciary Funds are not reflected in the Government-wide Financial Statements because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds. Agency Funds are the City's only Fiduciary Fund Type. The basic Fiduciary Fund Financial Statement can be found on page 36 of this report.

Notes to the Basic Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. These notes to the Basic Financial Statements can be found on pages 37-87 of this report.

Government-Wide Financial Analysis

The Statement of Net Position provides the perspective of the City as a whole. The table below provides a summary of the City's Net Position at December 31, 2019 and December 31, 2018.

	Governmental Activities 2019	Governmental Activities 2018	Business-type Activities 2019	Business-type Activities 2018	2019 Total	2018 Total
<u>Assets</u>						
Current and Other Assets	\$ 51,544,947	\$ 48,023,993	\$ 28,113,667	\$ 23,748,140	\$ 79,658,614	\$ 71,772,133
Capital Assets, Net	143,542,312	143,572,607	47,588,520	48,888,572	191,130,832	192,461,179
Total assets	195,087,259	191,596,600	75,702,187	72,636,712	270,789,446	264,233,312
Deferred Outflows of Resources	12,488,069	8,635,914	858,732	485,643	13,346,801	9,121,557
<u>Liabilities</u>						
Current and Other Liabilities	1,365,254	10,638,094	6,281,731	3,217,499	7,646,985	13,855,593
Long-term Liabilities	64,900,527	60,479,338	4,657,264	3,705,707	69,557,791	64,185,045
Total Liabilities	66,265,781	71,117,432	10,938,995	6,923,206	77,204,776	78,040,638
Deferred Inflows of Resources	5,649,472	8,353,097	28,982	314,179	5,678,454	8,667,276
<u>Net Position</u>						
Net Investment in						
Capital Assets	126,855,948	125,624,241	46,108,404	47,223,759	172,964,352	172,848,000
Restricted	23,071,469	7,929,376	-	-	23,071,469	7,929,376
Unrestricted	(14,267,342)	(12,791,632)	19,484,538	18,661,211	5,217,196	5,869,579
Total Net Position	\$ 135,660,075	\$ 120,761,985	\$ 65,592,942	\$ 65,884,970	\$ 201,253,017	\$ 186,646,955

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2019, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$201,253,017. At year-end, net position was \$135,660,075 and \$65,592,942 for the Governmental Activities and the Business-type Activities, respectively.

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Capital assets reported on the Government-wide Statements represent the largest portion of the City's assets. At year-end, capital assets represented 71% of total assets. Capital assets include land and land improvements, right of ways, easements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure and construction in progress. Net investment in capital assets at December 31, 2019 was \$126,855,948 and \$46,108,404 in the Governmental Activities and Business-type Activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities. As of December 31, 2019, the City is reporting a negative unrestricted net position in Governmental Activities. GASB 75, Accounting and Reporting for Postemployment Benefits Other than Pensions and GASB 68, Accounting and Reporting for Pensions, are the cause of the negative unrestricted net position.

GASB 68 and GASB 75 requires the City to report a proportionate share of each of the retirement plans net pension and other postemployment benefits (OPEB) liabilities. According to GASB, these obligations whether funded or unfunded are part of the "employment exchange" or the employee is trading his or her labor in exchange for wages, benefits, and the promise of future pension and OPEB benefits. GASB noted that the unfunded portion of these obligations 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 receive the benefit of the exchange.

The net pension and OPEB liabilities and related deferred inflows/outflows reported on the Government-wide Statements represents the City's proportionate share of each state retirement plan's collective present value of estimated future pension and OPEB benefits attributable to active and inactive employees' past service, less plan assets available to pay these benefits. Pension and OPEB expense represents the City's proportionate share of each state retirement plan's change in net pension and OPEB liabilities not accounted for as deferred inflows/outflows.

The OPEB is not a guarantee for the employee as the retirement system is not mandated by law or otherwise required to provide these benefits. In addition, the City has no control over any aspects of the liability. It is solely at the discretion of the retirement system to fund these benefits should employer contributions, investment returns and other adjustments be insufficient to continue providing these benefits. The same as GASB 68, there is also no set repayment schedule for these liabilities like most other long-term liabilities. Because of the unique nature of these liabilities they are separately identified within the long-term liability section of the statement of net position.

A portion of the City's net position, \$23,071,469 represents resources that are subject to external restriction on how they may be used. In the Governmental Activities, the remaining balance of unrestricted net position reflects a negative balance of \$14,267,342 which means ongoing obligations to citizens and creditors have exceeded available assets to satisfy them. The most noticeable impact creating the negative net position is GASB 75, Accounting and Reporting for Postemployment Benefits Other than Pensions, and GASB 68, Accounting and Reporting for Pensions as noted above. As of December 31, 2019 the City's proportionate share of the retirement systems net pension liability and OPEB liability were \$30,865,542 and \$8,514,707 respectively for a total of \$39,380,249. If these liabilities were not taken into consideration the City would have a positive unrestricted net position of \$25,112,907.

Significant changes identified in the Governmental Activities and Business-type Activities are explained on the following pages.

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The table below shows the changes in net position for 2019 and 2018.

	Change in Net Position					
	Governmental Activities 2019	Governmental Activities 2018	Business-type Activities 2019	Business-type Activities 2018	2019 Total	2018 Total
Revenues						
Program revenues						
Charges for Services	\$ 4,276,561	\$ 3,790,691	\$ 17,397,686	\$ 17,059,760	\$ 21,674,247	\$ 20,850,451
Operating Grants & Contributions	2,725,593	3,103,952	-	-	2,725,593	3,103,952
Capital Grants & Contributions	436,983	1,409,867	-	-	436,983	1,409,867
Total Program Revenues	<u>7,439,137</u>	<u>8,304,510</u>	<u>17,397,686</u>	<u>17,059,760</u>	<u>24,836,823</u>	<u>25,364,270</u>
General Revenues						
Income Taxes	23,410,081	18,970,807	-	-	23,410,081	18,970,807
Property Taxes	2,161,798	2,261,180	-	-	2,161,798	2,261,180
Revenue in Lieu of Taxes	4,804,135	1,916,198	-	-	4,804,135	1,916,198
Other Local Taxes	506,776	473,781	-	-	506,776	473,781
Unrestricted Grants & Entitlements	1,051,023	1,041,408	-	-	1,051,023	1,041,408
Investment Earnings	1,544,810	996,027	-	-	1,544,810	996,027
Miscellaneous	997,729	322,352	-	-	997,729	322,352
Total General Revenues	<u>34,476,352</u>	<u>25,981,753</u>	<u>-</u>	<u>-</u>	<u>34,476,352</u>	<u>25,981,753</u>
Total Revenues	<u>41,915,489</u>	<u>34,286,263</u>	<u>17,397,686</u>	<u>17,059,760</u>	<u>59,313,175</u>	<u>51,346,023</u>
Expenses						
General Government	5,871,786	14,295,931	-	-	5,871,786	14,295,931
Security of Persons & Property	3,994,063	13,035,548	-	-	3,994,063	13,035,548
Public Health & Welfare	-	298,349	-	-	-	298,349
Transportation	6,053,641	5,765,457	-	-	6,053,641	5,765,457
Community Environment	4,404,236	4,288,946	-	-	4,404,236	4,288,946
Leisure Time Activity	5,902,003	5,904,219	-	-	5,902,003	5,904,219
Utility Services	-	376,175	-	-	-	376,175
Interest & Fiscal Charges	515,845	595,699	-	-	515,845	595,699
Water	-	-	8,423,328	8,474,764	8,423,328	8,474,764
Sewer	-	-	8,202,211	7,920,400	8,202,211	7,920,400
Storm Water	-	-	1,340,000	1,121,788	1,340,000	1,121,788
Total Expenses	<u>26,741,574</u>	<u>44,560,324</u>	<u>17,965,539</u>	<u>17,516,952</u>	<u>44,707,113</u>	<u>62,077,276</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before						
Transfers	15,173,915	(10,274,061)	(567,853)	(457,192)	14,606,062	(10,731,253)
Transfers	(275,825)	(346,890)	275,825	346,890	-	-
Change in Net Position	14,898,090	(10,620,951)	(292,028)	(110,302)	14,606,062	(10,731,253)
Net Position Beginning of Year (Restated)	120,761,985	131,382,936	65,884,970	65,995,272	186,646,955	197,378,208
Net Position End of Year	<u>\$ 135,660,075</u>	<u>\$ 120,761,985</u>	<u>\$ 65,592,942</u>	<u>\$ 65,884,970</u>	<u>\$ 201,253,017</u>	<u>\$ 186,646,955</u>

Governmental Activities

The Statement of Activities presents expenses, program revenues, general revenues and changes in net position with expenses categorized as the core functions and activities of the City. Below are the most significant items reported on the Statement of Activities for Governmental Activities.

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Net position of Governmental Activities increased \$14,898,090 in 2019. This is the result of the settlement payment for the claims and judgements liability reported in 2018 and a significant reduction to the OPEB liability for OP&F (Ohio Police & Fire Pension Fund). As discussed previously OPEB is not guaranteed under either of the pension systems for City employees. The OP&F Board of Trustees made significant changes to healthcare beginning January 1, 2019 and the self-insured health care plan will no longer be offered. In its place will be a stipend based health care model significantly reducing the systems OPEB liability. Refer to the Notes to the Basic Financial Statements, Note 10 for full details.

General government expense, which includes all general administrative and legislative operations, totaled \$5,871,786 or 22% of total governmental expenses. The large decrease from 2018 is directly related to payment of the claims and judgements liability reported in 2018 in the amount of \$9.1million. General government expenses were partially funded by \$1,435,869 in direct charges to users of the services.

Security of persons and property expenses, which primarily supports the operations of the police department, accounted for \$3,994,063 or 15% of the total governmental expenses of the City. The large decrease is the result of the OP&F healthcare changes discussed previously. These expenses were partially funded by \$330,215 in direct charges to users of the services and \$111,633 in operating grants and contributions.

Transportation expenses which primarily includes street maintenance and improvement programs, accounted for \$6,053,641 or 23% of total governmental expenses of the City. These expenses were partially funded by \$70,476 in direct charges to users of the services, \$2,613,460 in operating grants and contributions, and \$293,428 in capital grants and contributions.

Leisure time activity expenses, which primarily support parks and recreation programs and facilities, accounted for \$5,902,003 or 22% of the total governmental expenses of the City. These expenses were partially funded by \$1,635,833 in direct charges to users of the services, \$500 in operating grants and contributions and \$143,555 in capital grants and contributions.

Community environment expenses, which primarily support economic development programs, accounted for \$4,404,236 or 16% of the total governmental expenses of the City. These expenses were partially funded by \$804,168 in direct charges to users of the services.

Program revenues, which consist of operating grants and contributions and capital grants and contributions, include state and federal government contributions or grants to the City totaling \$2,725,593 in operating grants and contributions and \$436,983 in capital grants and contributions. These revenues are restricted to particular programs or purposes based on the legal requirements of the grantor. 92% of the operating and capital grants or \$2,906,888, subsidized transportation programs.

General revenues and transfers totaled \$34,200,257, and amounted to 82% of total governmental revenues. The City's income tax is the primary source of general revenues totaling \$23,410,081 or 68% of general governmental revenues. Other local taxes (including property, revenue in lieu of, and other local taxes) are the other primary sources of general governmental revenues totaling \$7,472,709.

General revenues increased from 2018 to 2019 by \$8,494,599 or 33%. Income tax revenues were up \$4,439,274 or 23% compared to 2018 resulting from a successful income tax reform voted on by the residents in May of 2019 with an effective date of July 1, 2019. The income tax reform increased the rate from 1.5% to 2.5% and changed the credit structure for paying to another local government from a reduced credit of 83.33% to 100% credit. The ballot language passed by the voters requires 75% of the 1% increase to be used for capital improvements and maintenance and the remaining 25% of the 1% increase to be used for operations of public safety, parks and recreation and public service. Revenue in lieu of taxes increased by \$2,887,937 or 151% this was the result of a number of parcels finally being approved for tax

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exemption going back for up to five years. The service payments associated with previous years represents the majority of the increase. Miscellaneous revenue increased \$675,377 or 210% resulting from a one-time payment in 2019 from the County for prior years property tax payments on City property that should have been exempted.

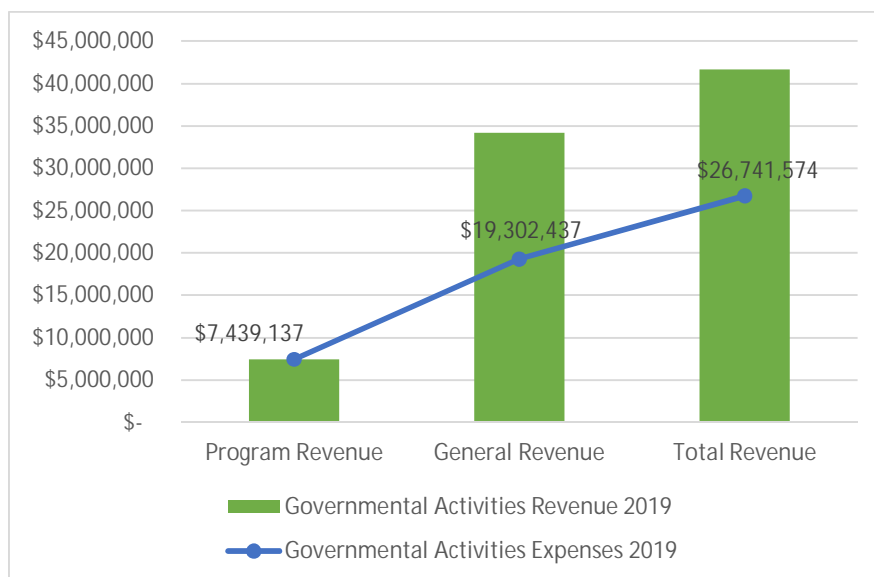
Program revenues decreased \$865,373 or 10% mainly due to a decrease in grant awards related to the completion of the Hamilton Road Central widening project, section 4 of the Big Walnut Trail and the addition of a new park on the west side of the City called Sunpoint Park. Sunpoint Park will have additional phases to completely build out the park and the Big Walnut Trail still has a large section, section 8, which will be constructed in the future. However, no grant funding was requested in 2019 for these projects as a start date for both has not been identified.

The Statement of Activities shows the cost of program services and the charges for services, grants and contributions offsetting those services. The following table shows, for Governmental Activities, the total cost of services and the net cost of services. That is, it identifies the portion of the cost of these services or 72% of the cost supported by general revenues.

	Governmental Activities		
			% of Cost
	Total Cost of	Net Cost of	Supported by
	Services	Services	General Revenue
	2019	2019	2019
Program Expenses:			
General Government	\$ 5,871,786	\$ 4,435,917	76%
Security of Persons & Property	3,994,063	3,552,215	89%
Transportation	6,053,641	3,076,277	51%
Community Environment	4,404,236	3,600,068	82%
Leisure Time Activity	5,902,003	4,122,115	70%
Interest & Fiscal Charges	515,845	515,845	100%
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 26,741,574</u>	<u>\$ 19,302,437</u>	<u>72%</u>

The graph below compares the program and general revenues of the City to total expenses to illustrate the City's dependence on general revenues.

Governmental Activities – Program and General Revenues vs. Expenses



Business-type Activities

Business-type Activities include the Water, Sewer and Storm Water Enterprise Funds. These programs have program revenues of \$17,397,686, general revenues and transfers of \$275,825 and expenses of \$17,965,539 for 2019. The Statement of Net Position for Business-type Activities reports \$75,702,187 of assets, \$858,732 of deferred outflows of resources, \$10,938,995 of liabilities, \$29,982 of deferred inflows of resources and \$65,592,942 of net position. Program revenues and expenditures increased slightly from 2018 by \$337,926 or 2% and \$451,588 or 3% respectively as a result of normal operations. Current liabilities nearly doubled as a result of a delay in payment of the Q3 invoice to the City of Columbus, the third quarter payment is typically made before year-end and not reported as a liability. This also caused cash and cash equivalents to be higher at year end when compared to 2018 explaining the 18% increase in current assets.

Financial Analysis of the Government'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 Fund Statements 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 balance may serve as a useful measure of the City's net resources available for spending at year-end.

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The City's Governmental Funds (as presented on the Balance Sheet on page 24 reported a combined fund balance of \$40,452,039 which is \$4,193,378 more than the 2018 total of \$36,258,661. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2019 for all major and non-major Governmental Funds.

	Fund Balances 12/31/19	Fund Balances 12/31/18	Increase (Decrease)
Major funds			
General	\$ 19,203,240	\$ 20,990,213	\$ (1,786,973)
Tax Increment Equivalent	3,934,534	1,530,320	2,404,214
Public Safety	124,177	-	124,177
Parks & Recreation	147,236	-	147,236
Public Service	359,189	-	359,189
Capital Improvement	11,390,859	7,808,794	3,582,065
Other Nonmajor Governmental Funds	5,292,804	5,929,334	(636,530)
Total	<u>\$ 40,452,039</u>	<u>\$ 36,258,661</u>	<u>\$ 4,193,378</u>

General Fund

The City's General fund balance decreased \$1,786,973 resulting from the payment of the settlement for the income tax lawsuit reported as a special item. The following tables assist in illustrating the revenues and expenditures of the General Fund in comparison to 2018.

	2019 Amount	2018 Amount	Percentage Change
General Fund Revenues			
Taxes	\$ 21,474,627	\$ 21,027,876	2.12 %
Charges for Services	1,438,095	1,731,663	(16.95) %
Licenses & Permits	677,182	1,275,579	(46.91) %
Fines & Fees	1,269,006	367,815	245.01 %
Intergovernmental	971,304	919,183	5.67 %
Investment Income	1,553,399	940,329	65.20 %
Other	1,017,098	375,411	170.93 %
Total	<u>\$ 28,400,711</u>	<u>\$ 26,637,856</u>	<u>6.62 %</u>

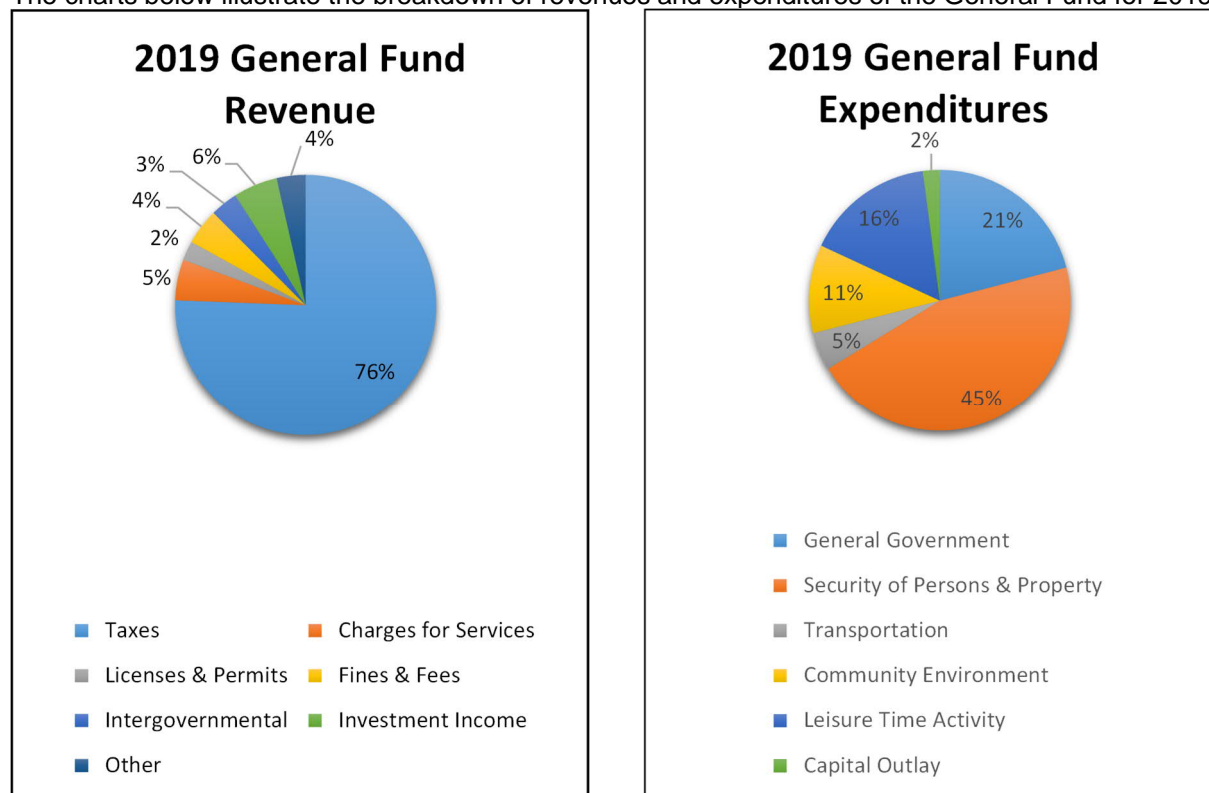
Tax revenue represents 76% of all General Fund revenue and increased by \$446,751 from 2018 to 2019 mainly due to an increase in income tax revenues. Total revenue increased by \$1,762,855 as a result of the increase in tax revenue along with increases in investment income and other revenue. The City changed accounting systems in 2019 which included a complete overhaul of the chart of accounts. This resulted in a classification change from Licenses, Permits & Fees to just Licenses & Permits and Fines & Forfeitures to Fines & Fees explaining the unusual fluctuations in these categories. Charges for Services decreased as a result of the new Parks & Recreation Fund. Camp and pool programming, previously accounted for in the General Fund, were moved to the new fund and these programs would be partially funded by a portion of the 1% income tax increase, as well as, charges for services for these programs.

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	2019 Amount	2018 Amount	Percentage Change
General Fund Expenditures			
General Government	\$ 4,553,277	\$ 4,107,281	10.86 %
Security of Persons & Property	9,865,979	9,423,016	4.70 %
Public Health & Welfare	-	298,349	(100.00) %
Transportation	1,025,561	1,082,208	(5.23) %
Community Environment	2,376,388	2,995,336	(20.66) %
Leisure Time Activity	3,480,741	4,489,365	(22.47) %
Utility Services	-	376,175	(100.00) %
Capital Outlay	454,156	984,152	(53.85) %
Total	\$ 21,756,102	\$ 23,755,882	(8.42) %

The decrease in expenditures is mainly related to leisure time activities and capital outlay. The change to leisure time activity is due to the movement of camp and pool programming to the new Parks & Recreation Fund as discussed above and large turnovers in staffing. Capital outlay decreased as less vehicles were due for replacement in 2019 compared to 2018 in addition to the completion of Hamilton Rd Central and Sunpoint Park. Public Health & Welfare and Utility Services were reclassified as part of implementing the new chart of accounts to the appropriate function based on which department was paying for these services. The majority ended up in General Government.

The charts below illustrate the breakdown of revenues and expenditures of the General Fund for 2019.



Tax Increment Equivalent Fund

The Tax Increment Equivalent Fund had \$5,008,024 in revenues during 2019, experiencing a 133% increase in revenue in lieu of taxes. As discussed previously there were a number of parcels that were granted exemption going back up to five years. The majority of the increase is related to service payments from previous years. Expenditures were \$1,539,013 increasing 154%. As more TIF Districts are established and begin producing, more improvements will be made within these Districts. Improvements that are allowable with TIF service payments are defined within the legislation establishing each TIF. Some of the major improvements for 2019 was the purchase of land in the Johnstown Rd TIF, property demolition in the Olde & West Gahanna TIF, and a rebuild of the Headley Park parking lot in the Manor Homes TIF. The net increase in fund balance was \$2,404,214 or 157%.

Public Safety Fund

The Public Safety Fund is a newly created fund for 2019 to demonstrate compliance with the income tax levy that passed in May of 2019 with an effective date of July 1, 2019. As discussed previously, the ballot language approved by the voters requires a portion of the 25% of the 1% increase to be used for public safety. For 2019, this was to partially fund the school resource officer program for the second half of the year. The program will also be partially funded by charges for services revenue received from the Gahanna Jefferson Schools. Each year the income tax revenue projection and public safety operational costs will be evaluated to determine if additional public safety programs or activities should be moved from the General Fund or if new programs or activities should be created. Because the 25% is to be used for public safety, parks & recreation and public service, the amount of income tax received by this fund will fluctuate from year to year based on projected operational costs from the appropriation ordinance passed by Council.

Parks & Recreation Fund

The Parks & Recreation Fund is a newly created fund for 2019 to demonstrate compliance with the income tax levy that passed in May of 2019 with an effective date of July 1, 2019. As discussed previously, the ballot language approved by the voters requires a portion of the 25% of the 1% increase to be used for parks & recreation. For 2019, this was to partially fund the camps and pool programming for the second half of the year. These programs are also partially funded by charges for services revenue received from participants. Each year the income tax revenue projection and parks & recreation operational costs will be evaluated to determine if additional parks & recreation programs or activities should be moved from the General Fund or if new programs or activities should be created. Because the 25% is to be used for public safety, parks & recreation and public service, the amount of income tax received by this fund will fluctuate from year to year based on projected operational costs from the appropriation ordinance passed by Council.

Public Service Fund

The Public Service Fund is a newly created fund for 2019 to demonstrate compliance with the income tax levy that passed in May of 2019 with an effective date of July 1, 2019. As discussed previously, the ballot language approved by the voters requires a portion of the 25% of the 1% increase to be used for public service. For 2019, this was to partially fund the City Engineer's office for the second half of the year. The program will also be partially funded by engineering fees received from developers and residents. Each year the income tax revenue projection and public service operational costs will be evaluated to determine if additional public service programs or activities should be moved from the General Fund or if new programs or activities should be created. Because the 25% is to be used for public safety, parks & recreation and public service, the amount of income tax received by this fund will fluctuate from year to year based on projected operational costs from the appropriation ordinance passed by Council.

Capital Improvement Fund

The Capital Improvement Fund had revenue and other financing sources of \$6,855,679 in 2019. This fund now receives income tax revenue based on the previously discussed income tax reform effective July 1, 2019 that required 75% of the 1% increase to be used for capital improvements and maintenance. In 2019, the fund received \$3,290,015 in income tax revenue. Because the income tax levy was not approved by the voters until May with a July 1 effective date there were no new revenue capital projects planned for 2019. The same as in the past, 2019 capital outlay was planned based on available General Fund balances transferred to the Capital Improvement Fund. Funding for 2020 projects would include any unencumbered balances carried forward from income tax collections in 2019. The expenditures of the Capital Improvement Fund totaled \$3,225,927 in 2019 a 19% decrease over 2018. Because of the uncertainty of funding from the income tax levy there was a planned reduction in capital maintenance programs in 2019. The net increase in fund balance for the Capital Improvement Fund was \$3,582,065 or 46%.

Budgeting Highlights – General Fund

The key components of the City's budgeting process are prescribed by the Ohio Revised Code (ORC) section 5705. The outcome of the budget process is the City's appropriation ordinance which is restricted by the amounts of anticipated revenues and other resources certified by the Budget Commission in accordance with the ORC. As necessary, appropriations are amended throughout the year but must remain within the Budget Commission's certificate of estimated resources. Requests to amend the certificate of estimated resources are submitted once certainty to additional resources are identified by the City.

In the General Fund, actual revenues and other financing sources exceeded budgeted revenues and other financing sources of \$34,776,157 by \$98,066. Actual expenditures, other financing uses and the special item were \$2,626,340 less than the final budgeted expenditures, other financing uses and special item of \$42,176,242. These variances are the result of the City's conservative budgeting. Budgeted revenues remained unchanged from the original to final budget. Other financing sources increased by \$5,077,950 due to the City issuing litigation bond anticipation notes to pay the income tax lawsuit settlement of \$9.1 million along with \$4.1 million set aside in a litigation reserve. Budgeted expenditures, other financing uses and the special item increased by \$9,083,083 as a result of the income tax lawsuit settlement reported as a special item on the statement.

Proprietary Funds

The City's Proprietary Funds provide the same type of information found in the Government-wide Financial Statements for Business-type Activities, except in more detail. The only difference between the amounts reported as Business-type Activities and the amounts reported in the Proprietary Fund Statements are interfund eliminations between Proprietary Funds and internal balances due to Business-type Activities for internal service transactions in the amount of \$51,907. On the Government-wide statements the only interfund activity reported is between the Governmental and Business-type Activities.

Capital Assets and Debt Administration

Capital Assets

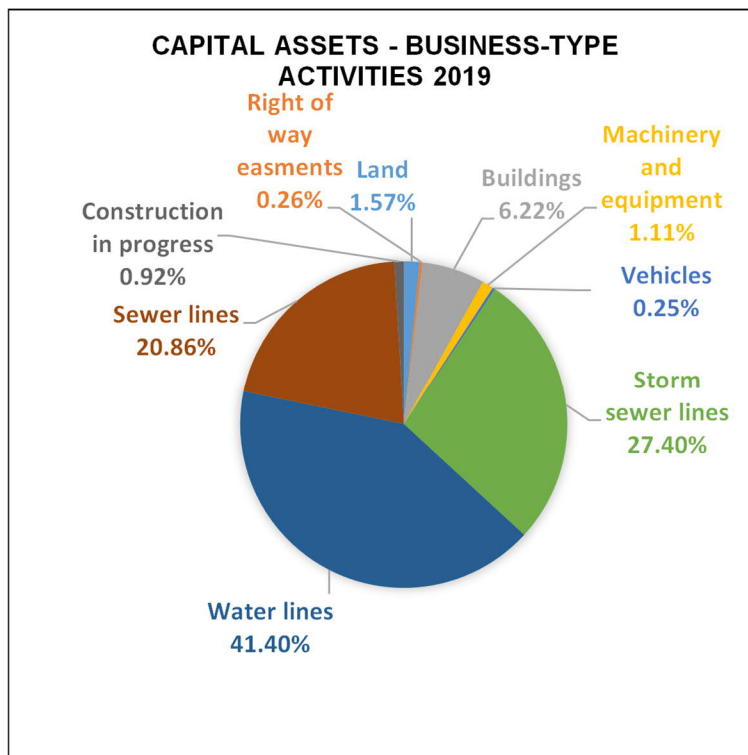
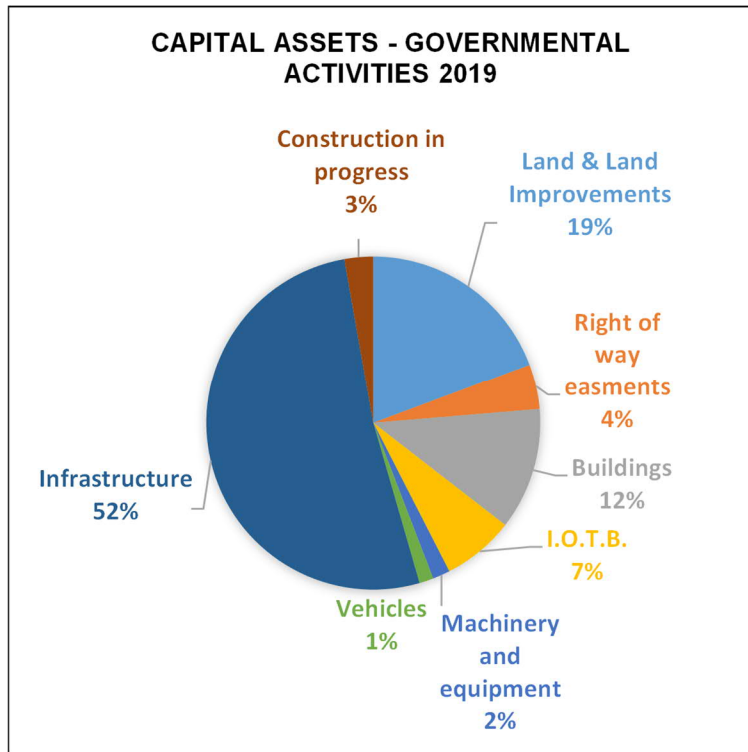
At the end of fiscal year 2019, the City had \$191,130,832 (net of accumulated depreciation) invested in land and land improvements, right of way easements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure and construction in progress (CIP). Of this total, \$143,542,312 was reported in Governmental Activities and \$47,588,520 was reported in Business-type Activities. The table on the following page shows fiscal 2019 balances compared to 2018:

City of Gahanna, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Capital Assets at December 31
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land & Land Improvements	\$ 27,688,754	\$ 27,538,887	\$ 749,024	\$ 749,024	\$ 28,437,778	\$ 28,287,911
Right of way easements	6,295,511	6,295,511	125,752	125,752	6,421,263	6,421,263
Buildings	16,983,894	17,445,860	2,959,900	3,040,129	19,943,794	20,485,989
I.O.T.B.	10,013,940	6,460,108	-	-	10,013,940	6,460,108
Machinery and equipment	2,417,148	2,483,440	530,423	592,205	2,947,571	3,075,645
Vehicles	1,964,860	1,978,438	119,885	117,485	2,084,745	2,095,923
Storm sewer lines	-	-	13,037,225	13,199,147	13,037,225	13,199,147
Water lines	-	-	19,703,633	20,280,048	19,703,633	20,280,048
Sewer lines	-	-	9,927,136	10,275,374	9,927,136	10,275,374
Infrastructure	74,211,632	73,442,200	-	-	74,211,632	73,442,200
Construction in progress	3,966,573	7,928,163	435,542	509,408	4,402,115	8,437,571
Totals	<u>\$ 143,542,312</u>	<u>\$ 143,572,607</u>	<u>\$ 47,588,520</u>	<u>\$ 48,888,572</u>	<u>\$ 191,130,832</u>	<u>\$ 192,461,179</u>

The City's largest capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks, street lighting and curbs for Governmental Activities and Sewer, Water and Storm Water Lines for Business-type Activities which play a vital role in the income producing ability of the Business-type activities. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 52% and 90% of the City's total Governmental and Business-type capital assets respectively. The City uses the modified approach for roads and as a result the roads are not depreciated. Under the modified approach the City establishes a rating program for all roads and budgets and expends funds to maintain roads at a certain condition level. Because the roads are maintained at a certain condition level they are not depreciating. Under the GoForward Strategic Plan adopted by Council, by 2019 arterial roads will have a pavement condition rating of 70 or better and by 2021 local roads will have a pavement condition rating of 65 or better. See the Required Supplementary Information for more information on the modified approach and see Note 8 for detail on the City's capital assets. The charts that follow illustrate the breakdown of capital assets by category for Governmental and Business-type activities.



*City of Gahanna, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)*

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2019 and 2018:

Governmental Activities		
	<u>2019</u>	<u>2018</u>
Compensated Absences	\$ 2,590,304	\$ 2,588,380
General Obligation Bonds	16,918,922	18,315,939
OPWC Loans	1,011,052	1,099,624
Bond Anticipation Notes	5,000,000	-
Net Pension Liability	30,865,542	20,816,370
Net OPEB Liability	<u>8,514,707</u>	<u>17,659,025</u>
Total Long-term Obligations	<u>\$ 64,900,527</u>	<u>\$ 60,479,338</u>
Business-type Activities		
	<u>2019</u>	<u>2018</u>
General Obligation Bonds	\$ 1,569,984	\$ 1,743,739
Net Pension Liability	2,002,610	1,092,203
Net OPEB Liability	992,034	780,998
Compensated Absences	<u>92,636</u>	<u>88,767</u>
Total Long-term Obligations	<u>\$ 4,657,264</u>	<u>\$ 3,705,707</u>

See Note 14 for detail on the City's long-term obligations.

