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CITY OF
DELAWARE
OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDING DECEMBER 31, 2017
PREPARED BY THE FINANCE DEPARTMENT



City of Delaware, Ohio

Comprehensive Annual Financial Report *For The Year Ended December 31, 2017*

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Cover Pictures:

Top-most pictures; the Hand-Powered Boat Access at Mingo Park constructed in 2017 with funding assistance by the Division of Watercraft Waterways Safety Fund of the Ohio Department of Natural Resources.

Bottom-most pictures; the 2nd Boat Access constructed and located on Cherry Street.

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June 21, 2018

Members of City Council and
Citizens of Delaware, Ohio

Ohio Revised Code requires that each public office be audited at least every two fiscal years, except under U.S. Office of Management and Budget (OMB) *Compliance Supplement*, Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), which may require, or has elected to have, an audit every fiscal year. The City of Delaware [the City] meets the requirements for an annual audit and this report is published to satisfy that requirement for the year ended December 31, 2017.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with City management and is based upon a comprehensive framework of internal controls that they have established for this purpose. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that [1] the cost of a control should not exceed the benefits likely to be derived from its implementation and [2] the valuation of costs and benefits requires estimates and judgments by management. We believe the data as presented is accurate in all material respects and that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

In accordance with Ohio law, an independent audit is required to be performed on all financial operations of the City. Either the Auditor of State of Ohio, or, if the Auditor permits, an independent public accounting firm conducts the audits. For 2017, the Auditor of State of Ohio performed these services. Their report is presented in the front of the Financial Section.

Management's Discussion and Analysis [MD&A] immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Reporting Entity

The City has reviewed its reporting entity definition in order to insure compliance and conformance with the Governmental Accounting Standards Board Statement Number 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"*. For financial reporting definition purposes, City management considered all agencies, departments, and organizations comprising the City of Delaware, the primary government, and its potential component units. Areas of consideration include financial

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accountability, ability to impose its will, financial benefit, and financial burden. The City has no component units.

The City of Delaware

The City is the seat of Delaware County, 25 miles north of downtown Columbus, the Ohio state capital. Delaware is an independent, full service city that has retained its small town qualities while adapting to recent high levels of growth and development. Delaware County is the fastest growing county in Ohio, identified as one of the 100 fastest growing, wealthiest and most educated areas of the country. Housing in Delaware is available in older, tree-lined neighborhoods, newer modern subdivisions, condominium developments and rental complexes. The population of Delaware increased by about 40 percent between 2000 and 2010, going from just over 25,000 residents to over 35,000. It is expected that Delaware's population will exceed 40,000 at some point in 2018.

The region was originally occupied by the Delaware Indians who shared the territory between Columbus and Lake Erie with the Mingos and other tribes. Prehistoric Hopewell Mound Builders inhabited this area even earlier. Delaware was a country village in an agricultural region in 1808. Following the War of 1812, settlers arrived at a faster pace, including the parents of Rutherford B. Hayes, 19th President of the United States, who was born in Delaware in 1822. He met his future wife at Ohio Wesleyan University in Delaware.

Prior to the Civil War, Delaware had Northern sympathies and brought the underground railway through the area. The local Africa Road owes its name to this era. During and following the War, railroads played an important role in expanding the markets of Delaware. By 1900, Delaware had its own electric street railway and an electric interurban rail line connecting the community with Columbus and Marion.

In the modern era, farming has declined steadily throughout Delaware County as residential and industrial development has flourished. The proximity to Columbus, as well as historic periods of growth and prosperity, has greatly influenced the economy of Delaware. Its history, however, is carefully preserved in its many 19th century buildings and homes, its comfortable scale and architecture, and the pace of life as a home town.

The City covers over 19 square miles. The City of Delaware provides municipal and general administrative services under the supervision of the City Manager for police protection, fire and emergency medical services, water, sewer, storm sewer, and refuse utility services, road maintenance and improvement, a wide array of parks and recreational facilities and services, and other support services. The City also maintains a county-wide municipal court under the elected offices of 2 Judges and a Clerk of Court.

City Government

Delaware was founded in 1808 and incorporated in 1816. The City is a Charter Municipal Corporation established and operated under the laws of the State of Ohio. The Charter was first adopted November 6, 1951, and established the Council/Manager form of government. Delaware City Council consists of seven elected members. Three City Council positions are elected at-large; the other four positions are elected from the four wards of the City. The regular term of every member of Council is four years. Elections of members of Council are staggered such that every other year either the three at-large positions are elected or the four ward positions are elected. At the conclusion of each bi-annual election, one of the three at-large members of Council is elected Mayor by vote of all seven members of Council to serve a two-year term. The Mayor

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presides at meetings of Council and is recognized as the official head of the City for all ceremonial purposes, military purposes, and for servicing civil process.

The members of Council are the legislative authority of the City. Council enacts ordinances and resolutions relative to City services, tax levies, appropriating and borrowing money, licensing, and regulating businesses and trades, and other various municipal purposes.

The City Manager is the City's chief executive officer and is appointed by Council. It is the duty of the City Manager to act as chief conservator of the peace within the City; to supervise the administration of the affairs of the City; and to see that the ordinances of the City and the laws of the State are enforced. The City Manager supervises the administration of all departments and appoints the various department heads and other City employees. He also executes all contracts, conveyances, and evidences of indebtedness of the City.

City administrative departments operating under the supervision of the City Manager include: Police, Fire, Finance, City Attorney, Planning and Community Development, Public Works and Engineering, Parks and Recreation, and Public Utilities.

Economic Conditions and Outlook

The City of Delaware set many economic development records in 2017 including 372 leads generated in one year, and 311 projects evolving from those leads. With this high level of activity, the local economy continues to thrive. Successful 2017 projects led to the creation of 229 new jobs and retention of 86 jobs.

Another indicator of a vibrant and healthy economy is occupancy rates. Our downtown increased to a 95% first-floor occupancy rate, while our retail centers averaged 91% occupancy. A majority of our retail centers are at 100% occupancy.

With this type of growth, a limiting factor has become availability of pad-ready land and available buildings. The opening of the Sawmill Parkway Extension in 2016 has allowed us to work toward making over 1,000 new acres pad-ready for boutique manufacturers, R&D centers, tech companies and business services. We also are working with building owners to prepare or redevelop older buildings for high-end office spaces for technology companies and creative services firms.

National trends are showing traditional brick-and-mortar retail of everyday goods continuing to be in decline. Therefore, it has been difficult to attract non-boutique retailers to our community. Specialty and boutique retail continues to be strong.

The City of Delaware continues to be a statewide and regional leader in economic development. Not only are we leaders in job creation but also in policy and strategy development. Sean Hughes served on the Ohio Economic Development Association (OEDA) board of directors and the board of directors for the Mid-Ohio Development Exchange (MODE).

Major Initiatives

Police: The Police Department has added community engagement as a major undertaking in the past two years. Community engagement became a necessity due to recent current events across the country, and was developed out of ongoing meetings with members of the community. In addition to regularly occurring events such as Safety Town, Picnic with the Cops at First Friday, DPD Basketball Camp, and the Citizens Police Academy, and Coffee with the Cops(to name a few); the Police Department has also made a concerted effort

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to make connections on a day to day basis. A Community Impact Officer (CIO) position was budgeted and hired. The job of the CIO is to create opportunities for all officers to be able to engage in non-enforcement activities in the community. Combined with our efforts to an improved response to crimes by immediately addressing underlying problems associated with crime, our community engagement efforts will allow us to better serve the city.

Fire-EMS: In 2010, a 0.3% income tax increase was voted in to fund the construction, equipping, and staffing of two new fire stations to provide more efficient and effective fire protection for all areas within the growing City. Land was purchased in 2011 for two new stations one in the northwest section of the City, the other in the southeast. Design on the northwest station [303] began in 2011, construction began toward the end of 2012, and the Department began operation in September 2013. Construction of the southeast station [304] began in 2018. The City began hiring new firefighter/EMS personnel in 2011 to staff the two new stations. As of May 1, 2018, the Department has hired 21 new positions. The Department placed into service a new 100' ladder truck, four new paramedic ambulance, a new engine, a new 107' Quint/Engine and replaced aging self-contained breathing apparatus and cardiac monitors/defibrillators. In 2018, the Insurance Service Office (ISO) conducted an assessment of the fire protection and upgraded the ISO Classification to a Class 2 insurance rating, effective August 1, 2018.

Public Utilities: In 2017, the Public Utilities Department completed the majority installation of a new water meter reading system. The AMI system has automated the City's water meter reading system by transmitting daily water meter reads via a radio system to the City's utility billing office. The AMI system also provided residents with the capability to access their water usage on a daily basis and set usage alerts. Projects expected to be completed in 2018, include the replacement of approximately 1,000 linear feet of six-inch water line on Blymer Street, 1,000 feet of eight-inch water main on East Winter Street, and the installation of a new tertiary treatment system at the wastewater treatment plant. For 2017 [on May 15, 2018], the City was awarded the AEP Ohio Energy Efficiency Champion Award. This award recognizes those who have made outstanding contributions increasing energy efficiency within their organizations, reducing their energy usage, and positively impacting the environment.

Public Works: The new 27,000 SF refuse building was awarded in 2017 and remains under construction with anticipated occupancy in July 2018. The new facility will house the refuse collection fleet, replacement tip-cart inventory, and 9000 SF of floor area designated to the processing and loading of recyclable materials for transport by our recycling contractor. The existing recycling building on Cherry Street is functionally obsolete and will be demolished, clearing the way for expanded river front access and preservation initiatives. Before demolition, the Fire Department will conduct various fire training exercising within the old facility. At the Airport, grant applications are being prepared for the reconstruction of pavement areas around the City owned T-hanger units. Plans for construction of a second privately owned corporate hanger are also under consideration. The next phase of Glenn Parkway from Sycamore Drive to Berlin Station Road is under design with anticipated construction in 2020. The design will accommodate the eventual extension of Glenn Parkway below the existing Norfolk-Southern railway north of Berlin Station Road. The City continues to work on several transportation initiatives utilizing State and Federal grants including citywide traffic signal improvements, The Point intersection railway bridge replacement project, West Central Over-height Vehicle Detection Warning System, and Heffner and Winter Street pavement improvements. The US23/Pennsylvania Ave. interchange was completed and open to the public in 2017. The project received multiple local and state engineering awards acknowledging innovative solutions and cost control.

Recreation: The Parks and Natural Resource Department grounds crew will be moving to a new location at the Public Works and Parks facility on E William St. The new space will allow the entire department to be in one location improving communication and efficiency within the department. Our staff continues to expand our

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service areas with new landscape beds on the US 23 exit ramp at Pennsylvania Ave. and new hanging baskets throughout the downtown area. A new playground feature was added to the Lexington Glen Park to replace an aged system that was no longer safe. New furniture was purchased at the Mingo Recreation Center replacing the 20+ year furniture. The Mingo pool replaced portions of the pool deck that had deteriorated and a new pool pump was purchased in 2018. The Glenross Park Phase 2 improvements were started in 2017 and will continue in 2018 providing additional landscaping trails and athletic fields. Planning for a new neighborhood park off of Houk Road will continue in 2018 with initial phases of construction planned for 2019. The new park will utilize Park Exaction Funds for Phase 1 construction. Additional shade structures were added to the Veterans Park splash pad to accommodate the parks high attendance. Trail improvements continue along Central Ave. on the west side of the City adding another section from Houk Road to Trotter's Landing Apartments. This will leave one link remaining to provide a safe active transportation route to a growing area. The final gap along Central Ave. is planned to be filled by 2020.

Planning & Community Development: New home building, including single and multi-family homes, condos and apartments, decreased over 17.6% in number built and increased in value 3.3% from 2016 to 2017. Residential building permits totaled 252 for 2017, down from 306 in 2016. These 252 permits, however, totaled some \$64.5 million in home value, from \$62.4 million in 2016. Commercial permits also decreased, from 298 in number to 243 and from \$72 million in value to \$23.6 million in 2017.

Economic Development:

Industry – In early 2017, the Tax Incentive Review Council (TIRC) reported to Council and the Ohio Development Services Agency the status of the 13 active City tax incentive agreements. These agreements have created 621 jobs with a \$30,717,256.76 payroll. Additionally, these incentive agreements have generated \$2,975,968 in real property tax investment.

In 2017, we welcome multiple office/tech/medical companies including Taft law firm, TriTraction, Ascent Audiology and Hearing, Bolton Insurance, ACR Consulting Services, and Substratum.

We also welcome multiple retail and restaurant businesses including Off The Block (since closed), Buckeye Motors, Tiger Lee's Martial Arts, Secret Identity Comics, Periwinkle Studios, Real Big Puppy, Speedway, Flying Pig Ale House, Shell Gas, Planet Fitness, and Oak & Brazen.

Several companies also completed expansions in 2017 including Ohio Health Radiation Oncology, Washington Auto Parts Inc., Olivina Tap Room (liquor license), Great Gouda (liquor license), Aldi (liquor license), Carolina Color, Federal Heath, Delaware Diamonds, and Oberfields.

Business Incentives and Creating Development

The City of Delaware allows tax incentives offers tax incentives meeting the requirements set forth under GASB Statement No. 77 primarily through Enterprise Zone tax abatements (EZA) and Community Reinvestment Areas (CRA). The EZA program has not been utilized in many years as its function is now limited to benefit businesses from abatement of real estate taxes. The City's CRA program benefits business from the abatement of real estate taxes and effects public tax dollars.

All City business incentives start the above abatement processes with an application process from the business declaring their commitments of building improvements and/or job creation by moving their business into the City. Thereby, the business will improve an existing building or constructing a new building(s) to accommodate their new increased manufacturing, professional or retail establishment's personnel and equipment. The City,

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after reviewing the applications, will accept, amend, or deny the business request based upon the criteria (minimum return on investment criteria) as stated in the notes to the financial statements. Thus, a complete cost/benefit analysis is performed by the administration before making a decision on the businesses incentive request. The City makes public any decision to allow any incentives through an ordinance approved by City Council. When an agreement requires the City to have a Delaware City School District (DCSD) tax sharing agreement under section 5709.82 of the Ohio Revised Code, the City will enter into an agreement with the DCSD.

The Delaware County Appraisal Department under the County Fiscal Officer, assigns taxable values to new or improved commercial property improvements. This new or improvement valuation is used in conjunction with a contract between the City and the business to establish the dollar amount of abated valuation associated with the new construction and/or improvements.

Monitoring Incentives:

The City of Delaware is required by statute, to file online annually, by March 31st, all abatement information with the State of Ohio. This applies to each individual abatement contract and overall statistics of the CRA program related to the abatements granted. Information such as number of jobs created, retained employment, the amount of payroll related to increased jobs, real estate improvement dollars invested, income tax dollars generated from each and overall contracts.

The City is required to submit to a review of all CRA and EZA Contract agreements with the Tax Incentive Review Council (TIRC) annually in August. The TIRC is organized by Section 5709.85 (A) (1) of the Ohio Revised Code. consisting of 7 members: one legislative appointee, one County Auditor (Fiscal Officer) appointee, one member of the Board of Education, the Chief Financial Officer of the City, and two - ix - members of the public appointed by the City Manager with concurrence of the legislative authority (City Council), with at least four members being residents of the City. The TIRC reviews the State of Ohio CRA/EZA forms of each corresponding business incentive and votes to continue, request modification of the current agreement, decide that the business is non-compliant with their contract requirements, or if appropriate, let the incentives expire.

The TIRC presents its recommendations to the City of Delaware Council at a public meeting and, by resolution, can accept, modify or reject the recommendations of the TIRC. City Council reserves the right to terminate abatements and incentives when businesses are not in compliance. City Council's Goals and strategic plan as they review/and or approve these incentives and recommendations are to maintain the City of Delaware's competitiveness as a site for location of new businesses and the expansion of existing businesses, create and retain jobs, and increase real estate values, for tax purposes. The economic effect of these incentives are immediate when increasing jobs as municipal income taxes increase, however, for the most part the positive economic effects from collection of real estate taxes, will be in the future.

Significant 2017 City of Delaware Business Highlights

Downtown Delaware is one of the City's most defining elements because it is an intact historic business district—parts of which have been placed on the National Register of Historic Places. The central business district has a large concentration of retail and commercial businesses and is becoming a popular food and beverage destination due to a growing number of restaurants, microbreweries and bars. The historic downtown continues to positively evolve and be vibrant with an increasing first-floor occupancy rate at 95%. Second and third-floor office/residential space occupancy rates hover around 80%.

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Ohio Wesleyan University is a direct component of the built downtown environment and is considered a downtown anchor. This advantageous location offers cultural and educational opportunities for students, businesses and the community.

The City of Delaware maintains an active Main Street program which provides a full-time director. Main Street Delaware implements key events in the downtown such as First Friday, Main Street Delaware Farmers' Market, Planter Programs, sidewalk cleaning, Christmas decorations, Santa House, Carriage Rides, Chocolate Walk, March for Art, Artful Spaces, Public Art, Design Awards, 12 Days of Christmas and more. The U.S. Department of Interior certified Delaware as a Certified Local Government and Delaware has been named "Best Hometown" by Ohio Magazine. The City was also one of the nation's first eight Preserve America Communities, as selected by the White House.

The following table shows comparative average monthly employment and unemployment statistics for the indicated periods.

<u>Year</u>	<u>Employed in</u>	<u>Unemployment Rate</u>		
	<u>County</u>	<u>County</u>	<u>State</u>	<u>U.S.</u>
2008	86,675	4.6	6.5	8.5
2009	85,973	6.9	10.8	10.0
2010	86,200	7.1	9.6	9.4
2011	85,754	6.7	7.4	8.1
2012	91,751	5.0	7.0	7.5
2013	98,700	5.2	6.2	6.8
2014	99,500	3.2	4.7	5.6
2015	101,490	3.5	4.8	5.0
2016	100,500	3.4	4.9	4.7
2017	106,877	2.9	4.7	4.9

Source: Ohio Job and Family Services, US Census Bureau.

The following employers (private and public) have some of the largest work forces within the City:

Employer	Nature of Activity or Business	Approximate Number of Employees
Ohio Health-Grady Hospital	Medical services	1,500
Delaware County	County government	1,091
The Kroger Company	Grocery & retail	1,086
Delaware City School District	Education	646
Ohio Wesleyan University	Education	576
Advance Auto	Automotive parts distribution	406
PPG Industries OH	Aftermarket auto finishes	383
Vertiv [Liebert]	High voltage UPS systems	347
City of Delaware	Municipal government	330
Domtar [formerly AHP]	Disposable diaper manufacturer	290

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Financial Information

The City of Delaware's accounting system is organized on a "Fund Basis". Each fund is a distinct, self-balancing account.

Development of the City's accounting system includes consideration of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that [1] the cost of a control should not exceed the benefits likely to be derived from its implementation and [2] the valuation of costs and benefits requires estimates and judgments by management.

The City adopts its annual appropriation ordinance on or before January 1 of each year. The City Manager and the Finance Director prepare the budget legislation and submit it to City Council for their consideration and approval. All disbursements require appropriation authority. The legal level of budgetary control is at the payroll expenditures/expenses and other expenditures/expenses. For reporting purposes, the City further divides "other" by their function.

The Finance Director is authorized to transfer appropriations between line items, within a department or fund. Any increase in the total appropriations for a department must be approved by City Council. A purchase order is required before making any purchase over \$250.

Financial Policies

The City's budget is not a static document. It is prepared prior to the beginning of the year it represents; however, it is scrutinized by staff at least on a monthly basis for accountability. The City may budget to receive a certain amount of revenue in an account or fund, to be used for certain operations or capital improvements. However, if those revenues are not received in their entirety or at all, those appropriations are not necessarily deemed allowable expenditures. The Finance Director, City Manager, and Departmental Directors, review the budget to determine what operations or projects may be postponed, dismissed entirely, or done sooner, depending on the circumstances. In times when the economy is slow, and fee collections are decreased, this scrutinizing plays a major role in maintaining a positive budget balance.

In April 2017, Moody's Investors Service issued a Aa2 rating for the City's General Obligation Bond Issue, Series 2017. This rating was maintained with the City's previous Aa2 bond rating. In issuing their credit opinion, Moody's indicated "The Aa2 rating reflects the City's moderately sized and growing tax base, its proximity to the expanding Columbus (Aaa stable) metro area, and sound financial operations supported by prudent management and robust income tax growth. These strengths are balanced against the City's heightened debt and pension burdens."

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada [GFOA] awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Delaware for its Comprehensive Annual Financial Report for the year ended December 31, 2016. This is the thirteenth consecutive award the City has received for a CAFR. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Delaware Finance Department believes this current report continues to conform to the program's requirements, and it will be submitted to GFOA for review.

Acknowledgements

We would like to thank the many departments that assisted in providing information reported in this CAFR, as well as the Delaware County Auditor's Office. We would also like to recognize City Council for their continued support and commitment to responsible financial reporting.

We are pleased to present this report to the residents and taxpayers of the City of Delaware.