Economic Conditions and Outlook

The year was filled with turmoil and successes. The beginning of 2019 had a bleak outlook with the failure of the income tax reform in November of 2018. Without increasing the revenue base of the City, the ability to continue to be sustainable under the SOM (Sustainable Operating Model) and make progress toward meeting all of the results in GoForward Gahanna would not be possible. To keep operational costs within on-going revenue resources reductions were made to the 2019 budget across all departments including reductions to capital maintenance. These reductions resulted in significant turnover in key personnel responsible for monitoring and performing various tasks associated with GoForward Gahanna. In addition, the City was facing a potential liability of \$13 million to \$16 million should they lose the income tax lawsuit, along with the associated legal cost to continuing defending the City.

The public attended multiple Council meetings expressing their concerns regarding the 2019 budget and many suggested placing another income tax reform on the ballot. A citizens group called GRIT (Gahanna Residents Improving Tomorrow) worked alongside Council to place the reform back on the ballot in May and the City was finally successful in passing an income tax reform. The ballot measure increased the City's income tax rate from 1.5% to 2.5% and provided an increase to the credit given to residents who pay income taxes to another local government from 83.33% to 100%. The 1% increase was restricted by the voters with 75% to be used for capital improvements and maintenance and 25% to be used for public safety, parks and recreation and public service operations. The administration identified key programs and activities that were facing reductions in 2019, to now be funded with 25% of the 1% increase. Because of the effective date of the levy, the 75% required to be used for capital improvements and maintenance was not appropriated in 2019 rather it would be used in 2020 to first restore capital maintenance programs to an acceptable level and then look to new projects and improvements if funding allowed.

Council also elected to enter into a settlement agreement with the plaintiffs for the income tax lawsuit. This would end the class action lawsuit that had been on-going since July of 2012, reducing the City's legal expenses and potential for a larger payment than the agreed to settlement. The agreement resulted in the City paying the plaintiffs' attorneys \$9.1 million. However, the City did not have adequate cash to pay the settlement. The 1% increase was just passed effective July 1, 2019 and the voters restricted the full 1% so any revenue generated by the increase could not be used to pay the settlement. The City had \$4.1 million available from a litigation reserve established in 2012 but would need to issue litigation bonds for the remaining \$5 million needed to pay the settlement.

Looking ahead the City still has much to accomplish. A new Mayor took office January 1, 2020 and the nation was hit shortly after with the COVID-19 pandemic. The economic devastation that will result from this pandemic is unknown but is anticipated to result in revenue losses ranging from 10% to 30%. Federal assistance under the CARES Act has been received by the City and will provide some relief but without the ability to utilize the funds for revenue replacement, appropriations and estimated revenue will be reduced for 2020. Beyond 2020, GoForward Gahanna will need to be refreshed as the City's path forward may be different under new leadership and after COVID-19.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact: Ms. Joann Bury, Director of Finance, City of Gahanna, 200 South Hamilton Road, Gahanna, Ohio 43230.



BASIC FINANCIAL STATEMENTS

City of Gahanna, Ohio
Statement of Net Position
December 31, 2019

	Governmental <u>Activities</u>	Business-type <u>Activities</u>	<u>Total</u>
Assets			
Equity in Pooled Cash & Investments	\$38,165,395	\$24,819,764	\$62,985,159
Cash with Fiscal Agents	166,986	-	166,986
Receivables			
Income Taxes	4,676,703	-	4,676,703
Property Taxes	2,311,439	-	2,311,439
Other Local Taxes	26,459	-	26,459
Revenue In Lieu of Taxes	1,853,302	-	1,853,302
Accounts	1,296,431	4,050,691	5,347,122
Accrued Interest	115,991	-	115,991
Intergovernmental	1,626,374	-	1,626,374
Prepayments	148,543	7,046	155,589
Materials & Supplies Inventory	326,392	67,098	393,490
Internal Balance	830,932	(830,932)	-
Non-depreciable Capital Assets	108,570,292	1,310,318	109,880,610
Depreciable Capital Assets, Net	34,972,020	46,278,202	81,250,222
Total Assets	195,087,259	75,702,187	270,789,446
Deferred Outflows of Resources			
Deferred Charge On Refunding	1,068,257	89,868	1,158,125
Pension	9,521,117	657,130	10,178,247
OPEB	1,898,695	111,734	2,010,429
Total Deferred Outflows	12,488,069	858,732	13,346,801
Liabilities			
Accounts Payable	212,743	50,536	263,279
Contracts Payable	450,132	114,402	564,534
Accrued Wages and Benefits	549,656	55,928	605,584
Intergovernmental Payable	107,103	6,056,630	6,163,733
Claims & Judgements Payable	-	-	-
Interest Payable	45,620	4,235	49,855
Long-Term Liabilities			
Due within One Year	2,613,610	258,636	2,872,246
Due in More Than One Year			
Net Pension Liability	30,865,542	2,002,610	32,868,152
OPEB Liability	8,514,707	992,034	9,506,741
Other Due in More Than One Year	22,906,668	1,403,984	24,310,652
Total Liabilities	66,265,781	10,938,995	77,204,776
Deferred Inflows of Resources			
Property Taxes Levied for the Subsequent Year	2,247,171	-	2,247,171
Revenue in Lieu of Taxes for the Subsequent Year	1,853,302	-	1,853,302
Pension	890,961	26,291	917,252
OPEB	658,038	2,691	660,729
Total Deferred Inflows of Resources	5,649,472	28,982	5,678,454
Net Position			
Net Investment in Capital Assets	126,855,948	46,108,404	172,964,352
Restricted for			
Debt Service	1,225,101	-	1,225,101
Capital Projects	12,475,964	-	12,475,964
General Government	780,952	-	780,952
Security of Persons & Property	1,419,983	-	1,419,983
Leisure Time Activities	226,006	-	226,006
Community Environment	3,982,974	-	3,982,974
Transportation	2,960,489	-	2,960,489
Unrestricted	(14,267,342)	19,484,538	5,217,196
Total Net Position	135,660,075	\$65,592,942	\$201,253,017

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2019

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services & Sales	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General Government	\$ 5,871,786	\$ 1,435,869	\$ -	\$ -	\$ (4,435,917)	\$ -	\$ (4,435,917)
Security of Persons & Property	3,994,063	330,215	111,633	-	(3,552,215)	-	(3,552,215)
Public Health & Welfare	-	-	-	-	-	-	-
Transportation	6,053,641	70,476	2,613,460	293,428	(3,076,277)	-	(3,076,277)
Community Environment	4,404,236	804,168	-	-	(3,600,068)	-	(3,600,068)
Leisure Time Activities	5,902,003	1,635,833	500	143,555	(4,122,115)	-	(4,122,115)
Utility Services	-	-	-	-	-	-	-
Interest & Fiscal Charges	515,845	-	-	-	(515,845)	-	(515,845)
Total Governmental Activities	<u>26,741,574</u>	<u>4,276,561</u>	<u>2,725,593</u>	<u>436,983</u>	<u>(19,302,437)</u>	<u>-</u>	<u>(19,302,437)</u>
Business-type Activities							
Water	8,423,328	8,346,890	-	-	-	(76,438)	(76,438)
Sewer	8,202,211	7,911,238	-	-	-	(290,973)	(290,973)
Storm Water	1,340,000	1,139,558	-	-	-	(200,442)	(200,442)
Total Business-type Activities	<u>17,965,539</u>	<u>17,397,686</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(567,853)</u>	<u>(567,853)</u>
Total Primary Government	<u>\$ 44,707,113</u>	<u>\$ 21,674,247</u>	<u>\$ 2,725,593</u>	<u>\$ 436,983</u>	<u>\$ (19,302,437)</u>	<u>\$ (567,853)</u>	<u>\$ (19,870,290)</u>
General Revenues							
Income Taxes Levied For							
General Purposes					18,093,597	-	18,093,597
Capital Projects					3,987,363	-	3,987,363
Public Safety					451,901	-	451,901
Parks & Recreation					318,989	-	318,989
Public Service					558,231	-	558,231
Property Taxes Levied For							
General Purposes					1,631,196	-	1,631,196
Debt Service					260,801	-	260,801
Police					269,801	-	269,801
Revenue in Lieu of Taxes					4,804,135	-	4,804,135
Other Local Taxes					506,776	-	506,776
Grants & Entitlements not Restricted to Specific Programs					1,051,023	-	1,051,023
Investment Earnings					1,544,810	-	1,544,810
Miscellaneous					997,729	-	997,729
Transfers					(275,825)	275,825	-
Total General Revenues & Transfers					<u>34,200,527</u>	<u>275,825</u>	<u>34,476,352</u>
Change in Net Position					14,898,090	(292,028)	14,606,062
Net Position Beginning of Year Restated					120,761,985	65,884,970	186,646,955
Net Position End of Year					<u>\$135,660,075</u>	<u>\$65,592,942</u>	<u>\$201,253,017</u>

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio
Balance Sheet
Governmental Funds
December 31, 2019

	General	Tax Incremental Equivalent	Public Safety	Parks & Recreation	Public Service	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Assets								
Equity in Pooled Cash & Investments	\$ 17,257,531	\$ 3,934,534	\$ 71,403	\$ 105,979	\$ 285,317	\$10,805,698	\$ 5,032,123	\$ 37,492,585
Cash with Fiscal Agents	-	-	-	-	-	-	166,986	166,986
Receivables								
Income Taxes	2,946,323	-	147,082	103,823	181,690	1,297,785	-	4,676,703
Property Taxes	1,742,187	-	-	-	-	-	569,252	2,311,439
Other Local Taxes	26,459	-	-	-	-	-	-	26,459
Revenue in Lieu of Taxes	-	1,853,302	-	-	-	-	-	1,853,302
Accounts	890,194	-	33,255	23,474	41,080	293,428	15,000	1,296,431
Accrued Interest	115,991	-	-	-	-	-	-	115,991
Capital Leases	-	-	-	-	-	-	-	-
Intergovernmental	453,164	24,335	-	-	-	-	1,148,875	1,626,374
Interfund Loan	966,848	-	-	-	-	-	-	966,848
Prepayments	142,433	-	-	-	-	-	6,110	148,543
Materials & Supplies Inventory	326,392	-	-	-	-	-	-	326,392
Total Assets	24,867,522	5,812,171	251,740	233,276	508,087	12,396,911	6,938,346	51,008,053
Liabilities								
Accounts Payable	180,350	-	-	992	3,452	2,658	25,291	212,743
Contracts Payable	261,389	-	-	1,407	-	18,766	154,816	436,378
Accrued Wages & Benefits	503,414	-	13,044	4,165	6,497	-	22,536	549,656
Intergovernmental Payable	99,240	-	2,733	644	1,004	-	3,482	107,103
Due to Other Funds	7,551	-	196	62	97	-	85,186	93,092
Total Liabilities	1,051,944	-	15,973	7,270	11,050	21,424	291,311	1,398,972
Deferred Inflows of Resources								
Property Taxes Levied for Subsequent Year	1,693,747	-	-	-	-	-	553,424	2,247,171
Revenue in Lieu of Taxes for the Subsequent Year	-	1,853,302	-	-	-	-	-	1,853,302
Unearned Capital Lease Revenue	-	-	-	-	-	-	-	-
Unavailable Property Tax Revenue	48,440	-	-	-	-	-	15,828	64,268
Unavailable Income Tax Revenue	1,570,144	-	79,032	55,788	97,629	697,348	-	2,499,941
Unavailable Intergovernmental Revenue	360,624	24,335	-	-	-	-	784,979	1,169,938
Unavailable Interest Revenue	104,565	-	-	-	-	-	-	104,565
Unavailable Fines & Fees	739,815	-	32,558	22,982	40,219	287,280	-	1,122,854
Unavailable Other Revenue	2,079	-	-	-	-	-	-	2,079
Unavailable Charges for Services	92,924	-	-	-	-	-	-	92,924
Total Deferred Inflow of Resources	4,612,338	1,877,637	111,590	78,770	137,848	984,628	1,354,231	9,157,042
Fund Balances								
Nonspendable	500,093	-	-	-	-	-	6,110	506,203
Restricted	-	3,934,534	124,177	147,236	359,189	11,390,859	4,947,281	20,903,276
Committed	7,392,282	-	-	-	-	-	388,097	7,780,379
Assigned	3,245,220	-	-	-	-	-	-	3,245,220
Unassigned	8,065,645	-	-	-	-	-	(48,684)	8,016,961
Total Fund Balances	19,203,240	3,934,534	124,177	147,236	359,189	11,390,859	5,292,804	40,452,039
Total Liabilities, Deferred Inflows & Fund Balances	\$ 24,867,522	\$ 5,812,171	\$ 251,740	\$ 233,276	\$ 508,087	\$12,396,911	\$ 6,938,346	\$ 51,008,053

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2019

Total Governmental Fund Balances \$40,452,039

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 143,542,312

Other assets are not available to pay for current period expenditures and therefore are deferred in the funds. 5,056,569

An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of position. 616,232

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

Compensated Absences	(2,590,304)
General Obligation Debt	(21,918,922)
Accrued Interest	(45,620)
Loans Payable	(1,011,052)
	(25,565,898)

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

Deferred Outflows - Pension	9,521,117
Deferred Inflows - Pension	(890,961)
Net Pension Liability	(30,865,542)
	(22,235,386)

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

Deferred Outflows - OPEB	1,898,695
Deferred Inflows - OPEB	(658,038)
Net OPEB Liability	(8,514,707)
	(7,274,050)

Deferred outflows of resources for deferred charges on refunding. In the funds, the difference between the proceeds received from the issuance of the refunding bonds, and the amount placed into escrow to pay the old bonds is reported when the debt is issued. This amount is deferred and amortized as a component of interest expense in the governmental activities

1,068,257

Net Position of Governmental Activities

\$135,660,075

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended December 31, 2019

	General	Tax Incremental Equivalent	Public Safety	Parks & Recreation	Public Service	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Revenues								
Income Taxes	\$ 19,340,752	\$ -	\$ 372,869	\$ 263,201	\$ 460,602	\$ 3,290,015	\$ -	\$23,727,439
Property Taxes	1,627,099	-	-	-	-	-	529,259	2,156,358
Other Local Taxes	506,776	-	-	-	-	-	-	506,776
Revenue in Lieu of Taxes	-	4,804,135	-	-	-	-	-	4,804,135
Charges for Services	1,438,095	154,775	-	237,176	-	-	-	1,830,046
Licenses & Permits	677,182	-	-	-	-	-	-	677,182
Fines & Fees	1,269,006	-	697	492	861	6,148	184,438	1,461,642
Intergovernmental	971,304	49,114	-	-	-	86,956	2,838,400	3,945,774
Investment Income	1,553,399	-	-	-	-	-	3,194	1,556,593
Other	1,017,098	-	-	-	-	150,000	22,231	1,189,329
Total Revenues	<u>28,400,711</u>	<u>5,008,024</u>	<u>373,566</u>	<u>500,869</u>	<u>461,463</u>	<u>3,533,119</u>	<u>3,577,522</u>	<u>41,855,274</u>
Expenditures								
Current								
General Government	4,553,277	-	-	-	102,274	460	49,045	4,705,056
Security of Persons & Property	9,865,979	-	223,759	-	-	-	1,249,241	11,338,979
Transportation	1,025,561	-	-	-	-	2,706,031	1,736,778	5,468,370
Community Environment	2,376,388	1,089,146	-	-	-	61,419	-	3,526,953
Leisure Time Activity	3,480,741	-	-	353,633	-	146,984	9,306	3,990,664
Capital Outlay	454,156	449,867	-	-	-	311,033	1,181,046	2,396,102
Debt Service								
Principal Retirement	-	-	-	-	-	-	1,386,622	1,386,622
Interest & Fiscal Charges	-	-	-	-	-	-	586,852	586,852
Total Expenditures	<u>21,756,102</u>	<u>1,539,013</u>	<u>223,759</u>	<u>353,633</u>	<u>102,274</u>	<u>3,225,927</u>	<u>6,198,890</u>	<u>33,399,598</u>
Excess (Deficiency) of Revenue Over Expenditures	6,644,609	3,469,011	149,807	147,236	359,189	307,192	(2,621,368)	8,455,676
Other Financing Sources (Uses)								
Transfers In	129,797	-	-	-	-	3,322,560	2,378,079	5,830,436
Transfers Out	(4,562,190)	(1,064,797)	(25,630)	-	-	(47,687)	(405,957)	(6,106,261)
Proceeds From Sale of Capital Assets	22,861	-	-	-	-	-	12,716	35,577
Premium on Bond Anticipation Notes Iss	77,950	-	-	-	-	-	-	77,950
Bond Anticipation Notes Issued	5,000,000	-	-	-	-	-	-	5,000,000
Total Other Financing Sources (Uses)	<u>668,418</u>	<u>(1,064,797)</u>	<u>(25,630)</u>	<u>-</u>	<u>-</u>	<u>3,274,873</u>	<u>1,984,838</u>	<u>4,837,702</u>
Special Item								
Settlement Income Tax Lawsuit	(9,100,000)	-	-	-	-	-	-	(9,100,000)
Net Change in Fund Balances	(1,786,973)	2,404,214	124,177	147,236	359,189	3,582,065	(636,530)	4,193,378
Fund Balances, January 1	20,990,213	1,530,320	-	-	-	7,808,794	5,929,334	36,258,661
Fund Balances, December 31	<u>\$ 19,203,240</u>	<u>\$3,934,534</u>	<u>\$ 124,177</u>	<u>\$ 147,236</u>	<u>\$ 359,189</u>	<u>\$11,390,859</u>	<u>\$ 5,292,804</u>	<u>\$40,452,039</u>

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended December 31, 2019

Net Change in Fund Balances - Total Governmental Funds \$ 4,193,378

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

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

Capital Outlay	2,396,102
Depreciation	(2,426,397)

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

Income Taxes	(317,358)
Property Taxes	5,440
Charges for Services	27,542
Fines & Fees	387,240
Intergovernmental	(25,603)
Investment Income	(11,783)
Other	(5,263)

Repayment of bond and loan principal and leases payable are an expenditure in the
governmental funds, but the repayment reduces long-term liabilities in the
statement of net position and does not result in an expense in the statement of activities.

1,386,622

Debt proceeds are reported as financing sources in governmental funds and thus contribute
to the change in fund balance. In the statement of net position, however, issuing debt
increases long-term liabilities and does not affect the statement of activities.

(5,000,000)

In the statement of activities, interest is accrued on outstanding bonds, whereas
in governmental funds, an interest expenditure is reported when due. The
amortization of the deferred charge on refunding is also amortized over the life
of the bonds but is recognized at the time the debt is issued in the funds.

(6,943)

An internal service fund is used by management to charge the costs of insurance to
individual funds. The net revenue (expense) of the internal service fund is reported
with governmental activities.

41,567

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.

Claims & Judgements Payable	9,100,000
Compensated Absences	(1,924)

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

(27,988)

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

(3,336,888)

Net pension liability deferred inflows/outflows are amortized as an expense in the
statement of activities.

(479,602)

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

1,496

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

9,125,710

Net OPEB liability deferred inflows/outflows are amortized as an expense in the
statement of activities.

(127,258)

Change in Net Position of Governmental Activities \$ 14,898,090

The notes to the basic financial statements are an integral part of this statement.

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

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive/(Negative)
Revenues				
Income Tax	20,088,700	20,088,700	19,595,874	(492,826)
Property Taxes	1,681,240	1,699,733	1,627,099	(72,634)
Other Local Taxes	573,900	573,900	510,766	(63,134)
Charges for Services	2,896,545	2,896,545	2,543,777	(352,768)
Licenses & Permits	866,170	866,170	677,182	(188,988)
Fines & Fees	1,313,400	1,313,400	1,266,550	(46,850)
Intergovernmental	886,100	952,132	958,700	6,568
Investment Income	825,355	740,830	1,234,358	493,528
Contributions & Donations	-	-	3,500	3,500
Other	115,000	115,000	909,127	794,127
Total Revenues	29,246,410	29,246,410	29,326,933	80,523
Expenditures				
General Government	6,303,071	6,537,618	5,637,062	900,556
Security of Persons & Property	9,988,087	10,233,862	9,840,027	393,835
Public Health & Welfare	328,065	-	-	-
Transportation	1,334,274	1,356,015	1,138,498	217,517
Community Environment	4,437,819	4,106,060	3,385,178	720,882
Leisure Time Activities	4,420,720	4,013,160	3,664,266	348,894
Capital Outlay	1,682,443	2,111,337	2,066,681	44,656
Total Expenditures	28,494,479	28,358,052	25,731,712	2,626,340
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	751,931	888,358	3,595,221	2,706,863
Other Financing Sources (Uses)				
Sale of Assets	50,000	50,000	49,678	(322)
Insurance Proceeds	20,000	20,000	38,135	18,135
Notes Issued	-	5,000,000	5,000,000	-
Premium on Notes Issued	-	77,950	77,950	-
Advance In	252,000	252,000	252,000	-
Transfer In	129,797	129,797	129,797	-
Transfer Out	(4,598,680)	(4,718,190)	(4,718,190)	-
Total Other Financing Sources (Uses)	(4,146,883)	811,557	829,370	17,813
Special Item				
Class Action Settlement	-	(9,100,000)	(9,100,000)	-
Net Change in Fund Balance	(3,394,952)	(7,400,085)	(4,675,409)	2,724,676
Fund balance at beginning of year	15,255,222	15,255,222	15,255,222	-
Prior Year Encumbrance Appropriated	3,524,029	3,524,029	3,524,029	-
Fund balance at end of year	15,384,299	11,379,166	14,103,842	2,724,676

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Tax Increment Equivalent Special Revenue Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues				
Revenue in Lieu of Taxes	2,033,948	2,033,948	4,804,135	2,770,187
Intergovernmental	53,600	53,600	49,114	(4,486)
Charges for Services	177,060	177,060	154,775	(22,285)
Total Revenues	2,264,608	2,264,608	5,008,024	2,743,416
Expenditures				
Community Environment	330,177	1,015,358	993,569	21,789
Capital Outlay	696,417	846,417	846,284	133
Total Expenditures	1,026,594	1,861,775	1,839,853	21,922
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	1,238,014	402,833	3,168,171	2,765,338
Other Financing Sources (Uses)				
Transfer Out	(1,114,797)	(1,114,797)	(1,064,797)	50,000
Total Other Financing Sources (Uses)	(1,114,797)	(1,114,797)	(1,064,797)	50,000
Net Change in Fund Balance	123,217	(711,964)	2,103,374	2,815,338
Fund balance at beginning of year	1,118,111	1,118,111	1,118,111	-
Prior Year Encumbrance Appropriated	415,923	415,923	415,923	-
Fund balance at end of year	1,657,251	822,070	3,637,408	2,815,338

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Public Safety Special Revenue Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues				
Income Tax	-	240,000	304,819	64,819
Charges for Services	-	-	-	-
Total Revenues	-	240,000	304,819	64,819
Expenditures				
Security of Persons & Property	-	214,170	207,786	6,384
Total Expenditures	-	214,170	207,786	6,384
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	25,830	97,033	71,203
Other Financing Sources (Uses)				
Transfer Out	-	(25,630)	(25,630)	-
Total Other Financing Sources (Uses)	-	(25,630)	(25,630)	-
Net Change in Fund Balance	-	200	71,403	71,203
Fund balance at beginning of year	-	-	-	-
Prior Year Encumbrance Appropriated	-	-	-	-
Fund balance at end of year	-	200	71,403	71,203

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
 Parks & Recreation Special Revenue Fund
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues				
Income Tax	-	115,000	215,166	100,166
Charges for Services	-	372,800	237,176	(135,624)
Total Revenues	-	487,800	452,342	(35,458)
Expenditures				
Leisure Time Activities	-	439,590	346,363	93,227
Total Expenditures	-	439,590	346,363	93,227
Net Change in Fund Balance	-	48,210	105,979	57,769
Fund balance at beginning of year	-	-	-	-
Prior Year Encumbrance Appropriated	-	-	-	-
Fund balance at end of year	-	48,210	105,979	57,769

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Public Service Special Revenue Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues				
Income Tax	-	213,000	376,541	163,541
Fines & Fees	-	25,000	-	(25,000)
Total Revenues	-	238,000	376,541	138,541
Expenditures				
General Government	-	134,110	91,224	42,886
Total Expenditures	-	134,110	91,224	42,886
Net Change in Fund Balance	-	103,890	285,317	181,427
Fund balance at beginning of year	-	-	-	-
Prior Year Encumbrance Appropriated	-	-	-	-
Fund balance at end of year	-	103,890	285,317	181,427

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	Total	
Assets					
Current Assets					
Equity in Pooled Cash & Investments	\$ 10,075,802	\$ 11,759,866	\$ 2,984,096	\$ 24,819,764	672,810
Accounts Receivable	1,949,647	1,835,332	265,712	4,050,691	-
Due From Other Funds	-	-	-	-	9,083
Prepayments	2,006	2,140	2,900	7,046	-
Materials & Supplies Inventory	33,549	33,549	-	67,098	-
Total Current Assets	12,061,004	13,630,887	3,252,708	28,944,599	681,893
Non-current Assets					
Capital Assets					
Non-depreciable Capital Assets	-	483,299	827,019	1,310,318	-
Depreciable Capital Assets, Net	22,620,313	10,549,503	13,108,386	46,278,202	-
Total non-current assets	22,620,313	11,032,802	13,935,405	47,588,520	-
Total Assets	34,681,317	24,663,689	17,188,113	76,533,119	681,893
Deferred Outflows of Resources					
Deferred Charge on Refunding	9,742	9,742	70,384	89,868	-
Pension	246,830	246,831	163,469	657,130	-
OPEB	41,277	41,277	29,180	111,734	-
Total Deferred Outflows	297,849	297,850	263,033	858,732	-
Liabilities					
Current Liabilities					
Accounts Payable	21,008	28,368	1,160	50,536	-
Contracts Payable	6,752	64,835	42,815	114,402	13,754
Accrued Wages & Benefits	21,209	21,209	13,510	55,928	-
Intergovernmental Payable	2,968,568	3,085,975	2,087	6,056,630	-
Due to Other Funds	318	318	203	839	-
Interfund Loan Payable	882,000	-	-	882,000	-
Accrued Interest Payable	-	547	3,688	4,235	-
Current Portion of Compensated Absences Payable	35,935	35,930	20,771	92,636	-
Current Portion of General Obligation Bonds Payable	19,050	19,050	127,900	166,000	-
Total Current Liabilities	3,954,840	3,256,232	212,134	7,423,206	13,754
Long-term Liabilities					
General Obligation Bonds Payable	167,549	167,549	1,068,886	1,403,984	-
Net Pension Liability	760,564	760,564	481,482	2,002,610	-
Net OPEB Liability	376,788	376,788	238,458	992,034	-
Total Long-term Liabilities	1,304,901	1,304,901	1,788,826	4,398,628	-
Total Liabilities	5,259,741	4,561,133	2,000,960	11,821,834	13,754
Deferred Inflows of Resources					
Pension	9,984	9,984	6,323	26,291	-
OPEB	1,022	1,022	647	2,691	-
Total Deferred Inflows	11,006	11,006	6,970	28,982	-
Net Position					
Net Investment in Capital Assets	22,443,456	10,855,945	12,809,003	46,108,404	-
Unrestricted	7,264,963	9,533,455	2,634,213	19,432,631	668,139
Total Net Position	29,708,419	20,389,400	15,443,216	65,541,035	668,139
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds				51,907	
Net Position of Business type Activities				65,592,942	

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio
Statement of Revenues, Expenditures, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	Total	
Operating Revenues					
Charges for Services	\$ 8,332,629	\$ 7,118,900	\$ 1,139,558	\$ 16,591,087	\$ 207,248
Other	14,261	792,338	-	806,599	-
Total Operating Revenues	8,346,890	7,911,238	1,139,558	17,397,686	207,248
Operating Expenses					
Personal Services	792,284	795,241	511,891	2,099,416	-
Contract Services	6,497,090	6,926,544	358,274	13,781,908	142,163
Materials & Supplies	396,312	89,271	57,116	542,699	-
Claims Expense	-	-	-	-	19,768
Depreciation	693,466	382,649	365,575	1,441,690	-
Other	38,429	2,759	87	41,275	-
Total Operating Expenses	8,417,581	8,196,464	1,292,943	17,906,988	161,931
Operating Income/(Loss)	(70,691)	(285,226)	(153,385)	(509,302)	45,317
Nonoperating Revenues/(Expenses)					
Interest & Fiscal Charges	(7,174)	(7,174)	(47,953)	(62,301)	-
Total Nonoperating Revenues/(Expenses)	(7,174)	(7,174)	(47,953)	(62,301)	-
Income/(Loss) Before Transfers	(77,865)	(292,400)	(201,338)	(571,603)	45,317
Transfer in	301,170	101,170	21,170	423,510	-
Transfer (out)	(100,000)	-	(47,685)	(147,685)	-
Change in Net Position	123,305	(191,230)	(227,853)	(295,778)	45,317
Net Position, January 1	29,585,114	20,580,630	15,671,069	65,836,813	622,822
Net Position, December 31	\$ 29,708,419	\$ 20,389,400	\$ 15,443,216	65,541,035	\$ 668,139
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds				3,750	
Change in Net Position Business-type Activities				(292,028)	

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	Total	
Cash Flows from Operating Activities					
Cash Received From Customers	8,277,587	7,212,696	1,192,748	16,683,031	206,660
Other Operating Cash Receipts	56,040	791,641	-	847,681	-
Cash Payments for Personal Services	(619,687)	(619,682)	(393,479)	(1,632,848)	-
Cash Payments for Contractual Services	(4,953,189)	(5,236,156)	(348,769)	(10,538,114)	(94,844)
Cash Payments for Materials & Supplies	(435,831)	(84,975)	(57,306)	(578,112)	-
Cash Payments for Claims	-	-	-	-	(19,768)
Cash Payments for Other Operating Expenses	(25,919)	(89)	(87)	(26,095)	-
Net Cash Provided/(Used) by Operating Activities	2,299,001	2,063,435	393,107	4,755,543	92,048
Cash Flows From Capital and Related Financing Activities					
Cash Payments for the Acquisition of Capital Assets	(29,869)	(136,900)	(119,247)	(286,016)	-
Principal Payments on Bonds	(18,600)	(18,600)	(124,750)	(161,950)	-
Interest Payments on Bonds	(7,311)	(7,311)	(48,864)	(63,486)	-
Net Cash Provided/(Used) by Capital & Related Financing Activities	(55,780)	(162,811)	(292,861)	(511,452)	-
Cash Flows From Noncapital Financing Activities:					
Interfund Loan Payment	(252,000)	-	-	(252,000)	-
Transfers In	301,170	101,170	21,170	423,510	-
Transfers Out	(100,000)	-	(47,685)	(147,685)	-
Net Cash Provided/(Used) by Noncapital Financing Activities	(50,830)	101,170	(26,515)	23,825	-
Net Increase/(Decrease) in Cash & Cash Equivalents	2,192,391	2,001,794	73,731	4,267,916	92,048
Cash & Cash Equivalents January 1, 2019	7,883,411	9,758,072	2,910,365	20,551,848	580,762
Cash & Cash Equivalents December 31, 2019	10,075,802	11,759,866	2,984,096	24,819,764	672,810
Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities					
Operating Income/(Loss)	(70,691)	(285,226)	(153,385)	(509,302)	45,317
Adjustments					
Depreciation	693,466	382,649	365,575	1,441,690	-
Change in assets and liabilities					
(Increase)/Decrease in Materials & Supplies Inventory	6,493	6,493	-	12,986	-
(Increase)/Decrease in Accounts Receivable	(13,263)	93,099	53,190	133,026	-
(Increase)/Decrease in Due from Other Funds	-	-	-	-	(588)
(Increase)/Decrease in Prepayments	12,954	662	(1,657)	11,959	33,565
(Increase)/Decrease in Deferred Outflows	(142,384)	(142,386)	(99,447)	(384,217)	-
Increase/(Decrease) in Accounts Payable	(911)	111,000	83,502	193,591	-
Increase/(Decrease) in Contracts Payable	(55,222)	(45,947)	(71,095)	(172,264)	13,754
Increase/(Decrease) in Accrued Wages & Benefits	4,138	4,138	2,937	11,213	-
Increase/(Decrease) in Due to Other Governments	1,551,424	1,625,961	(807)	3,176,578	-
Increase/(Decrease) in Due to Other Funds	62	62	44	168	-
Increase/(Decrease) in Compensated Absences	1,262	1,257	1,350	3,869	-
Increase/(Decrease) in Net Pension Liability	342,791	342,791	224,825	910,407	-
Increase/(Decrease) in OPEB Liability	78,050	78,050	54,936	211,036	-
Increase/(Decrease) in Deferred Inflows	(109,168)	(109,168)	(66,861)	(285,197)	-
Net cash provided/(used) by operating activities	2,299,001	2,063,435	393,107	4,755,543	92,048

Non-cash transactions

At December 31, 2019 and 2018, the Water fund purchased \$12,815 and \$29,869 respectively, in capital assets on account
At December 31, 2019 and 2018, the Sewer fund purchased \$12,815 and \$86,458 respectively, in capital assets on account
At December 31, 2019 and 2018, the Storm Water fund purchased \$28,986 and \$82,667, respectively, in capital assets on account

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio
Statement of Fiduciary Assets and Liabilities
December 31, 2019

	<u>Agency</u>
Assets	
Equity in Pooled Cash & Investments	\$ 1,076,392
Cash in Segregated Accounts	36,369
Accounts Receivable	519,973
Total Assets	<u>\$ 1,632,734</u>
Liabilities	
Contracts payable	142,146
Intergovernmental Payable	27,638
Undisributed assets	8,731
Deposits Held & Due to Others	1,454,219
Total Liabilities	<u>\$ 1,632,734</u>

The notes to the basic financial statements are an integral part of this statement

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Gahanna (the “City”) is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a Mayor-Council form of government, was adopted by the electorate June 27, 1961, was completely renumbered by the Clerk of Council in January, 1992 and was amended as part of the Charter review process in 2011.

Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61 “The Financial Reporting Entity: Omnibus”. A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments and activities which are not legally separate from the City. They comprise the City’s legal entity which provides various services including public safety, street maintenance, parks and recreation, senior services, and engineering. The City of Gahanna is also responsible for the construction, maintenance, and repairs associated with the water and sewer lines. The City purchases water and sewer treatment services from the City of Columbus. Council and the Mayor have direct responsibility for these activities.