Sincerely,



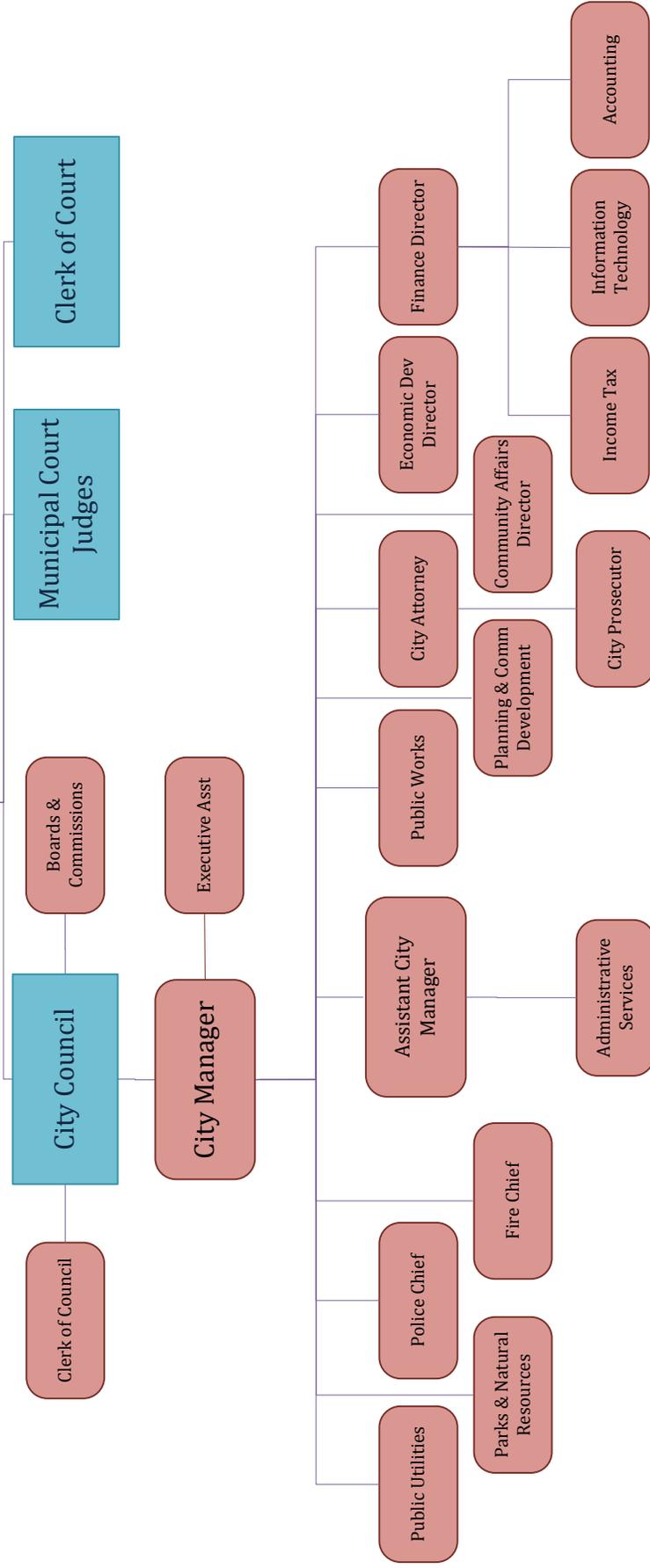
Dean P. Stelzer
Finance Director



Robert L. Alger
City Accountant

Organizational Chart

Citizens of the City of Delaware



Legend

- Elected Official
- Appointed Position

Boards & Commissions

- Airport Commission
- Board of Zoning Appeals
- Charter Review Commission
- Civil Service Commission
- Finance Committee
- Golf Course Advisory Board
- Historic Preservation Commission
- Income Tax Board of Review
- Parks and Recreation Advisory Board
- Permanent Tax Advisory Committee
- Planning Commission
- Shade Tree Commission

**CITY OF DELAWARE,
OHIO**

Elected and Appointed Officials

As of December 31, 2017

Elected Officials

City Council

Chris Jones --- First Ward
Lisa Keller --- Second Ward
Jim Browning --- Third Ward

Kyle Rohrer --- Fourth Ward
Carolyn Riggle --- At-large/Mayor

George Hellinger --- At-large/Vice-mayor
Kent Shafer --- At-large

Municipal Court

David Sunderman --- Municipal Court Judge
Marianne Hemmeter --- Municipal Court Judge
Cindy Dinovo --- Clerk of Court

Appointed Officials

R. Thomas Homan --- City Manager
Jackie Walker --- Assistant City Manager
Darren Schulman --- City Attorney
Dean Stelzer --- Finance Director
Bill Ferrigno --- City Engineer/Public Works
Director
Brad Stanton --- Public Utilities Director
Dave Efland --- Planning & Community
Development Director
Lee Yoakum --- Community Affairs Coordinator
John Donahue --- Fire Chief
Bruce Pijanowski --- Police Chief
Sean Hughes --- Econ. Develop. Coordinator
Ted Miller --- Parks Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Delaware
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

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City of Delaware, Ohio

Financial Section



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Delaware
Delaware County
One South Sandusky Street
Delaware, Ohio 43015

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 Delaware, Delaware County, Ohio (the City), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no 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, the each major fund, and the aggregate remaining fund information of the City of Delaware, Delaware County, Ohio, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Fire/EMS Income Tax funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis*, and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected 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 June 21, 2018, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

June 21, 2018

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CITY OF DELAWARE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (UNAUDITED)

The management's discussion and analysis of the City of Delaware's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2017. The intent of 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 2017 are as follows:

- The total net position of the City increased \$31.5 million. Net position of governmental activities increased \$6 million or 7.74% from 2016 and net position of business-type activities increased \$3.1 million or 3.13% from 2016.
- General revenues accounted for \$31.1 million or 65.29% of total governmental activities revenue. Program specific revenues accounted for \$16.6 million or 34.71% of total governmental activities revenue.
- The City had \$41.8 million in expenses related to governmental activities; \$16.6 million of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$25.2 million were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$31.1 million.
- The General Fund had revenues of \$20 million in 2017. This represents an increase of \$1.3 million from 2016. The expenditures and other financing uses of the general fund, which totaled \$18.9 million in 2017, increased \$562 thousand from 2016. The net increase in fund balance for the general fund was \$1.1 million or 16.45% compared with the 2016 balance.
- The Fire/EMS Income Tax Fund had revenues and other financing sources of \$13.7 million in 2017. This represents an increase of \$4 million from 2016 revenues and other sources. The expenditures and other financing uses of the Fire/EMS Income Tax Fund, which totaled \$8.7 million in 2017, decreased \$1.6 million from 2016. The net increase in fund balance for the Fire/EMS Income Tax Fund was \$5 million or 77.55%.
- The Capital Improvement Fund had revenues and other financing sources of \$3.2 million in 2017. The expenditures and other financing uses of the Capital Improvement Fund totaled \$2.8 million in 2017. The net increase in the fund balance for the Capital Improvement Fund was \$401 thousand or 29.18%.
- The Glenn Road South Construction Fund had other financing sources of \$9.9 million in 2017. The expenditures of the Glenn Road South Construction Fund totaled \$10.7 million in 2017. The net decrease in the fund balance for the Glenn Road South Construction Fund was \$795.2 thousand or 7.41%.
- Net position for the business-type activities, which are made up of the Water, Sewer, Storm Sewer, Refuse, Parking Lot, and Golf Course enterprise funds, increased in 2017 by \$3.1 million.
- In the General Fund, the actual revenues came in \$719 thousand more than they were in the final budget and actual expenditures and other financing uses were \$1.1 million less than the amount in the final budget. Final budgeted revenues were \$85 thousand less than the original budgeted revenue. Budgeted expenditures and other financing uses increased \$1 million from the original to the final budget.

CITY OF DELAWARE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (UNAUDITED)

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 and statement of activities 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 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 large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2017?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take 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. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

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, fire, street department, capital improvements and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants 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, storm sewer, refuse, parking and golf operations are reported here.

The City's statement of net position and statement of activities can be found on pages 23-25 of this report.

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.

CITY OF DELAWARE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (UNAUDITED)

Fund financial reports 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 14.

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 readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the General Fund, Fire/EMS Income Tax fund, Capital Improvement Fund, and Glenn Road South Construction 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 26-31 of this report.

Proprietary Funds

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, and golf course management functions. City's enterprise funds considered to be major funds include the Water Fund, Sewer Fund, Refuse Fund and Storm Water Fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City reports a Self-Insurance Fund, Worker's Compensation Fund, Garage Rotary Fund, and Information Technologies Rotary Fund. The basic proprietary fund financial statements can be found on pages 32-41 of this report.

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 statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statement can be found on page 42 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 43-97 of this report.

CITY OF DELAWARE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension liability. The required supplementary information can be found on pages 100-106 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 for 2017 compared to 2016.

Table 1
Net Position
December 31, 2017 and 2016
(as restated)
(In Thousands*)

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2017	2016	2017	2016	2017	2016
<i>Assets</i>						
Current and Other Assets	\$ 69,321	\$ 59,754	\$ 27,942	\$ 27,699	\$ 97,263	\$ 87,453
Capital Assets, Net	100,681	100,093	143,445	144,303	244,126	244,395
Total Assets	170,002	159,847	171,387	172,001	341,389	331,848
<i>Deferred Outflows of Resources</i>						
Pension	9,999	10,353	1,882	1,418	11,881	11,771
Other	11	14	59	70	70	84
Total Deferred Outflows of Resources	10,010	10,367	1,941	1,488	11,951	11,855
<i>Liabilities</i>						
Current and Other Liabilities	3,961	4,489	1,347	2,523	5,308	7,013
Long-term Liabilities						
Due Within One Year	13,523	13,871	3,513	3,432	17,036	17,303
Due in More than One Year:						
Net Pension Liability	39,618	36,929	4,659	3,665	44,277	40,594
Other Amounts	37,755	35,361	60,721	63,919	98,476	99,280
Total Liabilities	94,857	90,649	70,240	73,540	165,097	164,189
<i>Deferred Inflows of Resources</i>						
Property Taxes	1,632	1,625	-	-	1,632	1,625
Pension	302	260	86	70	388	330
Deferred Revenue	-	440	-	-	-	440
Total Deferred Inflows of Resources	1,934	2,324	86	70	2,020	2,395
<i>Net Position</i>						
Net Investment in Capital Assets	55,409	55,169	80,275	77,602	135,684	132,771
Restricted	33,710	37,601	-	-	33,710	37,601
Unrestricted	(5,898)	(15,530)	22,726	22,277	16,828	6,747
Total Net Position	\$ 83,221	\$ 77,241	\$ 103,001	\$ 99,879	\$ 186,222	\$ 177,120

* reporting in 'thousands' displays some rounding variances

CITY OF DELAWARE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (UNAUDITED)

In a prior year, the City adopted Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and during 2015, the City adopted GASB Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68" which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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

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

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

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

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

CITY OF DELAWARE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2017, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$186.2 million. At year-end, net position was \$83.2 million and \$103 million for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets net represented 71.51% of total assets. Capital assets include land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. The City's net investment in capital assets at December 31, 2017, was \$55.4 million and \$80.3 million 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.

A portion of the City's net position, \$33.7 million 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 is \$16.8 million.

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CITY OF DELAWARE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

The table below shows the changes in net position for years 2017 and 2016.

Change in Net Position

Table 2
Changes in Net Position
For the Years Ended December 31, 2017 and 2016
(as restated)
(In Thousands)*

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues:						
Charges for Services	\$ 10,194	\$ 8,175	\$ 19,589	\$ 20,462	\$ 29,783	\$ 28,637
Operating Grants and Contributions	2,211	253	-	-	2,211	253
Capital Grants and Contributions	4,165	13,638	2,934	3,777	7,099	17,415
Total Program Revenues	<u>16,570</u>	<u>22,066</u>	<u>22,523</u>	<u>24,239</u>	<u>39,093</u>	<u>46,305</u>
General Revenues:						
Property Taxes	1,630	1,648	-	-	1,630	1,648
Income Taxes	26,942	24,763	-	-	26,942	24,763
Other Taxes	83	76	-	-	83	76
Grants and Other Contributions not Restricted to Specific Programs	1,156	892	-	-	1,156	892
Payments in Lieu of Taxes	746	1,064	-	-	746	1,064
Special Assessments	-	129	-	-	-	129
Unrestricted Contributions	-	537	-	-	-	537
Interest Income	400	182	228	97	628	279
Miscellaneous	214	345	108	138	322	483
Total General Revenues	<u>31,171</u>	<u>29,638</u>	<u>336</u>	<u>234</u>	<u>31,507</u>	<u>29,873</u>
Total Revenues	<u>47,741</u>	<u>51,704</u>	<u>22,859</u>	<u>24,474</u>	<u>70,600</u>	<u>76,178</u>
Expenses						
General Government	6,708	5,525	-	-	6,708	5,525
Public Safety	18,710	19,992	-	-	18,710	19,992
Municipal Court	3,121	3,856	-	-	3,121	3,856
Parks & Facilities	3,557	3,054	-	-	3,557	3,054
Community Development	1,168	1,364	-	-	1,168	1,364
Airport	1,620	1,268	-	-	1,620	1,268
Public Works	5,821	5,035	-	-	5,821	5,035
Interest and Fiscal Charges	1,056	1,178	-	-	1,056	1,178
Water	-	-	7,552	8,293	7,552	8,293
Sewer	-	-	7,447	7,212	7,447	7,212
Storm Sewer	-	-	1,388	948	1,388	948
Refuse	-	-	3,119	3,194	3,119	3,194
Other Business-type Activities	-	-	231	255	231	255
Total Expenses	<u>41,761</u>	<u>41,272</u>	<u>19,737</u>	<u>19,902</u>	<u>61,498</u>	<u>61,174</u>
Changes in Net Position	<u>5,980</u>	<u>10,432</u>	<u>3,122</u>	<u>4,572</u>	<u>9,103</u>	<u>15,003</u>
Net Position at Beginning of Year [as restated]	77,241	66,809	99,879	95,307	177,119	162,116
Net Position at End of Year	<u>\$ 83,221</u>	<u>\$ 77,241</u>	<u>\$ 103,001</u>	<u>\$ 99,879</u>	<u>\$ 186,222</u>	<u>\$ 177,119</u>

* reporting in 'thousands' displays some rounding variances

CITY OF DELAWARE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

Governmental Activities

Governmental activities net position increased 7.74% or \$6 million in 2017.

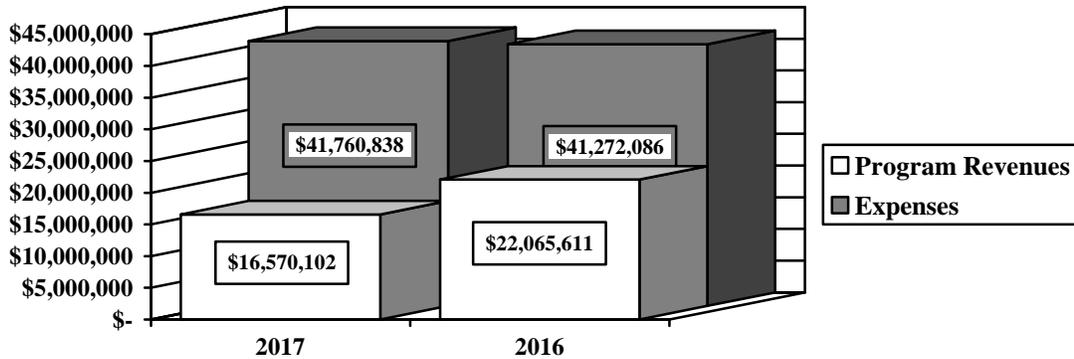
Public safety, which primarily supports the operations of the police and fire departments accounted for \$18.7 million of the total governmental expenses of the City. These expenses were partially funded by \$1.2 million in direct charges to users of the services, \$2.1 thousand in operating grants and contributions and \$12.7 thousand in capital grants and contributions. Public works expenses totaled \$5.8 million. Public works expenses were partially funded by \$321.3 thousand in direct charges to users of the services, \$1.8 million in operating grants and contributions and \$3.5 million in capital grants and contributions. General government expenses totaled \$6.7 million. General government expenses were partially funded by \$2.7 million in direct charges to users of the services, \$98 thousand in operating grants and contributions and \$81 thousand in capital grants and contributions.

The state and federal government contributed to the City a total of \$2.2 million in operating grants and contributions and \$4.2 million in capital grants and contributions. These revenues are restricted to a particular program or purpose.

General revenues totaled \$31.2 million and amounted to 65.29% of total governmental revenues. These revenues primarily consist of property, income tax and other tax revenue of \$28.7 million. Unrestricted grants and entitlements of \$1.1 million, which includes local government funds, is the other primary source of general revenues.

The statement of activities shows the cost of program services and the charges for services and grants 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 cost of these services supported by tax revenue and unrestricted state grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

Governmental Activities - Program Revenues vs. Total Expenses



CITY OF DELAWARE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

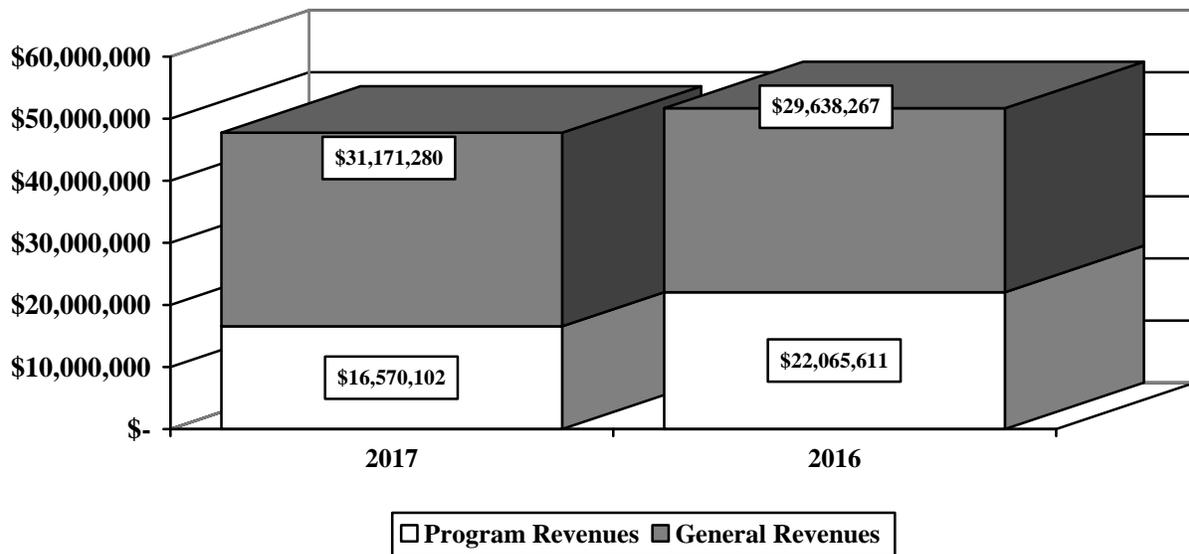
**Governmental Activities
(In Thousands)***

	Total Cost of Services <u>2017</u>	Total Cost of Services <u>2016</u>	Net Cost of Services <u>2017</u>	Net Cost of Services <u>2016</u>
Program Expenses:				
General government	\$ 6,708	\$ 5,525	\$ 3,792	\$ 2,993
Public safety	18,710	19,992	17,476	18,802
Municipal court	3,121	3,856	(1,100)	164
Parks and facilities	3,557	3,054	2,876	1,896
Community development	1,168	1,364	627	861
Airport	1,620	1,268	278	(3,466)
Public works	5,821	5,035	186	(3,222)
Interest and Fiscal Charges	<u>1,056</u>	<u>1,178</u>	<u>1,056</u>	<u>1,178</u>
Total Expenses	<u><u>\$ 41,761</u></u>	<u><u>\$ 41,272</u></u>	<u><u>\$ 25,191</u></u>	<u><u>\$ 19,206</u></u>

* reporting in 'thousands' displays some rounding variances

The dependence upon general revenues for governmental activities is apparent, with 60.32% of expenses supported through taxes and other general revenues.

Governmental Activities - General and Program Revenues



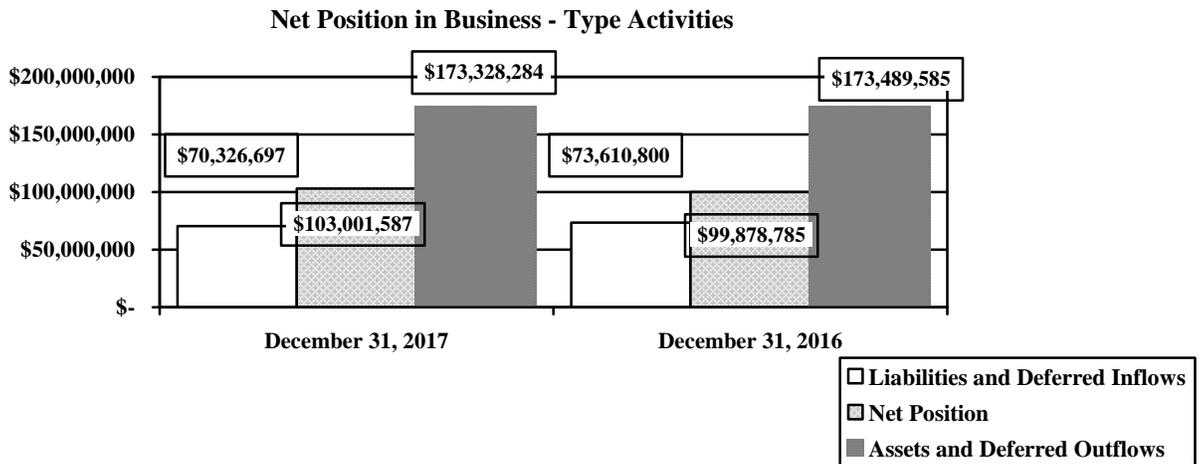
CITY OF DELAWARE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

Business-type Activities

Business-type activities include the water, sewer, storm sewer, refuse, parking, SEH bond and golf enterprise funds. These programs had program revenues of \$22.5 million, general revenues of \$336.3 thousand and expenses of \$19.7 million for 2017.

The graph below shows the business-type activities assets and deferred outflows of resources, liabilities and deferred inflows of resources, and net position at year-end 2017 and 2016.