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; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the organization’s budget, the issuance of its debt or the levying of its taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the City and the organization is such that exclusion by the City would render the City’s financial statements incomplete or misleading. Based upon these criteria, the City has no component units.

The City appoints the Board members of the Community Improvement Corporation (CIC) of Gahanna, but the City’s accountability for the CIC does not extend beyond making the appointments. The CIC of Gahanna was formed in 1965 to advance, encourage and promote the industrial, economic, commercial and civic development of Gahanna and the territory surrounding Gahanna.

The City in conjunction with the Gahanna Area Chamber of Commerce, Olde Gahanna Community Partnership, Gahanna Jefferson Public Schools, Hospitality Advisory Committee and general managers or owner designees of all hotels/motels operating within the City of Gahanna have created the Gahanna Convention and Visitors Bureau (CVB). The Board of Directors is composed of four City representatives, one representative from each of the other groups and eight additional at large members elected by the preceding for a total of seventeen members on the Board of Directors. The Gahanna CVB was formed in 2008 for the purpose of marketing Gahanna as a visitor destination; planning promoting and executing public events; preparing and distributing promotional items about Gahanna’s public activities and spaces. The City has no equity interest in the Gahanna CVB.

The City is a member of the Central Ohio Health Care Consortium (the “Pool”), a risk sharing pool which provides health insurance (See Note 16). The City participates in a joint operation with the Gahanna Jefferson Public School District. These organizations jointly operate a maintenance facility (See Note 17). The City is a member of the Regional Income Tax Agency (RITA) a jointly governed organization established to administer and collect municipal income taxes (See Note 18).

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Basis of Presentation

The City's Basic Financial Statements consist of Government-wide Statements, including a Statement of Net Position, Statement of Activities and Fund Financial Statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for Fiduciary Funds. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the Governmental and Business-type Activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's Governmental Activities and for the Business-type Activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business segment is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund Financial Statements are designed to present financial information of the City at this more detailed level. The focus of Governmental and Enterprise Fund Financial Statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary Funds are reported by type.

B. Fund Accounting

The City uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain City functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds utilized by the City: Governmental, Proprietary and Fiduciary.

Governmental Funds

Governmental Funds are those through which most governmental functions are financed. Governmental Fund reporting focuses on the sources, uses and balances of current financial resources. Expendable

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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 plus Deferred Outflows of Resources and Liabilities plus Deferred Inflows of Resources is reported as Fund Balance. The following are the City's major Governmental Funds:

General Fund – The General Fund is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund Balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Tax Increment Equivalent Fund – This fund accounts for annual service payments in lieu of taxes related to Tax Increment Financing (TIF) projects within the City. The payments are distributed to the City by the County Treasurer. The payments are restricted for infrastructure in the City and other activities set forth in the individual TIF agreements.

Public Safety Fund – This fund accounts for income tax revenue received from the 1% increase effective July 1, 2019 which requires 25% to be used for operations of public safety, parks and recreation or public service. This fund accounts for the portion of the 25% to be used for public safety operations.

Parks & Recreation Fund – This fund accounts for income tax revenue received from the 1% increase effective July 1, 2019 which requires 25% to be used for operations of public safety, parks and recreation or public service. This fund accounts for the portion of the 25% to be used for parks & recreation operations.

Public Service Fund – This fund accounts for income tax revenue received from the 1% increase effective July 1, 2019 which requires 25% to be used for operations of public safety, parks and recreation or public service. This fund accounts for the portion of the 25% to be used for public service operations.

Capital Improvement Fund – This fund accounts for income tax revenue received from the 1% increase effective July 1, 2019 which requires 75% to be used for capital improvements and maintenance.

Other Governmental Funds of the City are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets; (b) specific revenue sources that are restricted, committed or assigned to an expenditure for specific purposes other than debt service or capital projects; and (c) financial resources that are restricted, committed or assigned to expenditures for principal and interest.

Proprietary Funds

Proprietary Funds focus on the determination of operating income, changes in net position, and cash flows. The City's Proprietary Funds are Enterprise Funds and the Internal Service Fund.

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

Water Fund – This fund is used to account for the provision of water service to the residents and businesses within the City including capital maintenance and improvements.

Sewer Fund – This fund is used to account for the provision of sanitary sewer service to the residents and businesses within the City including capital maintenance and improvements.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Storm Water Fund – This fund is used to account for charges assessed to residents and businesses of the City for the improvement of the storm water system.

Internal Service Fund – The Internal Service Fund is used to account for the financing of goods or services provided by one department or agency or other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The only Internal Service Fund of the City accounts for interfund charges and claims payments applicable to the City's self-insurance program for workers' compensation.

Fiduciary 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 three types of trust funds should be used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has eight Agency Funds which are used to account for money held for other governments or nonprofit organizations, compliance with building codes, senior center programs, veterans' memorial, refuse collection and the distribution of mayor's court fines.

C. Measurement Focus

Government-wide Financial Statements

The Government-wide Financial Statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, 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 (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements

All Governmental Funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the Governmental Activities of the Government-wide Financial Statements are prepared. The Governmental Fund Financial Statements therefore include reconciliations with brief explanations to better identify the relationship between the Government-wide Statements and the Statements for Governmental Funds.

Like the Government-wide Statements, all Enterprise Funds are accounted for using a flow of economic resources measurement focus. All assets, all deferred outflows of resources, all liabilities and all deferred inflows of resources associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in total Net Position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its Enterprise Activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide Financial Statements are prepared using the accrual basis of

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

accounting; Enterprise and Agency Funds also use the accrual basis of accounting. Governmental Funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and outflows of resources, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

“Measurable” means the amount of the transaction can be determined and “available” means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within thirty-one days of year end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, includes income taxes, property taxes (including payments in lieu of taxes), grants, entitlements and donations. On an accrual basis, revenue from income tax is recognized in the year in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Deferred Inflows and Outflows of Resources

Deferred inflows and outflows of resources are defined by GASB Concepts Statement No. 4 and GASB Statements No. 63 and 65 requiring a reclassification of items previously reported as assets and liabilities as deferred outflows or inflows of resources. A deferred outflow of resources represents a consumption of net position that applies to future periods and will not be recognized as an expense/expenditure until then. The deferred charge on refunding, which results from the difference in the carrying value of the refunded debt and its reacquisition price, has been recorded as a deferred outflow of resources.

A deferred inflow of resources represents an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. Property taxes and revenue in lieu of taxes for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance year 2020 operations have been recorded as a deferred inflow of resources on the Governmental-wide Statement of Net Position and Governmental Funds Balance Sheet. In addition, the Governmental Funds Balance Sheet also includes receivables not collected within the available period as deferred inflows of resources, such as, income taxes, delinquent property taxes, grants and entitlements and other accounts receivable.

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of Governmental Fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in Governmental Funds.

E. Budgets and Budgetary Accounting

All funds, other than Agency Funds, are legally required to be budgeted and appropriated. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriation Ordinance, all of which are prepared on the budgetary basis of accounting. The Tax Budget demonstrates a need for existing or increased tax rates. The Certificate of Estimated Resources establishes a limit on the amount Council may appropriate.

The Appropriation Ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the fund, function and object level for all funds.

The Certificate of Estimated Resources may be amended during the year if projected increases or decreases in revenue are identified by the City. The amounts reported as the original budgeted amounts on the Budgetary Statements reflect the amounts on the Certificate of Estimated Resources when the original appropriations were adopted. The amounts reported as final budgeted amounts represent estimates from the amended certificate in effect at the time final appropriations were passed by Council.

The Appropriation Ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first Appropriation Ordinance intended to cover 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 Council during the year, including all supplemental appropriations.

F. Equity in Pooled Cash and Investments

To improve cash management, cash received by the City is pooled. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity in Pooled Cash & Investments" on the Financial Statements. The City has permissive motor vehicle license monies which are held by the Franklin County Engineer and are distributed to the City for approved projects. The balance in this account is presented as "Cash with Fiscal Agent". The Mayor's Court has its own checking account for the collection and distribution of court fines and forfeitures and is presented on the Fiduciary Statement of Assets and Liabilities – Agency Funds as "Cash in Segregated Accounts".

During the year, investments consisted of government and government sponsored entity bonds such as Federal Home Loan Bank (FHLB) bonds, Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Credit (FHLMC) bonds, local government securities and US Treasury Obligations. The City also invested in U.S. government money market mutual funds, negotiable certificates of deposit and STAR Ohio. Investments are reported at fair value.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Note 4 provides

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

information on the City's recurring fair value measurements as of December 31, 2019. Mutual funds are reported at fair value which is determined by the mutual fund's current shares price.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Government Accounting Standards Board (GASB), Statement No.79, "Certain External Investment Pools and Pool Participants". The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides NAV per share that approximates fair value.

For 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Investment income is distributed to the funds according to Ohio constitutional and statutory requirements. Investment income credited to the general fund during 2019 amounted to \$1,553,399 of which 73% or \$1,133,981 is assigned from other funds.

For purposes of the Statement of Cash Flows, investments with an original maturity of three months or less are considered to be cash equivalents. In addition, all cash and investments of the cash management pool are considered to be cash equivalents because they are sufficiently liquid to permit withdrawal by the Proprietary Funds on demand. Investments with maturities greater than three months that are not part of the cash management pool are not considered to be cash equivalents.

G. Materials and Supplies Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption. On the Fund Financial Statements, reported materials and supplies inventory is equally offset by a nonspendable fund balance which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2019, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed. At year end, because payments are not available to finance future Governmental Fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the Fund Financial Statements.

I. Capital Assets

General capital assets are those capital assets that are associated with Governmental Activities. These assets generally result from expenditures in Governmental Funds. These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but are not reported in the Fund Financial Statements. Capital assets used by the Enterprise Funds are reported in both the Business-type Activities column of the Government-wide Statement of Net Position and in the respective funds.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and reductions during the year. Donated capital assets are recorded at acquisition values on the date donated. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. The City maintains a capitalization threshold of five thousand dollars. 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 expensed.

All reported capital assets, except for land and land improvements, right of ways, easements, roads 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 replacements. Depreciation is computed using the straight-line method over the following useful lives:

Descriptions	Estimated Life
Buildings	50 years
Improvements other than buildings	20 years
Machinery and equipment	
Machinery and equipment	5-30 years
Furniture and fixtures	20 years
Computers	5 years
Vehicles	5-8 years
Infrastructure	
Bridges and culverts	50 years
Sidewalks	20 years
Street lighting	15 years
Traffic control lighting	10 years
Alleys, fiber optics, etc.	20-65 years
Storm sewer lines	65 years
Sewer and water lines	65 years
Miscellaneous water and sewer infrastructure	25-65 years

The City has elected the modified approach for road infrastructure. Under the modified approach infrastructure assets that meet the following criteria are not depreciated.

1. The infrastructure assets are maintained by the City in an asset inventory system.
2. The City performs a condition assessment of the infrastructure assets using a rating methodology general accepted in the industry that considers all relevant factors affecting the overall condition and results in an overall single rating for each element (road segment) being considered.
3. The City estimates each year the annual budget requirements to maintain and preserve the infrastructure assets at a minimum condition level.

The City performs a condition assessment of all roads annually to determine that the roads are being maintained at approximately the condition level established by the City in accordance with the condition

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

assessment policy. Costs for maintenance and preservation of the roads are expensed in the period incurred. Additions and improvements are capitalized.

J. Compensated Absences

Vacation benefits and compensatory time are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means.

The City records a liability for all accumulated unused vacation time and compensatory time when earned for all employees after six months of service. Compensatory time is accumulated by employees at the applicable overtime rate for each hour of overtime worked. City employees may carry over vacation and compensatory time in accordance with employment contracts or ordinances.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

K. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the Government-wide Financial Statements. All payables, accrued liabilities, and long-term obligations payable from the Enterprise Funds are reported on the Enterprise Funds Financial Statements.

In general, Governmental Fund payables and accrued liabilities are reported, once incurred, as obligations of the funds, if they are paid in a timely manner and in full from current financial resources. However, compensated absences and claims and judgements that will be paid from Governmental Funds are reported as liabilities on the Fund Financial Statements only to the extent that they are due for payment during the current year. Long-term bonds, loans and capital leases are recognized on the Governmental Fund Financial Statements when due.

L. Unamortized Bond Premiums

Premiums for Government-wide Statements and Enterprise Fund Statements are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an increase to the face amount of the bonds payable.

M. Deferred Charge on Refunding

On the Government-wide Financial Statements and Enterprise Fund Statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt is the deferred charge on refunding and is reported as a deferred outflow. The amount is amortized as a component of interest expense on a straight line basis, since the results are not significantly different from the effective interest rate method, over the shorter life of the new debt or old debt.

N. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the Governmental Funds. The classifications are as follows:

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or are legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) 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.

Assigned - Amounts in the assigned fund balance 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. In the General Fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the Director of Finance the authority to constrain monies for intended purposes.

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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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 could be used.

O. Budget Stabilization/General Fund Balance Reserve

Under the Emergency Reserve policy, the General Fund is required to maintain a fund balance emergency reserve of 25% of planned General Fund operating expenditures and shall be communicated to City Council during the appropriations process. Formal action of City Council is required to use the reserve. As of December 31, 2019, the amount of the reserve was \$7,392,282. This amount is included in the committed fund balance of the General Fund.

P. Internal Activity

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund services provided and used are not eliminated on the Statement of Activities. Transfers between Governmental and Business-type Activities on the Government-wide Financial Statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in Governmental Funds and after nonoperating revenues/expenses in Enterprise Funds. Interfund transfers are eliminated on the Entity-wide Statement of Activities.

Q. Due to/from other funds & Interfund Loans Payable/Receivable

On Fund Financial Statements, outstanding interfund loans are reported as “Interfund Loans Receivable” and “Interfund Loans Payable.” Unpaid amounts for interfund services are reported as “Due to Other Funds” and “Due from Other Funds”. Interfund balances are eliminated on the Government-wide Statement of Net Position except for any net residual amounts due between Governmental and Business-type Activities, which are presented as “Internal Balances.”

The General Fund made two separate loans to the Water Fund in 2017 and 2018 each for \$630,000. Each loan will be repaid over a five year period with an annual interest rate of 2%. As of December 31, 2019 the amount outstanding was \$882,000.

R. Net Position

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

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The Government-wide Statement of Net Position reports \$23,071,469, of restricted net position, none of which is restricted by enabling legislation.

S. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the Enterprise Funds. For the City, these revenues are charges for services for water, sewer and storm water utility services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

T. Contributions of Capital

Contributions of capital in Governmental Activities and Proprietary Fund Financial Statements arise from outside contributions of capital assets, transfers of capital assets between Governmental and Proprietary Funds, or from grants or outside contributions of resources restricted to capital acquisition and construction.

U. Estimates

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

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

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of Generally Accepted Accounting Principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual (non-GAAP Budgetary Basis) presented for the General Fund, Tax Increment Equivalent Fund, Public Safety Fund, Parks & Recreation Fund and Public Service Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an accounts payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (f) Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the Fund Financial Statements) to the Budgetary Basis Statements for all Governmental Funds for which a Budgetary Basis Statement is presented:

Net Change in Fund Balance

	General	Tax Increment Equivalent	Public Safety	Parks & Recreation	Public Service
Budget basis	\$ (4,675,409)	\$ 2,103,374	\$ 71,403	\$ 105,979	\$ 285,317
Net adjustment for revenue accruals	106,038	-	68,747	48,527	84,922
Net adjustment for expenditure accruals	220,527	3,710	(15,973)	(7,270)	(11,050)
Net adjustment for other sources/(uses)	(252,000)	-	-	-	-
Funds budgeted elsewhere	(180,857)	-	-	-	-
Adjustment for Encumbrances	2,994,728	297,130	-	-	-
GAAP basis	<u>\$ (1,786,973)</u>	<u>\$ 2,404,214</u>	<u>\$ 124,177</u>	<u>\$ 147,236</u>	<u>\$ 359,189</u>

Certain funds that are legally budgeted in separate Special Revenue Funds are considered part of the General Fund on a GAAP basis. This includes the Police Duty Weapon Fund, Reserve for Sick/Vacation Fund and Unclaimed Monies Fund.

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

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories:

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, or in money market deposit accounts.

Inactive deposits are public deposits that the City 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 in 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.

Interim and inactive monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. The State Treasurer's investment pool (STAR Ohio and STAR Plus). Any other investment pools operating in Ohio and available exclusively to public fund agencies of Ohio. The instruments of these pools must have the full faith and credit backing of the United States or be fully collateralized or insured;
6. Bonds and other obligations of any legally constituted taxing subdivision of the State of Ohio, such as but not limited to, counties, municipal corporations and school districts. At the time of investment the entity must not be in default of payment for any outstanding obligations and the securities must be general obligation backed by the full faith and credit of the government entity issuing the bonds rated at least second highest by any nationally recognized rating agency;
7. Commercial paper issued by companies incorporated under the laws of the United States and which are rated at the time of purchase in the single highest classification by two nationally recognized rating agencies;

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

NOTE 4 – DEPOSITS AND INVESTMENTS *(continued)*

8. Bankers acceptances which are eligible for purchase by the Federal Reserve System which are issued by institutions ranked nationally as one of the top fifty in asset and deposit size within the industry;
9. Corporate bonds or medium term notes issued by corporations incorporated under the laws of the United States and operating within the United States with assets in excess of \$500 million and rated at least second highest by at least two nationally recognized rating agencies at the time of purchase.
10. Money market funds consisting of investments described herein;
11. Any other investments not listed herein but that are otherwise eligible under Chapter 135 of the Ohio Revised Code.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), or by the Ohio Pooled Collateral System (OPCS). The OPCS allows for the City's financial institution to pledge collateral to the Ohio Treasurer's Office to secure the City's public deposits. The Treasurer's Office is the sole administrator and monitor of the program.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. In accordance with Ohio Revised Code, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. The City's investment policy limits security purchases to those that mature within five years of the settlement date. 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 Director of Finance or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash with Fiscal Agent: At year end, the City had \$166,986 on deposit with the Franklin County Treasurer. The data regarding insurance and collateralization can be obtained from the Franklin County Comprehensive Annual Financial Report for the year ended December 31, 2019. This amount is not included in the City's depository balance below.

Cash in Segregated Accounts: At year end, the City had \$36,369 deposited with a financial institution for monies related to the Mayor's Court Agency Fund. This amount is included in the City's depository balance below.

Deposits with Financial Institutions

At December 31, 2019, the carrying amount of all City deposits was \$1,165,792, which excludes \$3,275 of petty cash on hand. The bank balance of all City deposits was \$1,544,162 of which \$286,300 was covered by FDIC insurance and \$1,257,862 was uninsured. Of the remaining uninsured bank balance, all was collateralized through the Ohio Pooled Collateral System.

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

NOTE 4 – DEPOSITS AND INVESTMENTS (continued)

Investments

As of December 31, 2019, the City had the following investments and maturities:

Investment type	Fair Value	Investment Maturities			
		1 Year or Less	1 to 2 Years	2 to 3 Years	Greater Than 3 Years
Government & Government Sponsored Entity Bonds					
FHLB	899,437	399,372	500,065	-	-
FHLMC	13,237,548	1,751,100	501,075	3,998,995	6,986,378
FNMA	1,746,430	748,680	997,750	-	-
FFCB	8,380,061	2,749,623	-	-	5,630,438
U.S. Treasury Notes	10,640,058	6,157,051	4,483,007	-	-
Other Investments					
Negotiable CDs	5,699,000	-	1,240,656	2,726,705	1,731,639
U.S. Government Money Market	6,341,804	6,341,804	-	-	-
STAR Ohio	15,968,595	15,968,595	-	-	-
Total	\$ 62,912,933	\$ 34,116,225	\$ 7,722,553	\$ 6,725,700	\$ 14,348,455

The weighted average length to maturity of the investments is 1.57 years.

Interest Rate Risk: As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that, to the extent possible, investments will match anticipated cash flow requirements. No investment shall be made unless the Director of Finance, at the time of making the investment, reasonably expects it can be held to its maturity. Unless matched to a specific obligation or debt of the City, the City will not directly invest in securities maturing more than five years from the date of investment.

Credit Risk: The City's investments in government and government sponsored entity bonds carry a rating of Aaa by Moody's and AA+ by Standard and Poors. STAROhio and the U.S. government money market mutual funds carry a rating of AAAM by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires all security transactions, including collateral for repurchase agreements, are entered into on a delivery-versus-payment basis. Should an independent third party custodian be used to hold securities the City's investment policy requires security transactions be evidenced by safekeeping receipts and that there be a written custodial agreement. Currently the City is not exposed to custodial credit risk as all investments are purchased on a delivery versus payment basis and are in the City's name.

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. 100% may be invested in US Treasury Obligations, US Agency Securities, STAR Ohio or Other Ohio Investment Pools; up to 40% in Certificates of Deposit; up to 25% in Commercial Paper, Bankers Acceptance, Repurchase Agreements or State and Local Government Securities; up to 15% in Corporate Bonds or Money Market Funds. In regard to Local Government Securities and Corporate Bonds no more than 5% of the City's investment portfolio may be invested in any one single issuer.

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

NOTE 4 – DEPOSITS AND INVESTMENTS (continued)

The following table includes the fair value hierarchy and percentage of each investment type held by the City at December 31, 2019:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>	<u>Fair Value Hierarchy *</u>
Government & Government Sponsored Entity Bonds			
FHLB	899,437	1.43%	Level 2
FHLMC	13,237,548	21.04%	Level 2
FNMA	1,746,430	2.78%	Level 2
FFCB	8,380,061	13.32%	Level 2
U.S. Treasury Notes & Bills	10,640,058	16.91%	Level 1
Total Government Securities & Obligations	<u>34,903,534</u>	<u>55.48%</u>	
Other Investments			
Negotiable CDs	5,699,000	9.06%	Level 2
U.S. Government money market	6,341,804	10.08%	N/A
STAR Ohio	<u>15,968,595</u>	<u>25.38%</u>	N/A
Total	<u>\$ 62,912,933</u>	<u>100%</u>	

* - Level 1 fair value inputs consist of institutional bond quotes and evaluations based on various market and industry inputs.

* - Level 2 fair value inputs consist of market prices, mortgage backed securities pricing, institutional bond quotes and evaluations based on various market and industry inputs.

NOTE 5 – MUNICIPAL INCOME TAX

From January 1, 2019 to June 30, 2019, the City levied and collected an income tax of 1.5% on all income earned within the City, as well as, on incomes of residents earned outside the City. In the latter case, the City allowed a credit of 83.33% of the tax paid to another municipality. The credit is applied to the lessor of the amount levied by the other municipality or the amount levied by the City. In no instance shall the credit exceed the amount levied by the City. Beginning July 1, 2019 the voters approved a 1% increase to the income tax increasing it to 2.5% and increasing the credit to 100%. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City monthly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly if applicable and file a final return annually. All proceeds from the 1.5% go to the General Fund. As approved by the voters, 75% of the 1% increase is to be used for capital improvements and maintenance and 25% for the operations of public safety, parks and recreation, or public service. Because of these restrictions placed on the 1% increase, 75% is allocated to the Capital Improvement Fund and 25% is allocated across three special funds, Public Safety, Parks & Recreation, and Public Service. The City has entered into an agreement with the Regional Income Tax Agency (RITA) for income tax administration (see Note 18)

NOTE 6 – PROPERTY TAX

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20th; if paid semi-annually, the first payment is due January 20th, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

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

NOTE 6 – PROPERTY TAX (continued)

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year proceeding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2019 public utility property taxes became a lien December 31, 2017, are levied after October 1, 2018, and are collected in 2019 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Gahanna. The County Treasurer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2019 and for which there is an enforceable legal claim. In the Governmental Funds and Governmental Activities, the current portion receivable has been offset by a deferred inflow of resources since current taxes were not levied to finance 2019 operations. The collection of delinquent taxes has been recorded as a receivable and revenue on the accrual basis and a deferred inflow of resources on the modified basis.

The full tax rate for all City operations for the year ended December 31, 2019 was \$2.40 per \$1,000 of assessed value. The assessed values of real and public utility upon which 2019 property tax receipts were based are as follows:

Real property

Residential/agricultural	\$ 803,390,310
Commercial/industrial	215,911,440

Public utility

Real	104,080
Personal	34,601,350

Total assessed value	<u>\$ 1,054,007,180</u>
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NOTE 7 – RECEIVABLES

Receivables at December 31, 2019, are considered fully collectible and will be received within one year with the exception of property taxes and income taxes. Property and income taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. Water, sewer, and storm water charges receivable which, if delinquent, may be certified and collected as a special assessment, are subject to foreclosure for nonpayment.

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

NOTE 8 – CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2019 was as follows:

	Balance 12/31/2018	Additions	Deletions	Balance 12/31/2019
<u>Governmental Activities</u>				
Non-depreciable Capital Assets				
Land & Land Improvements	27,538,887	\$ 149,867	\$ -	\$ 27,688,754
Right of Way Easements	6,295,511	-	-	6,295,511
Infrastructure	70,619,454	-	-	70,619,454
Construction in Progress	7,928,163	444,608	(4,406,198)	3,966,573
Total Non-depreciable Capital Assets	112,382,015	594,475	(4,406,198)	108,570,292
Depreciable Capital Assets				
Buildings	24,606,365	33,306	-	24,639,671
Improvements Other Than Buildings	16,973,315	4,341,377	-	21,314,692
Machinery & Equipment	5,804,031	304,285	(53,895)	6,054,421
Vehicles	4,023,919	493,566	(199,390)	4,318,095
Infrastructure	13,447,334	1,035,291	-	14,482,625
Total Depreciable Capital Assets	64,854,964	6,207,825	(253,285)	70,809,504
Less: Accumulated Depreciation				
Buildings	(7,160,505)	(495,272)	-	(7,655,777)
Improvements Other Than Buildings	(10,513,207)	(787,545)	-	(11,300,752)
Machinery & Equipment	(3,320,591)	(370,577)	53,895	(3,637,273)
Vehicles	(2,045,481)	(507,144)	199,390	(2,353,235)
Infrastructure	(10,624,588)	(265,859)	-	(10,890,447)
Total Accumulated Depreciation	(33,664,372)	(2,426,397)	253,285	(35,837,484)
Governmental Activities Capital Assets, Net	\$ 143,572,607	\$ 4,375,903	\$ (4,406,198)	\$ 143,542,312

Depreciation expense was charged to governmental programs as follows:

General Government	\$ 525,903
Security of Persons & Property	336,451
Community Environment	470,889
Leisure Time Activities	887,022
Transportation	206,132
Total Depreciation Expense	<u>\$ 2,426,397</u>

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

NOTE 8 – CAPITAL ASSETS (continued)

	Balance 12/31/2018	Additions	Deletions	Balance 12/31/2019
Business-type Activities				
Non-depreciable Capital Assets				
Land & Land Improvements	\$ 749,024	\$ -	\$ -	\$ 749,024
Right of Ways	125,752	-	-	125,752
Construction in Progress	509,408	110,135	(184,001)	435,542
Total Non-depreciable Capital Assets	<u>1,384,184</u>	<u>110,135</u>	<u>(184,001)</u>	<u>1,310,318</u>
Depreciable Capital Assets				
Buildings	4,011,472	-	-	4,011,472
Machinery & Equipment	816,001	-	-	816,001
Vehicles	776,181	25,631	-	801,812
Infrastructure				
Storm Sewer Lines	22,778,487	189,873	-	22,968,360
Water Lines & Other	37,487,545	-	-	37,487,545
Sewer Lines & Other	22,614,905	-	-	22,614,905
Total Depreciable Capital Assets	<u>88,484,591</u>	<u>215,504</u>	<u>-</u>	<u>88,700,095</u>
Less: Accumulated Depreciation				
Buildings	(971,343)	(80,229)	-	(1,051,572)
Machinery & Equipment	(223,796)	(61,782)	-	(285,578)
Vehicles	(658,696)	(23,231)	-	(681,927)
Infrastructure				
Storm Sewer Lines	(9,579,340)	(351,795)	-	(9,931,135)
Water Lines & Other	(17,207,497)	(576,415)	-	(17,783,912)
Sewer Lines & Other	(12,339,531)	(348,238)	-	(12,687,769)
Total Accumulated Depreciation	<u>(40,980,203)</u>	<u>(1,441,690)</u>	<u>-</u>	<u>(42,421,893)</u>
Business-type Activities Capital Assets, Net	<u>\$ 48,888,572</u>	<u>\$ (1,116,051)</u>	<u>\$ (184,001)</u>	<u>\$ 47,588,520</u>

Depreciation expense was charged to the enterprise funds as follows:

Water	\$ 693,465
Sewer	382,649
Storm Water	365,576
Total Depreciation Expense	<u>\$ 1,441,690</u>

NOTE 9 – DEFINED BENEFIT PENSION PLANS

A. Net Pension Liability

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

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting. Pension obligations are paid from the same fund as the employees' gross pay.

B. Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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.

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

NOTE 9 – 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):

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3% 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%. There were no benefit changes in 2019.

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

NOTE 9 – DEFINED BENEFIT PENSION PLANS *(continued)*

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

	State and Local	Public Safety	Law Enforcement
2019 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %
2019 Actual Contribution Rates			
Employer:			
Pension	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits	0.0	0.0	0.0
Total Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %

The City does not have any members in the Public Safety and Law Enforcement plans. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$1,071,064 for 2019. Of this amount \$45,279 is reported as intergovernmental payable.

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

Plan Description – City's full-time police participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. The City does not employ any firefighters. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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% for each of the first 20 years of service credit, 2.0% for each of the next five years of service credit and 1.5% for each year of service credit in excess of 25 years. The maximum pension of 72% of the allowable average annual salary is paid after 33 years of service credit.

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

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

NOTE 9 – DEFINED BENEFIT PENSION PLANS *(continued)*

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3% 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	Firefighters
2019 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2019 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	<u>12.25 %</u>	<u>12.25 %</u>

The City does not have any members in the Firefighter plan. Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,089,682 for 2019. Of this amount \$55,022 is reported as intergovernmental payable.

D. PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

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

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

NOTE 9 – DEFINED BENEFIT PENSION PLANS (continued)

	OPERS	OP&F	Total
Proportionate Share of the Net Pension Liability	\$15,217,580	\$17,650,571	\$32,868,151
2018 Proportion of the Net Pension Liability	0.055563%	0.2162360%	
2017 Proportion of the Net Pension Liability	0.054683%	0.2171890%	
2018 Change in Proportionate Share	0.000880%	-0.0009530%	
Pension Expense	\$3,780,683	\$2,568,450	\$6,349,133

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

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	700	725,191	725,891
Change of Assumptions	1,324,716	467,941	1,792,657
Net difference between projected and actual earnings on pension plan investments	2,065,458	2,174,535	4,239,993
Change in proportionate share	249,556	1,009,404	1,258,960
City contributions subsequent to the measurement date	1,071,064	1,089,682	2,160,746
Total Deferred Outflows of Resources	\$4,711,494	\$5,466,753	\$10,178,247
Deferred Inflows of Resources			
Differences between expected and actual experience	\$199,819	\$16,482	\$216,301
Change in City's Proportionate Share of the Net Pension Liability	-	700,951	700,951
Total Deferred Inflows of Resources	\$199,819	\$717,433	\$917,252

\$2,160,746 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2020	1,574,676	1,265,980	2,840,656
2021	782,026	790,472	1,572,498
2022	123,318	553,431	676,749
2023	960,591	987,255	1,947,846
Thereafter	-	62,500	62,500
Total	\$3,440,611	\$3,659,638	\$7,100,249

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

NOTE 9 – DEFINED BENEFIT PENSION PLANS (continued)

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

Wage Inflation	3.25%
Future Salary Increases, including inflation	3.25% to 10.75% including wage inflation
COLA or Ad Hoc COLA	Pre-1/7/13 Retirees: 3% simple Post- 1/7/13 Retirees: 3% simple through 2018, then 2.15% simple
Investment Rate of Return	7.2%
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 long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

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

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

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

NOTE 9 – DEFINED BENEFIT PENSION PLANS (continued)

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

Discount Rate The discount rate used to measure the total pension liability was 7.2%. 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, as actuarially determined. 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 for all plans was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease 6.20%	Current Discount Rate 7.20%	1% Increase 8.20%
City's proportionate share of the net pension liability	\$22,480,790	\$15,217,580	\$9,181,786

F. Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2018 is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures to December 31, 2017. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2018, are presented below:

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

NOTE 9 – DEFINED BENEFIT PENSION PLANS (continued)

Valuation Date	1/1/2018 with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption Experience Study	5 year period ended December 31, 2016
Investment Rate of Return	8.00%
Projected Salary Increases	3.75% - 10.5%
Payroll Growth	2.75% inflation plus productivity increase rate of .5%
Cost of Living Adjustments	3% simple; 2.2% simple for increases based on the lesser of the increase in CPI and 3%

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%. For ages 67 or less, rates for police and fire are 77% and 68%, respectively. For ages 68 to 77, rates for police and fire are 105% and 87%, respectively. For ages 78 and up, rates for police and fire are 115% and 120%, 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 Conduent Modified 2016 Improvement Scale. Rates for ages 59 or less for police and fire are 35%. Rates for ages 60 to 69 for police and fire are 60% and 45%, respectively. Rates for ages 70 to 79 for police and fire are 75% and 70%, respectively. Rates for ages 80 and up for police and fire are 100% and 90%, respectively.

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

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

* levered 2x

Note: Assumptions are geometric

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

NOTE 9 – DEFINED BENEFIT PENSION PLANS *(continued)*

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

Discount Rate The total pension liability was calculated using the discount rate of 8%. 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%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8%, 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%), or one percentage point higher (9%) 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	\$23,200,460	\$17,650,572	\$13,012,838

NOTE 10 – DEFINED BENEFIT OPEB PLANS

A. Net OPEB Liability

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

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

NOTE 10 – DEFINED BENEFIT OPEB PLANS *(continued)*

not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

B. 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.html>, 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% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, with the assistance of OPERS' actuary, 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

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

NOTE 10 – DEFINED BENEFIT OPEB PLANS (continued)

contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0% during calendar year 2018. 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 2018 was 4%.

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

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

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

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

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

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

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

OP&F maintains funds for health care in two separate accounts. 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.

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

NOTE 10 – DEFINED BENEFIT OPEB PLANS *(continued)*

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% 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 \$28,676 for 2019.