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

CITY OF DELAWARE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

The City's governmental funds (as presented on the balance sheet on page 26) reported a combined fund balance of \$52.4 million which is \$8.2 million below last year's balance of \$44.2 million. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2017 for all major and nonmajor governmental funds.

	Fund Balances <u>12/31/17</u>	Fund Balances <u>12/31/16</u>	Increase (Decrease) <u></u>
Major Funds:			
General	\$ 8,221,313	\$ 7,060,088	\$ 1,161,225
Fire/EMS income tax	11,436,103	6,441,131	4,994,972
Capital improvement	1,776,172	1,374,932	401,240
Glenn road south construction	9,935,538	10,730,821	(795,283)
Other nonmajor governmental funds	<u>21,020,503</u>	<u>18,609,695</u>	<u>2,410,808</u>
Total	<u>\$ 52,389,629</u>	<u>\$ 44,216,667</u>	<u>\$ 8,172,962</u>

General Fund

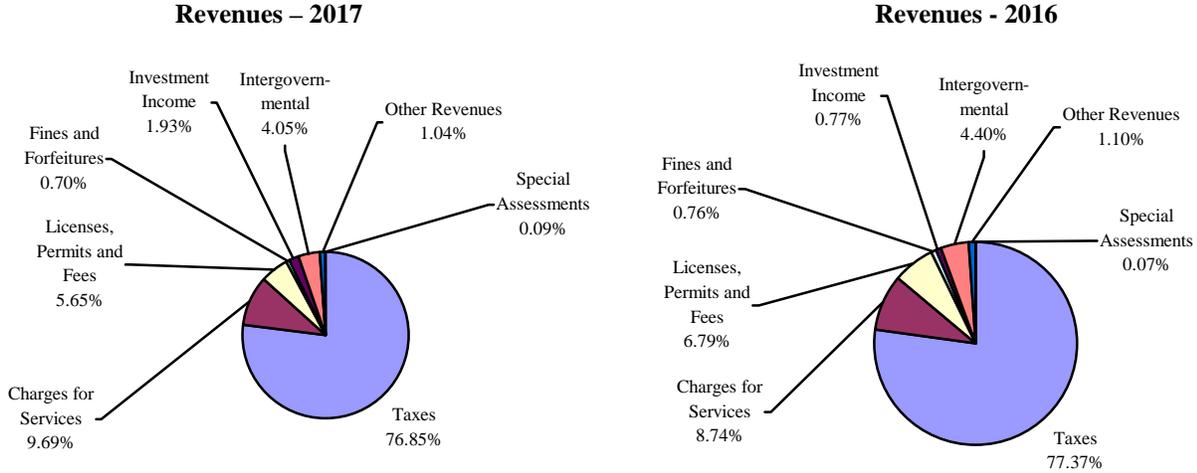
The General Fund increased just over \$1 million, the same as the increase in Income Taxes collected. The Parks & Recreation fund, which is merged into the General Fund for reporting, had its recreational programs operated by the YMCA beginning in 2012, so the operational costs required to run these programs is no longer a cost to the City. The table that follows assists in illustrating the revenues of the general fund.

	<u>2017</u> <u>Amount</u>	<u>2016</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>			
Taxes	\$ 15,395,582	\$ 14,434,981	6.65 %
Charges for services	1,941,210	1,630,174	19.08 %
Licenses, permits and fees	1,132,517	1,267,821	(10.67) %
Fines and forfeitures	139,893	141,766	(1.32) %
Investment income	387,615	144,144	168.91 %
Special assessments	16,036	13,241	21.11 %
Intergovernmental	811,543	821,614	(1.23) %
Other	<u>207,854</u>	<u>205,524</u>	1.13 %
Total	<u>\$ 20,032,250</u>	<u>\$ 18,659,265</u>	7.36 %

Tax revenue represents 76.85% of all General Fund revenue.

CITY OF DELAWARE, OHIO

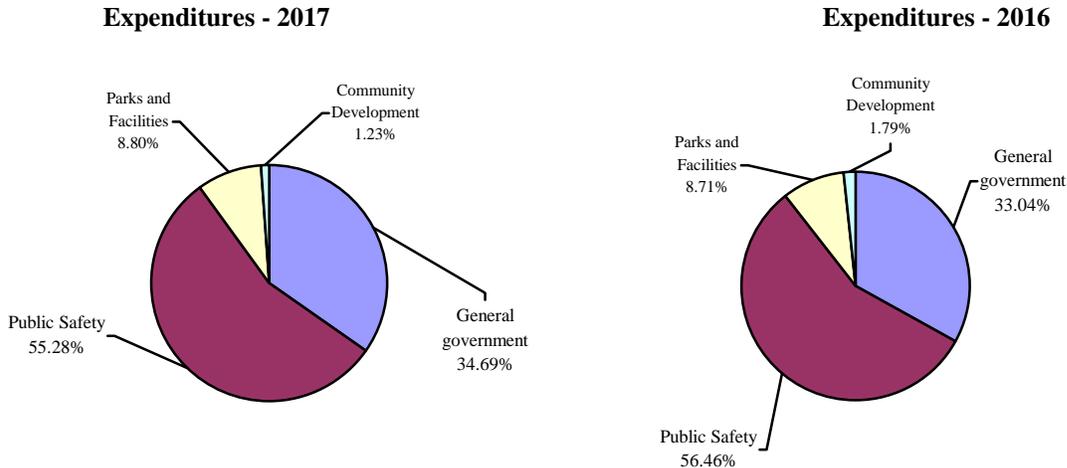
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**



The table that follows assists in illustrating the expenditures of the general fund.

	<u>2017</u> <u>Amount</u>	<u>2016</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<u>Expenditures</u>			
General government	\$ 5,329,512	\$ 5,007,307	6.43 %
Public safety	8,493,089	8,557,976	(0.76) %
Parks and facilities	1,352,367	1,319,995	2.45 %
Community development	<u>189,603</u>	<u>271,146</u>	(30.07) %
Total	<u><u>\$ 15,364,571</u></u>	<u><u>\$ 15,156,424</u></u>	1.37 %

Total expenditures increased 1.37% from 2016. The largest expenditure line item, public safety, decreased 0.76%.



CITY OF DELAWARE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (UNAUDITED)

Fire/EMS Income Tax Fund

The Fire/EMS Income Tax Fund had revenues and other financing sources of \$13.7 million in 2017. This represents an increase of \$4 million from 2016 revenues and other sources. The expenditures and other financing uses of the Fire/EMS Income Tax Fund, which totaled \$8.7 million in 2017, decreased \$1.6 million from 2016, considering a new fire truck and 3 medic vehicles were purchased in 2016. The net increase in fund balance for the Fire/EMS Income Tax Fund was \$5 million or 77.55%. This increase is can also be attributed to proceeds from the 2017 bond sale being recorded here to fund the construction of Fire Station 304, the City's 4th.

Capital Improvement Fund

The Capital Improvement Fund is funded by federal and state grants, and significantly funded by transfers from the General Fund, which were increased by \$237 thousand for 2017. When grants are in high demand and short supply, as continued the case again in 2017, the fund is more reliant on General Fund transfers. The Capital Improvement Fund's revenues and other financing sources totaled \$3.2 million in 2017. The expenditures and other financing uses of the Capital Improvement Fund totaled \$2.8 million in 2017. Expenditures exceeded revenues by \$1.26 million, a reduction of \$588 thousand over 2016, and along with the increased transfers from the General Fund, the fund balance improved by \$401 thousand or 29.18%.

Glenn Road South Construction Fund

The Glenn Road South Construction Fund had other financing sources of \$9.9 million in 2017. The expenditures of the Glenn Road South Construction Fund totaled \$10.7 million in 2017. The net decrease in the fund balance for the Glenn Road South Construction Fund was \$795.2 thousand or 7.41%.

The Glenn Road South Construction Fund was initially funded in 2006 by a \$12.5 million bond anticipation note, which was rolled-over in 2007 and 2008. In 2009, this note was increased to \$18 million and at the end of 2010, as well as 2011, Glenn Road South, Middle, and North bond anticipation notes had been paid down to \$14.530 million. For 2012, a new 'section' of the Glenn Road South area was resurfaced and these notes increased to \$15.525 million. At the end of 2016, the notes stand at \$11.015 million. These notes are funding a project being accounted for in several different funds, so the allocation of the note proceeds varies over the years these projects are in process; the majority allocated to the Glenn Road South fund. In 2014, the beginning fund balances and net position of the Glenn Road South and North funds were restated to include the amount owed by the Delaware South New Community Authority and Northern New Community Authority for infrastructure where the City has funded construction within the Authorities' boundaries. These restatements increased beginning balances by \$9.52 million and \$659 thousand, respectively. The amounts still owed to the Glenn Road South and North funds are \$7.81 million and \$2.29 million, respectively at December 31, 2017.

Budgeting Highlights

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City prepares an annual budget of revenues and expenditures/expenses for all funds of the City for use by City department heads and such other budgetary documents, as are required by State statute, including the annual appropriations ordinance, which is effective the first day of January.

CITY OF DELAWARE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (UNAUDITED)

The City's most significant budgeted fund is the General Fund. The final estimated resources were exceeded by actual revenues by only 3.7%. Charges for Services [largely Engineering fees] increased 49% [\$704 thousand] but Licenses and Permits decreased 11% [\$135 thousand] as developments still grew in the City, but overall dwelling permits acquired decreased by 18% for the year. Income tax collections also increased. Although the percentage was only 3%, it still added almost \$400 thousand to the bottom line. The largest variance between the original budget and the final amended budget was in the area of General Government; specifically services & charges by about \$925 thousand. Two cost functions made up the majority of the increase. Engineering revenues [part of Charges for Services] increased greatly causing a suspected need for more consulting activity. This increase in budget amounted to \$750 thousand. The City's Comprehensive Plan and Moving Delaware Ahead Transportation Engagement increased the budget another \$202 thousand. The final appropriations increased 6.9% over original but actual expenditures were below the original appropriation and below the final appropriation by \$1.14 million [7.3%]. Broken down by program; Public Safety expenditures [Police Department and Street Lighting] were 2.9% [\$241 thousand] under budget; largely due to personal services coming in \$161 thousand under budget, and General Government expenditures were 12.35% under budget; personal services \$229 thousand under budget collectively for all departments, and services and charges \$627 thousand under budget collectively for all departments, making up \$856 thousand of the \$902 thousand in savings.

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 is related to interfund activity. The only interfund activity reported in the government wide statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements.

The City's major business-type funds are the water, sewer, storm sewer, and refuse funds. As a rule, these funds consistently generate sufficient revenues to cover costs, in part due to capacity fees charged to new customers and developers to hook into the City's water and sewer lines, and storm sewer and refuse fees charged to all residents and businesses. All utility rates are reviewed annually to determine whether or not rates should be increased in order to cover current expenses and to prepare for. There was a 6% increase in water rates and a 4.41% in refuse rates for 2017, but none are scheduled for 2018. There are no known significant future fund resource limitations on any of the major business-type funds.

CITY OF DELAWARE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Capital Assets and Debt Administration

Capital Assets

At the end of 2017, the City had \$244.1 million (net of accumulated depreciation) invested in land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. Of this total, \$100.7 million was reported in governmental activities and \$143.4 million was reported in business-type activities. See Note 8 in the basic financial statements for additional capital asset disclosure. The following table shows 2017 balances compared to 2016:

**Capital Assets at December 31
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Land	\$ 8,726,675	\$ 8,726,675	\$ 4,509,561	\$ 4,509,561	\$ 13,236,236	\$ 13,236,236
Buildings and improvements	29,948,842	32,422,266	47,673,344	49,866,853	77,622,186	82,289,119
Machinery & equipment	5,814,945	5,028,571	5,596,795	5,633,698	11,411,740	10,662,269
Infrastructure	52,774,450	51,330,701	83,539,766	79,939,639	136,314,216	131,270,340
Construction in progress	<u>3,416,098</u>	<u>2,584,653</u>	<u>2,125,799</u>	<u>4,352,865</u>	<u>5,541,897</u>	<u>6,937,518</u>
Totals	<u>\$ 100,681,010</u>	<u>\$ 100,092,866</u>	<u>\$ 143,445,265</u>	<u>\$ 144,302,616</u>	<u>\$ 244,126,275</u>	<u>\$ 244,395,482</u>

The City's net investment in capital assets respectively for governmental and business-type activities as of December 31, 2017, was \$55.4 million and \$80.3 million. This investment in capital assets includes land, land improvements, buildings and improvements, roads, bridges, storm sewers, traffic signalization, street lighting, machinery and equipment, and water and sewer lines. There were no significant changes in governmental activity capital assets and business-type activity capital assets during 2017. The net investment in capital assets is directly affected by increases to capital assets, debt, and depreciation. For 2017, capital assets in governmental activities increased by just under \$588 thousand, after depreciation, including \$3 million in roads – constructed and developer contributed, \$1.2 million in fire apparatus, and some \$786 thousand in other City vehicles. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 52.42% and 58.24% of the City's total governmental and business-type capital assets respectively.

CITY OF DELAWARE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2017 and 2016:

	Governmental Activities	
	2017	2016
General obligation bonds	\$ 17,413,408	\$ 15,287,835
Income tax bonds	16,435,000	16,975,000
Bond anticipation notes	10,265,000	11,015,000
Capital lease obligation	205,042	365,736
Total long-term obligations	\$ 44,318,450	\$ 43,643,571
	Business-type Activities	
	2017	2016
General obligation bonds	\$ 17,251,592	\$ 18,336,166
Water loans	31,524,347	32,413,903
Sewer loans	14,078,534	15,382,359
Capital lease obligation	19,971	98,938
Total long-term obligations	\$ 62,874,444	\$ 66,231,366

Total debt [including notes payable and other long-term liabilities] decreased \$2.27 million [excluding pension liability]. Debt was paid down by \$3.1 million, excluding pension liability.

At December 31, 2017, the City had several long-term obligations outstanding totaling over \$150 million. The obligations included nearly \$51 million in bonds, including a 2017 \$7.335 million refunding bond to replace the 2006 bonds that had a balance of just over \$4 million at the beginning of the year. Of this amount, \$17.3 million will be repaid from business-type activities. As mentioned, the City entered into a long-term loan with Ohio Water Development Authority to fund construction of the new Wastewater Treatment Facility. Proceeds totaled \$26.3 million. The improvements, completed in 2008, increased the City's wastewater treatment capacity from 5 million gallons per day to 10 million gallons per day. This additional capacity is needed to service the continued growth of the City for the next 15 to 20 years. As of December 31, 2017, \$14.1 million remained outstanding on the loan. The City entered into 2 long-term loans with OWDA in 2011 to assist in funding the completion of the Westside Transmission Main Waterline project and the Penry Road Wellfield. These loans totaling \$3.2 million had a year-end balance of just over \$2.7 million. In 2012, the City obtained another loan from OWDA to fund a Water Treatment Plant Rehabilitation and Expansion project. This loan will have a maximum of almost \$32 million and the expansion project was completed in 2014, the rehab project was completed in late 2015. At the end of 2017, the amount borrowed was just over \$32 million, payback began in 2015, and the remaining principal was \$28.8 million. In 2012, the City entered into 2 capital leases; one for the new Fire Department Ladder Truck [\$1.1 million] and one for 2 Refuse Department Packer Trucks [\$382 thousand]. Repayment began on the ladder truck in 2012 and the balance at December 31 was just over \$205 thousand. Repayment began in 2013 on the packers and their balance was just under \$20 thousand.

In addition to the debt outlined above, the City's long-term debt also includes compensated absences and pension-related obligations. Additional information on the City's long-term debt can be found in Note 10 of this report.

CITY OF DELAWARE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (UNAUDITED)

Current Financial Issues

The City has one bond anticipation note outstanding for \$11.015 million, of this \$10.265 million was reported in the long-term obligations and \$.75 million was reported as a fund liability. The notes are for the Glenn Road Extension project to extend Glenn Road from Curve Road to US23 and for the City's Safewalk Program which involves repairing and replacing unsafe sidewalks within the City. The City is also in the beginning stages of replacing the railroad bridge on the east side at "The Point" and widening the highly-congested intersection. This will occur over the next several years and be upwards of \$25 million when completed.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be directed to Dean P. Stelzer, Finance Director, 1 South Sandusky Street, Delaware, OH 43015.

City of Delaware, Ohio

Basic Financial Statements

CITY OF DELAWARE, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2017

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 44,908,006	\$ 25,683,479	\$ 70,591,485
Receivables (net of allowance for uncollectibles):			
Income taxes	7,248,753	-	7,248,753
Property and other local taxes	1,736,660	-	1,736,660
Payment in lieu of taxes	904,000	-	904,000
Accounts	269,704	1,787,477	2,057,181
Loans receivable	585,496	-	585,496
Special assessments	268,255	-	268,255
Due from other governments	12,825,109	-	12,825,109
Materials and supplies inventory	38,674	108,507	147,181
Prepayments	343,026	130,141	473,167
Restricted assets:			
Cash and cash equivalents in segregated accounts	105,573	-	105,573
Customer deposits	13,637	204,870	218,507
Net pension asset	73,989	27,618	101,607
Capital assets:			
Land and construction in progress	12,142,773	6,635,360	18,778,133
Depreciable capital assets, net	88,538,237	136,809,905	225,348,142
Total capital assets, net	<u>100,681,010</u>	<u>143,445,265</u>	<u>244,126,275</u>
Total assets	<u>170,001,892</u>	<u>171,387,357</u>	<u>341,389,249</u>
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	11,744	58,529	70,273
Pension - OPERS	5,156,174	1,882,398	7,038,572
Pension - OP&F	4,842,683	-	4,842,683
Total deferred outflows of resources	<u>10,010,601</u>	<u>1,940,927</u>	<u>11,951,528</u>
Total assets and deferred outflows of resources	<u>180,012,493</u>	<u>173,328,284</u>	<u>353,340,777</u>
Liabilities:			
Accounts payable	298,535	225,910	524,445
Accrued wages and benefits payable	667,854	98,426	766,280
Compensated absences payable - matured	408,910	-	408,910
Due to other governments	197,510	22,877	220,387
Accrued interest payable	136,520	795,075	931,595
Payable from restricted assets:			
Customer deposits	13,637	204,870	218,507
Claims payable	974,414	-	974,414
Notes payable	750,000	-	750,000
Unearned revenue	513,500	-	513,500
Long-term liabilities:			
Due within one year	13,522,653	3,513,044	17,035,697
Due in more than one year:			
Due in more than one year - net pension liability	39,618,253	4,658,897	44,277,150
Other amounts due in more than one year	37,754,989	60,721,277	98,476,266
Total liabilities	<u>94,856,775</u>	<u>70,240,376</u>	<u>165,097,151</u>
Deferred inflows of resources:			
Property taxes levied for the next year	1,632,000	-	1,632,000
Pension - OPERS	114,963	86,321	201,284
Pension - OP&F	187,404	-	187,404
Total deferred inflows of resources	<u>1,934,367</u>	<u>86,321</u>	<u>2,020,688</u>
Total liabilities and deferred inflows of resources	<u>96,791,142</u>	<u>70,326,697</u>	<u>167,117,839</u>
Net position:			
Net investment in capital assets	55,408,985	80,274,936	135,683,921
Restricted for:			
Capital projects	9,942,029	-	9,942,029
Debt service	304,899	-	304,899
Public safety	11,091,643	-	11,091,643
Municipal court	3,238,956	-	3,238,956
Public works	550,293	-	550,293
Airport	107,416	-	107,416
Parks and facilities	4,779,819	-	4,779,819
Community development	3,660,076	-	3,660,076
Perpetual care; non-expendable	34,982	-	34,982
Unrestricted (deficit)	<u>(5,897,747)</u>	<u>22,726,651</u>	<u>16,828,904</u>
Total net position	<u>\$ 83,221,351</u>	<u>\$ 103,001,587</u>	<u>\$ 186,222,938</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF DELAWARE, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
Current:				
General government	\$ 6,707,987	\$ 2,736,739	\$ 98,525	\$ 81,363
Public safety	18,710,133	1,219,065	2,120	12,766
Municipal court.	3,121,476	4,221,056	-	-
Parks and facilities.	3,556,789	606,865	27,458	46,294
Community development.	1,168,189	256,774	284,194	-
Airport.	1,619,896	832,267	-	509,605
Public works.	5,820,602	321,325	1,798,912	3,514,774
Interest and fiscal charges	1,055,766	-	-	-
Total governmental activities.	<u>41,760,838</u>	<u>10,194,091</u>	<u>2,211,209</u>	<u>4,164,802</u>
Business-type activities:				
Water	7,552,225	6,752,023	-	861,763
Sewer	7,447,356	8,272,758	-	1,014,420
Storm sewer.	1,387,609	835,029	-	1,057,926
Refuse	3,118,738	3,515,497	-	-
Other business-type activities:				
Golf	190,096	163,957	-	-
Parking.	40,545	49,695	-	-
Total business-type activities	<u>19,736,569</u>	<u>19,588,959</u>	<u>-</u>	<u>2,934,109</u>
Total primary government	<u>\$ 61,497,407</u>	<u>\$ 29,783,050</u>	<u>\$ 2,211,209</u>	<u>\$ 7,098,911</u>

General revenues:

Income taxes levied for:
General purposes.
Public safety.
Parks and facilities.
Property taxes levied for:
General purposes.
Public safety.
Other taxes.
Grants and contributions not restricted to specific programs
Payment in lieu of taxes.
Investment earnings
Miscellaneous
Total general revenues.
Change in net position
Net position at beginning of year.
Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (3,791,360)	\$ -	\$ (3,791,360)
(17,476,182)	-	(17,476,182)
1,099,580	-	1,099,580
(2,876,172)	-	(2,876,172)
(627,221)	-	(627,221)
(278,024)	-	(278,024)
(185,591)	-	(185,591)
(1,055,766)	-	(1,055,766)
(25,190,736)	-	(25,190,736)
-	61,561	61,561
-	1,839,822	1,839,822
-	505,346	505,346
-	396,759	396,759
-	(26,139)	(26,139)
-	9,150	9,150
-	2,786,499	2,786,499
(25,190,736)	2,786,499	(22,404,237)
14,866,474	-	14,866,474
9,907,616	-	9,907,616
2,167,781	-	2,167,781
1,259,726	-	1,259,726
370,832	-	370,832
82,835	-	82,835
1,156,562	-	1,156,562
745,681	-	745,681
399,821	228,071	627,892
213,952	108,232	322,184
31,171,280	336,303	31,507,583
5,980,544	3,122,802	9,103,346
77,240,807	99,878,785	177,119,592
<u>\$ 83,221,351</u>	<u>\$ 103,001,587</u>	<u>\$ 186,222,938</u>

CITY OF DELAWARE, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017

	General	Fire/EMS Income Tax	Capital Improvement	Glenn Road South Construction	Nonmajor Governmental Funds	Total Governmental Funds
Assets:						
Equity in pooled cash and cash equivalents.	\$ 7,487,982	\$ 10,568,833	\$ 1,333,336	\$ 2,870,049	\$ 17,311,573	\$ 39,571,773
Receivables (net of allowance for uncollectibles):						
Income taxes	3,919,797	2,741,286	-	-	587,670	7,248,753
Property and other local taxes	1,340,636	-	-	-	396,024	1,736,660
Payments in lieu of taxes.	-	-	-	-	904,000	904,000
Accounts	234,605	-	132	-	34,967	269,704
Loans receivable	-	-	-	-	585,496	585,496
Special assessments	-	-	268,255	-	-	268,255
Interfund loans.	81,875	-	-	-	-	81,875
Due from other funds	7,011	-	-	-	60,930	67,941
Due from other governments.	427,648	395,188	453,401	7,815,489	3,733,383	12,825,109
Materials and supplies inventory.	-	-	-	-	38,674	38,674
Prepayments	138,585	-	-	-	10,613	149,198
Restricted assets:						
Cash and cash equivalents in segregated accounts	13,166	-	-	-	92,407	105,573
Customer deposits.	-	-	-	-	13,637	13,637
Total assets.	\$ 13,651,305	\$ 13,705,307	\$ 2,055,124	\$ 10,685,538	\$ 23,769,374	\$ 63,866,648
Liabilities:						
Accounts payable	\$ 89,567	\$ 34,280	\$ 10,697	\$ -	\$ 92,154	\$ 226,698
Accrued wages and benefits payable.	333,131	236,536	-	-	85,559	655,226
Compensated absences payable	239,399	110,152	-	-	59,359	408,910
Interfund loans payable.	-	-	-	-	81,875	81,875
Due to other funds	-	-	-	-	67,941	67,941
Due to other governments	82,277	87,285	-	-	24,656	194,218
Unearned revenue	513,500	-	-	-	-	513,500
Payable from restricted assets:						
Customer deposits.	-	-	-	-	13,637	13,637
Notes payable.	-	-	-	750,000	-	750,000
Total liabilities.	1,257,874	468,253	10,697	750,000	425,181	2,912,005
Deferred inflows of resources:						
Property taxes levied for the next year.	1,260,000	-	-	-	372,000	1,632,000
Payments in lieu of taxes levied for the next year .	-	-	-	-	904,000	904,000
Delinquent property tax revenue not available. . . .	80,636	-	-	-	24,024	104,660
Special assessments revenue not available.	-	-	268,255	-	-	268,255
Income tax revenue not available	2,574,496	1,800,951	-	-	385,989	4,761,436
Intergovernmental revenue not available	256,986	-	-	-	637,677	894,663
Total deferred inflows of resources	4,172,118	1,800,951	268,255	-	2,323,690	8,565,014
Total liabilities and deferred inflows of resources.	5,429,992	2,269,204	278,952	750,000	2,748,871	11,477,019
Fund balances:						
Nonspendable	153,979	-	-	-	141,694	295,673
Restricted	-	11,436,103	-	9,935,538	14,603,402	35,975,043
Committed.	486,338	-	1,776,172	-	6,289,510	8,552,020
Assigned.	164,363	-	-	-	62,077	226,440
Unassigned (deficit).	7,416,633	-	-	-	(76,180)	7,340,453
Total fund balances.	8,221,313	11,436,103	1,776,172	9,935,538	21,020,503	52,389,629
Total liabilities, deferred inflows of resources and fund balances	\$ 13,651,305	\$ 13,705,307	\$ 2,055,124	\$ 10,685,538	\$ 23,769,374	\$ 63,866,648

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF DELAWARE, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2017

Total governmental fund balances	\$	52,389,629
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		100,666,991
Other long-term assets are not available to pay for current period expenditures and therefore are deferred inflows of resources in the funds.		
Income taxes receivable	\$ 4,761,436	
Property and other local taxes receivable	104,660	
Payment in lieu of taxes receivable	904,000	
Special assessments receivable	268,255	
Intergovernmental receivable	894,663	
Total		6,933,014
Internal service funds are used by management to charge the costs of garage services, information technology, insurance and worker's compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net position. The net position of the internal service funds are:		3,868,295
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(136,520)
Unamortized deferred amounts on refundings are not recognized in the governmental funds.		11,744
Unamortized premiums/discounts on bond issuances are not recognized in the funds.		(953,575)
The net pension asset and net pension liability are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds		
Net pension asset	68,962	
Deferred outflows of resources	9,655,708	
Deferred inflows of resources	(291,875)	
Net pension liability	(38,770,350)	
Total		(29,337,555)
Long-term liabilities, including bonds payable, loans payable, and compensated absences payable are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds payable	(17,413,408)	
Income tax bonds	(16,435,000)	
Capital lease obligations payable	(205,042)	
Compensated absences payable	(5,667,970)	
Police and fire past pension costs	(234,252)	
Notes payable	(10,265,000)	
Total		(50,220,672)
Net position of governmental activities	\$	83,221,351

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF DELAWARE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	General	Fire/EMS Income Tax	Capital Improvement	Glenn Road South Construction	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Income taxes	\$ 14,135,856	\$ 9,363,066	\$ -	\$ -	\$ 2,050,020	\$ 25,548,942
Property and other local taxes	1,259,726	-	-	-	370,832	1,630,558
Miscellaneous taxes	-	-	-	-	82,835	82,835
Special assessments	16,036	-	92,197	-	-	108,233
Payments in lieu of taxes	-	-	-	-	902,657	902,657
Intergovernmental	811,543	3,125	602,973	-	2,703,563	4,121,204
Investment income	387,615	-	-	-	108,438	496,053
Licenses, permits and fees	1,132,517	-	-	-	-	1,132,517
Fines and forfeitures	139,893	-	-	-	3,353,889	3,493,782
Impact fees	-	-	-	-	500,187	500,187
Charges for services	1,941,210	863,226	-	-	1,768,522	4,572,958
Donations	-	-	-	-	75,082	75,082
Reimbursements	118,497	6,255	-	-	64,245	188,997
Miscellaneous	89,357	-	-	-	6,613	95,970
Total revenues	<u>20,032,250</u>	<u>10,235,672</u>	<u>695,170</u>	<u>-</u>	<u>11,986,883</u>	<u>42,949,975</u>
Expenditures:						
Current:						
General government	5,329,512	-	203,112	-	134,018	5,666,642
Public safety:						
Police	7,646,553	-	-	-	409,312	8,055,865
Fire	-	7,984,456	-	-	223,027	8,207,483
Other	846,536	-	-	-	-	846,536
Municipal court	-	-	-	-	2,749,032	2,749,032
Parks & facilities	1,352,367	-	86,300	-	807,566	2,246,233
Community development	189,603	-	-	-	930,882	1,120,485
Airport	-	-	-	-	1,241,199	1,241,199
Public works	-	-	1,215,823	45,283	3,317,290	4,578,396
Debt service:						
Principal retirement	-	160,694	450,000	10,565,000	1,882,231	13,057,925
Interest and fiscal charges	-	5,600	4,488	69,412	1,138,512	1,218,012
Total expenditures	<u>15,364,571</u>	<u>8,150,750</u>	<u>1,959,723</u>	<u>10,679,695</u>	<u>12,833,069</u>	<u>48,987,808</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,667,679</u>	<u>2,084,922</u>	<u>(1,264,553)</u>	<u>(10,679,695)</u>	<u>(846,186)</u>	<u>(6,037,833)</u>
Other financing sources (uses):						
Bond issuance	-	3,500,000	-	-	771,735	4,271,735
Note issuance	-	-	450,000	9,815,000	-	10,265,000
Sale of capital assets	-	-	-	-	3,191	3,191
Payment to refunded bond escrow agent	-	-	-	-	(812,835)	(812,835)
Transfers in	-	-	2,039,700	-	5,265,162	7,304,862
Transfers (out)	(3,506,454)	(589,950)	(823,907)	-	(2,384,551)	(7,304,862)
Premium on bond issuance	-	-	-	-	414,292	414,292
Premium on note issuance	-	-	-	69,412	-	69,412
Total other financing sources (uses)	<u>(3,506,454)</u>	<u>2,910,050</u>	<u>1,665,793</u>	<u>9,884,412</u>	<u>3,256,994</u>	<u>14,210,795</u>
Net change in fund balances	1,161,225	4,994,972	401,240	(795,283)	2,410,808	8,172,962
Fund balances at beginning of year	<u>7,060,088</u>	<u>6,441,131</u>	<u>1,374,932</u>	<u>10,730,821</u>	<u>18,609,695</u>	<u>44,216,667</u>
Fund balances at end of year	<u>\$ 8,221,313</u>	<u>\$ 11,436,103</u>	<u>\$ 1,776,172</u>	<u>\$ 9,935,538</u>	<u>\$ 21,020,503</u>	<u>\$ 52,389,629</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF DELAWARE, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Net change in fund balances - total governmental funds	\$	8,172,962
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period.		
Capital outlay	\$	3,129,546
Donated capital assets		3,021,244
Current year depreciation		<u>(5,484,936)</u>
Total		665,854
The net effect of various transactions involving capital assets is to decrease net position.		(73,488)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income tax revenue	1,392,929	
Payments in lieu of taxes	(156,976)	
Special assessments revenue	268,255	
Intergovernmental revenue	<u>262,764</u>	
Total		1,766,972
The issuance of notes and bonds are reported as other financing sources in the governmental funds; however, in the statement of activities they are not reported as revenues as they increase the liabilities on the statement of net position.		(14,536,735)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		13,057,925
Payment to refunded bond escrow agent for the retirement of bonds is an other use in the governmental funds but the payment reduces the long-term liabilities on the statement of net position.		812,835
Premiums on general obligation bonds are recognized as other financing sources in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities.		(414,292)
In the statement of activities, interest is accrued on outstanding bonds, whereas, in the governmental funds, an interest expenditure is reported when due. The following items resulted in less interest being reported in the statement of activities.		
Decrease in accrued interest payable	24,349	
Amortization of deferred amounts on refunding	(2,349)	
Amortization of bond premiums/discounts	<u>70,834</u>	
Total		92,834
Contractually required pension contributions are reported as an expenditure in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		3,010,798
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability are reported as pension expense in the statement of activities.		(5,926,300)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(1,028,959)
Internal service funds are used by management to charge the costs of garage, information technology, insurance and worker's compensation to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds, are allocated among the governmental activities.		<u>380,138</u>
Change in net position of governmental activities	\$	<u><u>5,980,544</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF DELAWARE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Income taxes	\$ 14,031,065	\$ 13,946,065	\$ 13,549,553	\$ (396,512)
Property and other local taxes	1,363,700	1,363,700	1,259,726	(103,974)
Charges for services	1,107,000	1,107,000	2,152,606	1,045,606
Licenses, permits and fees	1,125,000	1,125,000	1,132,517	7,517
Fines and forfeitures	145,000	145,000	139,539	(5,461)
Intergovernmental	843,800	843,800	880,649	36,849
Special assessments	-	-	14,336	14,336
Investment income	175,000	175,000	387,615	212,615
Reimbursements	100,000	100,000	78,859	(21,141)
Other	150,000	150,000	66,693	(83,307)
Total revenues	<u>19,040,565</u>	<u>18,955,565</u>	<u>19,662,093</u>	<u>706,528</u>
Expenditures:				
Current:				
General government	6,301,126	7,305,460	6,403,490	901,970
Public Safety	<u>8,287,961</u>	<u>8,287,961</u>	<u>8,047,015</u>	<u>240,946</u>
Total expenditures	<u>14,589,087</u>	<u>15,593,421</u>	<u>14,450,505</u>	<u>1,142,916</u>
Excess of revenues over expenditures	<u>4,451,478</u>	<u>3,362,144</u>	<u>5,211,588</u>	<u>1,849,444</u>
Other financing sources (uses):				
Sale of capital assets	-	-	12,654	12,654
Advances out	-	-	(81,875)	(81,875)
Transfers out	<u>(5,036,187)</u>	<u>(5,036,187)</u>	<u>(5,036,187)</u>	<u>-</u>
Total other financing sources (uses)	<u>(5,036,187)</u>	<u>(5,036,187)</u>	<u>(5,105,408)</u>	<u>(69,221)</u>
Net change in fund balances	(584,709)	(1,674,043)	106,180	1,780,223
Fund balances at beginning of year	4,122,821	4,122,821	4,122,821	-
Prior year encumbrances appropriated	259,398	259,398	259,398	-
Fund balance at end of year	<u>\$ 3,797,510</u>	<u>\$ 2,708,176</u>	<u>\$ 4,488,399</u>	<u>\$ 1,780,223</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF DELAWARE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FIRE/EMS INCOME TAX FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Income taxes	\$ 9,823,746	\$ 9,823,746	\$ 9,471,183	\$ (352,563)
Charges for services.	640,000	640,000	976,417	336,417
Intergovernmental.	2,500	2,500	3,125	625
Reimbursements.	4,500	4,500	6,255	1,755
Total revenues	<u>10,470,746</u>	<u>10,470,746</u>	<u>10,456,980</u>	<u>(13,766)</u>
Expenditures:				
Current:				
Public Safety				
Personal services	7,945,110	7,945,110	7,203,967	741,143
Materials and supplies	284,056	284,056	236,091	47,965
Services and charges.	774,314	774,314	601,050	173,264
Capital outlay	4,326,788	4,326,788	3,759,911	566,877
Debt service:				
Principal retirement.	160,694	160,694	160,694	-
Interest and fiscal charges	5,600	5,600	5,600	-
Total expenditures	<u>13,496,562</u>	<u>13,496,562</u>	<u>11,967,313</u>	<u>1,529,249</u>
Excess of expenditures over revenues	<u>(3,025,816)</u>	<u>(3,025,816)</u>	<u>(1,510,333)</u>	<u>1,515,483</u>
Other financing sources (uses):				
Bond issuance.	4,000,000	4,000,000	3,500,000	(500,000)
Transfers out.	(404,262)	(404,262)	(589,950)	(185,688)
Total other financing sources (uses)	<u>3,595,738</u>	<u>3,595,738</u>	<u>2,910,050</u>	<u>(685,688)</u>
Net change in fund balances	569,922	569,922	1,399,717	829,795
Fund balances at beginning of year.	5,377,907	5,377,907	5,377,907	-
Prior year encumbrances appropriated.	259,272	259,272	259,272	-
Fund balance at end of year	<u>\$ 6,207,101</u>	<u>\$ 6,207,101</u>	<u>\$ 7,036,896</u>	<u>\$ 829,795</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF DELAWARE, OHIO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Storm Sewer	Refuse
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents . . .	\$ 11,392,053	\$ 10,306,249	\$ 1,482,843	\$ 2,391,565
Receivables (net of allowance for uncollectibles):				
Accounts	630,015	735,228	103,000	319,234
Materials and supplies inventory	82,256	25,798	-	-
Prepayments	42,845	55,301	-	31,099
Total current assets	<u>12,147,169</u>	<u>11,122,576</u>	<u>1,585,843</u>	<u>2,741,898</u>
Noncurrent assets:				
Restricted assets:				
Customer deposits	204,870	-	-	-
Net pension asset	9,547	9,275	1,322	6,608
Capital assets:				
Land and construction in progress	760,283	4,750,570	785,066	128,687
Depreciable capital assets, net	<u>63,806,209</u>	<u>53,608,645</u>	<u>18,546,143</u>	<u>659,333</u>
Total capital assets, net	<u>64,566,492</u>	<u>58,359,215</u>	<u>19,331,209</u>	<u>788,020</u>
Total noncurrent assets	<u>64,780,909</u>	<u>58,368,490</u>	<u>19,332,531</u>	<u>794,628</u>
Total assets	<u>76,928,078</u>	<u>69,491,066</u>	<u>20,918,374</u>	<u>3,536,526</u>
Deferred outflows of resources:				
Unamortized deferred charges on refunding . . .	-	58,529	-	-
Pension - OPERS	654,365	630,129	89,936	449,046
Total deferred outflows of resources	<u>\$ 654,365</u>	<u>\$ 688,658</u>	<u>\$ 89,936</u>	<u>\$ 449,046</u>

<u>Nonmajor</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$ 110,769	\$ 25,683,479	\$ 5,336,233
-	1,787,477	-
453	108,507	-
896	130,141	193,828
<u>112,118</u>	<u>27,709,604</u>	<u>5,530,061</u>
-	204,870	-
866	27,618	5,027
210,754	6,635,360	-
189,575	136,809,905	14,019
<u>400,329</u>	<u>143,445,265</u>	<u>14,019</u>
<u>401,195</u>	<u>143,677,753</u>	<u>19,046</u>
<u>513,313</u>	<u>171,387,357</u>	<u>5,549,107</u>
-	58,529	-
58,922	1,882,398	343,149
<u>\$ 58,922</u>	<u>\$ 1,940,927</u>	<u>\$ 343,149</u>

- - Continued

CITY OF DELAWARE, OHIO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS (CONTINUED)
 DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Storm Sewer	Refuse
Liabilities:				
Current liabilities:				
Accounts payable	56,664	73,967	8,266	81,741
Accrued wages and benefits payable	38,059	35,432	3,604	19,694
Due to other governments	8,499	7,723	962	5,262
Accrued interest payable.	528,066	266,979	-	30
Compensated absences payable - current	101,619	68,599	8,280	48,713
Claims payable - current.	-	-	-	-
General obligation bonds payable - current.	130,926	332,473	-	-
Special assessment bonds payable - current	-	420,000	-	-
OWDA loans payable - current	1,020,541	1,351,052	-	-
Capital lease obligations payable	-	-	-	19,971
Estimated liability for landfill closure costs	-	-	-	5,000
Total current liabilities.	1,884,374	2,556,225	21,112	180,411
Long-term liabilities:				
Payable from restricted assets - customer deposits	204,870	-	-	-
Compensated absences payable - matured	287,277	244,839	14,223	66,897
General obligation bonds payable	2,320,361	1,832,169	-	-
Special assessment bonds payable	-	12,511,548	-	-
Claims payable	-	-	-	-
OWDA loans payable	30,503,806	12,727,482	-	-
Estimated liability for landfill closure costs	-	-	-	205,000
Net pension liability	1,610,446	1,564,577	223,068	1,114,721
Total noncurrent liabilities	34,926,760	28,880,615	237,291	1,386,618
Total liabilities	36,811,134	31,436,840	258,403	1,567,029
Deferred inflows of resources:				
Pension - OPERS.	14,462	41,301	6,023	18,318
Total deferred inflows of resources	14,462	41,301	6,023	18,318
Total liabilities and deferred inflows of resources.	36,825,596	31,478,141	264,426	1,585,347
Net position:				
Net investment in capital assets	30,590,858	29,184,491	19,331,209	768,049
Unrestricted (deficit)	10,165,989	9,517,092	1,412,675	1,632,176
Total net position	\$ 40,756,847	\$ 38,701,583	\$ 20,743,884	\$ 2,400,225

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Nonmajor</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$ 5,272	\$ 225,910	\$ 71,837
1,637	98,426	12,628
431	22,877	3,292
-	795,075	-
5,870	233,081	35,434
-	-	336,733
-	463,399	-
-	420,000	-
-	2,371,593	-
-	19,971	-
-	5,000	-
<u>13,210</u>	<u>4,655,332</u>	<u>459,924</u>
-	204,870	-
7,675	620,911	67,961
-	4,152,530	-
-	12,511,548	-
-	-	637,681
-	43,231,288	-
-	205,000	-
<u>146,085</u>	<u>4,658,897</u>	<u>847,903</u>
<u>153,760</u>	<u>65,585,044</u>	<u>1,553,545</u>
<u>166,970</u>	<u>70,240,376</u>	<u>2,013,469</u>
<u>6,217</u>	<u>86,321</u>	<u>10,492</u>
<u>6,217</u>	<u>86,321</u>	<u>10,492</u>
<u>173,187</u>	<u>70,326,697</u>	<u>2,023,961</u>
400,329	80,274,936	14,019
(1,281)	22,726,651	3,854,276
<u>\$ 399,048</u>	<u>\$ 103,001,587</u>	<u>\$ 3,868,295</u>