C. Net OPEB Liability

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

	OPERS	OP&F	Total
2018 Proportion of the Net OPEB Liability	0.0578130%	0.21623600%	
2017 Proportion of the Net OPEB Liability	0.0564900%	0.21718900%	
Change in Proportionate Share	0.0013230%	-0.00095300%	
Proportionate Share of the Net OPEB Liability	\$ 7,537,581	\$ 1,969,160	\$ 9,506,741
OPEB Expense	\$ 816,106	\$ (9,679,258)	\$ (8,863,152)

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

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

NOTE 10 – DEFINED BENEFIT OPEB PLANS (continued)

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 2,552	\$ -	\$ 2,552
Changes of assumptions	243,017	1,020,721	1,263,738
Change in proportionate share	189,821	113,430	303,251
Net difference between projected and actual earnings on pension plan investments	345,555	66,657	412,212
City contributions subsequent to the measurement date	-	28,676	28,676
Total Deferred Outflows of Resources	<u>\$ 780,945</u>	<u>\$ 1,229,484</u>	<u>\$ 2,010,429</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 20,451	\$ 52,758	\$ 73,209
Change in proportionate share	-	42,363	42,363
Change of assumptions	-	545,157	545,157
Total Deferred Inflows of Resources	<u>\$ 20,451</u>	<u>\$ 640,278</u>	<u>\$ 660,729</u>

\$28,676 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2020	403,215	99,843	503,058
2021	124,832	99,845	224,677
2022	58,369	99,841	158,210
2023	174,078	120,002	294,080
Therafter	-	140,999	140,999
Total	<u>\$ 760,494</u>	<u>\$ 560,530</u>	<u>\$ 1,321,024</u>

D. Actuarial Assumptions – OPERS

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

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

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

NOTE 10 – DEFINED BENEFIT OPEB PLANS *(continued)*

Wage Inflation	3.25%
Projected Salary Increases, including inflation	3.25% to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	3.96%
Prior Measurement date	3.85%
Investment Rate of Return	6.00%
Municipal Bond Rate	3.71%
Health Care Cost Trend Rate	10%, initial 3.25%, ultimate in 2029
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 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 5.6% for 2018.

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

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

NOTE 10 – DEFINED BENEFIT OPEB PLANS (continued)

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

Discount Rate A single discount rate of 3.96% was used to measure the OPEB liability on the measurement date of December 31, 2018. 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% and a municipal bond rate of 3.71%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

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

	1% Decrease 2.96%	Current Discount Rate 3.96%	1% Increase 4.96%
City's proportionate share of the net OPEB liability	\$ 9,643,208	\$ 7,537,581	\$ 5,862,816

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% lower or 1.0% higher than the current rate.

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

NOTE 10 – DEFINED BENEFIT OPEB PLANS *(continued)*

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10%. 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% in the most recent valuation.

	Current Health Care Cost Trend Rate		
	1% Decrease	Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 7,245,125	\$ 7,537,581	\$ 7,874,131

E. Actuarial Assumptions – OP&F

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

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

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

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

NOTE 10 – DEFINED BENEFIT OPEB PLANS *(continued)*

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

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.00%
Projected Salary Increases	3.75 % to 10.5 %
Payroll Growth	Inflation rate of 2.75 % plus productivity increase rate of 0.5 %
Cost of Living Adjustments	3.00 % simple; 2.2 % simple for increased based on the lesser of the increase in CPI and 3 %

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 %.

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

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

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

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

NOTE 10 – DEFINED BENEFIT OPEB PLANS (continued)

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

* levered 2x

Note: Assumptions are geometric

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

Discount Rate The total OPEB liability was calculated using the discount rate of 4.66%. 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%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 4.13% at December 31, 2018 and 3.16% at December 31, 2017, was blended with the long-term rate of 8%, which resulted in a blended discount rate of 4.66%.

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

	1% Decrease 3.66%	Current Discount Rate 4.66%	1% Increase 5.66%
City's proportionate share of the net OPEB liability	\$ 2,398,975	\$ 1,969,160	\$ 1,608,368

NOTE 10 – DEFINED BENEFIT OPEB PLANS (continued)

Changes to Retiree Health Care Model Beginning January 1, 2019, OP&F changed its retiree health care model and the current self-insured health care plan will no longer be offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changes from the current health care model to the stipend-based health care model, OP&F expects that it will be able to provide stipends to eligible participants for the next 15 years.

NOTE 11 – EMPLOYEE BENEFITS

A. Compensated Absences

Vacation leave is earned bi-weekly at a rate which varies depending upon negotiated agreements or employment ordinances, length of service and standard work week. Current policy allows the unused balance to be accumulated at levels which depend upon negotiated agreements and employment ordinances. City employees are paid for earned, unused vacation leave at the time of termination of employment.

Sick leave is earned bi-weekly at variable rates based on negotiated agreements or employment ordinances based on years of service worked and can be accumulated without limit. Each employee with the City is paid, according to contract or ordinance, a portion of their earned unused sick leave upon termination from the City. In lieu of payment, an employee may elect to transfer the full balance or a portion of earned unused sick leave to another governmental agency. In the event that an employee dies as the result of injuries sustained on the job, his or her estate will be paid the total allowable amount of all earned unused sick leave.

City employees working in excess of designated work hours are entitled to either overtime pay or compensatory time according to the Fair Labor Standards Act. Employees may elect to receive compensatory time in lieu of overtime pay. Current policy allows accumulation of compensatory time to levels established by negotiated agreements or employment ordinances and there are no timing restrictions on when accumulated compensatory time must be used. City employees are paid for earned, unused compensatory leave at the time of termination of employment.

All termination benefits are paid from the General Fund. Leave usage is paid from the same fund as the employee's regular wages.

B. Deferred Compensation Plan

Employees of the City may elect to participate in the Ohio Public Employees Deferred Compensation Program or other deferred compensation plans created in accordance with Internal Revenue Code Section 457. Under these programs, employees elect to defer a portion of their pay. Deferred pay and any income earned on it are not subject to Federal and State income taxation until actually received by the employee. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency.

C. Health Care Benefits

The City provides health care benefits through the Central Ohio Health Care Consortium (the "Pool"), a risk-sharing pool that provides basic hospital, surgical and prescription drug coverage. See Note 16 for further information. Dental, vision, and life insurance coverage is provided by Delta Dental, Vision Service Plan, and the Standard Insurance Company, respectively.

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

NOTE 12 – RISK MANAGEMENT

A. Property and Liability

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, vehicles, general liability insurance and police professional liability insurance. The City also carries public official's liability insurance. Settlements have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.

B. Workers' Compensation

The City is self-insured for Workers' Compensation and administers its own worker's compensation program. The City has established an employee benefits self-insurance internal service fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probable that a claim will be filed under the program and the amount of the claim can be reasonably estimated. For 2018 and 2019 there were no transactions that met this criteria as a result the beginning and ending liability amount for both years is \$0. The City utilizes the services of a third party administrator to review, process, and pay employee claims.

NOTE 13 – INTERFUND TRANSFERS

Transfers made during the year ended December 31, 2019, were as follows:

		Transfers To						
		General	Capital Improvement	Nonmajor Governmental	Water	Sewer	Storm Water	Total
Transfers From	General	\$ -	\$ 3,322,560	\$ 1,216,120	\$ 1,170	\$ 1,170	\$ 21,170	\$ 4,562,190
	Tax Increment							
	Equivalent	129,797	-	635,000	300,000	-	-	1,064,797
	Public Safety	-	-	25,630	-	-	-	25,630
	Capital							
	Improvement	-	-	47,687	-	-	-	47,687
	Nonmajor							
	Governmental	-	-	405,957	-	-	-	405,957
	Water	-	-	-	-	100,000	-	100,000
Sewer	-	-	-	-	-	-	-	
Stormwater	-	-	47,685	-	-	-	47,685	
Total		\$ 129,797	\$ 3,322,560	\$ 2,378,079	\$ 301,170	\$ 101,170	\$ 21,170	\$ 6,253,946

Transfers were made to move unrestricted balances to support programs and projects accounted for in other funds. Transfers from the Tax Increment Equivalent Fund were to reimburse other City funds for infrastructure improvements within the TIF Districts made prior to the receipt of payments in lieu of taxes. The transfers from the General, Tax Increment Equivalent Fund and Nonmajor Governmental Funds to the Bond Retirement Fund (a Nonmajor Governmental Fund) were made to service annual debt payments.

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

NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS

A. Bonded Debt and Other Long-Term Obligations

Bonded debt and other long-term obligations payable activity for fiscal year 2019 follows:

Types / Issues	Balance 12/31/2018	Issued	Retired	Balance 12/31/2019	Due Within One Year
<u>Governmental activities:</u>					
<u>General obligation bonds</u>					
2013 - Refunding Bonds					
Serial Bonds 2% to 3%	3,194,750	-	(625,650)	2,569,100	645,050
Term Bonds 3.5% to 4%	4,499,600	-		4,499,600	-
Premium on Bonds Issued	529,839	-	(44,153)	485,686	-
2015 - Refunding Bonds					
Serial Bonds 2% to 3%	4,342,800	-	(477,400)	3,865,400	488,950
Term Bonds 3.5% to 4%	642,950	-		642,950	-
Premium on Bonds Issued	394,687	-	(43,854)	350,833	-
2015 - Street Improvement Bonds					
Serial Bonds 2% to 3%	1,805,000	-	(195,000)	1,610,000	205,000
Term Bonds 3.5% to 4%	2,720,000	-		2,720,000	-
Premium on Bonds Issued	186,313	-	(10,960)	175,353	-
Total general obligations bonds	<u>18,315,939</u>	<u>-</u>	<u>(1,397,017)</u>	<u>16,918,922</u>	<u>1,339,000</u>
<u>Other long-term obligations</u>					
2009 - OPWC Loan 0% (CC02L)	621,792	-	(51,816)	569,976	51,816
2011 - OPWC Loan 0% (CC16M)	477,832	-	(36,756)	441,076	36,756
2019 - Judgement Bond Anticipation Notes	-	5,000,000	-	5,000,000	-
Compensated absences payable	2,588,380	1,579,265	(1,577,341)	2,590,304	1,186,038
Net Pension Liability:					-
OPERS	7,486,500	5,728,471	-	13,214,971	-
OP&F	13,329,870	4,320,701	-	17,650,571	-
Total Net Pension Liability	<u>20,816,370</u>	<u>10,049,172</u>	<u>-</u>	<u>30,865,542</u>	<u>-</u>
Net OPEB Liability:					-
OPERS	5,353,400	1,192,147	-	6,545,547	-
OP&F	12,305,625	-	(10,336,465)	1,969,160	-
Total Net OPEB Liability	<u>17,659,025</u>	<u>1,192,147</u>	<u>(10,336,465)</u>	<u>8,514,707</u>	<u>-</u>
Total other long-term obligations	<u>42,163,399</u>	<u>17,820,584</u>	<u>(12,002,378)</u>	<u>47,981,605</u>	<u>1,274,610</u>
Total governmental activities	<u>\$ 60,479,338</u>	<u>\$ 17,820,584</u>	<u>\$ (13,399,395)</u>	<u>\$ 64,900,527</u>	<u>\$ 2,613,610</u>

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

NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

Types / Issues	Balance 12/31/2018	Issued	Retired	Balance 12/31/2019	Due Within One Year
<u>Business-type activities:</u>					
<u>General obligation bonds</u>					
Water fund					
2015 - Refunding Bonds					
Serial Bonds 2% to 4%	169,200	-	(18,600)	150,600	19,050
Term Bonds 3% to 3.5%	25,050	-	-	25,050	-
Premium on Bonds Issued	12,317	-	(1,368)	10,949	-
Sewer fund					
2015 - Refunding Bonds					
Serial Bonds 2% to 4%	169,200	-	(18,600)	150,600	19,050
Term Bonds 3% to 3.5%	25,050	-	-	25,050	-
Premium on Bonds Issued	12,317	-	(1,368)	10,949	-
Storm water fund					
2013 - Refunding Bonds					
Serial Bonds 2% to 3%	80,250	-	(19,350)	60,900	19,950
Term Bonds 3.5% to 4%	65,400	-	-	65,400	-
Premium on Bonds Issued	10,308	-	(859)	9,449	-
2015 - Refunding Bonds					
Serial Bonds 2% to 4%	958,800	-	(105,400)	853,400	107,950
Term Bonds 3% to 3.5%	141,950	-	-	141,950	-
Premium on Bonds Issued	73,897	-	(8,210)	65,687	-
Total General Obligations Bonds	<u>1,743,739</u>	<u>-</u>	<u>(173,755)</u>	<u>1,569,984</u>	<u>166,000</u>
<u>Other long-term obligations</u>					
Compensated absences payable	88,767	101,162	(97,293)	92,636	92,636
Net Pension Liability:					
Water	417,773	342,791	-	760,564	-
Sewer	417,773	342,791	-	760,564	-
Storm Water	256,657	224,825	-	481,482	-
Total Net Pension Liability	<u>1,092,203</u>	<u>910,407</u>	<u>-</u>	<u>2,002,610</u>	<u>-</u>
Net OPEB Liability:					
Water	298,738	78,050	-	376,788	-
Sewer	298,738	78,050	-	376,788	-
Storm Water	183,522	54,936	-	238,458	-
Total Net OPEB Liability	<u>780,998</u>	<u>211,036</u>	<u>-</u>	<u>992,034</u>	<u>-</u>
Total other long-term obligations	<u>1,961,968</u>	<u>1,222,605</u>	<u>(97,293)</u>	<u>3,087,280</u>	<u>92,636</u>
Total business-type activities	<u>\$ 3,705,707</u>	<u>\$ 1,222,605</u>	<u>\$ (271,048)</u>	<u>\$ 4,657,264</u>	<u>\$ 258,636</u>

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

NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (continued)

The City's overall voted legal debt margin (the ability to issue additional amounts of general obligation debt) was \$105,670,754 with an unvoted debt margin of \$52,970,395 at December 31, 2019.

Annual debt service requirements to maturity for Governmental Activities long-term obligations are:

Year Ending December 31,	Government-Type Activities				OPWC
	Serial Bonds		Term Bonds		Loan
	Principal	Interest	Principal	Interest	Principal
2020	1,339,000	547,443	-	-	88,572
2021	1,385,650	506,784	-	-	88,572
2022	1,424,450	464,453	-	-	88,572
2023	776,700	239,917	674,150	188,495	88,572
2024	813,650	208,849	703,250	161,529	88,572
2025-2029	2,305,050	381,169	3,955,150	630,950	442,861
2030-2034	-	-	2,185,000	243,863	125,331
2035	-	-	345,000	12,075	-
Totals	<u>\$ 8,044,500</u>	<u>\$ 2,348,615</u>	<u>\$ 7,862,550</u>	<u>\$ 1,236,912</u>	<u>\$ 1,011,052</u>

Annual debt service requirements to maturity for Business-type Activities long term obligations are:

Year Ending December 31,	Business-Type Activities					
	Water General		Sewer General		Stormwater General	
	Obligation Bonds Principal	Interest	Obligation Bonds Principal	Interest	Obligation Bonds Principal	Interest
2020	19,050	6,567	19,050	6,567	127,900	44,261
2021	20,100	5,805	20,100	5,805	134,150	39,544
2022	20,850	5,001	20,850	5,001	138,850	34,583
2023	21,300	4,376	21,300	4,376	141,550	30,624
2024	22,350	3,524	22,350	3,524	148,400	24,962
2025-2029	72,000	5,093	72,000	5,093	430,800	32,983
Totals	<u>\$ 175,650</u>	<u>\$ 30,366</u>	<u>\$ 175,650</u>	<u>\$ 30,366</u>	<u>\$ 1,121,650</u>	<u>\$ 206,957</u>

The 2013 term bonds maturing on December 1, 2027 in the amount of \$3,310,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2023	\$695,000
2024	725,000
2025	760,000
2026	555,000
Total	<u>\$2,735,000</u>

The remaining principal amount of \$575,000 will mature at stated maturity of December 1, 2027.

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

NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

The 2013 term bonds maturing on December 1, 2030 in the amount of \$1,255,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2029	\$620,000

The remaining principal amount of \$635,000 will mature at stated maturity of December 1, 2030.

The 2015 term bonds maturing on December 1, 2029 in the amount of \$1,660,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2027	\$1,100,000
2028	275,000
Total	<u>\$1,375,000</u>

The remaining principal amount of \$285,000 will mature at stated maturity of December 1, 2029.

The 2015 term bonds maturing on December 1, 2031 in the amount of \$590,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2030	\$290,000

The remaining principal amount of \$300,000 will mature at stated maturity of December 1, 2030.

The 2015 term bonds maturing on December 1, 2033 in the amount of \$630,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2032	\$310,000

The remaining principal amount of \$320,000 will mature at stated maturity of December 1, 2033.

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

NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

The 2015 term bonds maturing on December 1, 2035 in the amount of \$675,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2034	\$330,000

The remaining principal amount of \$345,000 will mature at stated maturity of December 1, 2035.

B. General Obligation Bonds

During 2013, the City issued \$8,975,000 of various purpose refunding bonds to advance refund a portion of bonds issued during 2005. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old bonds of \$1,133,621. This is reported as a deferred outflow on the Entity-wide and Proprietary Statement of Net Position and is being amortized as interest and fiscal charges on a straight line basis through 2030. The bond proceeds were deposited in an irrevocable trust with an escrow agent and invested in obligations guaranteed as to both principal and interest by the United States Government. The principal and interest earned by the trust will be used to pay the principal and interest of the refunded bonds. The City completed the advance refunding to reduce debt service payments by \$1,059,470 over the life of the bonds and to obtain an economic gain of \$889,496.

During 2015, the City issued \$7,620,000 of various purpose refunding bonds to advance refund the remaining 2005 bonds and a portion of the bonds issued during 2007. The 2005 and 2007 refunding resulted in a difference between the reacquisition price and the net carrying amount of the old bonds of \$22,146 and \$672,149 respectively. This is reported as a deferred outflow on the Entity-wide and Proprietary Statement of Net Position and is being amortized as interest and fiscal charges on a straight line basis through 2027. The bond proceeds were deposited in an irrevocable trust with an escrow agent and invested in obligations guaranteed as to both principal and interest by the United States Government. The principal and interest earned by the trust will be used to pay the principal and interest of the refunded bonds. The City completed the advance refunding to reduce debt service payments by \$41,911 and \$540,821 over the life of the bonds and to obtain an economic gain of \$40,701 and \$460,539 for the 2005 and 2007 bonds respectively.

During 2015, the City issued \$5,095,000 of various purpose bonds for constructing, resurfacing and improving a portion of the City's Detroit streets. The bonds are un-voted general obligation debt of the City secured by a pledge of the full faith and credit of the City. The bonds are payable from lawfully available municipal income tax revenue.

During 2019, the City issued a one-year \$5,000,000 judgement bond anticipation note to pay the \$9,100,000 settlement associated with the income tax lawsuit. The City had \$4,100,000 in a litigation reserve but did not have available resources to pay the additional \$5,000,000 due. The notes were refinanced in June of 2020 on a long-term basis, see Note 23 – Subsequent Events for more information.

NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

C. Ohio Public Works Commission (OPWC) Loans

The 2009 OPWC Loan consists of \$1,036,320 borrowed from the Ohio Public Works Commission for U.S. Route 62 roadway improvements. The 20 year loan will be paid with property taxes from the Debt Service Fund and transfers from the General Fund.

The 2011 OPWC loan consists of \$735,124 borrowed from the Ohio Public Works Commission for U.S. 62 and Stygler Road improvements. The 20 year loan will be paid with property taxes from the Debt Service Fund and transfers from the General Fund.

D. Conduit Debt

During 2015, the City authorized the issuance of \$15,000,000 of economic development revenue bonds for the acquisition, construction, renovation, installation and equipping of certain capital expenditures of the Columbus Academy. These bonds were refunded in 2019. The Bonds are not general obligations of the City and do not represent a pledge of the faith and credit of the City. The bonds are collateralized by pledged revenue to be received under a loan agreement with the Columbus Academy. The City has no responsibility for the repayment of the bonds and the bonds do not create a liability to the City. As such, the bonds are not reported as a liability on the City's financial statements.

During 2019, the City authorized the issuance of \$10,700,000 of economic development revenue bonds for the acquisition, construction, renovation, installation and equipping of certain capital expenditures of the Columbus Academy. The City also authorized the issuance of \$8,300,000 economic development refunding bonds to refund the 2015 bonds outstanding. The Bonds are not general obligations of the City and do not represent a pledge of the faith and credit of the City. The bonds are collateralized by pledged revenue to be received under a loan agreement with the Columbus Academy. The City has no responsibility for the repayment of the bonds and the bonds do not create a liability to the City. As such, the bonds are not reported as a liability on the City's financial statements.

NOTE 15 – OPERATING LEASE

During 2018, the City entered into an operating lease for 44 police department body microphones and 19 in car cameras. Upon paying all lease payments the title of the equipment shall transfer to the City with no additional costs required. Future minimum lease payments are as follows:

Fiscal Year Ending December 31,	Operating Lease Obligation
2020	36,075
2021	36,075
2022	36,075
Total Minimum Lease Payments	108,225
Less: Amount Representing Interest	-
Present Value of Minimum Lease Payments	<u>\$ 108,225</u>

NOTE 16 – SHARED RISK POOL

On January 1, 1992, the City joined the Central Ohio Health Care Consortium (the "Pool"), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the Pool. The Pool, which commenced business on January 1, 1992, has eleven members consisting of various cities, villages and townships who pool risk for basic hospital, surgical and prescription drug

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

NOTE 16 – SHARED RISK POOL (continued)

coverage. The members originally entered into an irrevocable agreement to remain members of the Pool for a minimum of three years. This agreement was renewed for an additional three years on January 1, 2020. The Pool is governed by a Board of Directors consisting of one director appointed by each member.

The Board elects a Chairman, a Vice Chairman, a Treasurer and a Secretary. The Board is responsible for its own financial matters and the Pool maintains its own books of account. Budgeting and financing of the Pool is subject to the approval of the Board. The City has no explicit and measurable equity interest in the Pool. The City has no ongoing financial responsibility other than the three year minimum membership. The City pays monthly contributions to the Pool, which are used to cover claims and administrative costs, purchase excess loss insurance for the Pool and establish adequate reserves.

Each member's contribution rate is established based on the number of employees and officers enrolled in the plan and the prior loss experience of the respective member group. In total, the members' contributions represent an amount in excess of the projected pool costs to allow for adequate funding to establish and maintain an excess reserve for future operational needs. The Pool also entered into an agreement with an independent plan supervisor to oversee the day to day operations of the Pool, such as administration and approval of submitted claims, the payment of operating expenses incurred by the Pool and the preparation of a monthly activity report which is presented to the Board. The funds held by the Pool are maintained in a bank trust account established for the sole purpose and benefit of the Pool operations. Financial information for the Pool can be obtained from Carrie Kraner, Treasurer of the Central Ohio Health Care Consortium, 141 East Broadway PO Box 514, Granville, Ohio 43023. The City's payment to the Pool for insurance coverage was \$2,871,628 during 2019.

The Pool has 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 Pool for medical claims paid for an individual in excess of \$225,000 with an unlimited individual lifetime maximum. The aggregate excess loss coverage has been structured to indemnify the Pool for aggregate claims paid in excess of \$15,118,385 to a maximum of \$1,000,000 annually per covered member. In the event that the losses of the Pool in any year exceeds amounts paid to the Pool, 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 Pool for claims paid on its behalf or the member must pay the claims directly.

NOTE 17 – UNDIVIDED INTEREST

On February 21, 1996, a contract was entered into between the Gahanna Jefferson Public School District (the "District") and the City of Gahanna to construct and operate a vehicle maintenance facility. Based on the terms of the agreement, the entities equally bear the cost related to the construction and maintenance of the facility. In addition, the City received a credit of \$93,980 on the construction and maintenance of this facility, representing the fair value of the 4.699 acres of land that the City deeded to the District for this project. The City's undivided interest in this facility is being shown as a capital asset in the Government-wide Financial Statements.

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing Cities and Villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal

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

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS (continued)

corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose. The first official act of the RCOG was to form the Regional Income Tax Agency (RITA). Today RITA serves as the income tax collection agency for 317 municipalities throughout the State of Ohio. During 2019, the City paid \$421,318, in income tax collection fees to RITA.

NOTE 19 – CONTINGENT LIABILITIES

A. Litigation

July 3, 2012, the City became party to a class action lawsuit concerning the application of the reduced credit on individual income tax forms for residents of the City who work in a different municipality with a higher income tax rate. In most Ohio municipalities, income taxes are levied on the income of residents as well as non-residents who work or provide services within the municipality. The collection of income taxes, for the most part, is performed through the residents' employer as a local income tax withholding based on the tax levied by the municipality where they are employed. Although taxes may be levied on an individual by multiple municipalities, they are only required to file an individual income tax form with the municipality they reside in. Some municipalities provide 100% credit for paying income taxes where a resident works and some municipalities provide a reduced credit. Gahanna provides a reduced credit under City Code Section 161.081 previously City Code Section 161.18(a).

At the time of the lawsuit, City Code Section 161.18(a) stated, in summary, that every individual taxpayer who resides in the City but has paid municipal income tax to another municipality shall be allowed a credit of 83-1/3% of the amount so paid to the other municipality to the extent of the tax assessed by this chapter. In no instance shall the allowable credit for tax paid to another municipality exceed the amount of tax imposed by this chapter.

The lawsuit claims that the individual income tax form does not apply the credit in accordance with City Code Section 161.18(a) and therefore the City has collected income taxes not owed to the City and the City has not refunded the overpayment to the residents of the City. The plaintiffs believe that in accordance with City code the credit of 83-1/3% should be applied to the amount paid to another municipality. If the amount of the credit is equal to or in excess of the resident's tax liability to the City, or 1.5% of the residents' income, then no amount is due to the City. However, the individual income tax form applies the 83-1/3% credit to the lesser of 1) the workplace tax paid or 2) the residency tax liability of 1.5% of income.

The City has consistently applied the credit to the lesser of the workplace tax paid or the residency tax liability since the establishment of the reduced credit and does not believe the City's individual income tax form misapplies the credit. Therefore the City has not over collected income taxes due from residents.

September 11, 2014, a summary judgement was made in the Franklin County Court of Common Pleas in favor of the plaintiffs concluding that the plaintiffs' interpretation of City Code Section 161.18(a) is correct and the individual income tax form should be amended to reflect the court's ruling or should stop being used. The Court also approved the case to proceed as a class action lawsuit. November 7, 2016 an appeal was filed by the City regarding the Court's summary judgement.

During 2015, the appeals court upheld the trial court's decision and determined the class claims begin July of 2009. RITA and the City appealed to the Ohio Supreme Court, who decided not to hear the case and sent it back to the Court of Common Pleas. March 2016, the Common Pleas Court included tax year 2014 as part of the class. May 13, 2016, RITA and the City were awaiting a trial court decision regarding RC 9.39. January of 2017, the trial court decided after oral argument that the City and Ms. Teal did not violate RC 9.39 and the claim was dismissed.

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

NOTE 19 – CONTINGENT LIABILITIES (continued)

A damages hearing was held February 20-22, 2018 wherein the Court ordered all parties to file Proposed Findings of Fact and Conclusions of Law, which were filed May 7, 2018. The range of damages varies significantly between the three parties involved. The Plaintiffs are seeking \$16,217,462 in damages. The City asserts the damages are \$12,769,659 and RITA believes the damages are \$13,260,658.

October 31, 2018, the court issued an opinion which ruled that the plaintiffs are owed \$12,769,659. On November 19, 2018 the plaintiffs filed a motion for attorney fees seeking \$5,971,346 plus \$211,305 in costs. On November 20, 2018, the City of Gahanna and RITA each filed a notice of appeal before the Franklin County Court of Appeals asserting several separate assignments of error and challenging the decision on the liability issued September 11, 2014. The trial court granted a motion to stay the case, pending the appeal.

May 13, 2019, City Council passed ORD 0046-2019, authorizing the Mayor to enter into a settlement agreement with the plaintiffs' attorneys. The City engaged in good faith negotiations with all parties and agreed to a one-time principal only payment in the amount of \$9,100,000 to resolve all litigation and matters between them. The settlement agreement was approved by the Court of Common Pleas and the payment was wired to the attorneys on July 25, 2019 bringing the seven year lawsuit to a close.

B. Federal and State Grants

For the period January 1, 2019 to December 31, 2019, 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 disallowance, if any, would be immaterial.

NOTE 20 – OTHER COMMITMENTS

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

	Year-End
<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$ 2,789,264
Tax Increment Financing	297,129
Capital Improvement	7,515,571
Other Governmental	<u>723,374</u>
Total	<u>\$ 11,325,338</u>

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

NOTE 21 – FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the Governmental Funds. The constraints placed on fund balance for the Major Governmental Funds and all Other Governmental Funds are presented below:

	General	Tax Increment Fund	Public Safety Fund	Parks & Recreation Fund	Public Serviced Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Fund Balances								
Nonspendable								
Material & Supplies Inventory	326,392	-	-	-	-	-	-	326,392
Prepayments	142,433	-	-	-	-	-	6,110	148,543
Unclaimed Monies	31,268	-	-	-	-	-	-	31,268
Total Unassigned	<u>500,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,110</u>	<u>506,203</u>
Restricted								
Debt Service	-	-	-	-	-	-	1,200,613	1,200,613
Capital Improvements	-	-	-	-	-	4,913,421	100,477	5,013,898
Leisure Time Activities	-	-	-	147,236	-	-	-	147,236
General Government	-	-	-	-	359,189	-	877,991	1,237,180
Police Pension	-	-	-	-	-	-	671,134	671,134
Security of Persons & Property	-	-	124,177	-	-	-	486,465	610,642
Tax Increment Financing Districts	-	3,934,534	-	-	-	-	-	3,934,534
Transportation	-	-	-	-	-	-	1,610,601	1,610,601
Bridge Maintenance	-	-	-	-	-	435,597	-	435,597
Road Maintenance	-	-	-	-	-	1,137,092	-	1,137,092
Hamilton Road Widening	-	-	-	-	-	1,726,533	-	1,726,533
Morse Rd Hamilton to Trellis	-	-	-	-	-	1,028,216	-	1,028,216
South Stygler Widening	-	-	-	-	-	850,000	-	850,000
Agler Road Redesign	-	-	-	-	-	1,000,000	-	1,000,000
Claycraft Intersections	-	-	-	-	-	300,000	-	300,000
Total Restricted	<u>-</u>	<u>3,934,534</u>	<u>124,177</u>	<u>147,236</u>	<u>359,189</u>	<u>11,390,859</u>	<u>4,947,281</u>	<u>20,903,276</u>
Committed								
Capital Improvements	-	-	-	-	-	-	371,298	371,298
Transportation	-	-	-	-	-	-	-	-
Emergency Reserve	7,392,282	-	-	-	-	-	-	7,392,282
Leisure Time Activities	-	-	-	-	-	-	16,799	16,799
Total Committed	<u>7,392,282</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>388,097</u>	<u>7,780,379</u>
Assigned								
Capital Improvements	1,175,094	-	-	-	-	-	-	1,175,094
Subsequent Year Appropriations	455,956	-	-	-	-	-	-	455,956
General Government	306,554	-	-	-	-	-	-	306,554
Security of Persons & Property	88,807	-	-	-	-	-	-	88,807
Community Environment	937,237	-	-	-	-	-	-	937,237
Leisure Time Activities	247,119	-	-	-	-	-	-	247,119
Transportation	34,453	-	-	-	-	-	-	34,453
Total Assigned	<u>3,245,220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,245,220</u>

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

NOTE 22 – TAX ABATEMENTS

The City has passed multiple resolutions and/or ordinances designating and amending five areas as Community Reinvestment Areas (CRA) under Ohio Revised Code (ORC) Sections 3735.65 to 3735.70. The ORC allows the City to exempt property owners from real property taxes on improvements made to existing structures and construction of new structures within the boundaries of the CRAs. These areas must be designated, through a statement of finding within the City's resolution, as one in which housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged.

The purpose of the tax exemption is to encourage economic stability; maintain real property value; and generate new employment by improving existing structures or building new structures. In accordance with ORC, the City may provide up to 100% tax exemption for up to 10 years on improvements made to dwellings with not more than two units with a remodel cost of \$2,500 or more; up to 12 years for dwellings with more than two units or commercial/industrial properties with a remodel or expansion cost of \$5,000 or more; and up to 15 years for new construction of a dwelling or commercial/industrial property.

For Commercial/industrial properties the percent exempted and number of years is based on project investment, the number of jobs created/retained and annual income tax paid to the City. This information is entered into an incentive financial information model to estimate if the rate of return for each dollar of incentive provided is equal to or exceeds the incentive being provided. For residential properties the percent exempted and number of years is based on the type of dwelling, total cost of improvements and potential increase of property value assigned by the Franklin County auditor as a result of the improvement.

The commitment made by the property owners to receive the incentive includes paying for the costs of the improvement or new construction, remaining current on property tax payments and maintaining the property within the City's property and zoning laws. Additional commitments, such as, job growth and/or retention, requirement to stay at the location for a predetermined amount of time and/or others are set forth in separate agreements with the property owners and only apply to commercial/industrial properties.

Annually the Tax Incentive Review Council (TIRC) meets to determine if properties under exemption are within their commitments. The TIRC will make recommendations to the Housing Officer and Council to revoke or reduce the exemption based on failure to comply. In accordance with ORC, the Housing Officer and Council have the right to revoke or reduce an exemption, after the first year of exemption, based on their own inspection of the property without recommendation from the TIRC.

The gross dollar amount by which the tax revenues were reduced as a result of the creation of the Community Reinvestment Areas is as follows:

CRA #	Foregone Property Tax Revenue Total	City's Foregone Tax Revenue
1	\$ 140,720	\$ 3,612
2	15,150	401
3	52,451	1,390
4	148,143	3,926
5	149,563	4,210
Total	<u>\$ 506,027</u>	<u>\$ 13,539</u>

NOTE 23 – SUBSEQUENT EVENTS

A. Issuance of General Obligation Bonds

May 8, 2020, City Council passed ORD 041-2020, authorizing the issuance of bonds or notes not to exceed \$5,250,000 for the purpose of refinancing the 2019 judgement bond anticipation note. June 24, 2020, the City issued 10 year General Obligation Bonds in the amount of \$5,045,000 to repay the 2019 notes upon maturity on August 6, 2020.

B. COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City's investment portfolio, as well as, the investments of the pension systems the City participates in, have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Required Supplementary Information
Condition Assessment of the City's Infrastructure

The City of Gahanna reports road infrastructure assets using the modified approach as outlined in Governmental Accounting Standards Board (GASB) Statement No. 34. The following disclosures pertain to the condition assessment and budgeted versus actual expenditures for the preservation of these assets.

The condition of road pavement is evaluated and measured using a pavement condition rating system. This approach assigns a numerical rating to each road, or section thereof, being evaluated for the presence of numerous distresses (14 in all) and the severity level of each (low, medium, high) for arterial roadways, and the 5 most critical distress factors for local roadways.

The physical condition rating is determined by the City's Public Service & Engineering Department based on the criteria below:

Pavement Condition Index	Road Condition Rating	Description
90-100	Very Good	Pavement structure is stable with no cracking, no patching and no deformation evident. Roadways in this category are usually fairly new. Nothing is needed to improve the roadway.
75-89	Good	Pavement structure is stable, but may have surface erosion or minor cracking, which is generally hairline and hard to detect, minor patching and possibly some minor deformation. Riding qualities are good.
65-74	Fair	Pavement structure is generally stable with minor areas of structural weakness evident. Cracking is easier to detect. The pavement might be patched, but not excessively. Although riding qualities are fair, deformation is more pronounced and easily noticed.
55-64	Fair to Poor	Roadway has areas of instability, marked evidence of structural deficiency, large crack patterns, heavy and numerous patches and very noticeable deformation. Riding qualities range from acceptable to poor. Spot repair of the pavement base may be required.
54-40	Poor	Roadway has widespread areas of instability, marked evidence of structural deficiency, large crack patterns, heavy and numerous patches and usually widespread pavement base deformation/failure. Riding qualities are poor. Pavement base repair required.
0-39	Very Poor	Widespread loss of the pavement structural section that would typically require a complete reconstruction or replacement.