CITY OF DELAWARE, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Storm Sewer	Refuse
Operating revenues:				
Charges for services	\$ 5,337,772	\$ 6,939,306	\$ 835,029	\$ 3,515,497
Capacity fees	1,392,200	1,333,452	-	-
Deposits	22,051	-	-	-
Reimbursements	-	-	-	-
Other	37,735	53,296	915	11,249
Total operating revenues	6,789,758	8,326,054	835,944	3,526,746
Operating expenses:				
Personal services	1,718,240	1,533,968	225,132	1,161,730
Cost of services	675,188	758,325	-	342,082
Services and charges	1,293,204	1,579,433	594,557	1,250,273
Materials and supplies	694,409	263,394	45,227	175,809
Claims	-	-	-	-
Depreciation	2,040,903	2,206,344	522,693	187,682
Total operating expenses	6,421,944	6,341,464	1,387,609	3,117,576
Operating income (loss)	367,814	1,984,590	(551,665)	409,170
Nonoperating revenues (expenses):				
Interest revenue	110,971	101,975	-	15,125
Interest and fiscal charges	(1,130,281)	(1,105,892)	-	(1,162)
Total nonoperating revenues (expenses)	(1,019,310)	(1,003,917)	-	13,963
Income (loss) before capital contributions	(651,496)	980,673	(551,665)	423,133
Capital contributions	861,763	1,014,420	1,057,926	-
Change in net position	210,267	1,995,093	506,261	423,133
Net position at beginning of year	40,546,580	36,706,490	20,237,623	1,977,092
Net position at end of year	\$ 40,756,847	\$ 38,701,583	\$ 20,743,884	\$ 2,400,225

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

		Governmental Activities - Internal Service Fund	
Nonmajor	Total		
\$ 213,652	\$ 16,841,256	\$ 7,025,865	
-	2,725,652	-	
-	22,051	-	
-	-	985,919	
5,037	108,232	-	
<u>218,689</u>	<u>19,697,191</u>	<u>8,011,784</u>	
143,267	4,782,337	835,600	
-	1,775,595	-	
72,239	4,789,706	1,456,864	
14,173	1,193,012	244,070	
-	-	5,090,890	
962	4,958,584	4,222	
<u>230,641</u>	<u>17,499,234</u>	<u>7,631,646</u>	
(11,952)	2,197,957	380,138	
-	228,071	-	
-	(2,237,335)	-	
-	(2,009,264)	-	
(11,952)	188,693	380,138	
-	2,934,109	-	
(11,952)	3,122,802	380,138	
411,000	99,878,785	3,488,157	
<u>\$ 399,048</u>	<u>\$ 103,001,587</u>	<u>\$ 3,868,295</u>	

CITY OF DELAWARE, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds			
	<u>Water</u>	<u>Sewer</u>	<u>Storm Sewer</u>	<u>Refuse</u>
Cash flows from operating activities:				
Cash received from customers.	\$ 5,556,502	\$ 7,249,124	\$ 832,486	\$ 3,518,094
Cash received for premiums.	-	-	-	-
Cash received for capacity fees.	1,392,200	1,333,452	-	-
Cash payments for personal services.	(1,570,013)	(1,401,650)	(216,378)	(1,091,662)
Cash payments for materials and supplies	(694,496)	(310,938)	(42,970)	(246,251)
Cash payments for services and charges.	(2,173,965)	(2,747,372)	(962,914)	(1,507,781)
Customer deposits received.	204,870	-	-	-
Customer deposits returned.	(202,755)	-	-	-
Cash payments for claims	-	-	-	-
Other cash receipts or payments.	30,921	51,341	793	10,468
Net cash provided by operating activities	<u>2,543,264</u>	<u>4,173,957</u>	<u>(388,983)</u>	<u>682,868</u>
Cash flows from capital and related financing activities:				
Cash payments for the acquisition of capital assets	(284,877)	(425,480)	(49,872)	(411,895)
Cash received from issuance of bonds.	2,390,957	672,308	-	-
Cash received from premium on debt issuances.	241,656	67,951	-	-
Cash payments for principal retirement	(1,054,772)	(2,050,282)	-	(78,967)
Cash payments for interest and fiscal charges	(1,155,333)	(1,103,730)	-	(1,285)
Cash payments to refunded bond escrow agent.	(2,524,892)	(711,274)	-	-
Cash received from capital contributions	5,000	-	-	-
Net cash used in capital and related financing activities	<u>(2,382,261)</u>	<u>(3,550,507)</u>	<u>(49,872)</u>	<u>(492,147)</u>
Cash flows from investing activities:				
Cash received from interest earned.	110,971	101,975	-	15,125
Net cash provided by investing activities.	<u>110,971</u>	<u>101,975</u>	<u>-</u>	<u>15,125</u>
Net increase (decrease) in cash and cash equivalents	271,974	725,425	(438,855)	205,846
Cash and cash equivalents at beginning of year	<u>11,324,949</u>	<u>9,580,824</u>	<u>1,921,698</u>	<u>2,185,719</u>
Cash and cash equivalents at end of year	<u>\$ 11,596,923</u>	<u>\$ 10,306,249</u>	<u>\$ 1,482,843</u>	<u>\$ 2,391,565</u>

<u>Nonmajor</u>	<u>Total</u>	Governmental Activities - Internal Service Fund
\$ 213,652	\$ 17,369,858	\$ 1,698,290
-	-	5,327,575
-	2,725,652	-
(126,487)	(4,406,190)	(788,897)
(13,728)	(1,308,383)	(293,923)
(66,333)	(7,458,365)	(1,391,586)
-	204,870	-
-	(202,755)	-
-	-	(5,225,882)
5,037	98,560	985,919
12,141	7,023,247	311,496
-	(1,172,124)	-
-	3,063,265	-
-	309,607	-
-	(3,184,021)	-
-	(2,260,348)	-
-	(3,236,166)	-
-	5,000	-
-	(6,474,787)	-
-	228,071	-
-	228,071	-
12,141	776,531	311,496
98,628	25,111,818	5,024,737
\$ 110,769	\$ 25,888,349	\$ 5,336,233

- - Continued

CITY OF DELAWARE, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Storm Sewer	Refuse
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 367,814	\$ 1,984,590	\$ (551,665)	\$ 409,170
Adjustments:				
Depreciation.	2,040,903	2,206,344	522,693	187,682
Changes in assets, deferred inflows, liabilities and deferred outflows:				
(Increase) decrease in accounts receivable.	189,868	307,867	(2,652)	5,863
Decrease in materials and supplies inventory	(4,046)	(10,576)	-	18,211
Increase in prepaid asset.	15,155	40,082	-	-
Increase in net pension asset.	(9,547)	(9,275)	(1,322)	(6,608)
Increase in deferred outflows - pension - OPERS.	(165,556)	(159,433)	(18,371)	(111,326)
Increase (decrease) in accounts payable	(37,181)	(32,976)	(14,059)	(7,964)
Increase (decrease) in contracts payable	(179,329)	(404,495)	(285,317)	-
Decrease in retainage payable.	-	(49,020)	(66,688)	-
Increase in accrued wages and benefits	(33,699)	(31,053)	(5,576)	(28,143)
Increase in compensated absences payable.	(4,807)	(5,938)	(9,837)	(25,761)
Decrease in due to other governments	926	898	7	290
Increase in customer deposits	2,115	-	-	-
Increase in net pension liability.	370,291	319,203	41,317	239,929
Increase in deferred inflows - pension - OPERS.	(9,643)	17,739	2,487	1,525
Increase (decrease) in claims payable	-	-	-	-
Net cash provided by operating activities	\$ 2,543,264	\$ 4,173,957	\$ (388,983)	\$ 682,868

Non-cash capital transactions:

The Water fund received water lines donated by developers with a fair value of \$856,763. These were recorded as capital assets.

The Sewer fund received sewer lines donated by developers with a fair value of \$1,014,420. These were recorded as capital assets.

The Storm Sewer fund received storm sewer lines donated by developers with a fair value of \$1,057,926. These were recorded as capital assets.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Nonmajor</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$ (11,952)	\$ 2,197,957	\$ 380,138
962	4,958,584	4,222
-	500,946	-
275	3,864	-
804	56,041	(1,102)
(866)	(27,618)	(5,027)
(9,771)	(464,457)	(79,309)
5,272	(86,908)	10,735
-	(869,141)	-
-	(115,708)	-
(2,395)	(100,866)	(21,061)
3,220	(43,123)	(29,376)
18	2,139	(128)
-	2,115	-
22,741	993,481	183,995
3,833	15,941	(2,462)
-	-	(129,129)
<u>\$ 12,141</u>	<u>\$ 7,023,247</u>	<u>\$ 311,496</u>

CITY OF DELAWARE, OHIO

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUND
DECEMBER 31, 2017

	<u>Agency</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 677,758
Intergovernmental.	<u>72,552</u>
Total assets.	<u>\$ 750,310</u>
Liabilities:	
Due to other governments	\$ 122,072
Undistributed assets	<u>628,238</u>
Total liabilities.	<u>\$ 750,310</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Delaware [the City] have been prepared in conformity with accounting principles generally accepted in the United States of America (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. Reporting Entity

The City of Delaware, Ohio (the "City") is an incorporated municipality under the laws of the State of Ohio. Its charter was adopted November 6, 1951, and established the Council/Manager form of government. The City presently provides the following services as authorized by its charter: public safety, airport, public works, recreation and parks, cemetery, engineering, public health and water, sewer, storm sewer, and refuse enterprise activities.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are fairly presented and complete.

The primary government consists of all funds, departments, boards and commissions that are not legally separate from the City. They comprise the City's legal entity which provides various services including a public safety department, a public works department, a grounds & facilities department, a parks and facilities department, a planning & community development department, a utility department, an engineering department, and a cemetery. The City is also responsible for the construction, maintenance, and repairs associated with the water and sewer lines, and the provision of water and sewer treatment services. The City Manager and City Council have direct responsibility for these services.

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; (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; (4) or the City is obligated for the debt of the organization. Component units may include organizations for which the City approves the budget, the issuance of debt or the levying of taxes. The City has no blended or discretely presented component units.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The Delaware Municipal Court's (the "Court") activities are included within these basic financial statements as required by Governmental Accounting Standard 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*." The City includes the Court's cash balance and liability to others within its agency funds, and the City's share of Court fines collected and operating expenditures in the Municipal Court Fund. The City established this fund in 2002 because the County's population grew above 100,000 citizens, which requires the presiding judge and clerk to be elected by the County's voting residents. The Court serves as the Court of record and has jurisdiction within Delaware County. The City, however, has no ability to select or influence Court management and cannot dictate budget and other fiscal matters. The Court is presided over by a separately elected judge and clerk that have the authority to select and appoint all officials of the Court and to direct the Court's activity.

On February 12, 2007, Resolution 07-05 was adopted by Delaware City Council creating Delaware South New Community Authority [DSNCA], a jointly governed organization. On February 9, 2009, Resolution 09-05 was adopted by Delaware City Council creating Delaware North New Community Authority [DNNCA], a jointly governed organization. See Note 22 for further information.

On October 29, 2012, Resolution 12-47 was adopted for which the City accepted ownership of Oak Grove Cemetery. The City had deeded the cemetery to the Oak Grove Cemetery Company in 1906. The Company [renamed 'Association'] dissolved in 2012 and deeded the property back to the City.

On June 22, 2015, Ordinance 15-58 was adopted entering the City into an agreement with the JEDD Board and making the City part of the Berkshire Township – City of Delaware Joint Economic Development District.

B. Basis of Presentation - Fund Accounting

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the City as a whole. These statements distinguish between activities that are governmental in nature, which are normally supported by taxes and intergovernmental revenues; and business-type activities, which rely, to a significant extent, upon fees and charges for support. Indirect interfund and internal service fund activities are generally eliminated to avoid the "doubling-up" effect on revenues and expenses; direct expenses are not eliminated within these functional categories. Interfund services provided and used are not eliminated in the process of consolidation. The government-wide financial statements do not include the assets and liabilities of the City's agency funds.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The government-wide statement of net position presents the financial condition of the City at year end, displaying all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position, the difference between these other elements. Net position is displayed in three components; net investment in capital assets, restricted, and unrestricted.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The *Net Investment in Capital Assets* consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflow of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

The *Restricted* component of Net Position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. The Net Position is reported as restricted when constraints placed upon their use are either: (1) externally imposed by creditors [such as through debt covenants], grantors, contributors, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation.

The *Unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position. When both restricted and non-restricted resources are available for use, it is the City's policy to use non-restricted resources first, and then restricted resources, as they are needed.

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the City and for each governmental program. 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.

Fund Financial Statements - Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and proprietary funds are reported in separate columns in the fund financial statements. All other funds are aggregated and reported as non-major governmental or non-major enterprise funds.

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America for local governments as prescribed by the GASB.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/equity, revenues, and expenditures [expenses]. Fund accounting segregates funds according to the intended purpose and is used to aid management in demonstrating compliance with financial-related legal and contractual provisions.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The fund balance of the General Fund is available to the City for any purpose provided it is expended or transferred according to the City's Charter and Code and the general laws and regulations of the State of Ohio.

Fire/EMS Income Tax Fund - To account for the collection and distribution of City-levied income taxes used for the Fire Department and Emergency Medical Services.

Capital Improvement Fund - To account for capital improvements funded by income taxes earmarked for general improvement of all City facilities and operations that were recorded in the General Fund and transferred to the Capital Improvement fund.

Glenn Road South Construction Fund - To account for construction costs of the southern-most 8,700 feet of roadway from the Glenn Ross development to US 23 South.

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

Proprietary (Business-type) Funds - Proprietary funds are used to account for the City's ongoing organizations and activities that are similar to those found in the private sector where the intent of the governing body is that the cost [expenses, including depreciation] of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The City reports the following major proprietary funds:

Water Fund - Accounts for the operations of water treatment, distribution, administration, and related expenses, including capital improvements and debt service. The operations are exclusively financed by customer user charges.

Sewer Fund - Accounts for the wastewater collection, treatment, administration, and related expenses, including capital improvements and debt service. The operations are exclusively financed by customer user charges.

Storm Sewer Fund - Accounts for fees charged to residents and businesses to construct and maintain the City's storm sewers.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Refuse Fund - Accounts for the operations of the solid waste collection and recyclable materials collection systems, and related expenses including capital improvements. The operations are exclusively financed by customer user charges.

Other nonmajor enterprise funds are used to account for the operations of the City's golf course and parking lots.

Additionally, the City reports the following fund types:

Internal Service Funds - are used to account for the financing of goods or services provided by one department of the City to other departments of the City on a cost-reimbursement basis, such as vehicle maintenance, information technology, self-insurance, and worker's compensation costs.

Fiduciary Funds - are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's fiduciary funds include agency funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These activities include funds received from the Municipal Court and passed through to the Law Library or the State Highway Patrol, funds collected from the Planning department and passed through to the State from building permits, funds collected in the form of income taxes from employees working in the newly-established Berkshire JEDD. These are treated as intergovernmental revenues and will be distributed to the various parties involved.

C. Basis of Accounting

Governmental Funds - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows, current liabilities, and deferred inflows are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental fund types follow the modified accrual basis of accounting. Under this method of accounting, the City recognized revenue when it becomes both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is considered to be two months [60 days] after year end. Grants and entitlements must also meet timing, eligibility, and contingency requirements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. Principal and interest on general long-term debt are recognized as expenditures when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Revenues accrued at the end of the year included income tax withholdings, hotel transient taxes, property and other taxes, intergovernmental, rents [building, parking, t-hangar], billings for services and materials, and loans. Revenues not accrued at year-end included fines, permits, and parking meter revenues because they are generally not measurable until received in cash.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Deferred Outflows/Inflows of Resources: In addition to assets, the statements of financial position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources [expense/expenditure] until then. For the City, deferred outflows of resources include a deferred charge on refunding and a deferred outflow of resources related to pension reported in the government-wide statement of net position. The deferred charge resulted from the difference in carrying value of refunded debt in 2002, and its reacquisition price. This amount is being deferred and amortized over the life of the refunding debt. The deferred outflows of resources related to pension are explained in Note 14.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources [revenue] until that time. For the City, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance calendar year 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes income taxes, delinquent property taxes, and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period they become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 14).

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value. Because governmental funds' financial statements use a different measurement focus and basis of accounting than the government-wide statements, governmental funds' financial statements include reconciliations to the government-wide statements.

Proprietary Funds - All proprietary funds [enterprise funds and internal service funds] are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet.

Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The accrual basis of accounting is used for reporting purposes by the proprietary funds.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Revenues are recognized when they are earned and expenses are recorded at the time liabilities are incurred. Unbilled service charges are recognized as revenue at year-end.

D. Cash and Investments

Cash received by the City is deposited in a central bank account. Money for all funds, except for cash in segregated accounts, is maintained in the account or temporarily used to purchase investments. Individual fund integrity is maintained through City records. Each fund's interest in the pool of cash and investments is presented as "Equity in Pooled Cash and Cash Equivalents" on the combined balance sheet. Cash equivalents refer to investments, such as those described below, which are readily converted to cash with no loss of principal.

The Ohio Revised Code authorizes the City to invest in United States and State of Ohio bonds, notes, and other obligations; bank certificates of deposit; bankers' acceptances; commercial paper notes rated prime and issued by United States corporations; written repurchase agreements in the securities listed above provided that the fair 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; and STAR Ohio.

The City invested in STAR Ohio during 2017. STAR Ohio (the State Treasury Asset Reserve of 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 Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit.

Interest income is distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue credited to the general fund during the year amounted to \$387,615, which includes \$321,186 assigned from other funds. Other non-major governmental funds also received interest in the amount of \$108,438.

E. Materials and Supplies Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

Inventories of proprietary funds are stated at the lower of cost or market on a first-in, first-out basis. Inventories of the proprietary funds are expensed when used.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. Restricted Assets

Restricted assets represent certain resources, which are segregated from other resources of the City to reflect restricted cash held for customer deposits paid into the City for utilities and airport t-hangar leases, and for cash in segregated accounts for municipal court unclaimed funds.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year-end, 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 expenditure is reported in the year in which services are consumed.

H. Interfund Assets and Liabilities

Short-term interfund loans or the short-term portion of advances are classified as “interfund receivables/payables.” Long-term interfund loans or the long-term portion of advances are classified as “advances from/to other funds.”

Amounts owed to a particular fund by another fund in the City for goods or services rendered are classified as “due from other funds/due to other funds.” These interfund transactions are eliminated on the government-wide statements.

Any residual balances outstanding between the governmental activities and business-type activities would be reported in the government-wide financial statements as “internal balances”. For 2017, none were reported.

I. Capital Assets

Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment, infrastructure and all other assets that are used in operations and that have initial useful lives extending beyond one reporting period. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure include roads, bridges, sidewalks, and similar items.

The City further defines new capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of five years, except for infrastructure which has a threshold of \$50,000.

All capital assets are valued at historical cost, or estimated historical cost, if actual cost is not available. Donated capital assets are valued at their acquisition value at the time received. Interest on constructed assets, if material, is capitalized and amortized on the straight-line basis over the estimated useful life of the asset.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

Depreciation: Depreciation is an element of expense resulting from the use of long-lived assets. It is measured by allocating the expected net cost of using the asset over its estimated useful life in a systematic and rational manner. Depreciation has been provided using the straight-line method over the following estimated useful lives for both Governmental and Business-Type assets:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	10 - 25 years
Vehicles (autos and trucks)	5 - 8 years
Equipment	5 - 25 years
Buildings	25 - 50 years
Building Improvements	Up to 30 years
Infrastructure	15 - 100 years
Infrastructure Improvements	5 - 50 years

J. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that once incurred, are paid in a timely manner and in full from current financial resources, and are reported as obligations of the funds. However, claims and judgments, compensated absences and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

K. Bond Discounts, Premiums and Issuance Costs

Material discounts and premiums are reported as deferred charges and amortized over the life of the bond using the straight-line method. Any material discounts or premiums (1) are shown separately from the account of the bond liability, (2) are amortized using the straight-line method, and (3) are reflected as interest income or expense in the Statement of Activities. Issuance costs are reported as expenses in the period incurred.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

L. Compensated Absences

The City accrues a liability for compensated absences in accordance with the provisions of GASB Statement No. 16, "*Accounting for Compensated Absences.*" Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. These benefits are accrued into and paid out of the funds the employees' wages are paid from; primarily the General, Street Maintenance & Repair, Fire/EMS Income Tax, Airport Improvement, Municipal Court, Water, Sewer, Storm Sewer, Refuse, Golf Course, Garage Rotary, and Information Technology Rotary funds.

The liability is based on the sick leave accumulated at December 31, by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future. The amount is based on the accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the City's termination policy. These amounts are reported in governmental fund statements only if they have matured.

Payment of vacation and sick leave recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. Management believes that sufficient resources will be made available when payment is due. For governmental funds, the City's liability for unpaid accumulated sick leave and vacation time is the amount to be paid using expendable available financial resources [within 60 days] and is reported as an accrued liability in the fund from which the individuals who have accumulated the unpaid compensated absences are paid in accordance with Interpretation No. 6 of the Governmental Accounting Standards Board – Recognition and Measurement of Certain Liabilities and expenditures in Governmental Fund Financial Statements.

M. Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

During the course of normal operations, the City has transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

N. Fund Balance

The City reports classifications of fund equity based on the purpose for which resources were received and the level of constraint placed on the resources.

Nonspendable

Nonspendable fund balance indicates resources that are not expected to be converted to cash because they are not in a spendable form.

Restricted

Restricted fund balance are resources that have purpose constraints placed upon them by laws, regulations, creditors, grantors, or other external parties and are considered available only for the purpose for which they were received.

Committed

Committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (specifically – Ordinance; the highest level action that constitutes the most binding constraint) of City Council. 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 the use in satisfying those contractual requirements. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process.

Assigned

Assigned fund balances occur through the City's purchasing policy; Council has given the City Manager and Finance Director the authority to constrain monies for intended purposes, which are reported as *assigned* fund balances.

Unassigned

Unassigned fund balance classification includes all other funds in spendable form not restricted, committed, or assigned. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available. The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

O. Intergovernmental Revenues

In governmental funds, federal and state grants awarded on a non-reimbursement basis, state shared revenues, and federal entitlements are recorded as intergovernmental receivables and revenues when measurable and available. They must also meet timing, eligibility, and contingency requirements. Reimbursable-type grants are recorded as due from other governments and revenues when the related expenditures are made.

P. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Q. Net Position

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

The City applies unrestricted resources when an expense is incurred for purposes for which restricted and unrestricted net position are available. None of the City's restricted net position was by enabling legislation at December 31, 2017.

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activities of the proprietary funds. For the City, these revenues are charges for services, capacity fees for the Water and Sewer funds, reimbursements, and miscellaneous revenues. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund.

S. Donated Infrastructure

Contributions of capital in governmental and proprietary funds [donated infrastructure] arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisitions and construction. These contributions are reported as revenue in the proprietary fund financial statements and as capital grants and contributions on the Statement of Activities for both governmental and business-type activities.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. In 2017, the City had no extraordinary or special items.

U. Fair Market Value

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

NOTE 2 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For 2017, the City has implemented GASB Statement No. 80, "Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14", GASB Statement No. 81 "Irrevocable Split-Interest Agreements", and GASB Statement No. 82, "Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73".

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the City.

GASB Statement No. 81 improves the accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the City.

GASB Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the City.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 3 - 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, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

Interim 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 and 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. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2), above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool STAR Ohio;
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 3 - DEPOSITS AND INVESTMENTS - (Continued)

8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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. 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. 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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Restricted Assets

The City is holding \$324,080 in restricted assets in the City Treasury. These assets are restricted for unclaimed monies of the Municipal Court, and as deposits for utility service and T-hangar rentals. These amounts are included in the carrying amount of deposits.

B. Deposits with Financial Institutions

At December 31, 2017, the carrying amount of all City deposits was \$7,463,764 and the bank balance of all City deposits was \$8,930,902. Of the bank balance, \$8,104,389 was exposed to custodial risk as discussed below because those deposits were uninsured and uncollateralized and \$826,513 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2017, the City's financial institutions were approved for a reduced collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 3 - DEPOSITS AND INVESTMENTS - (Continued)

C. Investments

As of December 31, 2017, the City had the following investments and maturities:

<u>Measurement/ Investment Type</u>	<u>Measurement Amount</u>	<u>Investment Maturity 6 months or less</u>
Amortized cost:		
Star Ohio	\$ 64,129,559	\$ 64,129,559
Total	<u>\$ 64,129,559</u>	<u>\$ 64,129,559</u>

The weighted average maturity of investments is 0.0 years.

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

Credit Risk: STAR Ohio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk: The City places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the City at December 31, 2017:

<u>Measurement/ Investment Type</u>	<u>Measurement Amount</u>	<u>% of Total</u>
Amortized Cost:		
Star Ohio	\$ 64,129,559	100.00
Total	<u>\$ 64,129,559</u>	<u>100.00</u>

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 3 - DEPOSITS AND INVESTMENTS - (Continued)

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2017:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 7,463,764
Investments	<u>64,129,559</u>
Total	<u>\$ 71,593,323</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 45,027,216
Business-type activities	<u>25,888,349</u>
Agency funds	<u>677,758</u>
Total	<u>\$ 71,593,323</u>

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers for the year ended December 31, 2017, consisted of the following, as reported on the fund financial statements:

Transfers from general fund to:

Capital improvement	\$ 2,039,700
Non-major governmental funds	1,466,754

Transfers from Fire/EMS Income Tax Fund

Non-major governmental funds	589,950
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Transfers from Capital Improvement fund to:

Non-major governmental funds	823,907
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Transfers from non-major governmental funds to:

Non-major governmental funds	<u>2,384,551</u>
Total transfers	<u>\$ 7,304,862</u>

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 4 - INTERFUND TRANSFERS - (Continued)

Interfund transfers between governmental funds are eliminated for reporting on the government-wide financial statements.

All transfers were in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

NOTE 5 - PROPERTY TAXES

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 percent 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 December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2017 public utility property taxes became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2018 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously. The assessed value for 2016, upon which the 2017 collections were based was approximately \$702.7 million. The assessed value for 2017, upon which the 2018 collections will be based is approximately 795.0 million.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Delaware. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2017 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow since the current taxes were not levied to finance 2017 operations and the collection of delinquent taxes has been offset by a deferred inflow since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is a deferred inflow.

NOTE 6 - MUNICIPAL INCOME TAX

The City collects an income tax of 1.85% of City of Delaware taxable income, defined as gross wages and salaries before any deductions and profits. Filing is mandatory for all residents. Employers within the City are required to withhold tax on all employees working in the City and remit those monies on either a quarterly or monthly schedule. Employers are required to reconcile those withholdings on an annual basis.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 - RECEIVABLES

Receivables at December 31, 2017, consisted of taxes, accounts (billings for user charged services), special assessments, interfund, loans, payments in lieu of taxes, and intergovernmental receivables arising from grants, entitlements and shared revenue. All intergovernmental receivables have been classified as “due from other governments” on the Basic Financial Statements. Amounts not considered fully collectible are shown. The allowance represents an estimate of uncollectible amounts and does not represent actual cash accounts written off by management. The only receivables not expected to be collected within the subsequent year are the special assessments which are collected over the life of the assessment.

A summary of accounts related to utility services is as follows:

<u>Fund:</u>	<u>Gross</u>	<u>Allowance For</u>	<u>Net</u>
	<u>Receivable</u>	<u>Doubtful Accounts</u>	<u>Receivable</u>
Water	\$ 645,781	\$ (15,766)	\$ 630,015
Sewer	757,770	(22,542)	735,228
Storm Sewer	104,700	(1,700)	103,000
Refuse	329,576	(10,342)	319,234
Total	<u>\$ 1,837,827</u>	<u>\$ (50,350)</u>	<u>\$ 1,787,477</u>

A summary of the principal items of intergovernmental receivables were as follows:

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 - RECEIVABLES - (Continued)

<u>Governmental Activities</u>	<u>Amount</u>
<u>Major Funds:</u>	
General	
Local Government	\$ 283,289
Homestead and Rollback	77,804
Local Agency Reimbursements	<u>66,555</u>
Total General	<u>427,648</u>
Fire/EMS Income Tax	
Local Agency Reimbursements	<u>395,188</u>
Capital Improvement	
Road Improvement Grants	<u>453,401</u>
Glenn Road South Construction	
Grants	<u>7,815,489</u>
<u>Other Governmental Funds:</u>	
Street Maintenance and Repair	651,440
State Highway	52,820
License Fee	210,251
Municipal Court	489,043
Police and Fire Pension	23,042
FAA Allocation Grant	5,695
Point Project	6,491
Glenn Road North Construction	<u>2,294,601</u>
Total Other Governmental Funds	<u>3,733,383</u>
Total Governmental Activities	<u>\$ 12,825,109</u>

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 8 - CAPITAL ASSETS

A. Governmental activities capital asset activity for the year ended December 31, 2017, was as follows:

<u>Governmental activities:</u>	Balance <u>12/31/16</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>12/31/17</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 8,726,675	\$ -	\$ -	\$ 8,726,675
Construction in progress	<u>2,584,653</u>	<u>1,089,433</u>	<u>(257,988)</u>	<u>3,416,098</u>
Total capital assets, not being depreciated	<u>11,311,328</u>	<u>1,089,433</u>	<u>(257,988)</u>	<u>12,142,773</u>
<i>Capital assets, being depreciated:</i>				
Buildings & Improvements	57,319,132	-	-	57,319,132
Machinery & Equipment	15,331,713	2,266,962	(214,329)	17,384,346
Infrastructure	<u>67,402,342</u>	<u>3,052,383</u>	<u>-</u>	<u>70,454,725</u>
Total capital assets, being depreciated	<u>140,053,187</u>	<u>5,319,345</u>	<u>(214,329)</u>	<u>145,158,203</u>
<i>Less: accumulated depreciation:</i>				
Buildings & Improvements	(24,896,866)	(2,473,424)	-	(27,370,290)
Machinery & Equipment	(10,303,142)	(1,480,588)	214,329	(11,569,401)
Infrastructure	<u>(16,071,641)</u>	<u>(1,608,634)</u>	<u>-</u>	<u>(17,680,275)</u>
Total accumulated depreciation	<u>(51,271,649)</u>	<u>(5,562,646)</u>	<u>214,329</u>	<u>(56,619,966)</u>
Total capital assets, being depreciated, net	<u>88,781,538</u>	<u>(243,301)</u>	<u>-</u>	<u>88,538,237</u>
Governmental activities capital assets, net	<u>\$ 100,092,866</u>	<u>\$ 846,132</u>	<u>\$ (257,988)</u>	<u>\$100,681,010</u>

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 8 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental activities as follows:

Governmental activities:

General Government	\$ 385,692
Public Safety	1,489,549
Municipal Court	33,643
Parks & Facilities	1,243,364
Community Development	13,869
Airport	855,443
Public Works	1,536,864
Capital assets held by the City's internal service funds are charged to the various functions based on the usage of the assets.	<u>4,222</u>
Total depreciation expense - governmental activities	<u>\$ 5,562,646</u>

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**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 8 - CAPITAL ASSETS - (Continued)

B. Business-type activities capital asset activity for the year ended December 31, 2017 was as follows:

<u>Business-type activities:</u>	<u>Balance</u> <u>12/31/16</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/17</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 4,509,561	\$ -	\$ -	\$ 4,509,561
Construction in progress	<u>4,352,865</u>	<u>1,381,925</u>	<u>(3,608,991)</u>	<u>2,125,799</u>
Total capital assets, not being depreciated	<u>8,862,426</u>	<u>1,381,925</u>	<u>(3,608,991)</u>	<u>6,635,360</u>
<i>Capital assets, being depreciated:</i>				
Buildings & Improvements	77,673,589	-	-	77,673,589
Machinery & Equipment	11,224,128	495,398	(129,447)	11,590,079
Infrastructure	<u>110,565,678</u>	<u>5,832,901</u>	<u>-</u>	<u>116,398,579</u>
Total capital assets, being depreciated	<u>199,463,395</u>	<u>6,328,299</u>	<u>(129,447)</u>	<u>205,662,247</u>
<i>Less: accumulated depreciation:</i>				
Buildings & Improvements	(27,806,736)	(2,193,509)	-	(30,000,245)
Machinery & Equipment	(5,590,430)	(532,301)	129,447	(5,993,284)
Infrastructure	<u>(30,626,039)</u>	<u>(2,232,774)</u>	<u>-</u>	<u>(32,858,813)</u>
Total accumulated depreciation	<u>(64,023,205)</u>	<u>(4,958,584)</u>	<u>129,447</u>	<u>(68,852,342)</u>
Total capital assets, being depreciated, net	<u>135,440,190</u>	<u>1,369,715</u>	<u>-</u>	<u>136,809,905</u>
Business-type activities capital assets, net	<u>\$ 144,302,616</u>	<u>\$ 2,751,640</u>	<u>\$ (3,608,991)</u>	<u>\$ 143,445,265</u>

Depreciation expense was charged to the enterprise funds as follows:

Business-type activities:

Water	\$ 2,040,903
Sewer	2,206,344
Storm Sewer	522,693
Refuse	187,682
Other	<u>962</u>
Total depreciation expense - business-type activities	<u>\$ 4,958,584</u>

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 9 - CAPITAL LEASES - LESSEE DISCLOSURE

In 2012, the City entered into a capital lease for the acquisition of a fire truck. This lease meets the criteria of a capital lease, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital assets consisting of the fire department ladder truck has been capitalized in the amount of \$1,091,176. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the government-wide financial statements. Principal and interest payments are reflected as debt service expenditures and are paid from the Fire/EMS Income Tax Fund.

Also in 2012, the City entered into a capital lease for the acquisition of a 2 Packers (trash trucks) for the Refuse fund. This lease meets the criteria of a capital lease, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital assets consisting of equipment has been capitalized in the amount of \$382,338. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the government-wide financial statements. Principal and interest payments are made from the Refuse fund.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2017.

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2018	\$ 166,294	\$ 20,063
2019	<u>41,574</u>	<u>-</u>
Total future minimum lease payments	207,868	20,063
Less: amount representing interest	<u>(2,826)</u>	<u>(92)</u>
Present value of net minimum lease payments	<u>\$ 205,042</u>	<u>\$ 19,971</u>

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 10 - LONG-TERM OBLIGATIONS

During 2017, the following changes occurred in the long-term obligations:

Governmental activities:	<u>Balance</u> <u>12/31/16</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/17</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
General Obligation Bonds					
2017 Various Purpose Refunding Bonds - 2.0-4%	\$ -	\$ 4,271,735	\$ (338,327)	\$ 3,933,408	\$ 329,259
Unamortized bond premium		411,336	(27,422)	383,914	-
2015 Various Purpose Refunding Bonds - 1.5-4%	5,920,000	-	(225,000)	5,695,000	240,000
Unamortized bond premium	266,360	-	(14,798)	251,562	-
2013 Various Purpose Refunding Bonds - 1.5-4%	6,500,000	-	(430,000)	6,070,000	430,000
Unamortized bond premium	218,679	-	(14,590)	204,089	-
2012 Various Purpose Refunding Bonds - 1%	2,055,000	-	(340,000)	1,715,000	344,342
Unamortized bond premium	38,154	-	(7,843)	30,311	-
Unamortized bond discount	(14,434)	-	2,403	(12,031)	-
2006 Various Purpose Refunding Bonds - 4.25%	812,835	-	(812,835)	-	-
Income Tax Bonds					
2010 Park Facilities Bonds - 4.25	16,975,000	-	(540,000)	16,435,000	570,000
Unamortized bond premium	101,358	-	(5,631)	95,727	-
Capital Lease					
2012 Fire Department Ladder Truck - 1.83%	365,736	-	(160,694)	205,042	163,658
Bond Anticipation Notes					
2016 Various Purpose Notes - 1%	11,015,000	-	(11,015,000)	-	-
2017 Various Purpose Notes - 1.25%	-	10,265,000	-	10,265,000	10,265,000
Compensated absences	4,734,414	2,802,574	(1,765,623)	5,771,365	1,171,108
Past police & fire service liability	243,156	-	(8,904)	234,252	9,286
Net pension liability					
Ohio Public Employees Retirement System	9,413,348	3,067,979	-	12,481,327	-
Ohio Police and Fire Pension Fund	27,515,270	-	(378,344)	27,136,926	-
Total governmental activities					
long-term obligations	<u>\$ 86,159,876</u>	<u>\$ 20,818,624</u>	<u>\$(16,082,608)</u>	<u>\$ 90,895,892</u>	<u>\$ 13,522,653</u>

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Business-type activities:	<u>Balance</u> <u>12/31/16</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/17</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
Sewer Income Tax Special Obligation Bonds					
2009 Southeast Highland - 3.25%	\$ 13,335,000	\$ -	\$ (405,000)	\$ 12,930,000	\$ 420,000
Unamortized bond premium	1,625	-	(77)	1,548	-
Sewer General Obligation Bonds					
2017 US 23 N Sewer Refunding Bonds - 2.0-4%	-	672,308	(46,457)	625,851	36,815
Unamortized bond premium	-	67,951	(4,530)	63,421	-
2012 Sewer System Imp & Refunding Bonds - 1%	1,765,000	-	(295,000)	1,470,000	295,658
Unamortized bond premium	33,831	-	(5,639)	28,192	-
Unamortized bond discount	(27,387)	-	4,565	(22,822)	-
2006 US 23 N Sewer Bonds - 4.25%	711,274	-	(711,274)	-	-
Water General Obligation Bonds					
2017 King Hill Water Twr Refunding Bonds - 2.0-4%	-	2,390,957	(165,216)	2,225,741	130,926
Unamortized bond premium	-	241,656	(16,110)	225,546	-
2016 King Hill Water Twr - 4.25%	2,524,892	-	(2,524,892)	-	-
Refuse Capital Lease					
2012 Refuse Packers - 1.83%	98,938	-	(78,967)	19,971	19,971
Compensated Absences	897,115	491,388	(534,511)	853,992	233,081
Postclosure landfill obligation	215,000	-	(5,000)	210,000	5,000
Water Loans Payable					
2011/2012 OWDA Water Expansion 2.86-3.67%	32,413,903	-	(889,556)	31,524,347	1,020,541
Sewer Loans Payable					
2004 OWDA Wastewater Expansion 3.59%	15,382,359	-	(1,303,825)	14,078,534	1,351,052
Net pension liability					
Ohio Public Employees Retirement System	3,665,416	993,481	-	4,658,897	-
Total business-type activities					
long-term obligations	<u>\$ 71,016,966</u>	<u>\$ 4,857,741</u>	<u>\$ (6,981,489)</u>	<u>\$ 68,893,218</u>	<u>\$ 3,513,044</u>

Future Debt Service Requirements: The principal and interest requirements to retire long-term bond debt obligations at December 31 are:

Year Ending December 31,	<u>Governmental bonds</u>			<u>Business-type activities bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,916,602	\$ 1,168,156	\$ 3,084,758	\$ 883,399	\$ 653,922	\$ 1,537,321
2019	1,961,684	967,424	2,929,108	918,315	629,617	1,547,932
2020	1,925,543	1,064,221	2,989,764	929,456	628,953	1,558,409
2021	2,001,550	1,006,518	3,008,068	948,450	599,581	1,548,031
2022	2,102,992	967,284	3,070,276	3,993,762	2,623,172	6,616,934
2023 - 2027	9,847,580	3,873,663	13,721,243	4,473,210	1,819,362	6,292,572
2028 - 2032	10,422,457	1,984,924	12,407,381	4,155,000	836,238	4,991,238
2033 - 2037	3,670,000	243,775	3,913,775	950,000	45,125	995,125
Total	<u>\$33,848,408</u>	<u>\$11,275,965</u>	<u>\$45,124,373</u>	<u>\$17,251,592</u>	<u>\$ 7,835,970</u>	<u>\$25,087,562</u>

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

General Obligation Bonds: The City issued governmental activity various purpose bonds and business-type activity general obligation bonds in 2017 to refund the 2006 various purpose bonds and to provide funding to enhance the municipal fire safety facilities, but constructing, furnishing and equipping a new fire station. The City issued governmental activity various purpose bonds in 2015 to replace the notes for recreation facilities improvements, further work on the Glenn Road projects, and for EMS vehicles. The City issued governmental activity bonds in 2013 to finance improvements made to the Jack Florance [Mingo] Pool and the recently built Skate Park, the 8,000 square foot addition to the Justice Center, the City-wide phone system, toward the purchase of a vacant manufacturing building to use as the Public Works facility, the construction of Fire Station 303, and part of the Glenn Road construction project. In 2012, governmental activity Various Purpose Refunding bonds were issued to refund 2002 Various Purpose bonds, which were issued to fund US 23/US 42 road improvements and for downtown City street improvements. The 2012 Sewer System Improvement & Refunding bonds originated in 1992 and were refunded the first time in 2002. They were issued to fund improvements to the City’s sewer system and for current sewer system improvements. The 2006 Various Purpose bonds were issued to fund several projects, including the construction of 3 T-hangars at the Municipal Airport, the purchase of land and buildings on Ross Street for the Grounds & Facilities department, landfill remediations at our Curve Road Landfill, construction of the Kingman Hill Water Tower, the 23 N. Sewer, and Houk Road improvements.

General Income Tax Special Obligation Bonds: Special obligation bonds were issued in 2009 to refund notes issued to fund the Southeast Highland Sewer construction that began in 2004. Principal and interest on the Bonds, unless paid from other sources, are to be paid from pledged revenues, including receipts of the City’s general income tax, and the pledged funds. Special obligation bonds were issued in 2010 to provide for City park improvements and for the construction of the YMCA/Training and Community Center on the City’s westside. Principal and interest on the Bonds are to be paid from the City’s levied 0.15% income tax.

Past Service Police and Firefighters Liability: Past service liability for police and firefighters is being paid out of the General fund over time through the year 2035. The principal and interest requirements to retire this obligation at December 31 are:

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 9,286	\$ 9,858	\$ 19,144
2019	9,685	9,459	19,144
2020	10,101	9,043	19,144
2021	10,535	8,609	19,144
2022	10,988	8,157	19,145
2023 - 2027	62,436	33,287	95,723
2028 - 2032	77,047	18,675	95,722
2033 - 2035	44,174	2,819	46,993
Total	<u>\$ 234,252</u>	<u>\$ 99,907</u>	<u>\$ 334,159</u>

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Compensated Absences: Additions and deletions of accrued vacation and sick leave are shown combined. Compensated absences are recorded in the fund from which the liability will be paid in the future. This includes the General, Street Maintenance & Repair, Cemetery, Airport, Fire/EMS Income Tax, Municipal Court, Parks & Natural Resources, Water, Sewer, Storm, Refuse, Golf Course, Garage Rotary, and Info Tech Rotary funds.

Capital Lease Obligation: See Note 9 for additional details.

The Ohio Revised Code (ORC) provides that the net general obligation debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2017, the City's total net debt and unvoted net debt were approximately 5.1% of the total assessed value of all property within the City.

As of December 31, 2017, the City had no debt approved by the voters or Council, which had not been issued.

The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with Delaware County and the Delaware City School District. As of December 31, 2017, these entities have complied with the requirement that overlapping debt must not exceed 1% (10 mills) of the assessed property value.