April 18, 2016 Council adopted the GoForward Gahanna Strategic Plan which established a rating policy for the City. By 2019, major arterial roads will have a PCR (Pavement Condition Rating) of 70 or better and by 2021, local roads will have a PCR of 65 or better. Each roadway in the City is assessed on an annual basis.

Required Supplementary Information
Condition Assessment of the City's Infrastructure

The following summarizes the physical condition assessment of City roads as of December 31, for 2019, 2018 and 2017:

Year	Paved Lane Miles Assessed	Average Pavement Condition Rating	Percent of Local Lane Miles Rated 65 or Better	Percent of Arterial Lane Miles rated 70 or better
2019 – Local	235.88	85.0	90%	N/A
2019 - Arterial	89.97	93.8	N/A	98%
2018 – Local	235.71	86.0	96%	N/A
2018 – Arterial	89.97	93.1	N/A	98%
2017 – Local	235.88	85.6	98%	N/A
2017 – Arterial	89.97	93.7	N/A	100%

The following is a five year comparison of budgeted and actual expenditures for preservation of the existing roadways and is reported on a cash-basis:

Year	Budget *	Actual	Difference
2019	\$2,823,560	\$3,230,457	(\$406,897)
2018	3,053,000	3,111,514	(58,514)
2017	3,004,743	2,337,653	667,090
2016	3,155,333	2,668,071	487,262
2015	2,910,565	2,238,230	672,335

* Budget does not include carryover from the previous year.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System – Traditional Plan
Last Six Years (1)*

	2018	2017	2016	2015	2014	2013
City's Proportion of the Net Pension Liability	0.0556%	0.0547%	0.0520%	0.0500%	0.0489%	0.0489%
City's Proportionate Share of the Net Pension Liability	\$ 15,217,580	\$ 8,578,703	\$ 11,798,096	\$ 8,660,630	\$ 5,897,887	\$ 5,764,673
City's Covered Employee Payroll	\$ 8,195,942	\$ 7,778,776	\$ 7,483,576	\$ 7,021,051	\$ 6,681,899	\$ 6,911,988
City's Proportionate Share of the Net Pension Liability as a percentage of its Covered Employee Payroll	185.67%	110.28%	157.65%	123.35%	88.27%	83.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund
Last Six Years (1)*

	2018	2017	2016	2015	2014	2013
City's Proportion of the Net Pension Liability	0.2162360%	0.2171890%	0.2139810%	0.2341090%	0.1952296%	0.1952296%
City's Proportionate Share of the Net Pension Liability	\$ 17,650,571	\$ 13,329,870	\$ 13,553,342	\$ 15,060,397	\$ 10,113,707	\$ 9,508,294
City's Covered Employee Payroll	\$ 5,435,924	\$ 5,277,284	\$ 4,969,968	\$ 4,918,556	\$ 4,651,844	\$ 4,599,800
City's Proportionate Share of the Net Pension Liability as a percentage of of its Covered Employee Payroll	324.70%	252.59%	272.70%	306.20%	217.41%	206.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.07%	70.91%	68.36%	66.77%	72.20%	73.00%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System – Traditional Plan
Last Seven Years (1)*

	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 1,071,064	\$ 1,147,432	\$ 1,015,882	\$ 896,890	\$ 842,970
Contribution in Relation to the Contractually Required Contribution	\$ 1,071,064	\$ 1,147,432	\$ 1,015,882	\$ 896,890	\$ 842,970
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Employee Payroll	\$ 7,650,460	\$ 8,195,942	\$ 7,778,776	\$ 7,483,576	\$ 7,021,051
Contribution as a Percentage of Covered- Employee Payroll	14%	14%	13%	12%	12%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System – Traditional Plan
Last Seven Years (1)*

	2014	2013
Contractually Required Contribution	\$ 801,926	\$ 889,589
Contribution in Relation to the Contractually Required Contribution	\$ 801,926	\$ 889,589
Contribution Deficiency (Excess)	\$ -	\$ -
City's Covered Employee Payroll	\$ 6,681,899	\$ 6,911,968
Contribution as a Percentage of Covered- Employee Payroll	12%	13%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of the City Contributions
Ohio Police and Fire Pension Fund
Last Seven Years (1)*

	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 1,089,682	\$ 1,032,825	\$ 1,005,479	\$ 945,052	\$ 934,525
Contribution in Relation to the Contractually Required Contribution	\$ 1,089,682	\$ 1,032,825	\$ 1,005,479	\$ 945,052	\$ 934,525
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Employee Payroll	\$ 5,735,169	\$ 5,435,924	\$ 5,277,284	\$ 4,969,968	\$ 4,918,556
Contribution as a Percentage of Covered- Employee Payroll	19%	19%	19%	19%	19%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of the City Contributions
Ohio Police and Fire Pension Fund
Last Seven Years (1)*

	2014	2013
Contractually Required Contribution	\$ 884,773	\$ 728,861
Contribution in Relation to the Contractually Required Contribution	\$ 884,773	\$ 728,861
Contribution Deficiency (Excess)	\$ -	\$ -
City's Covered Employee Payroll	\$ 4,651,844	\$ 4,599,800
Contribution as a Percentage of Covered- Employee Payroll	19%	16%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Ohio Public Employees Retirement System
Last Three Years (1)*

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.0578%	0.0565%	0.0539%
City's Proportionate Share of the Net OPEB Liability	\$ 7,537,581	\$ 6,134,398	\$ 5,441,154
City's Covered Employee Payroll	\$ 8,195,942	\$ 7,778,776	\$ 7,483,576
City's Proportionate Share of the Net OPEB Liability as a percentage of of its Covered Employee Payroll	91.97%	78.86%	72.71%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.05%

(1) Information not available prior to 2017. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

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

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.2162%	0.2172%	0.2140%
City's Proportionate Share of the Net OPEB Liability	\$ 1,969,160	\$ 12,305,625	\$ 10,157,197
City's Covered Employee Payroll	\$ 5,435,924	\$ 5,277,284	\$ 4,969,968
City's Proportionate Share of the Net OPEB Liability as a percentage of its Covered Employee Payroll	36.22%	233.18%	204.37%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.57%	14.13%	18.96%

(1) Information not available prior to 2017. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of City OPEB Contributions
Ohio Public Employees Retirement System
Last Seven Years (1)*

	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ -	\$ -	\$ 77,321	\$ 149,672	\$ 140,421
Contribution in Relation to the Contractually Required Contribution	\$ -	\$ -	\$ 77,321	\$ 149,672	\$ 140,421
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Employee Payroll	\$ 7,650,460	\$ 8,195,942	\$ 7,778,776	\$ 7,483,576	\$ 7,021,051
Contribution as a Percentage of Covered- Employee Payroll	0%	0%	1%	2%	2%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of City OPEB Contributions
Ohio Public Employees Retirement System
Last Seven Years (1)*

	2014	2013
Contractually Required Contribution	\$ 133,638	\$ 69,120
Contribution in Relation to the Contractually Required Contribution	\$ 133,638	\$ 69,120
Contribution Deficiency (Excess)	\$ -	\$ -
City's Covered Employee Payroll	\$ 6,681,899	\$ 6,911,968
Contribution as a Percentage of Covered- Employee Payroll	2%	1%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of City OPEB Contributions
Ohio Police and Fire Pension Fund
Last Seven Years (1)*

	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 28,676	\$ 27,180	\$ 26,460	\$ 24,850	\$ 24,593
Contribution in Relation to the Contractually Required Contribution	\$ 28,676	\$ 27,180	\$ 26,460	\$ 24,850	\$ 24,593
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Employee Payroll	\$ 5,735,169	\$ 5,435,924	\$ 5,277,284	\$ 4,969,968	\$ 4,918,556
Contribution as a Percentage of Covered- Employee Payroll	0.50%	0.50%	0.50%	0.50%	0.50%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

*Required Supplementary Information
Schedule of City OPEB Contributions
Ohio Police and Fire Pension Fund
Last Seven Years (1)*

	2014	2013
Contractually Required Contribution	\$ 23,259	\$ 215,731
Contribution in Relation to the Contractually Required Contribution	\$ 23,259	\$ 215,731
Contribution Deficiency (Excess)	\$ -	\$ -
City's Covered Employee Payroll	\$ 4,651,844	\$ 4,599,800
Contribution as a Percentage of Covered- Employee Payroll	0.50%	4.69%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.



SUPPLEMENTAL DATA

City Of Gahanna, Ohio

Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS

Special revenue funds are maintained to account for resources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The following describes the City's nonmajor special revenue funds.

Street Fund

The Street Fund receives a proportionate share of the State's Motor Vehicle Fuel Tax and the City's Permissive Motor Vehicle License Tax revenues restricted to expenditures for constructing, improving and maintaining public roads, highways, streets and maintenance and repair of bridges under Ohio Revised Code Chapter 5735 and 4504.

State Highway Fund

The State Highway Fund receives a portion of Franklin County's proportionate share of the State's Motor Vehicle Fuel Tax revenues and these funds are restricted to expenditures for constructing, improving and maintaining state highways and maintenance and repair of bridges within the City under Ohio Revised Code Chapter 5735.

Law Enforcement Trust Fund

The Law Enforcement Trust Fund receives a proportionate share of cash or proceeds resulting from the sale of contraband property seized or forfeited under the Contraband Seizure Forfeiture Act. Resources received by the fund are restricted for law enforcement purposes as defined by Ohio Revised Code Section 2981.13.

Enforcement & Education

The Enforcement & Education Fund receives a proportionate share of fines collected for motor vehicle infractions within the City of Gahanna. Resources received by the fund are restricted for law enforcement and law enforcement educational purposes as defined by City of Gahanna Code, section 133.092.

Parks & Recreation Donation

The Parks & Recreation Donation Fund receives cash and donations for use in programs for special needs of children in the community and is committed for this purpose under City of Gahanna Code, section 133.095.

Permanent Improvement

In 1978 the City established the Industrial Zone (TIZ) by purchasing 103 acres of land in the southwest area of town to spur business development and job creation in the community. Developable lots were leased through the City's Community Urban Redevelopment Corporation to individual businesses for a term of 30 years. Lease payments received are restricted under City of Gahanna Code, section 133.04 for maintenance and operating costs of permanent improvements, including debt payments for such improvements for public property not included within the TIZ.

Court

The Court Fund receives a proportionate share of cash or proceeds from cases heard in the Municipal Mayors Court and is restricted for court computer expenditures under City of Gahanna Code, section 133.093 and Auditor of State Bulletin 97-019.

City Of Gahanna, Ohio

Nonmajor Governmental Fund Descriptions

County Permissive

The County Permissive Fund receives a proportionate share of the County's Permissive Motor Vehicle License Tax revenues restricted to expenditures for planning, constructing, improving maintaining and repairing public roads, highways, streets, and for the maintaining and repair of bridges and viaducts under Ohio Revised Code Chapter 4504.

Cul-De-Sac Maintenance

The Cul-De-Sac Maintenance Fund receives fees from developers who plan to install cul-de-sac streets in their developments. The funds received are restricted for equipment capable of repairing cul-de-sacs under City of Gahanna code section 905.03.

Court Computerization

The Court Computer Fund receives a proportionate share of cash or proceeds from cases heard in the Municipal Mayor's Court and is restricted under ORC Section 1901.261(A) for computerization of the court. The fee is in addition to the Court fee established under City Charter Code 133.093 and ORC 1901.261(B).

Federal Law Enforcement Seizure

The Federal Law Enforcement Seizure Fund receives a proportionate share of cash or proceeds from property seized or forfeited under the United States Department of Justice Asset Forfeiture Program and is restricted for law enforcement expenditures defined under CFDA (Catalog of Federal Domestic Assistance) 16.922.

Treasury Equitable Sharing

The Treasury Equitable Sharing Fund receives a proportionate share of cash or proceeds from property seized or forfeited under the United States Department of Treasury Equitable Sharing Program and is restricted for law enforcement expenditures defined under CFDA (Catalog of Federal Domestic Assistance) 21.000.

AG Peace Officer Training

The AG Peace Officer Training Fund receives a reimbursement from the State Attorney General's office for the costs of continuing professional training programs completed by the City's police officers. The funding is restricted for continuing professional training programs under Ohio Revised Code, section 109.802.

Street Tree

The Street Tree Fund receives permit fee payments from sub-dividers or developers of property. Revenue received are restricted by City of Gahanna Code, section 913.10 for the purpose of street tree planting and maintenance within the City.

Right of Way

The Right of Way Fund receives permit fee payments from citizens or businesses to construct and/or complete minor maintenance in the rights of way, as well as, annual maintenance fee payments based on miles of right of way being utilized. Revenues received are restricted by City of Gahanna Code, section 931 for costs associated with the administration of said code.

Police Pension Fund

The Police Pension Fund receives property tax revenue from a police pension property tax levy and is restricted for paying a share of the City's police pension obligation under Ohio Revised Code Chapter 5705.

City Of Gahanna, Ohio

Nonmajor Governmental Fund Descriptions

Public Landscape Trust

The Public Landscape Trust fund receives donations, bequests and other funds for the specific purpose of constructing or materially improving public landscape areas and is committed for this purpose under City of Gahanna Code, section 133.098.

CAPITAL PROJECTS FUNDS

Capital Projects funds are maintained to account for resources that are restricted, committed or assigned for capital outlays, which includes the acquisition, construction or improvement of City capital assets. The following describes the City's nonmajor capital projects funds.

State Capital Grant

The State Capital Grant receives state grant funding restricted for capital projects under the grant agreement.

Bond Capital Improvement Fund

The Bond Capital Improvement Fund receives bond proceeds restricted for specific capital improvements as identified in the official bond issuing statement.

Park Improvement & Acquisition

The Park Improvement & Acquisition Fund was created for the improvement or acquisition of land for parks, recreational facilities, playgrounds, trails wetlands or development of existing park and playground sites.

Park

The Park Fund receives fees from developers of platted residential subdivisions prior to the issuance of building permits pursuant to City of Gahanna Code, section 1109.08(k). Payments are committed for cost associated with improvement of recreational facilities within existing publicly owned and operated park facilities and the purchase of recreational equipment.

Park In-Lieu of Fees

The Park In-Lieu of Fees Fund receives fees from developers in-lieu of mandatory land dedication provisions per the City's Subdivision Regulations when it is determined that such dedication is inappropriate or unacceptable. The funds are committed under City of Gahanna Code, section 1109.08(b)(2) for the acquisition of land for parks, recreational facilities, playgrounds, trails wetlands or development of existing park and playground sites.

Court Building Fund

The Court Building Fund receives a proportionate share of cash or proceeds from cases heard in the Gahanna Municipal Mayor's Court and is committed to expenditures for acquisition of land and/or construction or renovation of a facility to house the Mayor's Court under City of Gahanna Code, section 133.099.

Federal Highway Grant

The Federal Highway Grant Fund receives federal grant funding passed through the Ohio Department of Transportation from the Federal Highway Administration restricted for the construction or improvement of roadways under CFDA 20.205.

City Of Gahanna, Ohio

Nonmajor Governmental Fund Descriptions

DEBT SERVICE FUNDS

Debt Service funds are maintained to account for resources that are restricted for repayment of the City's debt obligations and for costs associated with the issuance of new debt. The following describes the City's nonmajor debt service funds.

General Bond Retirement Fund

The General Bond Retirement Fund receives property tax revenue from a general bond retirement property tax levy and is restricted for the repayment of principal and interest of the City's general obligation debt in accordance with Ohio Revised Code Chapter 5705. The fund also receives proceeds from the issuance of new debt a portion of which is restricted for the cost of the issuance of the debt.

Special Assessment Fund

The Special Assessment Fund was established for the purpose of receiving special assessment payments from property owners for repayment of principal and interest on special assessment debt obligations of the City and is restricted for such purpose under Ohio Revised Code Chapter 5705.

City of Gahanna, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

SPECIAL REVENUE FUNDS			
	Street Fund	State Highway	Law Enforcement Trust
Assets			
Equity in Pooled Cash & Investments	\$ 730,196	\$ 434,658	\$ 118,165
Cash with Fiscal Agents	-	-	-
Receivables			
Property Taxes	-	-	-
Accounts	-	-	-
Intergovernmental	888,039	57,797	-
Prepayments	397	-	375
Total Assets	1,618,632	492,455	118,540
Liabilities			
Accounts Payable	18,888	770	-
Contracts Payable	25,152	151	-
Accrued Wages & Benefits	22,536	-	-
Intergovernmental Payable	3,482	-	-
Due to Other Funds	338	-	-
Total Liabilities	70,396	921	-
Deferred Inflows of Resources			
Property Taxes Levied for Subsequent Year	-	-	-
Unavailable Property Tax Revenue	-	-	-
Unavailable Intergovernmental Revenue	706,244	44,746	-
Total Deferred Inflows of Resources	706,244	44,746	-
Fund Balances			
Nonspendable	397	-	375
Restricted	841,595	446,788	118,165
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	841,992	446,788	118,540
Total Liabilities, Deferred Inflows & Fund Balances	\$ 1,618,632	\$ 492,455	\$ 118,540

City of Gahanna, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

SPECIAL REVENUE FUNDS				
	Enforcement & Education	Parks & Recreation Donation	Permanent Improvement	Court
Assets				
Equity in Pooled Cash & Investments	\$ 37,851	\$ 8,983	\$ 99,732	\$ 251,011
Cash with Fiscal Agents	-	-	-	-
Receivables				
Property Taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	-	1,824
Prepayments	-	-	-	4,425
Total Assets	37,851	8,983	99,732	257,260
Liabilities				
Accounts Payable	-	-	-	5,633
Contracts Payable	-	-	-	250
Accrued Wages & Benefits	-	-	-	-
Intergovernmental Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	-	-	-	5,883
Deferred Inflows of Resources				
Property Taxes Levied for Subsequent Year	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	4,425
Restricted	37,851	-	99,732	246,952
Committed	-	8,983	-	-
Unassigned	-	-	-	-
Total Fund Balances	37,851	8,983	99,732	251,377
Total Liabilities, Deferred Inflows & Fund Balances	\$ 37,851	\$ 8,983	\$ 99,732	\$ 257,260

City of Gahanna, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

SPECIAL REVENUE FUNDS				
	County Permissive	Cul-De-Sac Maintenance	Court Computerization	Federal Law Enforcement Seizure
Assets				
Equity in Pooled Cash & Investments	\$ 65,990	\$ 42,027	\$ 31,875	\$ 132,392
Cash with Fiscal Agents	166,986	-	-	-
Receivables				
Property Taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	663	-
Prepayments	-	-	-	913
Total Assets	<u>232,976</u>	<u>42,027</u>	<u>32,538</u>	<u>133,305</u>
Liabilities				
Accounts Payable	-	-	-	-
Contracts Payable	-	-	-	-
Accrued Wages & Benefits	-	-	-	-
Intergovernmental Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Property Taxes Levied for Subsequent Year	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	913
Restricted	232,976	42,027	32,538	132,392
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>232,976</u>	<u>42,027</u>	<u>32,538</u>	<u>133,305</u>
Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 232,976</u>	<u>\$ 42,027</u>	<u>\$ 32,538</u>	<u>\$ 133,305</u>

City of Gahanna, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

SPECIAL REVENUE FUNDS				
	Treasury Equitable Sharing	AG Peace Officer Training	Street Tree	Right Of Way
Assets				
Equity in Pooled Cash & Investments	\$ 179,699	\$ 18,358	\$ 47,215	\$ 583,501
Cash with Fiscal Agents	-	-	-	-
Receivables				
Property Taxes	-	-	-	-
Accounts	-	-	-	15,000
Intergovernmental	-	-	-	-
Prepayments	-	-	-	-
Total Assets	<u>179,699</u>	<u>18,358</u>	<u>47,215</u>	<u>598,501</u>
Liabilities				
Accounts Payable	-	-	-	-
Contracts Payable	-	-	-	-
Accrued Wages & Benefits	-	-	-	-
Intergovernmental Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Property Taxes Levied for Subsequent Year	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	179,699	18,358	47,215	598,501
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>179,699</u>	<u>18,358</u>	<u>47,215</u>	<u>598,501</u>
Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 179,699</u>	<u>\$ 18,358</u>	<u>\$ 47,215</u>	<u>\$ 598,501</u>

City of Gahanna, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

SPECIAL REVENUE FUNDS			
	Police Pension	Public Landscape Trust	Total Nonmajor Special Revenue
Assets			
Equity in Pooled Cash & Investments	\$ 671,134	\$ 7,816	3,460,603
Cash with Fiscal Agents	-	-	166,986
Receivables			
Property Taxes	289,450	-	289,450
Accounts	-	-	15,000
Intergovernmental	17,281	-	965,604
Prepayments	-	-	6,110
Total Assets	977,865	7,816	4,903,753
Liabilities			
Accounts Payable	-	-	25,291
Contracts Payable	-	-	25,553
Accrued Wages & Benefits	-	-	22,536
Intergovernmental Payable	-	-	3,482
Due to Other Funds	-	-	338
Total Liabilities	-	-	77,200
Deferred Inflows of Resources			
Property Taxes Levied for Subsequent Year	281,402	-	281,402
Unavailable Property Tax Revenue	8,048	-	8,048
Unavailable Intergovernmental Revenue	17,281	-	768,271
Total Deferred Inflows of Resources	306,731	-	1,057,721
Fund Balances			
Nonspendable	-	-	6,110
Restricted	671,134	-	3,745,923
Committed	-	7,816	16,799
Unassigned	-	-	-
Total Fund Balances	671,134	7,816	3,768,832
Total Liabilities, Deferred Inflows & Fund Balances	\$ 977,865	\$ 7,816	\$ 4,903,753

City of Gahanna, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	CAPITAL PROJECTS FUNDS			
	<u>State Capital Grant</u>	<u>Park</u>	<u>Park In-Lieu Of Fees</u>	<u>Court Building</u>
Assets				
Equity in Pooled Cash & Investments	\$ 745	\$ 59,537	\$ 12,943	\$ 297,682
Cash with Fiscal Agents	-	-	-	-
Receivables				
Property Taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	-	1,136
Prepayments	-	-	-	-
Total Assets	<u>745</u>	<u>59,537</u>	<u>12,943</u>	<u>298,818</u>
Liabilities				
Accounts Payable	-	-	-	-
Contracts Payable	-	-	-	-
Accrued Wages & Benefits	-	-	-	-
Intergovernmental Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Property Taxes Levied for Subsequent Year	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	745	-	-	-
Committed	-	59,537	12,943	298,818
Unassigned	-	-	-	-
Total Fund Balances	<u>745</u>	<u>59,537</u>	<u>12,943</u>	<u>298,818</u>
Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 745</u>	<u>\$ 59,537</u>	<u>\$ 12,943</u>	<u>\$ 298,818</u>

City of Gahanna, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	CAPITAL PROJECTS FUNDS		DEBT SERVICE FUND	
	Federal Highway Grant	Total Nonmajor Capital Projects	Nonmajor General Bond Retirement	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash & Investments	\$ -	\$ 370,907	\$ 1,200,613	\$ 5,032,123
Cash with Fiscal Agents	-	-	-	166,986
Receivables				
Property Taxes	-	-	279,802	569,252
Accounts	-	-	-	15,000
Intergovernmental	165,427	166,563	16,708	1,148,875
Prepayments	-	-	-	6,110
Total Assets	<u>165,427</u>	<u>537,470</u>	<u>1,497,123</u>	<u>6,938,346</u>
Liabilities				
Accounts Payable	-	-	-	25,291
Contracts Payable	129,263	129,263	-	154,816
Accrued Wages & Benefits	-	-	-	22,536
Intergovernmental Payable	-	-	-	3,482
Due to Other Funds	84,848	84,848	-	85,186
Total Liabilities	<u>214,111</u>	<u>214,111</u>	<u>-</u>	<u>291,311</u>
Deferred Inflows of Resources				
Property Taxes Levied for Subsequent Year	-	-	272,022	553,424
Unavailable Property Tax Revenue	-	-	7,780	15,828
Unavailable Intergovernmental Revenue	-	-	16,708	784,979
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>296,510</u>	<u>1,354,231</u>
Fund Balances				
Nonspendable	-	-	-	6,110
Restricted	-	745	1,200,613	4,947,281
Committed	-	371,298	-	388,097
Unassigned	(48,684)	(48,684)	-	(48,684)
Total Fund Balances	<u>(48,684)</u>	<u>323,359</u>	<u>1,200,613</u>	<u>5,292,804</u>
Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 165,427</u>	<u>\$ 537,470</u>	<u>\$ 1,497,123</u>	<u>\$ 6,938,346</u>

City of Gahanna, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2019

	SPECIAL REVENUE FUNDS			
	Street Fund	State Highway	Law Enforcement Trust	Enforcement & Education
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Fines & Fees	-	-	-	1,615
Intergovernmental	1,935,145	132,468	109,558	-
Investment Income	-	-	-	-
Other	18,746	-	-	-
Total Revenues	<u>1,953,891</u>	<u>132,468</u>	<u>109,558</u>	<u>1,615</u>
Expenditures				
Current				
General Government	-	-	-	-
Security of Persons & Property	-	-	67,665	-
Transportation	1,157,334	50,448	-	-
Leisure time activity	-	-	-	-
Capital outlay	123,992	-	7,234	-
Debt service				
Principal Retirement	-	-	-	-
Interest & Fiscal Charges	-	-	-	-
Total Expenditures	<u>1,281,326</u>	<u>50,448</u>	<u>74,899</u>	<u>-</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	672,565	82,020	34,659	1,615
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(404,800)	-	-	-
Proceeds From Sale of Capital Assets	12,716	-	-	-
Insurance Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	<u>(392,084)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	280,481	82,020	34,659	1,615
Fund Balances, January 1	561,511	364,768	83,881	36,236
Fund Balances, December 31	<u>\$ 841,992</u>	<u>\$ 446,788</u>	<u>\$ 118,540</u>	<u>\$ 37,851</u>

City of Gahanna, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2019

	SPECIAL REVENUE FUNDS				
	<u>Parks & Recreation Donation</u>	<u>Permanent Improvement</u>	<u>Court</u>	<u>County Permissive</u>	<u>Cul-De-Sac Maintenance</u>
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fines & Fees	-	-	28,454	-	-
Intergovernmental	-	56,599	-	150,065	-
Investment Income	-	-	-	-	-
Other	3,221	-	-	-	-
Total Revenues	<u>3,221</u>	<u>56,599</u>	<u>28,454</u>	<u>150,065</u>	<u>-</u>
Expenditures					
Current					
General Government	-	-	45,901	-	-
Security of Persons & Property	-	-	-	-	-
Transportation	-	-	-	423,256	-
Leisure time activity	-	547	-	-	-
Capital outlay	-	431,607	-	-	-
Debt service					
Principal Retirement	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>432,154</u>	<u>45,901</u>	<u>423,256</u>	<u>-</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	3,221	(375,555)	(17,447)	(273,191)	-
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Proceeds From Sale of Capital Assets	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,221	(375,555)	(17,447)	(273,191)	-
Fund Balances, January 1	5,762	475,287	268,824	506,167	42,027
Fund Balances, December 31	<u>\$ 8,983</u>	<u>\$ 99,732</u>	<u>\$ 251,377</u>	<u>\$ 232,976</u>	<u>\$ 42,027</u>

City of Gahanna, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2019

	SPECIAL REVENUE FUNDS				
	Court Computerization	Federal Law Enforcement Seizure	Treasury Equitable Sharing	AG Peace Officer Training	Street Tree
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fines & Fees	10,710	-	-	-	41,800
Intergovernmental	-	1,797	103,675	-	-
Investment Income	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	<u>10,710</u>	<u>1,797</u>	<u>103,675</u>	<u>-</u>	<u>41,800</u>
Expenditures					
Current					
General Government	-	-	-	-	-
Security of Persons & Property	-	59,406	-	6,300	-
Transportation	-	-	-	-	-
Leisure time activity	-	-	-	-	-
Capital outlay	-	-	62,773	-	-
Debt service					
Principal Retirement	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>59,406</u>	<u>62,773</u>	<u>6,300</u>	<u>-</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	10,710	(57,609)	40,902	(6,300)	41,800
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Proceeds From Sale of Capital Assets	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	10,710	(57,609)	40,902	(6,300)	41,800
Fund Balances, January 1	21,828	190,914	138,797	24,658	5,415
Fund Balances, December 31	<u>\$ 32,538</u>	<u>\$ 133,305</u>	<u>\$ 179,699</u>	<u>\$ 18,358</u>	<u>\$ 47,215</u>

City of Gahanna, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2019

	SPECIAL REVENUE FUNDS			
	Right Of Way	Police Pension	Public Landscape Trust	Total Nonmajor Special Revenue
Revenues				
Property Taxes	\$ -	\$ 269,118	\$ -	\$ 269,118
Fines & Fees	70,600	-	-	153,179
Intergovernmental	-	34,579	-	2,523,886
Investment Income	-	-	-	-
Other	-	-	-	21,967
Total Revenues	<u>70,600</u>	<u>303,697</u>	<u>-</u>	<u>2,968,150</u>
Expenditures				
Current				
General Government	-	-	-	45,901
Security of Persons & Property	-	1,115,870	-	1,249,241
Transportation	-	-	-	1,631,038
Leisure time activity	-	-	-	547
Capital outlay	-	-	-	625,606
Debt service				
Principal Retirement	-	-	-	-
Interest & Fiscal Charges	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,115,870</u>	<u>-</u>	<u>3,552,333</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	70,600	(812,173)	-	(584,183)
Other Financing Sources (Uses)				
Transfers In	-	690,450	-	690,450
Transfers Out	-	-	-	(404,800)
Proceeds From Sale of Capital Assets	-	-	-	12,716
Insurance Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>690,450</u>	<u>-</u>	<u>298,366</u>
Net Change in Fund Balance	70,600	(121,723)	-	(285,817)
Fund Balances, January 1	527,901	792,857	7,816	4,054,649
Fund Balances, December 31	<u>\$ 598,501</u>	<u>\$ 671,134</u>	<u>\$ 7,816</u>	<u>\$ 3,768,832</u>

City of Gahanna, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2019

	CAPITAL PROJECTS FUNDS			
	State Capital Grant	Bond Capital Improvement	Park Improvement & Acquisition	Park
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Fines & Fees	-	-	-	13,000
Intergovernmental	-	-	-	-
Investment Income	-	3,194	-	-
Other	-	-	-	-
Total Revenues	-	3,194	-	13,000
Expenditures				
Current				
General Government	-	-	-	-
Security of Persons & Property	-	-	-	-
Transportation	-	105,740	-	-
Leisure time activity	8,759	-	-	-
Capital outlay	127,747	-	-	2,548
Debt service				
Principal Retirement	-	-	-	-
Interest & Fiscal Charges	-	-	-	-
Total Expenditures	136,506	105,740	-	2,548
Excess (Deficiency) of Revenue Over (Under) Expenditures	(136,506)	(102,546)	-	10,452
Other Financing Sources (Uses)				
Transfers In	-	-	-	246
Transfers Out	-	(889)	(246)	-
Proceeds From Sale of Capital Assets	-	-	-	-
Insurance Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	-	(889)	(246)	246
Net Change in Fund Balance	(136,506)	(103,435)	(246)	10,698
Fund Balances, January 1	137,251	103,435	246	48,839
Fund Balances, December 31	\$ 745	\$ -	\$ -	\$ 59,537

City of Gahanna, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2019

	CAPITAL PROJECTS FUNDS			
	Park In-Lieu Of Fees	Court Building	Federal Highway Grant	Total Nonmajor Capital Projects
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Fines & Fees	-	18,259	-	31,259
Intergovernmental	-	-	281,088	281,088
Investment Income	-	-	-	3,194
Other	-	-	-	-
Total Revenues	-	18,259	281,088	315,541
Expenditures				
Current				
General Government	-	-	-	-
Security of Persons & Property	-	-	-	-
Transportation	-	-	-	105,740
Leisure time activity	-	-	-	8,759
Capital outlay	-	-	425,145	555,440
Debt service	-	-	-	-
Principal Retirement	-	-	-	-
Interest & Fiscal Charges	-	-	-	-
Total Expenditures	-	-	425,145	669,939
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	18,259	(144,057)	(354,398)
Other Financing Sources (Uses)				
Transfers In	-	-	95,373	95,619
Transfers Out	-	-	-	(1,135)
Proceeds From Sale of Capital Assets	-	-	-	-
Insurance Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	-	-	95,373	94,484
Net Change in Fund Balance	-	18,259	(48,684)	(259,914)
Fund Balances, January 1	12,943	280,559	-	583,273
Fund Balances, December 31	\$ 12,943	\$ 298,818	\$ (48,684)	\$ 323,359

City of Gahanna, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2019

	DEBT SERVICE FUNDS			Total Nonmajor Governmental Funds
	General Bond Retirement	Special Assessment	Total Nonmajor Debt Service	
Revenues				
Property Taxes	\$ 260,141	\$ -	\$ 260,141	\$ 529,259
Fines & Fees	-	-	-	184,438
Intergovernmental	33,426	-	33,426	2,838,400
Investment Income	-	-	-	3,194
Other	264	-	264	22,231
Total Revenues	293,831	-	293,831	3,577,522
Expenditures				
Current				
General Government	3,144	-	3,144	49,045
Security of Persons & Property	-	-	-	1,249,241
Transportation	-	-	-	1,736,778
Leisure time activity	-	-	-	9,306
Capital outlay	-	-	-	1,181,046
Debt service				
Principal Retirement	1,386,622	-	1,386,622	1,386,622
Interest & Fiscal Charges	586,852	-	586,852	586,852
Total Expenditures	1,976,618	-	1,976,618	6,198,890
Excess (Deficiency) of Revenue Over (Under) Expenditures	(1,682,787)	-	(1,682,787)	(2,621,368)
Other Financing Sources (Uses)				
Transfers In	1,592,010	-	1,592,010	2,378,079
Transfers Out	-	(22)	(22)	(405,957)
Proceeds From Sale of Capital Assets	-	-	-	12,716
Insurance Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	1,592,010	(22)	1,591,988	1,984,838
Net Change in Fund Balance	(90,777)	(22)	(90,799)	(636,530)
Fund Balances, January 1	1,291,390	22	1,291,412	5,929,334
Fund Balances, December 31	\$ 1,200,613	\$ -	1,200,613	\$ 5,292,804

City Of Gahanna, Ohio
Agency Fund Descriptions

AGENCY FUNDS

Agency funds are maintained by the City in a fiduciary capacity on behalf of an outside third party. The following describes the City's agency funds.

Park Deposit Fund

The Park Deposit Fund receives deposits for park facility rentals. After the rental has occurred the deposit is returned as long as there is no damage or excessive clean up required from City staff. If there is damage or excess clean up the City retains all or a portion of the deposit. The amount retained by the City is paid into the General Fund.

Senior Escrow

The Senior Escrow Fund accounts for payments and donations made by citizens or other third parties expended by the Senior Center for activities or programs such as, memorial plaques, craft supplies, new appliances or other items for use by the members of the Senior Center.

Veterans Memorial

The Veterans Memorial Fund accounts for donations made by citizens or other third parties to purchase engraved bricks to be place at the Veterans Memorial Park to honor veterans.

Recreation Scholarship

The recreation scholarship fund receives deposits from the Parks & Recreation Foundation to pay for tuition expense for under privileged children in the City to attend camp. The City awards the camp scholarship(s) on behalf of the Foundation.

Refuse Escrow

The City belongs to a refuse consortium agreement with other Central Ohio municipalities to provide refuse collection services to its citizens. The cost of the refuse service is collected from the citizens as a component of their water/sewage utility bill. Amounts received from the collection of utility bills are held in the refuse escrow until payment is due to the service provider.

Developers Escrow

The Developers Escrow Fund accounts for payments made by real estate developers to be held by the City Engineer to cover the cost of inspections and potential site work related to private real estate development projects in the City. Cash received by the City for these purposes is held in the escrow fund until actual inspection and/or site work is completed.

Insurance Demolition Fund

The Insurance Demolition Fund receives a portion of the insurance proceeds for a fire damaged structure within the City limits under ORC 3929.86. The insurance proceeds are returned to the named insured once the structure has been deemed safe for occupancy and the City has not incurred any costs associated with making the structure safe. If the City incurs any cost associated with making the structure safe the City may retain 100% or a portion of the proceeds for these costs incurred. The amount retained would be paid into the City's General Fund.

Mayor's Court

The Gahanna Mayor's Court provides judicial services for the City of Gahanna. This fund receives and disburses all fines and fees collected. The Mayor has fiduciary responsibility for the collection and distribution of court fines and fees.

City of Gahanna, Ohio
Combining Statement of Assets and Liabilities
Agency Funds
December 31, 2019

	Parks Deposit Fund	Senior Escrow Fund	Veterans Memorial Fund	Recreation Scholarship Fund	Refuse Escrow Fund	Developers Escrow Fund
Assets						
Equity in Pooled Cash & Investments	\$ 15,758	\$ 8,721	\$ 7,618	\$ 8,750	\$ 505,701	\$ 478,050
Cash in Segregated Accounts	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	519,973	-
Total Assets	<u>\$ 15,758</u>	<u>\$ 8,721</u>	<u>\$ 7,618</u>	<u>\$ 8,750</u>	<u>\$ 1,025,674</u>	<u>\$ 478,050</u>
Liabilities						
Contracts payable	-	-	-	-	124,855	17,291
Intergovernmental Payable	-	-	-	-	-	-
Undistributed assets	-	-	-	-	-	-
Deposits Held & Due to Others	15,758	8,721	7,618	8,750	900,819	460,759
Total Liabilities	<u>\$ 15,758</u>	<u>\$ 8,721</u>	<u>\$ 7,618</u>	<u>\$ 8,750</u>	<u>\$ 1,025,674</u>	<u>\$ 478,050</u>

City of Gahanna, Ohio
Combining Statement of Assets and Liabilities
Agency Funds
December 31, 2019

	Insurance Demolition Fund	Mayors Court Fund	Total Agency Funds
Assets			
Equity in Pooled Cash & Investments	\$ 51,794	\$ -	\$ 1,076,392
Cash in Segregated Accounts	-	36,369	36,369
Accounts Receivable	-	-	519,973
Total Assets	<u>\$ 51,794</u>	<u>\$ 36,369</u>	<u>\$ 1,632,734</u>
Liabilities			
Contracts payable	-	-	142,146
Intergovernmental Payable	-	27,638	27,638
Undistributed assets	-	8,731	8,731
Deposits Held & Due to Others	51,794	-	1,454,219
Total Liabilities	<u>\$ 51,794</u>	<u>\$ 36,369</u>	<u>\$ 1,632,734</u>

City of Gahanna, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2019

	Beginning Balance January 1, 2019	Additions	Deductions	Ending Balance December 31, 2019
Senior Escrow Fund				
Assets				
Cash & Cash Equivalents	\$ 10,770	\$ -	\$ 2,049	\$ 8,721
Total Assets	<u>\$ 10,770</u>	<u>\$ -</u>	<u>\$ 2,049</u>	<u>\$ 8,721</u>
Liabilities				
Deposits Held & Due to Others	10,770	-	2,049	8,721
Total Liabilities	<u>\$ 10,770</u>	<u>\$ -</u>	<u>\$ 2,049</u>	<u>\$ 8,721</u>
Veterans Memorial Fund				
Assets				
Cash & Cash Equivalents	\$ 8,293	\$ -	\$ 675	\$ 7,618
Total Assets	<u>\$ 8,293</u>	<u>\$ -</u>	<u>\$ 675</u>	<u>\$ 7,618</u>
Liabilities				
Contracts Payable	\$ 400	\$ -	\$ 400	\$ -
Deposits Held & Due to Others	\$ 7,893	\$ -	\$ 275	\$ 7,618
Total Liabilities	<u>\$ 8,293</u>	<u>\$ -</u>	<u>\$ 675</u>	<u>\$ 7,618</u>
Recreation Scholarship Fund				
Assets				
Cash & Cash Equivalents	\$ -	\$ 8,750	\$ -	\$ 8,750
Total Assets	<u>\$ -</u>	<u>\$ 8,750</u>	<u>\$ -</u>	<u>\$ 8,750</u>
Liabilities				
Intergovernmental Payable	-	-	-	-
Deposits Held & Due to Others	\$ -	\$ 8,750	\$ -	\$ 8,750
Total Liabilities	<u>\$ -</u>	<u>\$ 8,750</u>	<u>\$ -</u>	<u>\$ 8,750</u>
Refuse Escrow Fund				
Assets				
Cash & Cash Equivalents	\$ 664,945	\$ -	\$ 159,244	\$ 505,701
Accounts Receivable	516,669	519,973	516,669	519,973
Total Assets	<u>\$ 1,181,614</u>	<u>\$ 519,973</u>	<u>\$ 675,913</u>	<u>\$ 1,025,674</u>
Liabilities				
Contracts Payable	\$ 312,160	\$ 124,855	\$ 312,160	\$ 124,855
Deposits Held & Due to Others	869,454	31,365	-	900,819
Total Liabilities	<u>\$ 1,181,614</u>	<u>\$ 156,220</u>	<u>\$ 312,160</u>	<u>\$ 1,025,674</u>
Developers Escrow Fund				
Assets				
Cash & Cash Equivalents	\$ 363,986	\$ 114,064	\$ -	\$ 478,050
Total Assets	<u>\$ 363,986</u>	<u>\$ 114,064</u>	<u>\$ -</u>	<u>\$ 478,050</u>
Liabilities				
Contracts Payable	\$ 10,037	\$ 17,291	\$ 10,037	\$ 17,291
Intergovernmental Payable	177	-	177	-
Deposits Held & Due to Others	353,772	106,987	-	460,759
Total Liabilities	<u>\$ 363,986</u>	<u>\$ 124,278</u>	<u>\$ 10,214</u>	<u>\$ 478,050</u>

City of Gahanna, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2019

	Beginning Balance January 1, 2019	Additions	Deductions	Ending Balance December 31, 2019
Mayors Court Fund				
Assets				
Cash in Segregated Accounts	\$ 50,481	\$ 36,369	\$ 50,481	\$ 36,369
Total Assets	<u>\$ 50,481</u>	<u>\$ 36,369</u>	<u>\$ 50,481</u>	<u>\$ 36,369</u>
Liabilities				
Intergovernmental Payable	\$ 35,313	\$ 27,638	\$ 35,313	\$ 27,638
Undistributed Assets	15,168	-	6,437	8,731
Total Liabilities	<u>\$ 50,481</u>	<u>\$ 27,638</u>	<u>\$ 41,750</u>	<u>\$ 36,369</u>
Insurance Demolition				
Assets				
Cash & Cash Equivalents	\$ 25,405	\$ 26,389	\$ -	\$ 51,794
Total Assets	<u>\$ 25,405</u>	<u>\$ 26,389</u>	<u>\$ -</u>	<u>\$ 51,794</u>
Liabilities				
Deposits Held & Due to Others	\$ 25,405	\$ 26,389	\$ -	\$ 51,794
Total Liabilities	<u>\$ 25,405</u>	<u>\$ 26,389</u>	<u>\$ -</u>	<u>\$ 51,794</u>
Park Deposit				
Assets				
Cash & Cash Equivalents	\$ 15,275	\$ 483	\$ -	\$ 15,758
Total Assets	<u>\$ 15,275</u>	<u>\$ 483</u>	<u>\$ -</u>	<u>\$ 15,758</u>
Liabilities				
Deposits Held & Due to Others	\$ 15,275	\$ 483	\$ -	\$ 15,758
Total Liabilities	<u>\$ 15,275</u>	<u>\$ 483</u>	<u>\$ -</u>	<u>\$ 15,758</u>
Total Agency Funds				
Assets				
Cash & Cash Equivalents	\$ 1,088,674	\$ 149,686	\$ 161,968	\$ 1,076,392
Cash in Segregated Accounts	50,481	36,369	50,481	36,369
Accounts Receivable	516,669	519,973	516,669	519,973
Total Assets	<u>\$ 1,655,824</u>	<u>\$ 706,028</u>	<u>\$ 729,118</u>	<u>\$ 1,632,734</u>
Liabilities				
Contracts Payable	322,597	142,146	322,597	142,146
Intergovernmental Payable	35,490	27,638	35,490	27,638
Undistributed Assets	15,168	-	6,437	8,731
Deposits Held & Due to Others	1,282,569	173,974	2,324	1,454,219
Total Liabilities	<u>\$ 1,655,824</u>	<u>\$ 343,758</u>	<u>\$ 366,848</u>	<u>\$ 1,632,734</u>

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Income Tax	20,088,700	19,595,874	(492,826)
Property Taxes	1,699,733	1,627,099	(72,634)
Other Local Taxes	573,900	510,766	(63,134)
Charges for Services	2,896,545	2,543,777	(352,768)
Licenses & Permits	866,170	677,182	(188,988)
Fines & Fees	1,313,400	1,266,550	(46,850)
Intergovernmental	952,132	958,700	6,568
Investment Income	740,830	1,234,358	493,528
Contributions & Donations	-	3,500	3,500
Other	115,000	909,127	794,127
Total Revenues	29,246,410	29,326,933	80,523
Expenditures			
General Government			
Council Office			
Salaries & Benefits	325,650	313,214	12,436
Contractual Services	258,022	60,279	197,743
Supplies & Materials	28,668	20,144	8,524
Total Council Office	612,340	393,637	218,703
Finance			
Salaries & Benefits	412,120	395,993	16,127
Contractual Services	1,377,569	1,150,418	227,151
Supplies & Materials	6,708	5,143	1,565
Capital Outlay	117,384	117,384	-
Total Finance	1,913,781	1,668,938	244,843
Human Resources			
Salaries & Benefits	329,320	323,145	6,175
Contractual Services	62,678	62,678	-
Supplies & Materials	229,991	229,991	-
Total Human Resources	621,989	615,814	6,175
Office of the Mayor			
Salaries & Benefits	350,850	318,820	32,030
Contractual Services	260,738	169,876	90,862
Supplies & Materials	20,605	9,620	10,985
Total Office of the Mayor	632,193	498,316	133,877
Public Service			
Salaries & Benefits	399,145	365,563	33,582
Contractual Services	961,630	791,631	169,999
Supplies & Materials	529,440	459,100	70,340
Capital Outlay	422,562	422,422	140
Total Public Service	2,312,777	2,038,716	274,061
Department of Law			
Salaries & Benefits	91,040	85,911	5,129
Contractual Services	550,854	546,008	4,846
Supplies & Materials	18,227	18,225	2
Total Department of Law	660,121	650,144	9,977
Clerk of Court			
Salaries & Benefits	250,390	246,297	4,093
Contractual Services	73,558	64,592	8,966
Supplies & Materials	415	414	1
Total Clerk of Court	324,363	311,303	13,060
Total General Government	7,077,564	6,176,868	900,696

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Security of Persons & Property			
Public Safety			
Salaries & Benefits	9,126,429	8,803,162	323,267
Contractual Services	974,870	906,661	68,209
Supplies & Materials	132,563	130,204	2,359
Capital Outlay	684,894	684,894	-
Total Public Safety	10,918,756	10,524,921	393,835
Total Security of Persons & Property	10,918,756	10,524,921	393,835
Transportation			
Public Service			
Salaries & Benefits	518,103	495,165	22,938
Contractual Services	17,807	13,765	4,042
Supplies & Materials	820,105	629,568	190,537
Capital Outlay	274,320	274,320	-
Total Public Service	1,630,335	1,412,818	217,517
Total Transportation	1,630,335	1,412,818	217,517
Community Environment			
Information Technology			
Salaries & Benefits	579,630	530,270	49,360
Contractual Services	443,065	419,415	23,650
Supplies & Materials	291,862	197,579	94,283
Capital Outlay	170,765	126,588	44,177
Total Information Technology	1,485,322	1,273,852	211,470
Public Service			
Salaries & Benefits	636,811	550,887	85,924
Contractual Services	356,928	302,719	54,209
Supplies & Materials	47,204	36,526	10,678
Capital Outlay	258,556	258,556	-
Total Public Service	1,299,499	1,148,688	150,811
Planning & Development			
Salaries & Benefits	437,890	360,524	77,366
Contractual Services	1,265,920	940,584	325,336
Supplies & Materials	46,750	46,674	76
Total Planning & Development	1,750,560	1,347,782	402,778
Total Community Environment	4,535,381	3,770,322	765,059

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Leisure Time Activities			
Parks & Recreation			
Salaries & Benefits	2,543,677	2,250,284	293,393
Contractual Services	850,907	822,813	28,094
Supplies & Materials	618,576	591,169	27,407
Capital Outlay	182,856	182,517	339
Total Parks & Recreation	4,196,016	3,846,783	349,233
Total Leisure Time Activities	4,196,016	3,846,783	349,233
Total Expenditures	28,358,052	25,731,712	2,626,340
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	888,358	3,595,221	2,706,863
Other Financing Sources (Uses)			
Sale of Assets	50,000	49,678	(322)
Insurance Proceeds	20,000	38,135	18,135
Notes Issued	5,000,000	5,000,000	-
Premium on Notes Issued	77,950	77,950	-
Advance In	252,000	252,000	-
Advance Out	-	-	-
Transfer In	129,797	129,797	-
Transfer Out	(4,718,190)	(4,718,190)	-
Total Other Financing Sources (Uses)	811,557	829,370	17,813
Special Item			
Class Action Settlement	(9,100,000)	(9,100,000)	-
Net Change in Fund Balance	(7,400,085)	(4,675,409)	2,724,676
Fund balance at beginning of year	15,255,222	15,255,222	-
Prior Year Encumbrance Appropriated	3,524,029	3,524,029	-
Fund balance at end of year	11,379,166	14,103,842	2,724,676

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Tax Increment Equivalent Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Revenue in Lieu of Taxes	2,033,948	4,804,135	2,770,187
Intergovernmental	53,600	49,114	(4,486)
Charges for Services	177,060	154,775	(22,285)
Total Revenues	2,264,608	5,008,024	2,743,416
Expenditures			
Community Environment			
Public Service			
Contractual Services	1,015,358	993,569	21,789
Capital Outlay	846,417	846,284	133
Total Expenditures	1,861,775	1,839,853	21,922
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	402,833	3,168,171	2,765,338
Other Financing Sources (Uses)			
Transfer Out	(1,114,797)	(1,064,797)	50,000
Total Other Financing Sources (Uses)	(1,114,797)	(1,064,797)	50,000
Net Change in Fund Balance	(711,964)	2,103,374	2,815,338
Fund balance at beginning of year	1,118,111	1,118,111	-
Prior Year Encumbrance Appropriated	415,923	415,923	-
Fund balance at end of year	822,070	3,637,408	2,815,338

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Public Safety Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Income Taxes	240,000	304,819	64,819
Charges for Services	-	-	-
Total Revenues	240,000	304,819	64,819
Expenditures			
Security of Persons & Property			
Public Safety			
Salaries & Benefits	214,170	207,786	6,384
Total Expenditures	214,170	207,786	6,384
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	25,830	97,033	71,203
Other Financing Sources (Uses)			
Transfer Out	(25,630)	(25,630)	-
Total Other Financing Sources (Uses)	(25,630)	(25,630)	-
Net Change in Fund Balance	200	71,403	71,203
Fund balance at beginning of year	-	-	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	200	71,403	71,203

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Parks & Recreation Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Income Taxes	115,000	215,166	100,166
Charges for Services	372,800	237,176	(135,624)
Total Revenues	487,800	452,342	(35,458)
Expenditures			
Leisure Time Activities			
Parks & Recreation			
Salaries & Benefits	435,590	346,363	89,227
Contract Services	4,000	-	4,000
Total Expenditures	439,590	346,363	93,227
Net Change in Fund Balance	48,210	105,979	57,769
Fund balance at beginning of year	-	-	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	48,210	105,979	57,769

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Public Service Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Income Taxes	213,000	376,541	163,541
Charges for Services	25,000	-	(25,000)
Total Revenues	<u>238,000</u>	<u>376,541</u>	<u>138,541</u>
Expenditures			
General Government			
Public Service			
Salaries & Benefits	115,800	91,224	24,576
Contract Services	16,200	-	16,200
Materials & Supplies	2,110	-	2,110
Total Expenditures	<u>134,110</u>	<u>91,224</u>	<u>42,886</u>
Net Change in Fund Balance	103,890	285,317	181,427
Fund balance at beginning of year	-	-	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>103,890</u>	<u>285,317</u>	<u>181,427</u>

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Income Tax	-	2,689,578	2,689,578
Intergovernmental	-	86,956	86,956
Other	-	150,000	150,000
Total Revenues	-	2,926,534	150,000
Expenditures			
Capital Improvement			
Finance			
Capital Outlay	10,851,926	10,791,381	60,545
Total Expenditures	10,851,926	10,791,381	60,545
Excess/(Deficiency) of Revenues			
Over/(Under) Expenditures	(10,851,926)	(7,864,847)	210,545
Other Financing Sources (Uses)			
Transfer In	3,322,560	3,322,560	-
Transfer Out	(47,687)	(47,687)	-
Total Other Financing Sources (Uses)	3,274,873	3,274,873	-
Net Change in Fund Balance	(7,577,053)	(4,589,974)	210,545
Fund balance at beginning of year	368,577	368,577	-
Prior Year Encumbrance Appropriated	7,490,097	7,490,097	-
Fund balance at end of year	281,621	3,268,700	210,545

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Street Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	1,620,000	1,880,809	260,809
Other	10,000	10,060	60
Total Revenues	1,630,000	1,890,869	260,869
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	772,448	764,637	7,811
Contractual Services	166,293	156,912	9,381
Supplies & Materials	302,454	285,668	16,786
Capital Outlay	352,916	352,916	-
Total Expenditures	1,594,111	1,560,133	33,978
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	35,889	330,736	294,847
Other Financing Sources (Uses)			
Sale of Assets	20,000	12,716	(7,284)
Insurance Proceeds	1,000	8,686	7,686
Transfer Out	(404,800)	(404,800)	-
Total Other Financing Sources (Uses)	(383,800)	(383,398)	402
Net Change in Fund Balance	(347,911)	(52,662)	295,249
Fund balance at beginning of year	314,378	314,378	-
Prior Year Encumbrance Appropriated	266,759	266,759	-
Fund balance at end of year	233,226	528,475	295,249

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
State Highway Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	108,000	128,184	20,184
Total Revenues	108,000	128,184	20,184
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	22,820	2,519	20,301
Contractual Services	43,152	39,514	3,638
Supplies & Materials	32,831	32,555	276
Total Expenditures	98,803	74,588	24,215
Net Change in Fund Balance	9,197	53,596	44,399
Fund balance at beginning of year	352,957	352,957	-
Prior Year Encumbrance Appropriated	7,583	7,583	-
Fund balance at end of year	369,737	414,136	44,399

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Law Enforcement Trust Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	9,300	109,558	100,258
Total Revenues	9,300	109,558	100,258
Expenditures			
Security of Persons & Property			
Public Safety			
Contractual Services	68,498	68,498	-
Capital Outlay	7,500	7,234	266
Total Expenditures	75,998	75,732	266
Net Change in Fund Balance	(66,698)	33,826	100,524
Fund balance at beginning of year	70,235	70,235	-
Prior Year Encumbrance Appropriated	12,898	12,898	-
Fund balance at end of year	16,435	116,959	100,524

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Enforcement & Education Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Fees	3,200	1,615	(1,585)
Total Revenues	3,200	1,615	(1,585)
Expenditures			
Security of Persons & Property			
Public Safety	-	-	-
Total Expenditures	-	-	-
Net Change in Fund Balance	3,200	1,615	(1,585)
Fund balance at beginning of year	36,236	36,236	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	39,436	37,851	(1,585)

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Parks & Recreation Donation Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Contributions & Donations	-	3,221	3,221
Total Revenues	-	3,221	3,221
Expenditures			
Leisure Time Activities			
Parks & Recreation			
Capital Outlay	-	-	
Total Expenditures	-	-	-
Net Change in Fund Balance	-	3,221	3,221
Fund balance at beginning of year	5,762	5,762	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	5,762	8,983	3,221

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Permanent Improvement Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	131,000	104,720	(26,280)
Total Revenues	131,000	104,720	(26,280)
Expenditures			
Leisure Time Activities			
Public Service			
Capital Outlay	708,890	708,573	317
Total Expenditures	708,890	708,573	317
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(577,890)	(603,853)	(25,963)
Other Financing Sources (Uses)			
Transfer In	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(577,890)	(603,853)	(25,963)
Fund balance at beginning of year	(130,078)	(130,078)	-
Prior Year Encumbrance Appropriated	708,890	708,890	-
Fund balance at end of year	922	(25,041)	(25,963)

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Court Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Fees	27,000	29,319	2,319
Total Revenues	27,000	29,319	2,319
Expenditures			
General Government			
Clerk of Court			
Contractual Services	45,094	22,760	22,334
Capital Outlay	100,000	100,000	-
Total Expenditures	145,094	122,760	22,334
Net Change in Fund Balance	(118,094)	(93,441)	24,653
Fund balance at beginning of year	164,979	164,979	-
Prior Year Encumbrance Appropriated	101,594	101,594	-
Fund balance at end of year	148,479	173,132	24,653

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
County Permissive Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	415,000	415,000	-
Total Revenues	415,000	415,000	-
Expenditures			
Transportation			
Public Service			
Capital Outlay	423,256	423,256	-
Total Expenditures	423,256	423,256	-
Net Change in Fund Balance	(8,256)	(8,256)	-
Fund balance at beginning of year	65,991	65,991	-
Prior Year Encumbrance Appropriated	8,256	8,256	-
Fund balance at end of year	65,991	65,991	-

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Cul-De-Sac Maintenance Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
License Permits & Fees	-		-
Total Revenues	-	-	-
Total Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	42,027	42,027	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>42,027</u>	<u>42,027</u>	<u>-</u>

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Court Computerization Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Fees	10,700	11,076	376
Total Revenues	10,700	11,076	376
Expenditures			
General Government			
Clerk of Court			
Contractual Services	2,960	-	2,960
Total Expenditures	2,960	-	2,960
Net Change in Fund Balance	7,740	11,076	3,336
Fund balance at beginning of year	19,539	19,539	-
Prior Year Encumbrance Appropriated	1,260	1,260	-
Fund balance at end of year	28,539	31,875	3,336

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Federal Law Enforcement Seizure Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	25,000	1,797	(23,203)
Investment Income	-	-	-
Total Revenues	25,000	1,797	(23,203)
Expenditures			
Security of Persons & Property			
Public Safety			
Contractual Services	63,491	63,491	-
Capital Outlay	78,475	78,475	-
Total Expenditures	141,966	141,966	-
Net Change in Fund Balance	(116,966)	(140,169)	(23,203)
Fund balance at beginning of year	166,761	166,761	-
Prior Year Encumbrance Appropriated	53,066	53,066	-
Fund balance at end of year	102,861	79,658	(23,203)

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Treasury Equitable Sharing Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	10,000	103,675	93,675
Total Revenues	10,000	103,675	93,675
Expenditures			
Security of Persons & Property			
Public Safety			
Capital Outlay	63,500	62,773	727
Total Expenditures	63,500	62,773	727
Net Change in Fund Balance	(53,500)	40,902	92,948
Fund balance at beginning of year	138,797	138,797	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	85,297	179,699	92,948

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
AG Peace Officer Training Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	-	-	-
Total Revenues	-	-	-
Expenditures			
Security of Persons & Property			
Public Safety			
Contractual Services	24,535	24,535	-
Total Expenditures	24,535	24,535	-
Net Change in Fund Balance	(24,535)	(24,535)	-
Fund balance at beginning of year	124	124	-
Prior Year Encumbrance Appropriated	24,535	24,535	-
Fund balance at end of year	124	124	-

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Street Tree Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Fees	-	41,800	41,800
Total Revenues	-	41,800	41,800
Total Expenditures	-	-	-
Net Change in Fund Balance	-	41,800	41,800
Fund balance at beginning of year	5,415	5,415	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	5,415	47,215	41,800

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Right of Way Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Fees	35,000	55,600	20,600
Total Revenues	35,000	55,600	20,600
Total Expenditures	-	-	-
Net Change in Fund Balance	35,000	55,600	20,600
Fund balance at beginning of year	527,901	527,901	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	562,901	583,501	20,600

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Police Pension Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Property Taxes	282,337	269,118	(13,219)
Intergovernmental	34,800	34,579	(221)
Total Revenues	317,137	303,697	(13,440)
Expenditures			
Security of Persons & Property			
Public Safety			
Salaries & Benefits	1,118,330	1,112,617	5,713
Contractual Services	4,900	3,253	1,647
Total Expenditures	1,123,230	1,115,870	7,360
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(806,093)	(812,173)	(6,080)
Other Financing Sources (Uses)			
Transfer In	692,896	690,450	(2,446)
Total Other Financing Sources (Uses)	692,896	690,450	(2,446)
Net Change in Fund Balance	(113,197)	(121,723)	(8,526)
Fund balance at beginning of year	792,856	792,856	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	679,659	671,133	(8,526)

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Police Duty Weapons Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Other	<u>12,500</u>	<u>10,870</u>	<u>(1,630)</u>
Total Revenues	<u>12,500</u>	<u>10,870</u>	<u>(1,630)</u>
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net Change in Fund Balance	2,500	870	(1,630)
Fund balance at beginning of year	16,264	16,264	-
Prior Year Encumbrance Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>18,764</u></u>	<u><u>17,134</u></u>	<u><u>(1,630)</u></u>

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Public Landscape Trust Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Total Revenues	-	-	-
Total Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	7,816	7,816	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	7,816	7,816	-

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Reserve for Sick & Vacation Special Revenue Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Total Revenues	-	-	-
Expenditures			
General Government			
Finance			
Salaries & Benefits	368,380	336,150	32,230
Total Expenditures	368,380	336,150	32,230
Excess/(Deficiency) of Revenues			
Over/(Under) Expenditures	(368,380)	(336,150)	32,230
Other Financing Sources (Uses)			
Transfer In	156,000	156,000	-
Total Other Financing Sources (Uses)	156,000	156,000	-
Net Change in Fund Balance	(212,380)	(180,150)	32,230
Fund balance at beginning of year	241,369	241,369	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	28,989	61,219	32,230

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
State Capital Grants
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	160,000	156,627	(3,373)
Total Revenues	160,000	156,627	(3,373)
Expenditures			
Capital Improvement			
Parks & Recreation			
Capital Outlay	149,601	149,601	-
Total Expenditures	149,601	149,601	-
Net Change in Fund Balance	10,399	7,026	(3,373)
Fund balance at beginning of year	(156,627)	(156,627)	-
Prior Year Encumbrance Appropriated	149,601	149,601	-
Fund balance at end of year	3,373	-	(3,373)

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Bond Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Investment Income	3,194	3,194	-
Total Revenues	3,194	3,194	-
Expenditures			
Transportation			
Public Service			
Capital Outlay	105,740	105,740	-
Total Expenditures	105,740	105,740	-
Excess of Expenditures over Revenues	(102,546)	(102,546)	-
Other Financing Sources (uses)			
Transfer Out	(888)	(888)	-
Total Other Financing Sources (uses)	(888)	(888)	-
Net Change in Fund Balance	(103,434)	(103,434)	-
Fund balance at beginning of year	30,003	30,003	-
Prior Year Encumbrance Appropriated	73,431	73,431	-
Fund balance at end of year	-	-	-

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Park Capital Projects Fund
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Fees	-	13,246	13,246
Total Revenues	-	13,246	13,246
Expenditures			
Leisure Time Activities			
Parks & Recreation			
Capital Outlay	2,548	2,548	-
Total Expenditures	2,548	2,548	-
Net Change in Fund Balance	(2,548)	10,698	13,246
Fund balance at beginning of year	46,291	46,291	-
Prior Year Encumbrance Appropriated	2,548	2,548	-
Fund balance at end of year	46,291	59,537	13,246

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Park In-Lieu of Fees Capital Projects Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Total Revenues	-	-	-
Total Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	12,943	12,943	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	12,943	12,943	-

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Court Building Capital Projects Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Fees	23,000	18,821	(4,179)
Total Revenues	23,000	18,821	(4,179)
Total Expenditures	-	-	-
Net Change in Fund Balance	23,000	18,821	(4,179)
Fund balance at beginning of year	278,861	278,861	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	301,861	297,682	(4,179)

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Federal Highway Grant Capital Projects Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	604,029	115,661	(488,368)
Total Revenues	604,029	115,661	(488,368)
Expenditures			
Capital Improvement			
Public Service			
Capital Outlay	699,402	699,402	-
Total Expenditures	699,402	699,402	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(95,373)	(583,741)	(488,368)
Other Financing Sources (Uses)			
Transfer In	95,373	95,373	-
Total Other Financing Sources (Uses)	95,373	95,373	-
Net Change in Fund Balance	-	(488,368)	(488,368)
Fund balance at beginning of year	-	-	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	-	(488,368)	(488,368)

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
General Bond Retirement Debt Service Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Property Taxes	272,926	260,141	(12,785)
Intergovernmental	34,000	33,448	(552)
Total Revenues	306,926	293,589	(13,337)
Expenditures			
General Government			
Finance			
Contractual Services	4,750	3,144	1,606
Debt Service			
Principal Retirement	1,548,663	1,548,572	91
Interest & Fiscal Charges	650,338	650,338	-
Total Expenditures	2,203,751	2,202,054	1,697
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1,896,825)	(1,908,465)	(11,640)
Other Financing Sources (Uses)			
Transfer In	1,897,091	1,817,688	(79,403)
Total Other Financing Sources (Uses)	1,897,091	1,817,688	(79,403)
Net Change in Fund Balance	266	(90,777)	(91,043)
Fund balance at beginning of year	1,285,052	1,285,052	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	1,285,318	1,194,275	(91,043)

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Equity - Budget and Actual (Non-GAAP Budgetary Basis)
Workers Compensation Internal Service Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Charges for Services	300,000	206,660	(93,340)
Total Revenues	300,000	206,660	(93,340)
Expenditures			
Contract Services			
Human Resources			
Contractual Services	146,448	114,612	31,836
Total Expenditures	146,448	114,612	31,836
Net Change in Fund Equity	153,552	92,048	(61,504)
Fund equity at beginning of year	580,790	580,790	-
Prior Year Encumbrance Appropriated	-	-	-
Fund equity at end of year	734,342	672,838	(61,504)

City Of Gahanna, Ohio

Statistical Section

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

<u>Contents</u>	<u>Pages</u>
Financial Trends	162-166
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	167-175
These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income tax and property taxes.	
Debt Capacity	176-179
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.	
Demographic and Economic Information	180-181
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	182-188
These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports and basic financial statements for the relevant year.	

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

	2019 **	2018 *	Restated 2017	2016	2015	Restated 2014	Restated 2013	Restated 2012	Restated 2011	Restated 2010
Governmental Activities										
Net Investment in Capital Assets	\$ 126,855,948	\$ 125,624,241	\$ 122,523,098	\$ 120,714,997	\$ 118,970,770	\$ 118,249,600	\$ 116,148,500	\$ 63,455,491	\$ 68,285,441	\$ 64,354,828
Restricted	23,071,469	7,929,376	13,728,051	14,039,314	15,169,012	12,389,607	12,445,887	13,687,434	11,049,344	13,723,679
Unrestricted	(14,267,342)	(12,791,632)	(4,868,213)	13,499,101	13,666,163	13,870,290	24,788,995	21,235,666	17,947,623	21,249,773
Total Governmental Activities										
Net Position	<u>\$ 135,660,075</u>	<u>\$ 120,761,985</u>	<u>\$ 131,382,936</u>	<u>\$ 148,253,412</u>	<u>\$ 147,805,945</u>	<u>\$ 144,509,497</u>	<u>\$ 153,383,382</u>	<u>\$ 98,378,591</u>	<u>\$ 97,282,408</u>	<u>\$ 99,328,280</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 46,108,404	\$ 47,223,759	\$ 47,920,299	\$ 48,493,228	\$ 48,938,983	\$ 48,731,148	\$ 48,345,728	\$ 49,068,153	\$ 49,960,158	\$ 50,158,280
Unrestricted	19,484,538	18,661,211	18,074,973	19,232,061	15,077,893	16,400,790	17,861,779	17,742,989	18,568,401	19,766,123
Total Business-Type activities										
Net Position	<u>\$ 65,592,942</u>	<u>\$ 65,884,970</u>	<u>\$ 65,995,272</u>	<u>\$ 67,725,289</u>	<u>\$ 64,016,876</u>	<u>\$ 65,131,938</u>	<u>\$ 66,207,507</u>	<u>\$ 66,811,142</u>	<u>\$ 68,528,559</u>	<u>\$ 69,924,403</u>
Primary Government										
Net Investment in Capital Assets	\$ 172,964,352	\$ 172,848,000	\$ 170,443,397	\$ 169,208,225	\$ 167,909,753	\$ 166,980,748	\$ 164,494,228	\$ 112,523,644	\$ 118,245,599	\$ 114,513,108
Restricted	23,071,469	7,929,376	13,728,051	14,039,314	15,169,012	12,389,607	12,445,887	13,687,434	11,049,344	13,723,679
Unrestricted	5,217,196	5,869,579	13,206,760	32,731,162	28,744,056	30,271,080	42,650,774	38,978,655	36,516,024	41,015,896
Total Primary Government										
Net Position	<u>\$ 201,253,017</u>	<u>\$ 186,646,955</u>	<u>\$ 197,378,208</u>	<u>\$ 215,978,701</u>	<u>\$ 211,822,821</u>	<u>\$ 209,641,435</u>	<u>\$ 219,590,889</u>	<u>\$ 165,189,733</u>	<u>\$ 165,810,967</u>	<u>\$ 169,252,683</u>

* - A reclassification of the capital improvement fund was made from restricted to unrestricted.