OWDA Loans: During 2007, the City completed its loan agreement with the Ohio Water Development Authority to fund the new Wastewater Treatment Expansion Facility. This loan replaced the note issued in 2003. The loan proceeds were on a progression basis over the duration of construction, up to a maximum of \$26.17 million [plus capitalized interest] at an interest rate of 3.59%. Total proceeds to be borrowed were fully disbursed as of December 31, 2008, and OWDA finalized financing terms and repayment requirements are immediately following. In 2010, the City entered into another loan agreement with OWDA for up to \$2.225 million [plus capitalized interest] for a water-system extension on the City's far north side. The loan proceed draws were completed in 2011 and will be repaid over 25 years at an interest rate of 3.67% and OWDA financing terms and repayment requirements are immediately following. The City has 2 other OWDA funded projects; Penry Road Wellfield and the Water Treatment Expansion Project. The Wellfield project has been completed and repayment requirements have been finalized. The Expansion project was completed in 2015, but the repayment requirements have not been finalized as of the date of this report. For the aforementioned projects that the terms are finalized, debt requirements are as follows:

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Year Ending December 31,	Wastewater-System Project			Water-System Projects		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 1,351,052	\$ 493,402	\$ 1,844,454	\$ 1,020,541	\$ 1,015,937	\$ 2,036,478
2019	1,399,990	444,464	1,844,454	1,053,871	982,607	2,036,478
2020	1,450,701	393,753	1,844,454	1,088,305	948,173	2,036,478
2021	1,503,249	341,205	1,844,454	1,123,880	912,598	2,036,478
2022	1,557,700	286,754	1,844,454	1,160,634	875,844	2,036,478
2023 - 2027	6,815,842	7,377,816	14,193,658	6,398,623	3,783,768	10,182,391
2028 - 2032	-	-	-	7,518,888	2,663,502	10,182,390
2033 - 2037	-	-	-	8,629,576	1,347,690	9,977,266
2038 - 2039	-	-	-	3,530,029	143,479	3,673,508
Total	<u>\$14,078,534</u>	<u>\$ 9,337,394</u>	<u>\$23,415,928</u>	<u>\$31,524,347</u>	<u>\$12,673,598</u>	<u>\$44,197,945</u>

Defeasance of Bonds

During the current year and in prior years, the City defeased general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the City's financial statements. At December 31, 2017, \$2,667,834 and \$3,076,166 of governmental activities and business-type activities, respectively, of bonds outstanding are considered defeased.

The reacquisition price exceeded the net carrying amount of the old debt by \$23,489 in the governmental activities and \$117,054 in the business-type activities. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

The 2017 advance refunding was undertaken to reduce the combined total debt service payments over the next 14 years by \$682,140 and resulted in an economic gain of \$585,599.

NOTE 11 - NOTES PAYABLE

A note was reissued in 2017 for improvements made to Glenn Parkway Phases 1 & 2, and for sidewalk repairs for the Safewalks program. This is accounted for in the Capital Improvement fund and the Glenn Road South Construction fund.

	Balance			Balance
	12/31/2016	Additions	Deletions	12/31/2017
Notes Payable				
Various Purpose - 1%	<u>\$ 650,000</u>	<u>\$ 750,000</u>	<u>\$ (650,000)</u>	<u>\$ 750,000</u>
Total	<u>\$ 650,000</u>	<u>\$ 750,000</u>	<u>\$ (650,000)</u>	<u>\$ 750,000</u>

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 - LANDFILL CLOSURES

The City closed the Cherry Street Landfill in 1975 and the Curve Road Landfill in 1990. The City properly notified the Ohio Environmental Protection Agency for both closings. Both landfills were at 100% capacity and postclosure costs reflect estimates to monitor the landfills, as required by Ohio Administrative Code 3745-27, through the year 2020. The City awarded contracts to URS Greiner Corporation for monitoring and testing the CSL and to Burgess & Niple for monitoring and testing the CRL. No assets are restricted for payment of postclosure care costs and these costs are subject to changes related to the effects of inflation, revision of laws and other variables. The costs for monitoring and testing the landfills will be expended from the Refuse fund.

NOTE 13 - RISK MANAGEMENT

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

<u>Type of Coverage</u>	<u>Liability Limits</u>	<u>Deductible</u>
Property	\$ 2,000,000	\$ 2,500
Inland Marine	2,000,000	1,000
General Liability	2,000,000	-
Automobile	1,000,000	-
Excess Liability	10,000,000	-
Public Officials Liability	1,000,000	15,000
Police Liability	1,000,000	25,000

The City carries \$1,000,000 of comprehensive combined single limit general liability coverage with a \$1,000 deductible, a \$1,000,000 general law enforcement liability insurance policy and \$1,000,000 public officials' liability, each with a \$5,000 deductible, as well as \$5,000,000 umbrella coverage. There has been no significant reduction in insurance coverage from coverage in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 14 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability/Asset

The net pension liability/asset reported on the statement of net position represents a liability or asset 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.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

The 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 any net pension 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 or overfunded benefits is presented as a long-term *net pension liability* or *net pension asset*, respectively, on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *due to other governments* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan and the Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the Member-Directed Plan and the Combined Plan, substantially all employee members are in OPERS' Traditional Pension Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the Traditional Pension 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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - 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 Pension 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 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

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

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NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections.

Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. For additional information, see the Plan Statement in the OPERS CAFR.

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$1,471,545 for 2017. Of this amount, \$220,119 is reported as due to other governments.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. 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 OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of 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 after 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 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit.

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

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

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

	Police	Firefighters
2017 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 2017 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50 %	0.50 %
 Total Employer	 19.50 %	 24.00 %
 Employee	 12.25 %	 12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$2,012,030 for 2017. Of this amount \$268,946 is reported as due to other governments.

In addition to current contributions, the City pays installments on a specific liability of the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2017, the specific liability of the City was \$234,252 payable in semi-annual payments through the year 2035.

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

The net pension liability and net pension asset for the OPERS Traditional Pension Plan, Combined Plan and Member-Directed Plan, respectively, were measured as of December 31, 2016, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. The City's proportion of the net pension liability or asset 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:

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NOTE 14- DEFINED BENEFIT PENSION PLANS - (Continued)

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.07550700%	0.00000000%	0.00000000%	0.42771600%	
Proportion of the net pension liability/asset current measurement date	<u>0.07548000%</u>	<u>0.18236900%</u>	<u>0.02522300%</u>	<u>0.42844000%</u>	
Change in proportionate share	<u>-0.00002700%</u>	<u>0.18236900%</u>	<u>0.02522300%</u>	<u>0.00072400%</u>	
Proportionate share of the net pension liability	\$ 17,140,224	\$ -	\$ -	\$ 27,136,926	\$ 44,277,150
Proportionate share of the net pension asset	-	(101,502)	(105)	-	(101,607)
Pension expense	3,429,580	73,331	130	3,510,580	7,013,621

At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 14- DEFINED BENEFIT PENSION PLANS - (Continued)

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ 23,233	\$ -	\$ 1,068	\$ 7,677	\$ 31,978
Net difference between projected and actual earnings on pension plan investments	2,552,573	24,765	91	2,638,948	5,216,377
Changes of assumptions	2,718,647	24,737	118	-	2,743,502
Changes in employer's proportionate percentage/ difference between employer contributions	221,796	-	-	184,028	405,824
City contributions subsequent to the measurement date	1,379,777	73,590	18,178	2,012,030	3,483,575
Total deferred outflows of resources	<u>\$ 6,896,026</u>	<u>\$ 123,092</u>	<u>\$ 19,455</u>	<u>\$ 4,842,683</u>	<u>\$ 11,881,256</u>
Deferred inflows of resources					
Differences between expected and actual experience	\$ 102,012	\$ 51,911	\$ -	\$ 62,480	\$ 216,403
Changes in employer's proportionate percentage/ difference between employer contributions	47,362	-	-	124,924	172,286
Total deferred inflows of resources	<u>\$ 149,374</u>	<u>\$ 51,911</u>	<u>\$ -</u>	<u>\$ 187,404</u>	<u>\$ 388,689</u>

\$3,483,575 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/asset in the year ending December 31, 2018.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
2018	\$ 2,258,083	\$ 4,811	\$ 188	\$ 1,007,709	\$ 3,270,791
2019	2,272,628	4,811	188	1,007,708	3,285,335
2020	910,987	3,740	182	768,561	1,683,470
2021	(74,822)	(5,036)	148	(173,581)	(253,291)
2022	(2)	(4,111)	154	29,092	25,133
Thereafter	-	(6,624)	416	3,760	(2,448)
Total	<u>\$ 5,366,874</u>	<u>\$ (2,409)</u>	<u>\$ 1,276</u>	<u>\$ 2,643,249</u>	<u>\$ 8,008,990</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the Board's actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, for the defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Wage inflation	3.25%
Future salary increases, including inflation COLA or ad hoc COLA	3.25% to 10.75% including wage inflation Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2018, then 2.15% simple
Investment rate of return	7.50%
Actuarial cost method	Individual entry age

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016.

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

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NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Discount Rate - The discount rate used to measure the total pension liability/asset was 7.50%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. A discount rate of 8.00% was used in the previous measurement period. 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 contractually 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 the Traditional Pension Plan, Combined Plan and Member-Directed Plan 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/asset calculated using the current period discount rate assumption of 7.50%, as well as what the City's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.50%) or one-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 26,185,522	\$ 17,140,224	\$ 9,602,566
Combined Plan	7,295	(101,501)	(186,016)
Member-Directed Plan	252	(105)	(252)

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016 and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2016, are presented below:

Valuation date	January 1, 2016
Actuarial cost method	Entry age normal
Investment rate of return	8.25%
Projected salary increases	4.25% - 11.00%
Payroll increases	3.75%
Inflation assumptions	3.25%
Cost of living adjustments	2.60% and 3.00% simple

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed for the five-year period ended December 31, 2016. The recommended assumption changes based on this experience study were adopted by OPF’s Board and were effective beginning with the January 1, 2017 actuarial valuation.

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 expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Asset Class	Target Allocation	10 Year Expected Real Rate of Return **	30 Year Expected Real Rate of Return **
Cash and Cash Equivalents	- %		
Domestic Equity	16.00	4.46 %	5.21 %
Non-US Equity	16.00	4.66	5.40
Core Fixed Income *	20.00	1.67	2.37
Global Inflation			
Protected Securities *	20.00	0.49	2.33
High Yield	15.00	3.33	4.48
Real Estate	12.00	4.71	5.65
Private Markets	8.00	7.31	7.99
Timber	5.00	6.87	6.87
Master Limited Partnerships	8.00	6.92	7.36
Total	120.00 %		

Note: assumptions are geometric.

* levered 2x

** numbers include inflation

OPF'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 8.25%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25%), or one percentage point higher (9.25%) than the current rate.

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NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$ 36,143,215	\$ 27,136,926	\$ 19,504,036

Changes Between Measurement Date and Report Date – In October 2017, the OP&F Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of January 1, 2017. The most significant change is a reduction in the discount rate from 8.25 percent to 8.0 percent. Although the exact amount of these changes is not known, the impact to the City’s net pension liability is expected to be significant.

NOTE 15 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

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

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

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

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

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (800) 222-7377.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 15 - POSTRETIREMENT BENEFIT PLANS - (Continued)

Funding Policy - The post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2017, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan and Combined Plan for 2017 was 1.00%.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2017, 2016, and 2015 were \$119,069, \$30,792, and \$28,591, respectively; 86.16% has been contributed for 2017 and 100% has been contributed for 2016 and 2017. The remaining 2017 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under State Bill 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.00% of the employer contributions toward the health care fund after the end of the transition period.

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the OP&F Pension Fund sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 15 - POSTRETIREMENT BENEFIT PLANS - (Continued)

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

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, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% 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, one account is for health care benefits under an Internal Revenue Code Section 115 trust and the other account is for Medicare Part B reimbursements administered as an Internal Revenue Code Section 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2017 thru December 31, 2017. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$23,496 and \$23,812 for the year ended December 31, 2017. 87.12% has been contributed for police and 86.79% has been contributed for firefighters for 2017. The remaining 2017 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements.

NOTE 16 – BUDGETS AND BUDGETARY ACCOUNTING

The City's budget is adopted and modified as follows:

1. Prior to August 15, the Finance Director submits, to the County Budget Commission, an estimate of year end balances and of the next year's revenues. The Commission returns a Certificate of Estimated Resources, limiting the maximum amount the City may expend from a given fund type.
2. Prior to November 15, the City Manager submits to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the year commencing the following January 1. The legal level of control is payroll expenditures/expenses and other expenditures/expenses. For reporting purposes, the City further divides "other" by their function.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 16 – BUDGETS AND BUDGETARY ACCOUNTING – (Continued)

3. Public hearings are held to obtain taxpayers' comments.
4. Prior to January 1 and after publication of the proposed budget ordinances, the budget is legally enacted by ordinance.
5. Shortly after January 1, the Certificate of Estimated Resources is amended to reflect the actual unencumbered balances from the preceding year and for changes in estimated resources since the original submittal.
6. Supplemental appropriations and transfers of appropriations between funds and departments must be approved by City Council. Supplemental appropriations were necessary during the year. The budget figures that appear in the budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

Expenditures cannot exceed appropriations at the legal level of control. Unencumbered appropriations lapse at year-end, and encumbered appropriations are reported as expenditures in the current year.

Encumbrance accounting is utilized in the Governmental Funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable appropriation, and to maintain legal compliance. Unclaimed Funds and Municipal Court Unclaimed Funds did not have a legally adopted budget for 2017.

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 and the Fire/EMS Income Tax 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 account payable (GAAP basis);
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 16 – BUDGETS AND BUDGETARY ACCOUNTING – (Continued)

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

	<u>General fund</u>	<u>Fire/EMS Income Tax</u>
Budget basis	\$ 106,180	\$ 1,399,717
Net adjustment for revenue accruals	274,229	(221,308)
Net adjustment for expenditure accruals	(1,569,072)	284,626
Net adjustment for other sources/uses	1,598,954	-
Funds budgeted elsewhere	237,792	-
Adjustment for encumbrances	<u>513,142</u>	<u>3,531,937</u>
GAAP basis	<u>\$ 1,161,225</u>	<u>\$ 4,994,972</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 parks and recreation fund.

NOTE 17 - 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.

Within the General Fund Unassigned Fund Balance are funds associated with the Development Reserve and Budget Reserve funds. The Development Reserve fund was set up as a management-discretion set-aside to assist with debt service, and support future economic development opportunities. There are no “minimum fund balance” or “expenditure-specific” requirements. If the City needs the money for an allowable purchase, they just need the proper appropriation authority. The Development Reserve fund balance at December 31, 2017 was \$924,886. The Budget Reserve fund is more formal and was set up to maintain a balance equal to 5% of the cash-basis revenues credited to the General Fund in the preceding fiscal year. It will be used to cover, in a given budget year, revenue shortfalls or when expenditures exceed projected amounts. If funds are used, the City will re-establish the required balance within three years. The Budget Reserve fund balance at December 31, 2017 was \$1,047,056.

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

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 17 - FUND BALANCE - (Continued)

Fund balance	General	Fire/EMS Income Tax	Capital Improvement	Glenn Rd. South Construction	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:						
Materials and Supplies Inventory	\$ -	\$ -	\$ -	\$ -	\$ 38,674	\$ 38,674
Unclaimed Funds	15,394	-	-	-	57,425	72,819
Perpetual Care	-	-	-	-	34,982	34,982
Prepayments	138,585	-	-	-	10,613	149,198
Total nonspendable	<u>153,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,694</u>	<u>295,673</u>
Restricted:						
Fire Department Expansion	-	11,436,103	-	-	-	11,436,103
Justice Center Equipment	-	-	-	-	115,812	115,812
Road Resurfacing & Equipment	-	-	-	9,935,538	3,151,324	13,086,862
Parks & Facilities	-	-	-	-	4,307,859	4,307,859
Airport Expansion	-	-	-	-	82,416	82,416
Community Redevelopment	-	-	-	-	2,931	2,931
Community Development Loans	-	-	-	-	780,114	780,114
Municipal Court	-	-	-	-	5,547,143	5,547,143
Cemetery	-	-	-	-	283,976	283,976
Debt Service	-	-	-	-	331,642	331,642
Other Purposes	-	-	-	-	185	185
Total restricted	<u>-</u>	<u>11,436,103</u>	<u>-</u>	<u>9,935,538</u>	<u>14,603,402</u>	<u>35,975,043</u>
Committed:						
Police and Fire Donations and Expansion	-	-	-	-	631,454	631,454
Future Budget and Development	-	-	-	-	3,782,204	3,782,204
Parks & Facilities	270,021	-	-	-	1,292,452	1,562,473
Airport Operation	-	-	-	-	440,410	440,410
Road Resurfacing & Equipment	-	-	1,776,172	-	141,958	1,918,130
General Government	216,317	-	-	-	1,032	217,349
Total committed	<u>486,338</u>	<u>-</u>	<u>1,776,172</u>	<u>-</u>	<u>6,289,510</u>	<u>8,552,020</u>
Assigned:						
General government	101,470	-	-	-	62,077	163,547
Public safety programs	39,179	-	-	-	-	39,179
Community development	23,714	-	-	-	-	23,714
Total assigned	<u>164,363</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,077</u>	<u>226,440</u>
Unassigned	<u>7,416,633</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(76,180)</u>	<u>7,340,453</u>
Total fund balances	<u>\$ 8,221,313</u>	<u>\$ 11,436,103</u>	<u>\$ 1,776,172</u>	<u>\$ 9,935,538</u>	<u>\$ 21,020,503</u>	<u>\$ 52,389,629</u>

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 18 - SELF INSURANCE AND WORKERS COMPENSATION

The City provides medical and dental coverage for its employees and is self-insured up to a stop loss limit for the cost of providing this coverage. Under the self-insurance program, the Self-Insurance Fund (an internal service fund) provides coverage for up to a maximum of \$70,000 in any one year for each employee. The City purchases commercial insurance for claims in excess of coverage provided by the Self-Insurance Fund. The City had no occurrences in which settled claims exceeded the total stop-loss coverage in any of the last three years.

All funds of the City participate in the program and make payments to the Self-Insurance Fund based on a per-employee charge. These monies are recorded as a charge for service in the Self-Insurance Fund and as an expenditure or expense, as applicable, in the disbursing fund.

The claims liability of \$974,414 reported in the internal service fund at December 31, 2017, is based on estimates in accordance with the requirements of GASB Statement No. 10, “*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*”, as amended by GASB Statement No. 30, “*Risk Financing Omnibus*”, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling the claims. Changes in claims activity for the current and past years are as follows:

	<u>Beginning of Year Liability</u>	<u>Current Year Claims & Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
Self-Insurance				
2017	\$ 381,226	\$ 4,866,040	\$(4,895,450)	\$ 351,816
2016	525,934	4,091,634	(4,236,342)	381,226
Worker Compensation				
2017	\$ 722,317	\$ 230,713	\$ (330,432)	\$ 622,598
2016	719,770	317,766	(315,219)	722,317

NOTE 19 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The City maintains three nonmajor enterprise funds to account for Golf Course, Parking Lots, and Watershed Grant activities. None of these activities is supported by revenue bonds or other revenue backed debt instruments and, therefore, segment information is not required. See the combining statements included as part of this CAFR for detailed fund activity of the nonmajor enterprise funds.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 20 - OTHER COMMITMENTS

A. Contractual

At December 31, 2017, the City had uncompleted contracts, as follows:

Description	Contract Amount	Amount Paid	Remaining Commitment
Design And Construction Of Fire Station 304	\$ 3,440,000	\$ 56,521	\$ 3,383,479
Design/Build Refuse & Recycling Bldg	1,969,100	-	1,969,100
The Point/RR Prelim Engineering Agreement	984,898	-	984,898
Stormwater Infrastructure	235,000	-	235,000
E William ROW Acquisition	245,000	32,364	212,636
Glenn Rd Design	230,000	41,761	188,239
Update To Comprehensive Plan	175,000	-	175,000
Taxiway A Construction	199,055	127,018	72,037
Sanitary Sewer Replacement	50,600	-	50,600
Engineering RPR Services	50,000	9,967	40,033
Shade Structures For City Parks	47,574	12,791	34,783
Tandem Dump Truck	103,184	-	103,184
Oak Grove Cemetery Master Plan	30,300	-	30,300
Bridge Rail Repair John St	28,000	-	28,000

B. Revenue Sharing Agreement

The City has entered into an agreement with the Delaware City School District [the“District”] to compensate the District, via a local foundation, for property tax revenues lost as a result of a tax exempt enterprise zone established in the city. For each year the exemption is in effect, the City is obligated to pay the District an amount equal to fifty percent of the income taxes collected on new employee payroll by employers within the enterprise zone. The agreement with this company expires December 31, 2023.

C. Encumbrances

As discussed in note 16, Budgets and Budgetary Accounting, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of cash-basis encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 20 - OTHER COMMITMENTS - (Continued)

Governmental Funds	
General Fund	\$ 530,525
Fire/EMS Levy	3,531,937
Capital Improvements	501,828
Glenn Road South Construction	5,767
Nonmajor Governmental Funds	<u>1,855,464</u>
Total Governmental Funds	<u>6,425,521</u>
Proprietary Funds	
Water	187,218
Sewer	284,930
Storm Sewer	106,832
Refuse	1,900,320
Nonmajor Enterprise Funds	8,962
Internal Service Funds	123,938
Total Proprietary Funds	<u>2,612,200</u>
Total	<u>\$ 9,037,721</u>

NOTE 21 - CONTINGENT LIABILITIES

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

NOTE 22 - JOINTLY GOVERNED ORGANIZATIONS

Delaware South New Community Authority; On February 12, 2007, the Delaware South New Community Authority [DSNCA] was created by the adoption of Resolution 07-05 by Delaware City Council, pursuant to Chapter 349 of the Ohio Revised Code. The DSNCA was established to encourage the orderly development of a well-planned, diversified, and economically sound community; to encourage initiative and participation of private enterprise in this undertaking; and to encourage cooperation between the developer and the DSNCA to carry out the new community development program.

The DSNCA is governed by a seven member Board of Trustees. Delaware City Council appoints three citizen members to the Board to represent the interests of present and future residents of the District and one member to serve as a representative of local government. The Developer shall appoint three members to serve on the Board as representatives of the Developer.