** - A reclassification of the capital improvement fund back to restricted.

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

	2019	2018	Restated 2017	2016	2015	Restated 2014	2013	Restated 2012	Restated 2011	Restated 2010
Expenses										
Governmental Activities										
General Government	\$ 5,871,786	\$ 14,295,931	\$ 6,636,934	\$ 4,535,792	\$ 5,516,390	\$ 4,135,409	\$ 4,538,713	\$ 4,456,167	\$ 4,591,521	\$ 4,959,182
Security of Persons & Property	3,994,063	13,035,548	20,646,996	11,239,302	10,219,622	9,464,485	8,994,894	9,347,802	8,553,504	8,686,610
Public Health & Welfare	-	298,349	282,874	268,111	258,421	223,003	216,427	206,424	215,060	195,382
Transportation	6,053,641	5,765,457	5,576,053	5,037,742	4,945,121	2,961,415	4,659,802	4,059,871	5,610,420	3,571,469
Community Environment	4,404,236	4,288,946	6,113,536	4,866,823	4,496,115	4,926,795	4,224,762	4,517,023	5,790,535	4,376,125
Leisure Time Activities	5,902,003	5,904,219	7,325,858	4,636,591	3,990,528	3,658,521	3,949,682	3,591,675	2,643,767	3,285,193
Utility Services	-	376,175	460,437	447,664	417,906	478,318	562,939	504,919	474,867	2,253,385
Interest & Fiscal Charges	515,845	595,699	623,828	664,879	545,747	709,657	761,277	928,555	1,039,207	900,076
Total Governmental Activities Expenses	26,741,574	44,560,324	47,666,516	31,696,904	30,389,850	26,557,603	27,908,496	27,612,436	28,918,881	28,227,422
Business- Type Activities										
Water	8,423,328	8,474,764	9,750,372	7,723,349	7,204,101	6,030,998	6,403,114	6,748,836	5,903,450	6,385,501
Sewer	8,202,211	7,920,400	8,087,289	5,355,806	8,328,948	8,004,427	7,337,381	7,424,007	6,676,639	7,642,442
Storm Water	1,340,000	1,121,788	1,246,244	1,027,101	1,130,109	955,932	886,458	963,282	821,295	811,894
Total Business-Type Activities Expenses	17,965,539	17,516,952	19,083,905	14,106,256	16,663,158	14,991,357	14,626,953	15,136,125	13,401,384	14,839,837
Total Primary Government Expenses	\$ 44,707,113	\$ 62,077,276	\$ 66,750,421	\$ 45,803,160	\$ 47,053,008	\$ 41,548,960	\$ 42,535,449	42,748,561	42,320,265	43,067,259
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	\$ 1,435,869	\$ 1,210,497	\$ 757,358	\$ 1,306,326	\$ 1,725,026	\$ 1,779,433	\$ 1,944,536	\$ 799,150	\$ 1,062,848	\$ 663,857
Security of Persons & Property	330,215	163,345	169,298	162,217	183,274	183,739	207,783	354,525	154,552	178,005
Public Health & Welfare	-	-	-	-	-	-	-	-	-	-
Transportation	70,476	15,014	8,992	7,674	8,047	9,304	11,389	39,100	46,786	390,699
Community Environment	804,168	794,784	932,419	1,034,062	907,641	1,100,020	750,802	506,381	304,844	267,750
Leisure Time Activities	1,635,833	1,607,051	1,534,010	1,485,692	1,468,139	1,384,657	1,338,484	1,511,989	981,039	1,054,016
Utility Services	-	-	-	-	-	-	-	-	159,432	1,960,712
Interest & Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Operating Grants & Contributions	2,725,593	3,103,952	1,977,760	2,055,703	2,350,014	2,617,569	1,902,075	2,099,228	1,748,552	2,267,903
Capital Grants & Contributions	436,983	1,409,867	100,000	1,084,459	3,255,153	1,159,852	1,531,363	630,617	1,179,040	1,183,273
Total Governmental Activities Program Revenues	7,439,137	8,304,510	5,479,837	7,136,133	9,897,294	8,234,574	7,686,432	5,940,990	5,637,093	7,966,215
Business-Type Activities										
Charges for Services										
Water	8,346,890	7,966,393	7,841,524	8,363,476	7,560,244	7,571,853	7,189,091	6,722,456	5,788,248	5,587,024
Sewer	7,911,238	7,895,044	7,957,118	7,593,655	6,251,577	5,620,111	5,548,467	5,261,204	5,057,911	5,439,343
Storm Water	1,139,558	1,198,323	1,137,424	1,117,601	1,131,231	1,079,371	1,088,246	987,008	980,800	934,765
Operating Grants & Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants & Contributions	-	-	-	187,292	-	202,917	60,000	-	-	45,000
Total Business-Type Activities Program Revenues	17,397,686	17,059,760	16,936,066	17,262,024	14,943,052	14,474,252	13,885,804	12,970,668	11,826,959	12,006,132
Total Primary Government Program Revenues	24,836,823	25,364,270	22,415,903	24,398,157	24,840,346	22,708,826	21,572,236	18,911,658	17,464,052	19,972,347
Net (Expense)/Revenue										
Governmental Activities	(19,302,437)	(36,255,814)	(42,186,679)	(24,560,771)	(20,492,556)	(18,323,029)	(20,222,064)	(21,671,446)	(23,281,788)	(20,261,207)
Business-Type Activities	(567,853)	(457,192)	(2,147,839)	3,155,768	(1,720,106)	(517,105)	(741,149)	(2,165,457)	(1,574,425)	(2,833,705)
Total Primary Government Net Expense	\$ (19,870,290)	\$ (36,713,006)	\$ (44,334,518)	\$ (21,405,003)	\$ (22,212,662)	\$ (18,840,134)	\$ (20,963,213)	\$ (23,836,903)	\$ (24,856,213)	\$ (23,094,912)

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

	2019	2018	Restated 2017	2016	2015	Restated 2014	2013	Restated 2012	Restated 2011	Restated 2010
General Revenues and Other Changes in Net Position										
Governmental Activities										
Income Tax Levied For										
General Purposes	\$ 18,093,597	\$ 18,970,807	\$ 17,986,106	\$ 19,179,575	\$ 17,962,254	\$ 16,504,593	\$ 16,798,204	\$ 16,531,571	\$ 14,415,698	\$ 12,902,689
Capital Projects	3,987,363	-	-	-	-	-	-	-	-	-
Public Safety	451,901	-	-	-	-	-	-	-	-	-
Parks & Recreation	318,989	-	-	-	-	-	-	-	-	-
Public Service	558,231	-	-	-	-	-	-	-	-	-
Property Taxes Levied For										
General Purposes	1,631,196	1,706,715	1,488,227	1,506,677	1,445,670	1,408,366	1,415,106	1,444,786	1,532,042	1,612,081
Debt Service	260,801	272,524	248,579	248,778	241,999	234,525	237,652	240,742	260,652	258,003
Police	269,801	281,941	246,148	252,278	239,628	236,116	236,561	247,503	260,359	266,656
Revenue in Lieu of Taxes	4,804,135	1,916,198	2,895,815	1,966,279	2,025,314	1,699,552	1,435,780	1,908,942	1,002,203	2,661,218
Other Local Taxes	506,776	473,781	516,087	509,095	495,884	465,007	408,373	435,863	421,791	868,501
Grants & Entitlements not Restricted	1,051,023	1,041,408	1,060,783	1,031,949	1,238,661	1,208,215	1,453,288	741,106	1,991,744	2,413,448
Investment Earnings	1,544,810	996,027	589,822	386,626	435,926	596,924	115,597	492,559	653,169	736,662
Increase/(Decrease) in FV of Investments	-	-	-	-	-	-	-	(35,400)	178,767	(27,004)
Gain on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Miscellaneous	997,729	322,352	702,458	421,451	269,126	194,416	535,882	1,004,594	539,491	43,977
Transfers	(275,825)	(346,890)	(417,822)	(494,470)	(565,458)	(20,000)	(145,754)	(244,637)	(20,000)	434,711
Total Governmental Activities										
General Revenues and Other Changes	34,200,527	25,634,863	25,316,203	25,008,238	23,789,004	22,527,714	22,490,689	22,767,629	21,235,916	22,170,942
Business Type Activities										
Investment Earnings	-	-	-	-	-	-	-	-	28	63
Miscellaneous	-	-	-	58,175	39,586	77,110	42,728	203,403	158,553	-
Transfers	275,825	346,890	417,822	494,470	565,458	20,000	145,754	244,637	20,000	172,321
Total Business-Type Activities										
General Revenues and Other Changes	275,825	346,890	417,822	552,645	605,044	97,110	188,482	448,040	178,581	172,384
Total Primary Government										
General Revenues and Other Changes	\$ 34,476,352	\$ 25,981,753	\$ 25,734,025	\$ 25,560,883	\$ 24,394,048	\$ 22,624,824	\$ 22,679,171	\$ 23,215,669	\$ 21,414,497	\$ 22,343,326
Change in Net Position										
Governmental Activities	14,898,090	(10,620,951)	(16,870,476)	447,467	3,296,448	4,204,685	2,268,625	1,096,183	(2,045,872)	1,909,735
Business-Type Activities	(292,028)	(110,302)	(1,730,017)	3,708,413	(1,115,062)	(419,995)	(552,667)	(1,717,417)	(1,395,844)	(2,661,321)
Total Primary Government	\$ 14,606,062	\$ (10,731,253)	\$ (18,600,493)	\$ 4,155,880	\$ 2,181,386	\$ 3,784,690	\$ 1,715,958	(621,234)	(3,441,716)	(751,586)

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

	2019 ***	2018 **	2017	2016	2015	2014	2013	2012	2011	Restated * 2010
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	500,093	415,232	434,934	320,241	415,987	451,228	351,145	311,003	324,995	347,140
Committed	7,392,282	7,142,978	7,109,940	6,666,565	6,567,000	7,590,692	1,190,692	1,190,692	1,274,618	1,611,494
Assigned	3,245,220	3,208,533	9,829,154	4,851,710	6,794,860	4,251,908	3,314,438	6,156,546	3,661,298	5,254,630
Unassigned	8,065,645	10,223,470	8,583,469	13,988,069	11,136,092	10,235,991	15,203,690	10,395,966	16,251,643	12,678,805
Total General Fund	<u>\$ 19,203,240</u>	<u>\$ 20,990,213</u>	<u>\$ 25,957,497</u>	<u>\$ 25,826,585</u>	<u>\$ 24,913,939</u>	<u>\$ 22,529,819</u>	<u>\$ 20,059,965</u>	<u>\$ 18,054,207</u>	<u>\$ 21,512,554</u>	<u>\$ 19,892,069</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	6,110	3,363	16,022	2,707	39	5,760	2,164	3,784	2,335	3,027
Restricted	20,903,276	7,101,376	12,937,951	13,257,721	14,373,034	11,531,254	11,784,236	12,933,340	9,722,408	11,813,879
Committed	388,097	8,163,463	568,776	641,939	613,870	839,354	636,846	522,648	455,915	450,445
Assigned	-	246	246	246	246	246	246	246	246	246
Unassigned	(48,684)	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 21,248,799</u>	<u>\$ 15,268,448</u>	<u>\$ 13,522,995</u>	<u>\$ 13,902,613</u>	<u>\$ 14,987,189</u>	<u>\$ 12,376,614</u>	<u>\$ 12,423,492</u>	<u>\$ 13,460,018</u>	<u>\$ 10,180,904</u>	<u>\$ 12,267,597</u>

* - Restated for implementation of GASB 54 during fiscal year 2011. The City has elected to not restate prior fund balance amounts for fiscal years prior to implementation.

** - A reclassification of the capital improvement fund was made in 2018 from restricted to committed.

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

	2019 *	2018	2017	2016	2015	2014	2013	2012	2011	Restated 2010
Revenues										
Income Taxes	\$ 23,727,439	\$ 18,858,725	\$ 18,638,374	\$ 18,858,453	\$ 17,719,609	\$ 17,066,389	\$ 16,540,915	\$ 15,176,200	\$ 14,405,894	\$ 13,838,380
Property Taxes	2,156,358	2,246,125	1,996,006	2,003,393	1,947,202	1,891,759	1,898,016	1,953,823	2,056,265	2,140,235
Other Local Taxes	506,776	473,781	516,087	509,095	495,884	465,007	408,373	435,863	421,791	901,175
Revenue in Lieu of Taxes	4,804,135	1,916,198	2,895,815	1,966,279	2,025,314	1,699,552	1,435,780	1,908,942	1,002,203	2,661,218
Charges for Services	1,830,046	1,904,820	2,047,008	2,104,634	1,925,843	1,803,476	1,604,154	1,147,643	1,224,707	3,542,692
Licenses & Permits	677,182	1,329,519	1,368,462	1,504,565	1,794,823	1,875,386	1,876,445	1,114,882	896,537	343,701
Fines & Fees	1,461,642	434,218	337,386	422,141	649,427	626,312	553,782	773,617	534,385	535,885
Intergovernmental	3,945,774	5,472,245	3,105,916	4,188,694	6,785,707	4,905,347	5,216,865	4,437,473	4,465,679	6,782,304
Investment Income	1,556,593	956,484	581,863	388,059	430,456	593,294	112,468	520,233	674,841	715,554
Rental Income	-	22,692	29,544	25,969	19,495	36,655	49,863	67,915	78,363	92,762
Contributions & Donations	-	63,617	4,590	43,047	-	-	10	2,615	26,510	2,560
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	(35,400)	178,767	(27,004)
Other	1,189,329	348,544	698,584	423,595	223,461	146,442	509,907	351,937	449,968	433,117
Total Revenues	41,855,274	34,026,968	32,219,635	32,437,924	34,017,221	31,109,619	30,206,578	27,855,743	26,415,910	31,962,579
Expenditures										
Current:										
General Government	4,705,056	4,192,153	3,795,776	3,915,494	3,872,201	3,408,521	3,825,471	3,402,233	4,085,990	4,303,225
Security of Persons & Property	11,338,979	10,708,391	10,180,464	9,645,764	9,739,039	9,120,846	8,755,192	9,065,929	8,580,044	8,528,510
Public Health & Welfare	-	298,349	282,874	268,111	258,421	223,003	216,427	206,424	215,060	195,382
Transportation	5,468,370	5,419,292	4,449,927	4,907,830	4,862,411	2,907,602	3,128,758	2,594,625	6,908,770	2,214,302
Community Environment	3,526,953	3,624,402	4,272,236	4,235,203	3,961,655	4,445,993	3,829,133	4,167,512	4,127,834	2,943,729
Leisure Time Activities	3,990,664	4,637,078	4,108,148	3,951,982	3,497,745	3,052,861	3,244,203	2,920,356	2,596,505	2,760,515
Utility Services	-	376,175	460,437	447,664	418,745	478,318	562,939	504,919	474,867	2,253,385
Capital Outlay	2,396,102	5,739,108	2,411,217	2,741,045	3,477,539	1,828,163	2,766,860	3,372,482	3,801,856	7,369,642
Debt Service										
Principal Retirement	1,386,622	1,358,241	1,462,700	1,462,880	3,282,862	2,515,355	2,495,422	1,662,652	979,500	773,436
Interest and Fiscal Charges	586,852	622,024	655,420	688,282	728,558	769,261	838,760	895,176	892,242	916,677
Total Expenditures	\$ 33,399,598	\$ 36,975,213	\$ 32,079,199	\$ 32,264,255	\$ 34,099,176	\$ 28,749,923	\$ 29,663,165	\$ 28,792,308	\$ 32,662,668	\$ 32,258,803
Excess (deficiency) of revenue over (under) expenditures	\$ 8,455,676	\$ (2,948,245)	\$ 140,436	\$ 173,669	\$ (81,955)	\$ 2,359,696	\$ 543,413	\$ (936,565)	\$ (6,246,758)	\$ (296,224)
Other Financing Sources (Uses)										
Transfers In	5,830,436	9,570,871	5,455,624	5,936,360	4,138,699	4,325,720	3,321,151	4,983,806	3,076,136	2,012,348
Transfers (out)	(6,106,261)	(9,917,761)	(5,873,446)	(6,430,830)	(4,626,099)	(4,345,720)	(3,327,522)	(4,983,806)	(3,096,136)	(2,012,348)
Lease Purchase Transaction	-	-	-	-	-	-	9,287	-	730,000	-
Insurance Recovery	-	-	-	47,266	58,482	40,053	49,236	-	-	-
Proceeds from Sale of Capital Assets	35,577	73,304	28,680	101,605	49,156	43,227	37,293	42,711	28,799	43,977
Premium and interest on Bonds Sold	77,950	-	-	-	772,849	-	772,683	-	-	-
Bonds Issued	5,000,000	-	-	-	5,095,000	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	6,078,400	-	8,795,300	-	-	-
Issuance of Loans	-	-	-	-	-	-	206,769	714,621	5,041,751	558,148
Payments to Refunded Bond Escrow	-	-	-	-	(6,489,837)	-	(9,438,378)	-	-	-
Total Other Financing (Sources) Uses	4,837,702	(273,586)	(389,142)	(345,599)	5,076,650	63,280	425,819	757,332	5,780,550	602,125
Special Item										
Settlement Income Tax Lawsuit	(9,100,000)	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	\$ 4,193,378	\$ (3,221,831)	\$ (248,706)	\$ (171,930)	\$ 4,994,695	\$ 2,422,976	\$ 969,232	\$ (179,233)	\$ (466,208)	\$ 305,901
Debt Service as a Percentage of Noncapital Expenditures	6.37%	6.34%	7.14%	7.29%	13.10%	12.20%	12.40%	10.06%	6.49%	6.79%

City of Gahanna, Ohio
Income Tax Revenue by Payer Type, Net of Refunds
Cash Basis Last Ten Fiscal Years

Year	Income Tax Rate	Withholding	% of Total	Individual	% of Total	Net Profit	% of Total	Total
2019 *	2.50%	\$ 17,380,212	74.97%	\$ 3,486,340	15.04%	\$ 2,315,426	9.99%	\$ 23,181,978
2018	1.50%	13,550,924	71.36%	3,612,433	19.02%	1,825,999	9.62%	18,989,356
2017	1.50%	12,852,447	69.85%	3,480,381	18.91%	2,068,056	11.24%	18,400,884
2016	1.50%	13,010,477	69.68%	3,651,194	19.56%	2,009,056	10.76%	18,670,727
2015	1.50%	12,106,831	68.95%	3,542,776	20.18%	1,909,759	10.88%	17,559,366
2014	1.50%	11,773,903	69.43%	3,148,912	18.57%	2,035,352	12.00%	16,958,167
2013	1.50%	11,394,114	69.35%	3,513,214	21.38%	1,522,423	9.27%	16,429,751
2012	1.50%	10,858,782	72.37%	3,337,927	22.25%	806,921	5.38%	15,003,630
2011	1.50%	9,843,007	65.32%	3,272,454	21.72%	1,952,819	12.96%	15,068,280
2010	1.50%	9,206,203	68.65%	3,213,644	23.96%	990,298	7.38%	13,410,145

Source: RITA and Income Tax Revenue by Payer Type, Net of Refunds Table

* - 1% increase passed by voters May 2019 effective July 1, 2019

City of Gahanna, Ohio
Top Income Tax Payers - Withholder Accounts
Current Year and Nine Years Ago

Range of Amount Withheld	2019		2010	
	Number of Withholding Accounts	Percent of Total Withholding Received	Number of Withholding Accounts	Percent of Total Withholding Received
\$500,000 and higher	2	10.87%	2	19.31%
\$499,999 - \$100,000	23	28.39%	9	12.33%
\$99,999 - \$75,000	-	0.00%	5	2.88%
\$74,999 - \$50,000	-	0.00%	5	5.00%
\$49,999 - \$25,000	-	0.00%	4	1.97%
Total	25	39.26%	25	41.50%
All Others	3,658	60.74%	2,795	58.50%
Total	<u>3,683</u>	<u>100%</u>	<u>2,820</u>	<u>100%</u>

Source: RITA and Income Tax Revenue by Payer Type, Net of Refunds Table

Note: Due to confidentiality the names of the top withholders cannot be reported. The above serves as an alternative to the top principal revenue payers.

City of Gahanna, Ohio
Top Income Tax Payers - Individual Accounts
Current Year and Nine Years Ago

Range of Income Assessed	2019		2010	
	Number of Individuals	Percent of Total Individuals	Number of Individual Accounts	Percent of Total Individuals
\$500,000 and higher	42	0.55%	71	
\$499,999 - \$400,000	42	0.55%	49	0.37%
\$399,999 - \$300,000	104	1.36%	128	0.97%
\$299,999 - \$200,000	466	6.09%	390	2.95%
\$199,999 - \$100,000	2,025	26.45%	2,472	18.71%
Total	2,679	34.99%	3,110	23.00%
All Others	4,978	65.01%	10,104	76.46%
Total	7,657	100%	13,214	99%

Source: RITA

Note: The above tables are useful to understand the income thresholds of which income taxes are assessed and is not a complete number of all individual accounts on file. RITA provides this information from individual income tax filings they have reconciled as of the date of the information request and not from total individual filings received.

City of Gahanna, Ohio
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection Years

Collection Year	Real Property (a)		Tangible Personal Property (b)		Public Utility (c)		Total		Direct Tax Rate
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
2019	\$ 1,019,301,750	\$ 2,912,290,714	\$ -	\$ -	\$ 34,705,430	\$ 99,158,371	\$ 1,054,007,180	\$ 3,011,449,085	2.40
2018	1,019,455,220	2,912,729,200	-	-	28,360,330	81,029,514	1,047,815,550	2,993,758,714	2.40
2017	912,515,520	2,607,187,200	-	-	24,626,100	70,360,286	937,141,620	2,677,547,486	2.40
2016	910,478,660	2,601,367,600	-	-	17,448,920	49,854,057	927,927,580	2,651,221,657	2.40
2015	901,367,310	2,575,335,171	-	-	11,611,250	33,175,000	912,978,560	2,608,510,171	2.40
2014	892,421,180	2,549,774,800	-	-	10,344,730	29,556,371	902,765,910	2,579,331,171	2.40
2013	890,838,100	2,545,251,714	-	-	9,768,120	27,908,914	900,606,220	2,573,160,628	2.40
2012	894,928,870	2,556,939,629	-	-	9,701,520	27,718,629	904,630,390	2,584,658,258	2.40
2011	950,816,350	2,716,618,143	-	-	11,572,850	33,065,286	962,389,200	2,749,683,429	2.40
2010	941,679,190	2,690,511,971	460,083	460,083	13,067,930	37,336,943	955,207,203	2,728,308,997	2.40

Source : Franklin County Auditor

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.

(b) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate continued to decrease by 6.25% in 2008 and reached 0 in 2009. Personal property assessed for collection year 2009-2010 is for delinquent taxes outstanding.

(c) Assumes public utilities are assessed at 35% of true value.

City of Gahanna, Ohio

Real Property Tax Rates - Direct and Overlapping

Last Ten Years

City of Gahanna-Gahanna Jefferson SD (District #025)

(Per \$1000 Assessed Value)

Collection Year	City of Gahanna	Franklin County	Gahanna Jefferson School District	Columbus Metropolitan Library	Eastland Career Center	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2019	2.40	18.92	78.29	2.80	2.00	14.50	118.91	80.318071	90.106692
2018	2.40	18.92	73.01	2.80	2.00	14.50	113.63	74.952822	84.531675
2017	2.40	18.47	73.26	2.80	2.00	14.50	113.43	82.354045	88.891872
2016	2.40	18.47	73.26	2.80	2.00	14.50	113.43	82.420307	89.456444
2015	2.40	18.47	72.61	2.80	2.00	14.50	112.78	81.780925	89.676388
2014	2.40	18.47	72.10	2.80	2.00	14.50	112.27	81.526464	87.852181
2013	2.40	18.47	72.10	2.80	2.00	14.50	112.27	81.437803	87.746158
2012	2.40	18.07	72.10	2.80	2.00	14.50	111.87	80.346654	86.988447
2011	2.40	18.07	66.73	2.80	2.00	10.70	102.70	68.378701	76.810544
2010	2.40	18.07	66.73	2.20	2.00	10.70	102.10	66.132253	74.823675

Note: The City of Gahanna consists of three taxing Districts:

City of Gahanna - Gahanna Jefferson School District (District #025)

City of Gahanna - Columbus City School District (District #026)

City of Gahanna - Jefferson Township/Gahanna Jefferson School District (District #027)

Source: Office of the County Auditor, Franklin County, Ohio

*Real Property Tax Rates - Direct and Overlapping
Last Ten Years
City of Gahanna-Columbus City School District (District #026)
(Per \$1000 Assessed Value)*

Collection Year	City of Gahanna	Franklin County	Columbus City School District	Columbus Metropolitan Library	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2019	2.40	18.92	82.18	2.80	14.50	120.80	80.162429	94.209394
2018	2.40	18.92	82.33	2.80	14.50	120.95	80.243631	94.362146
2017	2.40	18.47	81.88	2.80	14.50	120.05	88.076227	99.798861
2016	2.40	18.47	75.90	2.80	14.50	114.07	82.095288	93.735180
2015	2.40	18.47	76.10	2.80	14.50	114.27	82.268192	93.908604
2014	2.40	18.47	76.00	2.80	14.50	114.17	81.325141	92.797438
2013	2.40	18.47	76.15	2.80	14.50	114.32	81.296732	92.451919
2012	2.40	18.07	75.85	2.80	14.50	113.62	79.826491	91.239815
2011	2.40	18.07	75.50	2.80	10.70	109.47	72.249939	85.773798
2010	2.40	18.07	75.50	2.20	10.70	108.87	69.950174	83.543560

Note: The City of Gahanna consists of three taxing Districts:
City of Gahanna - Gahanna Jefferson School District (District #025)
City of Gahanna - Columbus City School District (District #026)
City of Gahanna - Jefferson Township/Gahanna Jefferson School District (District #027)

Source: Office of the County Auditor, Franklin County, Ohio

City of Gahanna, Ohio
Real Property Tax Rates - Direct and Overlapping
Last Ten Years
City of Gahanna-Jefferson Township/Gahanna Jefferson SD (District #027)
(Per \$1000 Assessed Value)

Collection Year	City of Gahanna	Franklin County	Gahanna Jefferson School District	Columbus Metropolitan Library	Eastland Career Center	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2019	1.63	18.92	78.29	2.80	2.00	12.42	116.06	76.925446	88.012353
2018	1.63	18.92	73.01	2.80	2.00	12.47	110.83	71.623726	82.578910
2017	1.63	18.47	73.26	2.80	2.00	12.47	110.63	78.543211	86.583837
2016	1.63	18.47	73.26	2.80	2.00	12.57	110.73	78.713435	86.947576
2015	1.63	18.47	72.61	2.80	2.00	13.57	111.08	78.833316	87.975055
2014	1.63	18.47	72.10	2.80	2.00	12.57	109.57	77.504360	85.401273
2013	1.63	18.47	72.10	2.80	2.00	9.57	106.57	74.407900	82.391582
2012	1.63	18.07	72.10	2.80	2.00	9.54	106.14	73.293370	81.642260
2011	1.63	18.07	66.73	2.80	2.00	9.54	100.77	65.334279	74.459773
2010	1.63	18.07	66.73	2.20	2.00	9.54	100.17	63.044436	72.519424

Note: The City of Gahanna consists of three taxing Districts:
City of Gahanna - Gahanna Jefferson School District (District #025)
City of Gahanna - Columbus City School District (District #026)
City of Gahanna - Jefferson Township/Gahanna Jefferson School District (District #027)

Source: Office of the County Auditor, Franklin County, Ohio

City of Gahanna, Ohio
Principal Property Taxpayers
Current Year and Nine Years Ago

December 31, 2019		
	Total Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
1 . Ohio Power Company	\$34,376,750	3.28%
2 . Columbus Southern Power Co	\$6,313,700	0.60%
3 . Columbia Gas of Ohio Inc	\$3,616,680	0.35%
Real Estate		
1 . Stoneridge Plaza Shops LLC	12,525,810	1.20%
2 . Vista at Rocky Fork LP	9,012,510	0.86%
3 . AERC Christopher Wren Inc.	5,407,500	0.52%
4 . Cole of Phoenix AZ LLC	4,577,910	0.44%
5 . McGraw Hill Education LLC	4,200,010	0.40%
6 . Meritex Properties LLC	3,920,020	0.37%
7 . RCS-COP II LLC	3,223,500	0.31%
8 . Morse & Hamilton LP	3,075,840	0.29%
9 . Provident-Hunters Ridge One LTD	2,975,000	0.28%
10 . Morrison Arbors LLC	2,872,310	0.27%
ALL OTHERS	954,590,320	91.10%
TOTAL ASSESSED VALUATION	<u>\$1,047,815,550</u>	<u>100.00%</u>

December 31, 2010		
	Total Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
1 . Columbus Southern Power Co	\$10,682,510	1.12%
Real Estate		
1 . Stoneridge Plaza Shops	8,700,450	0.91%
2 . Vista at Rocky Fork LP	7,844,490	0.82%
3 . McGraw Hill Inc	6,138,450	0.64%
4 . AERC Christopher Wren Inc	4,851,010	0.51%
5 . Continental/Eagle IV LLC	3,452,790	0.36%
6 . Morrison Arbors LLC	3,394,450	0.36%
7 . Ozre Lodging II LLC	3,379,570	0.35%
8 . Gahanna Realty LLC	2,975,000	0.31%
9 . Hollingsworth Capital	2,546,780	0.27%
10 . Gahanna Retirement	2,520,010	0.26%
Tangible Personal Property*		
1 . Ohio Bell Telephone Company	314,110	0.03%
2 . Time Warner Entertainment Company LP	67,170	0.01%
3 . New Par	38,480	0.00%
4 . Cincinnati SMSA Ltd Partnership	21,450	0.00%
5 . MCI Communications Services, Inc.	13,900	0.00%
6 . Sprintcom Inc.	12,630	0.00%
7 . Sprint Nextel Corp.	5,640	0.00%
8 . T Mobile Central	4,980	0.00%
9 . Cincinnati Bell Any Distance Inc	140	0.00%
ALL OTHERS	898,243,193	94.04%
TOTAL ASSESSED VALUATION	<u>\$955,207,203</u>	<u>100.00%</u>

Source : Franklin County Auditor's Office

Assessed Values are for the valuation year of 2018 and 2009 respectively

* House Bill 66 (the State's biennial budget) begun the phase out of Tangible Personal Property Tax (TPP) in FY 2006, which will continue over three years.
The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate continued to decrease by 6.25% in 2008 and will reach 0 in 2009.

City of Gahanna, Ohio
Property Tax Levies and Collections
Last Ten Years

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2019	\$ 2,594,708	\$ 2,488,535	95.91	\$ 41,905	\$ 2,530,440	97.52	\$ 64,267	2.48
2018	2,560,778	2,464,013	96.22	37,938	2,501,951	97.70	58,827	2.30
2017	2,246,469	2,152,901	95.83	49,796	2,202,697	98.05	43,772	1.95
2016	2,280,868	2,235,736	98.02	44,751	2,280,487	99.98	56,825	2.49
2015	2,188,637	2,145,670	98.04	53,312	2,198,982	100.47	54,058	2.47
2014	2,164,785	2,053,384	94.85	45,268	2,098,652	96.95	72,390	3.34
2013	2,224,429	1,941,685	87.29	49,069	1,990,754	89.50	85,142	3.83
2012	2,230,058	2,126,685	95.36	60,926	2,187,611	98.10	93,839	4.21
2011	2,363,365	2,256,672	95.49	47,912	2,304,584	97.51	133,898	5.67
2010	2,358,218	2,206,189	93.55	63,634	2,269,823	96.25	117,843	5.00

Source: Office of the County Auditor, Franklin County, Ohio

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

Year	Governmental Activities			Business-type Activities		Total Primary Government	(b) Percentage of Personal Income	(b) Per Capita
	(a) Bonded Debt	(a) Loans	(a) Capital Lease	(a) Bonded Debt	(a) Loans			
2019	\$ 21,918,922	\$ 1,011,052	\$ -	\$ 1,569,984	\$ -	\$ 24,499,958	1.68%	\$ 679
2018	18,315,939	1,099,624	-	1,743,739	-	21,159,302	1.23%	593
2017	19,718,197	1,188,196	-	1,920,648	-	22,827,041	1.52%	672
2016	21,078,149	1,324,623	104,284	2,095,244	-	24,602,300	1.69%	728
2015	22,382,354	1,508,909	208,570	2,262,520	-	26,362,353	1.89%	790
2014	17,516,544	3,763,376	317,988	2,255,759	-	23,853,667	1.76%	716
2013	17,426,526	5,276,923	425,369	2,328,474	-	25,457,292	1.96%	765
2012	17,951,420	6,466,036	521,428	2,418,580	12,349	27,369,813	2.15%	823
2011	18,708,521	6,552,680	625,714	2,531,479	24,277	28,442,671	2.24%	825
2010	19,436,206	1,658,458	-	2,638,794	35,798	23,769,256	2.06%	715

Sources :

(a) Notes to the Financial Statements

(b) See Schedule "Demographic and Economic Statistics, Last Ten Years" for personal income, and population

City of Gahanna, Ohio
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Year	(a) Assessed Value	Governmental Activities			Business-Type Activities	Total Primary Government	% of Net Bonded Debt to Assessed Valuation	(d) Net
		(b) Gross	(c) Less Debt	Net	(b) Gross	Net		Bonded Debt
		Bonded Debt	Service	Bonded Debt	Bonded Debt	Bonded Debt		Per Capita
2019	\$ 1,054,007,180	\$ 21,918,922	\$ 1,200,613	\$ 20,718,309	\$ 1,569,984	\$ 22,288,293	2.11%	\$ 574
2018	1,047,815,550	18,315,939	1,291,390	17,024,549	1,743,739	18,768,288	1.79%	477
2017	937,141,620	19,718,197	1,351,199	18,366,998	1,920,648	20,287,646	2.16%	540
2016	927,927,580	21,078,149	1,354,884	19,723,265	2,095,244	21,818,509	2.35%	584
2015	912,978,560	22,382,354	1,354,883	21,027,471	2,262,520	23,289,991	2.55%	630
2014	902,765,910	17,516,544	1,240,331	16,276,213	2,255,759	18,531,972	2.05%	488
2013	900,606,220	17,426,526	1,240,353	16,186,173	2,328,474	18,514,647	2.06%	486
2012	904,630,390	17,951,420	1,183,758	16,767,662	2,418,580	19,186,242	2.12%	504
2011	962,389,200	18,708,521	1,186,778	17,521,743	2,531,479	20,053,222	2.08%	508
2010	955,207,203	19,436,206	1,104,011	18,332,195	2,638,794	20,970,989	2.20%	551

Sources :

(a) County Auditor

(b) General Obligation debt outstanding per notes to the financial statements

(c) Balance of Debt Service fund at end of fiscal year

(d) See Schedule "Demographic and Economic Statistics, Last Ten Years" for population and enrollment information

City of Gahanna, Ohio
Computation of Direct and Overlapping General Obligation Bonded Debt
as of December 31, 2019

Governmental Unit	Gross Debt Outstanding	Percent Applicable to City	Amount Applicable to City
City of Gahanna	\$ 22,929,974	100.00%	\$22,929,974
Franklin County	187,355,000	3.47%	6,501,219
Jefferson Township	251,000	0.87%	2,184
Mifflin Township	2,935,000	96.76%	2,839,906
Columbus City School District	439,879,986	0.08%	351,904
Gahanna-Jefferson School District	42,095,410	63.91%	26,903,177
Eastland Fairfield Career Center	700,000	12.22%	85,540
SWACO	<u>63,005,000</u>	3.31%	<u>2,085,466</u>
Total Direct	22,929,974		22,929,974
Total Overlapping	<u>736,221,396</u>		<u>38,769,396</u>
Total Direct and Overlapping	<u>\$ 759,151,370</u>		<u>\$61,699,370</u>

Note: Overlapping governments with no outstanding debt are not reflected

Source: Ohio Municipal Advisory Council

City of Gahanna, Ohio
Legal Debt Margin Information
Last Ten Years

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Assessed Valuation	1,054,007,180	1,047,815,550	937,141,620	927,927,580	912,978,560	902,765,910	900,606,220	904,630,390	962,389,200	955,207,203
Overall Debt Limit - 10.5% of Assessed Valuation	110,670,754	110,020,633	98,399,870	97,432,396	95,862,749	94,790,421	94,563,653	94,986,191	101,050,866	100,296,756
Net Indebtedness (a)	20,718,309	17,024,549	18,366,998	19,723,265	21,027,471	16,276,213	16,186,173	16,767,662	17,521,743	18,332,195
Exempt (b)	(15,718,309)	(17,024,549)	(18,366,998)	(19,723,265)	(21,027,471)	-	-	-	-	-
Net Indebtedness Subject to Limitation	5,000,000	-	-	-	-	16,276,213	16,186,173	16,767,662	17,521,743	18,332,195
Legal Debt Margin	105,670,754	110,020,633	98,399,870	97,432,396	95,862,749	78,514,208	78,377,480	78,218,529	83,529,123	81,964,561
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	5%	0%	0%	0%	0%	17%	17%	18%	17%	18%
Unvoted Debt Limit - 5.5% of Assessed Valuation (General Limitation)	57,970,395	57,629,855	51,542,789	51,036,017	50,213,821	49,652,125	49,533,342	49,754,671	52,931,406	52,536,396
Unvoted Net Indebtedness	5,000,000	-	-	-	-	16,276,213	16,186,173	16,767,662	17,521,743	18,332,195
Legal Debt Margin	52,970,395	57,629,855	51,542,789	51,036,017	50,213,821	33,375,912	33,347,169	32,987,009	35,409,663	34,204,201
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	9%	0%	0%	0%	0%	33%	33%	34%	33%	35%

Note: Ohio Bond Law sets a limit of 10.5% for all debt and 5.5% for unvoted debt exclusive of certain exemptions and exceptions.

(a) - See schedule of Ratios of Net General Bonded Debt Outstanding

(b) - Debt secured by revenue other than property taxes is not subject to the limitation.

Source: Franklin County Auditor and Bond Counsel

City of Gahanna, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	(a) Estimated Population	(b) Per Capita Income	Personal Income	(c) Unemployment Rate	(d) School Enrollment
2019	36,075	40,320	1,454,544,000	3.10%	7,699
2018	35,708	48,242	1,722,625,336	3.50%	7,726
2017	33,984	44,258	1,504,076,102	3.80%	7,448
2016	33,784	43,095	1,455,914,732	3.30%	7,496
2015	33,359	41,840	1,395,727,613	3.30%	7,243
2014	33,323	40,582	1,352,300,085	4.10%	7,190
2013	33,288	39,058	1,300,172,983	5.60%	7,019
2012	33,262	38,199	1,270,569,650	5.30%	7,073
2011	34,468	36,765	1,267,216,020	6.50%	7,075
2010	33,248	34,782	1,156,445,336	7.70%	7,142

Sources :

(a) Population for the City is estimated based on estimates from Mid-Ohio Regional Planning Commission

(b) US Department of Commerce, Bureau of Economic Analysis, Franklin County & US Census Bureau

(c) Ohio Labor Market Information

(d) Gahanna Jefferson School District CAFR, Ohio Department of Education

City of Gahanna, Ohio
Principal Employers
Current Year and Nine Years Ago

2019	
Employer	Type of Business
Gahanna-Jefferson Schools	Public School District
American Electric Power	Public Utility
Ohio Power Company	Public Utility
Zulily LLC	E-commerce
Reliant Capital Solutions LLC	Collection Agency
Columbus Academy	Private School K-12
Ohio Health Physicians Group	Healthcare Provider
McGraw-Hill	Education Materials Supplier
The Ohio State University	Healthcare Provider
ADP Total Source III INC	Human Resource Management
City of Gahanna	Municipality

2010	
Employer	Type of Business
American Electric Power	Public Utility
Gahanna-Jefferson Schools	Public School District
McGraw-Hill	Education Materials Supplier
The Kroger Company	Grocery
Columbus Academy	Private School K-12
City of Gahanna	Municipality
Columbus Southern Power Co	Public Utility
State of Ohio	State Government
Donatos Pizzeria LLC	Food Service
Grant/Riverside Medical Care	Healthcare Provider

Note: Number of employees not available. As a result the top employers were based on the top income tax withholders for the City. Due to confidentiality the amount withheld cannot be reported.

Source: RITA, City Tax

City of Gahanna, Ohio
Staffing Statistics - Head Count by Type and Function
Last Ten Fiscal Years

	2019	2018	2017	2016	2015 ***	2014 ***	2013	2012	2011	2010
General Government										
Council Elected Officials	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Council Office Full-Time	2.00	2.00	3.00	2.50	3.00	3.00	2.40	2.80	2.80	2.80
Council Office Part-Time	0.50	-	-	1.00	1.00	-	3.00	2.00	2.00	2.00
Council Office Appointed Board Member	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Office of the Mayor Elected Officials	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Office of the Mayor Full-Time	4.00	6.00	6.00	5.00	4.05	4.00	6.00	6.00	5.00	5.00
Office of the Mayor Part-Time	1.00	2.00	2.66	6.00	3.00	3.00	2.00	2.00	4.00	3.00
Office of the Mayor Seasonal	-	1.20	3.00	-	-	-	-	-	-	-
Department of Law Elected Officials	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Department of Law Full-Time	-	-	-	-	-	-	0.10	0.30	0.30	0.30
Department of Law Part-Time	-	1.00	2.00	2.00	-	1.00	1.00	-	-	-
Human Resources Full-Time	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00	3.00
Human Resources Part-Time	-	0.34	0.34	-	-	-	-	-	1.00	1.00
Finance Full-Time	3.00	4.00	4.00	4.00	4.95	4.00	5.00	5.00	5.00	6.00
Finance Part-Time	1.00	1.33	1.33	1.00	1.00	1.00	-	-	-	-
Public Service Full-Time	4.95	4.45	5.45	5.45	5.45	5.45	6.95	7.95	7.95	9.25
Public Service Part-Time	2.00	2.00	4.00	2.00	2.00	2.00	2.00	2.00	-	1.00
Public Service Seasonal	-	-	1.00	1.00	2.00	2.00	2.00	2.00	-	1.00
Total	36.45	42.32	50.78	47.95	44.45	43.45	48.45	48.05	45.05	49.35
Security of Persons & Property										
Police Full-Time	64.00	63.00	64.00	62.00	60.00	62.00	55.00	61.00	59.00	62.00
Police Part-Time	3.00	4.00	2.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00
Police Appointed Member	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Emergency Management Part-Time	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00
Dispatch	11.00	12.00	11.00	11.00	11.00	10.00	10.00	10.00	10.00	9.00
Total	78.00	79.00	78.00	77.00	76.00	78.00	71.00	77.00	75.00	77.00
Transportation										
Fleet Full-Time	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Fleet Part-Time	-	-	-	-	-	-	-	-	-	-
Streets Full-Time	6.92	6.67	6.42	6.42	6.42	6.25	6.25	6.25	6.68	7.25
Streets Part-Time	-	-	-	-	-	-	-	-	-	-
Streets Seasonal	0.50	0.75	0.25	0.50	1.50	2.00	2.00	2.00	-	-
Total	12.42	12.42	11.67	11.92	12.92	13.25	13.25	13.25	11.68	12.25
Community Environment										
Planning & Development Full-Time	2.00	4.00	4.00	4.00	9.00	9.00	9.50	9.90	9.90	9.90
Planning & Development Seasonal	-	1.00	4.00	4.00	9.00	9.00	9.50	9.90	9.90	9.90
Building & Zoning Full Time	6.00	5.00	5.00	5.50	2.00	2.00	1.00	1.00	1.00	2.00
Building & Zoning Part Time	1.00	3.00	2.00	1.00	-	-	-	-	-	-
Appointed Board Members	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Information Technology Full-Time	4.00	5.00	5.00	5.00	4.00	5.00	5.00	5.00	5.00	4.00
Information Technology Part-Time	0.50	0.33	0.33	1.00	1.00	-	-	1.00	1.00	1.00
Information Technology Seasonal	-	-	1.00	1.00	1.00	-	-	1.00	1.00	1.00
Total	25.50	30.33	29.33	29.50	29.00	28.00	27.50	29.90	29.90	29.90
Leisure Time Activity										
Parks & Facilities Full-Time	10.30	8.00	8.00	7.00	6.97	6.85	6.85	6.85	6.85	7.85
Parks & Facilities Part-Time	22.00	38.80	33.80	34.80	36.00	36.00	31.98	34.90	30.93	28.14
Parks & Facilities Seasonal	7.00	6.00	1.00	-	1.00	3.00	2.37	2.00	4.52	2.00
Parks & Facilities Appointed Board Member	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Recreation Full-Time	3.20	3.00	3.00	3.00	2.88	2.00	3.00	3.40	3.10	3.15
Recreation Part-Time	-	6.20	8.04	7.25	5.50	6.00	3.75	4.70	2.72	2.00
Recreation Seasonal	56.50	43.30	47.00	39.00	43.00	27.00	41.45	39.40	37.98	38.00
Golf Course Full-Time	1.00	1.00	1.00	1.00	0.15	0.15	0.15	0.45	0.60	0.45
Golf Course Part-Time	3.00	4.00	5.00	6.45	5.00	5.00	7.73	7.40	7.35	5.86
Golf Course Seasonal	12.00	15.00	11.00	8.00	11.00	9.00	8.37	7.00	8.00	8.00
Senior Center Full-Time	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior Center Part-Time	2.00	2.00	2.00	3.00	2.00	2.00	2.00	2.00	2.00	3.00
Senior Center Seasonal	-	-	-	-	-	2.00	2.00	2.00	2.00	3.00
Pools Full-Time	-	1.00	1.00	1.00	-	-	-	0.30	0.45	0.55
Pools Part-Time	-	1.00	1.50	2.50	1.50	1.00	1.00	2.00	2.00	4.00
Pools Seasonal	62.50	84.50	77.00	82.00	63.00	6.00	85.35	80.60	68.50	78.00
Total	191.50	226.80	212.34	208.00	191.00	119.00	209.00	206.00	190.00	197.00
Business-Type Activities										
Water Full-Time	6.36	6.11	5.86	5.86	5.86	5.60	5.34	5.34	5.60	5.88
Water Part-Time	-	-	-	-	-	-	-	0.33	0.66	0.66
Water Seasonal	0.50	0.75	0.25	0.50	0.50	-	0.66	0.33	0.33	1.83
Sewer Full-Time	6.36	6.11	5.86	5.86	5.86	5.60	5.35	5.35	5.61	5.88
Sewer Part-Time	-	-	-	-	-	-	-	0.34	0.66	0.66
Sewer Seasonal	0.50	0.75	0.25	0.50	0.50	-	0.68	0.34	0.33	1.83
Storm Water Full-Time	3.91	3.66	3.41	3.41	3.41	3.10	3.11	3.11	3.16	2.75
Storm Water Part-Time	-	-	-	-	-	-	-	0.33	0.68	0.68
Storm Water Seasonal	0.50	0.75	0.25	0.50	0.50	1.00	0.66	0.33	0.34	1.33
Total	18.13	18.13	15.88	16.63	16.63	15.30	15.80	15.80	17.37	21.50
Total Elected Officials	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Total Full-Time	147.00	147.00	151.00	147.00	142.00	141.00	139.00	148.00	145.00	151.01
Total Part-Time	36.00	66.00	65.00	65.00	59.00	61.00	58.46	63.00	57.00	57.00
Total Seasonal	140.00	153.00	142.00	133.00	121.00	48.00	141.54	132.00	120.00	130.99
Total Appointed	30.00	30.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
Total All Employees	362.00	409.00	398.00	391.00	370.00	297.00	385.00	390.00	369.00	387.00

** - The City acquired the Gahanna Swim Club in 2008 opening for operations in 2009 explaining the large fluctuation in pool seasonal staff from 2009 to current.

*** - The City hired a third party to operate the pools for 2014 explaining the decrease in leisure time activity and seasonal staffing. 2015 The City took back over the operations of the pool explaining the increase

Note - Unless otherwise indicated staff reported are full-time. Staff allocated to more than one function are allocated above by the same percentage. Head-count for part-time and full-time is as of the December 31. Head-count for seasonal is as of August 31.

Source - Payroll Records

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

Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities										
General Government										
Active Income Tax Accounts										
Withholding	3,767	3,767	3,670	3,670	3,528	3,265	3,154	3,094	2,978	2,801
Individual	22,811	22,015	25,680	24,491	23,542	21,940	21,141	21,178	20,138	19,262
Business	2,323	2,525	2,075	2,418	2,197	2,075	2,132	2,383	2,329	2,246
Security of Persons & Property										
Dispatched Calls	31,655	31,796	31,959	34,599	40,490	38,750	39,317	37,589	41,809	39,225
Violent Crimes	364	310	274	249	248	227	211	239	163	195
Property Crimes	1,085	936	836	820	707	680	736	824	830	779
Traffic Citations & Accidents	3,829	5,597	4,276	6,583	6,919	6,649	5,870	4,577	4,916	4,693
Arrests	982	966	709	944	1,019	1,090	1,281	1,205	1,216	1,109
Leisure Time Activities										
Special Event Participation	39,319	44,175	42,225	33,414	19,950	19,609	26,520	30,986	23,005	20,890
Recreation Program Participation	5,280	2,098	1,418	4,825	700	4,747	3,386	3,105	2,809	3,078
Swimming Pool Admissions	31,631	38,000	46,600	47,307	40,533	37,460	38,809	38,885	35,630	33,196
Golf Course Admissions	18,750	16,619	17,482	17,482	18,992	20,281	19,362	22,518	15,837	19,602
Senior Center Members	437	546	515	520	427	460	576	N/A	N/A	590
Community Environment										
Commercial Permits Issued	474	448	454	534	554	512	979	612	433	319
Residential Permits Issued	1,041	1,060	1,087	1,045	1,047	901	884	840	734	798
Code Enforcement Complaints**	N/A	N/A	760	700	682	666	727	705	672	597
Code Enforcement Violations**	N/A	N/A	814	681	857	849	838	826	859	846
Code Enforcement Incidents	1,277	1,206	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jobs Created/Retained Through Economic Development Incentives *	795	795	997	1,246	1,436	3,188	3,385	4,393	4,324	2,965
Committed Capital Investment from Economic Development (in Millions)	\$35.67	\$35.67	\$29.80	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Private Investment Leveraged Per Dollar of Public Investment Incentives	N/A	N/A	N/A	\$ 156.68	\$ 118.07	\$ 15.18	\$ 33.82	\$ 29.04	\$ 40.02	\$ 39.84
Transportation										
Lane Miles of Street Rebuild	0.85	1.47	1.34	2.40	1.60	0.62	0.78	0.70	-	-
Lane Miles of Street Overlay	3.57	3.24	6.18	13.58	5.82	1.60	3.53	3.07	0.77	8.19
Lane Miles of Street Maintenance	6.08	7.29	7.44	4.70	8.76	16.80	24.11	15.41	-	-
Average Pavement Condition Rating	85.65%	86.54%	86.17%	85.42%	84.70%	87.60%	87.40%	86.20%	87.60%	89.70%
Business-Type Activities										
Residential Utility Accounts	10,076	10,070	10,058	10,125	10,095	10,164	10,031	10,023	10,017	10,017
Commercial Utility Accounts	606	597	599	652	621	630	628	625	620	617

* - Prior to 2012, Jobs Created and Retained through Economic Development Incentives were only tracked for Community Reinvestment Areas. After 2012 Office & Industrial Incentives are also included.

** - Transition year from Sunguard to LAMA. Tracking is by Incidents. Complaints and Violations are no longer available.

N/A - Data Not Available

Source - RITA, Department Records

City of Gahanna, Ohio
Capital Asset Statistics
Last Ten Fiscal Years

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities										
General Government										
City Hall	1	1	1	1	1	1	1	1	1	1
Fleet	7	7	6	6	6	6	6	7	N/A	N/A
Security of Persons & Property										
Police Station	1	1	1	1	1	1	1	1	1	1
Police Fleet	34	32	35	31	37	37	42	50	N/A	N/A
Transportation										
Service Garage	1	1	1	1	1	1	1	1	1	1
Joint Maintenance Facility	1	1	1	1	1	1	1	1	1	1
Street Lane Miles	325.68	325.68	327.72	325.84	325.84	325.09	325.09	324.89	321.05	318.67
Street Lights	1,845	1,845	1,845	1,752	1,752	1,740	1,740	N/A	N/A	N/A
Traffic Signals	40	40	40	41	41	41	41	40	38	37
Fleet	23	23	20	15	16	16	17	18	N/A	N/A
Community Environment										
Office Building	1	1	1	1	1	1	1	1	1	-
Parking Garage	1	1	1	1	1	1	1	1	1	1
Miles of Fiber	34.80	34.80	34.80	20.25 **	14.58 **	14.42 **	20.26	18.75	15.12	13.75
Miles of Conduit	21.48	21.48	21.48	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Leisure Time Activities										
Park Acreage	774	774	774	768	768	759.2	759.13	759.13	759.13	702.25
Number of Parks	53	52	52	52	52	52	51	51	51	49
Rentable Shelters	8	8	8	8	8	8	6	6	6	6
Playgrounds	17	16	16	13	13	13	15	15	15	13
Senior Center	1	1	1	1	1	1	1	1	1	1
Herb Education Center	0	0	1	1	1	1	1	1	1	-
Golf Course	1	1	1	1	1	1	1	1	1	1
Dog Park	1	1	1	1	1	1	1	1	1	1
Skate Park	1	1	1	1	1	1	1	1	1	1
Pools	2	2	2	2	2	2	2	2	2	2
Parks Garage	1	1	1	1	1	1	1	1	1	1
Trail Miles	20	19	19	13 *	13 *	12 *	17.10	16.60	16.60	14.80
Fleet	32	32	27	26	28	30	35	43	N/A	N/A
Business-Type Activities										
Water Main Miles	149.19	150.99	150.99	152.76 **	152.76 **	152.37 **	177.42	175.00	174.69	173.21
Sanitary Sewer Miles	152.58	151.98	151.98	151.38 **	151.38 **	150.94 **	161.94	160.00	159.43	158.48
Storm Sewer Miles	114.91	114.62	114.62	126.04 **	126.04 **	125.46 **	148.59	145.00	144.86	142.01
Fleet	13	13	14	14	13	13	16.00	15.00	N/A	N/A

* - Prior to 2014 golf course cart paths and unpaved trails were included for trail miles.

** - Prior to 2014 privately owned portions of these utilities were included. 2014 accurately reflects what is owned by the City.

Source: Capital Asset System, Departmental Records

N/A - Information Not Available

Priority	Strategic Results	Description	Goals	2019 Activity	2019 Status	2018 Activity	2018 Status
1	Business and Job Development						
1.1	Walkable Downtown District	2021 Encourage livable, walkable downtown district characterized by arts, culture, retail and entertainment.		> No activity in 2019	Delayed	> Mobile food vendor code Updated	On Track
1.2	Create 2,750 Well Paying Jobs	2021 develop 2,750 well-paying jobs in southeast and southwest Gahanna.		> Multiple business attraction efforts are currently underway	On Track	> To date 2016 to 2018 1,604 new jobs developed > Multiple business attraction efforts are currently underway	On Track
1.3	Job Wages and Density	2019 newly developed jobs will be at a wage level and density greater than or equal to the 2015 average.		> No activity in 2019	Delayed	> Developed baseline data and data collection methodology for future comparison; awaiting updated data from outside sources for 2018 update	On Track
1.4	Updated and Accessible Development Plan	2019 an updated unified development plan for the City will be available to stakeholders.		Land Use Plan Completed	Completed	> Updated plan data is now accessible by all stakeholders online through the City's GIS system. > Land use plan is being developed	On Track
2	Roads, Bridges and Infrastructure						
2.1	Arterial Roads will have a pavement condition rating of 70 or better	2019 major arterial roads will have a pavement condition rating of 70 or better.		> 98% of Arterial roads rated at a 70 PCR or better at end of 2019 > 2020 Budget includes Asphalt Overlay program & Detroit Street Rebuilds	Met in 2017	> 98% of Arterial roads rated at a 70 PCR or better at end of 2018 > 2019 Budget includes Asphalt Overlay program & Detroit Street Rebuilds	Meet in 2017
2.2	Local Roads will have a pavement condition rating of 65 or better	2021 local roads will have a pavement condition rating of 65 or better.		> 90% of Local roads rated at a 65 PCR or better at end of 2019 > 2020 Budget includes Asphalt Overlay program & Detroit Street Rebuilds	On Track	> 96% of Local roads rated at a 65 PCR or better at end of 2018 > 2019 Budget includes Asphalt Overlay program & Detroit Street Rebuilds	On Track
2.3	West Side Intersection Completed	2021 west Gahanna residents and visitors will be able to travel through improved and maintained intersections on Stygler, Agler and US 62.		> Currently reviewing design alternatives and public input	Delayed	> Currently reviewing design alternatives and public input	On Track
2.4	Dedicated Funding for Roads & Bridges	2017 roads and bridge infrastructure improvements and ongoing maintenance will be supported by a dedicated funding mechanism		> Voters passed a 1% increase with 75% required to be used for capital improvements & maintenance which includes roads and bridges	Completed	> Council passed legislation to place a 1% income tax increase on the ballot November of 2018 with 75% of the increase dedicated for capital improvements and maintenance which failed.	Delayed
3	Parks Trails & Recreation						
3.1	Completed Trail System	2020 residents and visitors will be able to utilize a completed trail system connecting trails, paths, parks and communities		> BWT Section 4 completed > Design work for Section 8 is delayed.	Delayed	> BWT Section 4 completed > Design work for Section 8 will begin in 2019.	On Track
3.2	Southwest Floodplain Park Plan	2018 an approved plan will be completed for the Southwest Floodplain park.		> No activity for 2019	Delayed	> No activity for 2018	On Track
3.3	Southwest Floodplain Development	2021 the Southwest Floodplain park will be completed.		> TBD Pending 3.2	Delayed	> TBD Pending 3.2	On Track
3.4	Waterway Plan	2018 an approved plan for waterway development, use and promotion will be developed.		> No activity for 2019	Delayed	> No activity for 2018	On Track

Priority	Strategic Results	Description	Goals	2019 Activity	2019 Status	2018 Activity	2018 Status
4	Character of the City			Updates		Updates	
4.1	Business Community Engagement	2021 50% of targeted existing and new businesses will partner with the City to participate in and meaningfully contribute to community engagement initiatives, events and other activities.		> Business materials have been aligned with the new brand.	Delayed	> Business materials have been aligned with the new brand.	On Track
4.2	Updated Architectural Standards	2019 establish architectural standards and guidelines for commercial and residential development.		> Land use plan completed	Completed	> Consultants were selected and the development of the plan began > Committee formed and stakeholders were engaged via survey and multiple public engagements.	On Track
4.3	Gateways & Signage	2019 entrances to the City and neighborhoods will have consistent unified signage aligned with the City's brand.		> No activity in 2019	Delayed	> Gateway design will begin. > New street signs for District 1 were ordered	On Track
4.4	Brand Launch	2017 the City will launch a new brand that expresses the character of our community.		> Branding project was finalized including a new logo.	Completed	> Branding project was finalized including a new logo.	Completed
5	Good Government						
5.1	Neighborhood Commissions	2016 residents will experience improved community engagement opportunities through the creation of area commissions.		> All five area commissions are still engaged	Completed	> All five area commissions are still engaged	Completed
5.2	Online Access to Strategic Plan Performance	2017 stakeholders will have access to on-line performance results for the implementation of the strategic plan.		> www.goforwardgahanna.org is active however quarterly updates are delayed due to the City Administrator vacancy	Delayed	> www.goforwardgahanna.org is active however quarterly updates are delayed due to the City Administrator vacancy	Delayed
5.3	Results Performance Measurement	2017 Council and the Mayor will have regularly provided performance reports and results measures to make decisions.		> All departments have completed or are near completing departmental strategic business plans > Delayed due to City Administrator vacancy	Delayed	> All departments have completed or are near completing departmental strategic business plans > Delayed due to City Administrator vacancy	Delayed
5.4	Online Access to 5.3	2017 stakeholders will have on-line access to performance information about City operations.		> Delayed due to City Administrator Vacancy	Delayed	> Delayed due to City Administrator Vacancy	Delayed
5.5	Recurring Citizen Survey	2017 Gahanna residents will experience a responsive government that measures citizen satisfaction and concerns in a statistically valid and actionable manner every 3 years.		> Next citizen survey scheduled for 2019 will be delayed to 2020 due to the land use survey that just occurred in 2018	Delayed	> Next citizen survey scheduled for 2019 will be delayed to 2020 due to the land use survey that just occurred in 2018	Delayed
5.6	Code Review, Update and Enforcement	2017 update city codes and review every 3 years.		> No activity for 2019	Delayed	> A new rental code was passed by Council and will be implemented in 2019	On Track

The City adopted GoForward Gahanna, a five year strategic plan April of 2016. More detailed information regarding implementation milestones and status can be located at www.goforwardgahanna.org

Note: A number of key positions were vacated in 2019 that were responsible for many of the results in GoForward Gahanna including the City Administrator; Director of Development; Director of Public Service & Engineering. Interim Directors were assigned however the City Administrator position was eliminated.

Priority	Strategic Results	Description	Goals	2017 Activity	2017 Status	2016 Activity	2016 Status
1	Business and Job Development						
1.1	Walkable Downtown District	2021 Encourage livable, walkable downtown district characterized by arts, culture, retail and entertainment.	> Working with City Attorney and Police Department to update mobile food vendor code > Newly formed Gahanna Cultural Arts Foundation will be engaged to discuss opportunities for arts, culture and entertainment in the downtown area.	On Track	Met with other municipalities to learn about food truck regulation and code	On Track	
1.2	Create 2,750 Well Paying Jobs	2021 develop 2,750 well-paying jobs in southeast and southwest Gahanna.	> To date 1,228 new jobs, 1,033 of which were in the targeted industries and areas, were developed > Multiple business attraction efforts are currently underway	On Track	Over 1000 new jobs developed or committed to develop.	On Track	
1.3	Job Wages and Density	2019 newly developed jobs will be at a wage level and density greater than or equal to the 2015 average.	> Developed baseline data and data collection methodology for future comparison; awaiting updated data from outside sources for 2017 update	On Track	Measurement methodology finalized.	On Track	
1.4	Updated and Accessible Development Plan	2019 an updated unified development plan for the City will be available to stakeholders.	> Development Department in process of selecting a consultant to assist in this strategic result > Updated Council on all existing development plans in February	On Track	Began comprehensive review of zoning code.	On Track	
2	Roads, Bridges and Infrastructure						
2.1	Arterial Roads will have a pavement condition rating of 70 or better	2019 major arterial roads will have a pavement condition rating of 70 or better.	> 100% of Arterial roads rated at a 70 PCR or better at end of 2017 > 2018 Budget includes Asphalt Overlay program & Detroit Street Rebuilds	Completed	At the end of the 2016 road program 98% have a condition rating of 70 or better.	On Track	
2.2	Local Roads will have a pavement condition rating of 65 or better	2021 local roads will have a pavement condition rating of 65 or better.	> 97.6% of Local roads rated at a 65 PCR or better at end of 2017 > 2018 Budget includes Asphalt Overlay program & Detroit Street Rebuilds	On Track	At the end of the 2016 road program 95% have a condition rating of 65 or better.	On Track	
2.3	West Side Intersection Completed	2021 west Gahanna residents and visitors will be able to travel through improved and maintained intersections on Stygler, Agler and US 62.	> Currently reviewing design alternatives and public input > Met with ODOT about design alternatives > Anticipate additional open house(s) in late-August	On Track	Consultant to design alternatives identified.	On Track	
2.4	Dedicated Funding for Roads & Bridges	2017 roads and bridge infrastructure improvements and ongoing maintenance will be supported by a dedicated funding mechanism	> City Engineer has developed annual cost estimates for road & bridge programs > Capital Needs Assessment reorganized to capture all needed road and bridge investment > Performance Audit completed	On Track	Long-term cost analysis provided by City Engineer. Performance Audit began.	On Track	
3	Parks Trails & Recreation						
3.1	Completed Trail System	2020 residents and visitors will be able to utilize a completed trail system connecting trails, paths, parks and communities	> BWT Section 4 design completed; construction to begin in 2018 > Received \$850K Clean Ohio Trail Fund grant for BWT Section 4 & \$348K Clean Ohio Conservation Fund grant for dam removal and stream improvements in	On Track	Consultant selection for design of sections 4 & 8 of the Big Walnut Trail are underway. Grant funding secured for a portion of section 4.	On Track	
3.2	Southwest Floodplain Park Plan	2018 an approved plan will be completed for the Southwest Floodplain park.	> VFW land purchase completed > Planning workshop with Council to be scheduled in Q3 to identify scope of park plan	On Track	Discussions on the purchase of property have resumed.	On Track	
3.3	Southwest Floodplain Development	2021 the Southwest Floodplain park will be completed.	> TBD Pending 3.2	On Track	Discussions on the purchase of property have resumed.	On Track	
3.4	Waterway Plan	2018 an approved plan for waterway development, use and promotion will be developed.	> Staff to select consultant for waterway plan by end of Q3 > Staff attending upcoming MORPC waterway workshop	On Track	Identified Metroparks as an interested partner. Obtained examples of successful waterway plans.	On Track	

Priority	Strategic Results	Description	Goals	2017 Activity	2017 Status	2016 Activity	2016 Status
4	Character of the City						
4.1	Business Community Engagement	2021 50% of targeted existing and new businesses will partner with the City to participate in and meaningfully contribute to community engagement initiatives, events and other activities.		<ul style="list-style-type: none"> > Development has begun including discussion of community engagement opportunities in business visits. > Parks to begin mailing Gateway to businesses by Q3 	On Track	Business visits include discussion on engagement opportunities. Parks is creating a brochure highlighting engagement opportunities.	On Track
4.2	Updated Architectural Standards	2019 establish architectural standards and guidelines for commercial and residential development.		<ul style="list-style-type: none"> > Consultant selection for a citywide land-use plan update is underway > Currently compiling an inventory existing architectural standards and representative photographs 	On Track	Current plans are being analyzed.	On Track
4.3	Gateways & Signage	2019 entrances to the City and neighborhoods will have consistent unified signage aligned with the City's brand.		<ul style="list-style-type: none"> > Gateway design contingent on branding > 2017 street sign replacements are underway; 79 intersections to receive new signage 	On Track	Gateway design pending new branding. At the end of 2016, 198 street signs were installed.	On Track
4.4	Brand Launch	2017 the City will launch a new brand that expresses the character of our community.		<ul style="list-style-type: none"> > Branding project planning and consultant selection are in progress 	Delayed	Created a steering committee and kicked off the project.	On Track
5	Good Government						
5.1	Neighborhood Commissions	2016 residents will experience improved community engagement opportunities through the creation of area commissions.		<ul style="list-style-type: none"> > All five area commissions had their first meetings by mid- April and subsequent meetings related to development proposals have taken place > A total of 53 individuals are engaged in the five neighborhood commissions 	Completed	Consultation services to create the commissions completed. Recruitment began.	On Track
5.2	Online Access to Strategic Plan Performance	2017 stakeholders will have access to on-line performance results for the implementation of the strategic plan.		<ul style="list-style-type: none"> > www.goforwardgahanna.org is updated each quarter with implementation and performance updates > Council received Q2 implementation update in July > Delayed due to City Administrator vacancy 	Delayed	Website created www.goforwardgahanna.org. Website updated each quarter with implementation and performance updates.	On Track
5.3	Results Performance Measurement	2017 Council and the Mayor will have regularly provided performance reports and results measures to make decisions.		<ul style="list-style-type: none"> > Using the Lumanas system for project management and performance measurement related to GoForward Gahanna and department strategic business plans > Department Strategic Business Plan facilitation began in January 2017; Most departments have completed their plans > Delayed due to City Administrator vacancy 	Delayed	Purchased Lumanas, performance measurement technology. Began development of pertinent measures for each result.	On Track
5.4	Online Access to 5.3	2017 stakeholders will have on-line access to performance information about City operations.		<ul style="list-style-type: none"> > Quarterly GoForward Gahanna updates are posted to www.goforwardgahanna.org > Delayed due to City Administrator Vacancy 	Delayed	Website created www.goforwardgahanna.org. Purchased Lumanas, performance measurement technology. Began development of pertinent measures for each result.	On Track
5.5	Recurring Citizen Survey	2017 Gahanna residents will experience a responsive government that measures citizen satisfaction and concerns in a statistically valid and actionable manner every 3 years.		<ul style="list-style-type: none"> > Completed 2016 National Citizen Survey > Survey Results are available online at http://www.gahanna.gov/departments/mayorsOffice/Surveys.aspx 	On Track	Citizen survey completed.	Completed
5.6	Code Review, Update and Enforcement	2017 update city codes and review every 3 years.		<ul style="list-style-type: none"> > Software to promote online reporting of code violations has been selected and was implemented in 2017 > Entire zoning code reviewed and updated > PT Code Enforcement staff hired in Spring 2017 	On Track	Developed a catalog of the status of all code sections and when last updated.	On Track

The City adopted GoForward Gahanna, a five year strategic plan April of 2016. More detailed information regarding impleme

Note: A number of key positions were vacated in 2019 that were responsible for many of the results in GoForward Gahanna i
Interim Directors were assigned however the City Administrator position was eliminated.