The Glenn Road Extension Bond Anticipation Notes, currently reported by the City, will ultimately be reimbursed by the DSNCA. The City agreed to construct the Glenn Road improvements on behalf of the DSNCA and to carry any debt obligations until such time as the DSNCA is able to issue debt sufficient to pay any outstanding principal and interest on debt issued by the City. Although the City agreed to construct such improvements on behalf of the DSNCA, the City does not approve the respective budgets or impose its will on its operations.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 22 - JOINTLY GOVERNED ORGANIZATIONS - (Continued)

Northern New Community Authority; On December 10, 2007, the Northern New Community Authority [NNCA] was created by the adoption of Ordinance 07-103 by Delaware City Council, pursuant to Chapter 349 of the Ohio Revised Code. Like the DSNCA, the NNCA was established to encourage the orderly development of a well-planned, diversified, and economically sound community; to encourage initiative and participation of private enterprise in this undertaking; and to encourage cooperation between the developer and the NNCA to carry out the new community development program.

The NNCA is governed by a seven member Board of Trustees. Delaware City Council appoints three citizen members to the Board to represent the interests of present and future residents of the District and one member to serve as a representative of local government. The Developer shall appoint three members to serve on the Board as representatives of the Developer. Although the City agreed to construct such improvements on behalf of the NNCA, the City does not approve the respective budgets or impose its will on its operations.

City of Delaware – Berkshire Township JEDD; On November 1, 2014, the Joint Economic Development District was created by the adoption of Ordinance 14-102. An outlet mall will be built within the borders of the JEDD and the City will collect income tax assessed on the workers within the district and distribute to the JEDD, Township, and City.

The JEDD is governed by a five-member board. One member represents the City; one, the Township; one, the owners of businesses within the JEDD; one, the persons working within the JEDD; and one member selected by the other four. Other provisions apply, should there be no businesses or persons working within the JEDD. The initial appointments will vary from one to four years in length. After which, the appointments will be for four-year terms as long as each member serves out their term.

The City collects income taxes on behalf of the JEDD and calculates the amounts due to the JEDD Board, Berkshire Township, and the City. The JEDD Board is to receive 1% of the *gross* revenues, the City; 4%. Of the net revenues, Berkshire Township is to receive 60%, the City; 40%.

NOTE 23 - TAX ABATEMENT DISCLOSURES

The City of Delaware provides tax abatements under four programs: the Residential Community Reinvestment Area Program, the Industrial/Commercial Community Reinvestment Area Program, the Enterprise Zone Program, and the Tax Increment Financing Program.

- The Residential Community Reinvestment Area Program provides property tax abatements to encourage improvements and reinvestment to distressed single-family and multiple-unit dwellings. The program is established under the auspices of a state statute (ORC 3735.65 – ORC 3735.70) empowering cities and counties to establish such programs. The abatements equal 100 percent of the additional property tax resulting from the increase in assessed value as a result of the improvements, are administered as a reduction in the property tax bill, and last for 7 years.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 23 - TAX ABATEMENT DISCLOSURES - (Continued)

Abatements are obtained through application by the property owner prior to commencing improvements and require subsequent provision by the owner of proof that the improvements have been made. Due to this program being administered by our Chief Building Officer and these improvements requiring final occupancy permits, improvement verification happens at the time of the final inspections. Because taxes are not abated until after the improvements have been made, there are no provisions for recapturing abated taxes. No other commitments were made by the City of Delaware as part of these agreements.

- The Industrial/Commercial Community Reinvestment Area Program and Enterprise Zone Program provide property tax abatements to encourage improvements and reinvestment to buildings and unimproved or redevelopment land in the CRA areas or EZ zones. In accordance with all policies and structure set forth in the ORC 3735.65, 3735.66, 3735.67, 3735.671, 3735.672, 3735.673, 3735.68, 3735.69, 3735.70, 5709.82, 5709.83, 5709.85, and all other sections of chapter 5709 the City of Delaware may offer a property tax incentives to an Industrial or Commercial project on the property improvements made to the parcel(s) within a CRA or Enterprise Zone area using the following ROI formula and guidelines. Retail or restaurant projects abatements are limited to the Downtown Historic Districts. Industrial, manufacturing, office, retail and restaurant projects may not exceed 15 years per ORC for CRAs or 10 years for EZs (non-industrial projects are not eligible for EZ abatements.). CRA or Enterprise Zone agreement will be suggested by the following formulas:

o Formula 1 – City Return On Investment (ROI):

((Projected Income Tax from New (not retained unless it is shown that a company will leave without the abatement on an expansion/retention project) Payroll for Entire Term of Projected Abatement X (multiplied by) Most recent IMPLAN multiplier for industrial or commercial) – (minus) any negotiation School Compensation Agreements to be paid by the City.

MINUS

Projected Total Taxes Abated for Entire Term of Projected Abatement – (subtracted by) Total of School Pilot Payments if Negotiated

DIVIDED BY

Projected Total Taxes Abated for Entire Term of Projected Abatement – (subtracted by) Total of School Pilot Payments if Negotiated

AND

Formula 2 – School District(s) Return On Investment (ROI)(This is actually the percentage of revenues the schools will receive in comparison to if the project had not been abated while also taking into account the amount the schools would have continued to receive if the project had never happened.):

The total sum of all negotiated School Pilot Payment Agreements, School Compensation Agreements to be Paid by the City, and/or unabated taxes including the taxes to be paid on the land with any increases on such due to changes in zoning or use

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 23 - TAX ABATEMENT DISCLOSURES - (Continued)

DIVIDED BY

The total sum of taxes paid on the project with no abatement – (minus) the taxes currently paid on the property or that would continue to be paid on the property if the project did not happen.

Guidelines:

- The City of Delaware reserves the right to extend or reject CRA or Enterprise Zone abatements to any company in or seeking to be in a current CRA or Enterprise Zone area.
- Projected taxes abated to be used in the City of Delaware's Economic Development Incentive Policy's (EDIP) formula will be calculated using the above CRA ROI Calculators.
- Company needs will be requested during the CRA or Enterprise Zone application process. The application already has fields for requested percentage and term of requested abatement, but also will include a request for justification for the abatement.
- The CRA formula inputs (percentage and term of abatement) will be adjusted until it reaches an abatement value that meets the needs of the company while also maintaining a positive ROI for the community. This result will translate into a percentage and term of abatement. Only projects with 25% or greater City of Delaware ROI and 30% or greater School District(s) ROI will be eligible for 100% for 15 year abatements (10-year maximum for EZs) if the ROI equals or exceeds 25% (City) and 30% (School District(s)) utilizing 100% for 15 year abatement inputs (10 years for EZs) in the ROI formulas above.
- Only projects with average annual wages exceeding the annual Low to Moderate Income (LMI) for Delaware County will be considered for abatements greater than 50%.
- Only primary target industries listed in the most recent city economic development plan will be considered for 100% gross CRA or EZ tax abatements unless otherwise stated in this EDIP.
- Secondary target industries specified in the most recent city economic development plan will be limited to the Downtown historic districts or areas for which the City desires significant redevelopment. In these areas, secondary target industries will be able to negotiate up to 100% gross CRA tax abatements for fifteen (15) years unless otherwise stated in this EDIP.
- Industries not specified as target industries in the current city economic development plan or industries that harm the overall infrastructure, environment or well-being of the residents of the City of Delaware will not be considered for CRA or EZ tax abatements unless otherwise stated in this EDIP.
- Retail or restaurant projects outside of historic downtown Delaware will not be considered for property tax abatements unless they are proven to be of high economic impact to the community such as when infilling a particular building that has been vacant for an extended period or has lacked considerable reinvestment and has harmed the community as such, or as stated otherwise in this EDIP.

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 23 - TAX ABATEMENT DISCLOSURES - (Continued)

- Projects may require School Compensation Agreements or School Pilot Payment Agreements.
- In accordance with all policies and structure set forth in the ORC 5709.40, 5709.41, 5709.411, 5709.42, and 5709.43, the City of Delaware may utilize Tax Increment Financing (TIF) tax incentives to assist in paying for public infrastructure for an economic development project. When agreed upon by the impacted school districts, these TIF agreements can range from 50% to 100% on property tax improvements not abated by another abatement program for ten to thirty years. Taxes are paid by the owner of the property and then redistributed by the County Auditor to the City of Delaware to be placed in a special fund created for a specific public infrastructure improvement.

Below is the information relevant to the disclosure of these programs for the year ended December 31, 2017:

Tax Abatement Program	Amount of Taxes Abated during the Fiscal Year
Residential Community Reinvestment Area Program	\$ 122,333
Industrial/Commercial Community Reinvestment Area Program	662,482
Enterprise Zone Program	-
Tax Increment Financing Program	902,657

Pursuant to Section 5709.82 of the Ohio Revised Code, the City of Delaware and the Delaware City School District created Community Reinvestment Area Compensation Agreements. These agreements require municipal income tax revenue sharing with the Delaware City School District when income tax collections meet specific criteria. For 2017, the required amounts of income tax dollars paid by the City to the Delaware City School District totaled \$129,067.

NOTE 24 – SUBSEQUENT EVENTS

On April 11, 2018, the City issued \$10.265 million in notes to replace the \$11.015 million outstanding at year end. These notes financed the construction of the Glenn Road extension. This note bears an interest rate of 1.7% and matures on April 10, 2019.

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City of Delaware, Ohio

Required Supplementary Information

CITY OF DELAWARE, OHIO
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Public Employees Retirement System - Traditional Plan
 Last Four Years (1)

<i>Traditional Plan:</i>	2017	2016	2015	2014
City's proportion of the net pension liability	0.0754800%	0.0755070%	0.0749970%	0.0749970%
City's proportionate share of the net pension liability	\$ 17,140,224	\$ 13,078,764	\$ 9,016,601	\$ 8,833,300
City's covered payroll	\$ 10,977,483	\$ 11,913,067	\$ 11,372,533	\$ 10,094,700
City's proportionate share of the net pension liability as a percentage of its covered payroll	156.14%	109.79%	79.28%	87.50%
Plan fiduciary net position as a percentage of the total pension liability	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DELAWARE, OHIO
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Police and Fire Pension Fund
 Last Four Years (1)

	2017	2016	2015	2014
City's proportion of the net pension liability	0.42844000%	0.4277160%	0.4314390%	0.4314390%
City's proportionate share of the net pension liability	\$ 27,136,926	\$ 27,515,270	\$ 22,350,329	\$ 21,012,433
City's covered payroll	\$ 10,051,229	\$ 10,011,687	\$ 9,595,476	\$ 8,591,897
City's proportionate share of the net pension liability as a percentage of its covered payroll	269.99%	274.83%	232.93%	244.56%
Plan fiduciary net position as a percentage of the total pension liability	68.36%	66.77%	72.20%	73.00%

(1) Information prior to 2014 is not available

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DELAWARE, OHIO
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Public Employees Retirement System - Traditional Plan
 Last Five Years (1)

<i>Traditional Plan:</i>	2017	2016	2015	2014
Contractually required contribution	\$ 1,379,777	\$ 1,317,298	\$ 1,429,568	\$ 1,364,704
Contributions in relation to the contractually required contribution	(1,379,777)	(1,317,298)	(1,429,568)	(1,364,704)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$10,613,669	\$10,977,483	\$11,913,067	\$ 11,372,533
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%	12.00%

(1) Information prior to 2013 is not available

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2013
\$ 1,312,311

(1,312,311)

\$ -

\$ 10,094,700

13.00%

CITY OF DELAWARE, OHIO
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Police and Fire Pension Fund
 Last Six Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,012,030	\$ 2,131,004	\$ 2,011,348	\$ 1,953,639
Contributions in relation to the contractually required contribution	<u>(2,012,030)</u>	<u>(2,131,004)</u>	<u>(2,011,348)</u>	<u>(1,953,639)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 9,461,698	\$ 10,051,906	\$ 10,011,687	\$ 9,595,476
Contributions as a percentage of covered payroll	21.27%	21.20%	20.09%	20.36%

(1) Information prior to 2012 is not available

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2013</u>	<u>2012</u>
\$ 1,467,496	\$ 1,794,627
<u>(1,467,496)</u>	<u>(1,794,627)</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 8,591,897	\$ 12,317,275
17.08%	14.57%

CITY OF DELAWARE, OHIO

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017**

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2017.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2017.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. See the notes to the basic financial statements for the methods and assumptions in this calculation.

City of Delaware, Ohio

*Combining Statements and
Individual Fund Schedules*

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CITY OF DELAWARE, OHIO

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The fund balance of the General Fund is available to the City for any purpose provided it is expended or transferred according to the City's Charter and Code and the general laws and regulations of the State of Ohio.

Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget basis):

Parks and Recreation Fund

To account for fees charged for recreational activities, and park rentals, and transfers from the General Fund to be used for park and recreation purposes.

Tree Replacement Fund

To account for fees and donations received to assist in the purchase and maintenance of trees that populate the City's streets and neighborhoods.

Unclaimed Funds

To account for outstanding checks that have not been cashed in a year or more. This fund does not have a legally adopted budget.

Development Reserve Fund

To account for reserves amounts to be used for future debt service obligations related to infrastructure constructed by the City in response to current and future development. In addition, the funds are available for support of future economic development opportunities.

Budget Reserve Fund

To account for the set-aside of contingency funds equal to 5% of annual General Fund revenues. The fund shall be used to stabilize the City's General Fund against cyclical changes in revenues and expenditures. The fund balance will not be appropriated to provide for ongoing general operations of the City.

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

Street Maintenance and Repair Fund

Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

State Highway Improvement Fund

Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for the maintenance of state highways within the City.

License Fee Fund

Required by the Ohio Revised Code to account for monies received from the State of Ohio for the maintenance of public roads, highways, streets and bridges within the City.

Cemetery Fund

To account for operational revenues and expenditures to maintain the Oak Grove Cemetery.

Airport Improvement Fund

To account for fuel sales, T-hangar rentals, tie-downs, miscellaneous sales, and transfers from the General Fund used to maintain the City's Municipal Airport.

CITY OF DELAWARE, OHIO

Nonmajor Special Revenue Funds - (continued)

Airport T-Hangars Fund

To account for expansion T-hangar rentals used to maintain the City's Municipal Airport T-hangars.

Recreation Center Income Tax Fund

To account for the collection and distribution of City-levied income taxes used for park improvements and the construction of the YMCA/Training and Community Center on the City's west side.

Airport TIF Fund

To account for payments in lieu of taxes that will be used, in part, to reimburse the General Fund for costs associated with commercial improvements made at the Municipal Airport.

Glenn Road Bridge TIF Fund

To account for costs incurred with the construction of Glenn Road 1000 feet south of the Glenn Road Railroad Bridge to a point 2000 feet north of the bridge.

Sky Climber/V&P TIF Fund

To account for payments in lieu of taxes that will be used for improvements of two of Delaware's newest businesses.

Mill Run TIF Fund

To account for payments in lieu of taxes that will be used for improvements in the Mill Run area on the City's east side.

Municipal Court Fund

To account for the collection and distribution of the Municipal Court's money, collected from fines and forfeitures. The court acts as the municipal court for all of Delaware County.

IDIAM

To account for the collection of Municipal Court funds for indigent drivers interlock and alcohol monitoring devices issued to indigent defendants.

Drug Enforcement Fund

To account for a portion of money seized during drug-related arrests used in educating students in the consequences of using drugs.

Court Alcohol Treatment Fund

Required by the Ohio Revised Code to account for 50 percent of fines received by the City for convictions related to persons whose driver's license was suspended for driving under the influence of alcohol.

OMVI Enforcement and Education Fund

To account for fines imposed under Section 4511.99 (A) of the Ohio Revised Code. These monies are used to pay costs incurred in enforcing Section 4511.99 of the Ohio Revised Code, and to educate the public about laws governing the operation of a motor vehicle under the influence of alcohol and the danger thereof.

Police Judgment Fund

To account for a portion of seized money used for purchasing of equipment and for training.

Park Exaction Fees Fund

To account for developers' fees used in park improvements.

Computer Legal Research Fund

To account for fines imposed under Section 1901.26.1 of the Ohio Revised Code to assure the efficient operation of the court by means of computerization, and to make available computerized legal research services.

Court Special Projects Fund

To account for fines imposed under Section 1901.26(B)(1) of the Ohio Revised Code to acquire and pay for special projects of the court including, but not limited to, the acquisition of additional facilities or the rehabilitation of existing facilities, the acquisition of equipment, the hiring and training of staff, community service programs, mediation or dispute resolution services, the employment of magistrates, the training and education of judges, acting judges, and magistrates, and other related services.

Probation Services Fund

To account for specific court costs used to maintain ongoing probation services.

CITY OF DELAWARE, OHIO

Nonmajor Special Revenue Funds - (continued)

Police and Fire Pension Fund

To account for a voted real estate tax operating levy which pays for the accrued past service liability for police and fire disability and pension benefits.

Community Promotion Fund

To account for allocated revenues from the City's Hotel/Motel Occupancy Tax to events, organizations, and activities that promote the community and other cultural opportunities.

Community Development Block Grant Fund

To account for Federal-funded housing, development, and City-wide improvement programs.

Revolving Loan Fund

To account for State of Ohio economic development funds loaned to qualified Delaware businesses. The loan payments are made available for future loans to new businesses.

Housing Program Income Fund

To account for program income generated through the subsequent sale of federally-funded houses built/renovated from CHIP grant proceeds.

Community Housing Improvement Program Fund (CHIP)

To account for Federal grant money received for improving rental and owner-occupied properties within the City.

Fire Donations Fund

To account for donations received by the City's Fire Department. The donations are used, in part, to purchase equipment for the Fire Department.

Park Donations Fund

To account for donations received by the City to help beautify and decorate the City's parks.

Police Donations Fund

To account for donations given to the City Police Department. Most of the donations are used to purchase new equipment.

Mayor's Donations Fund

To account, in part, for donations received for marriage ceremonies performed by the Mayor.

Project Trust Fund

To account for money received from developers prior to the development of land to assure the developers provide the required elements, such as park land, water retention site, etc.

Municipal Court Unclaimed Funds

To account for outstanding checks that have not been cashed in a year or more from the Municipal Court. This fund is not budgeted by the City.

Nonmajor Debt Service Funds

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

General Obligation Bond Retirement Fund

To account for transfers in, interest earned, and proceeds of debt, that are utilized for the repayment of general obligation bonds of the City.

Park Improvement Bond Retirement Fund

To account for the transfers in, interest earned, and the repayment of the principle and interest toward the 2010 income tax-funded bond.

Southeast Highland Bond Retirement Fund

To account for the transfers in, interest earned, and the repayment of the principal and interest toward the 2009 bond which was issued to fund the construction of the SE Highland sewer. For GAAP reporting, this activity is reflected in the Sewer enterprise fund.

CITY OF DELAWARE, OHIO

Nonmajor Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds or assets that will be held in trust funds.

Point Project

To account for costs incurred with the re-construction and widening of the "Point", where US Routes 36 and 37 meet at the railroad overpass on the City's East side.

FAA Airport Expansion Fund

To account for Federal and State funds used for the relocation and expansion of the City's Municipal Airport.

FAA Airport Allocation Improvement Fund

To account for Federal funds used for the Automatic Weather Observation System [AWOS] installation and the replacement of the non-directional beacon [NDB].

Equipment Replacement Fund

To account for transfers from departments to provide for the future replacement of equipment.

Park Impact Fees Fund

To account for developers' fees collected to maintain a level of service associated with the City's parks required with the increased growth.

Police Impact Fees Fund

To account for developers' fees collected to maintain a level of service associated with the City's Police Department required with the increased growth.

Fire Impact Fees Fund

To account for developers' fees collected to maintain a level of service associated with the City's Fire Department required with the increased growth.

Municipal Impact Fees Fund

To account for fees used to expand the capacity of the City's municipal facilities and infrastructure.

Glenn Road North Construction Fund

To account for costs incurred with the construction of Glenn Road from Curve Road, then 5500 feet north to US Route 36/37.

Nonmajor Permanent Fund

Cemetery Perpetual Fund

To account for funds endowed to the Oak Grove Cemetery where the interest will be used to pay for upkeep of certain gravesites.

CITY OF DELAWARE, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents	\$ 14,049,347	\$ 441,419	\$ 2,820,807	\$ -	\$ 17,311,573
Receivables (net of allowance for uncollectibles):					
Income taxes	587,670	-	-	-	587,670
Property and other local taxes	396,024	-	-	-	396,024
Payments in lieu of taxes	904,000	-	-	-	904,000
Accounts	34,967	-	-	-	34,967
Loans receivable	585,496	-	-	-	585,496
Due from other funds	60,930	-	-	-	60,930
Due from other governments	1,426,596	-	2,306,787	-	3,733,383
Materials and supplies inventory	38,674	-	-	-	38,674
Prepayments	10,613	-	-	-	10,613
Restricted assets:					
Cash and cash equivalents in segregated accounts	57,425	-	-	34,982	92,407
Customer deposits	13,637	-	-	-	13,637
Total assets	<u>\$ 18,165,379</u>	<u>\$ 441,419</u>	<u>\$ 5,127,594</u>	<u>\$ 34,982</u>	<u>\$ 23,769,374</u>
Liabilities:					
Accounts payable	\$ 89,754	\$ -	\$ 2,400	\$ -	\$ 92,154
Accrued wages and benefits payable	85,559	-	-	-	85,559
Compensated absences payable	59,359	-	-	-	59,359
Interfund loans payable	-	-	81,875	-	81,875
Due to other funds	67,941	-	-	-	67,941
Due to other governments	24,656	-	-	-	24,656
Payable from restricted assets:					
Customer deposits	13,637	-	-	-	13,637
Total liabilities	<u>340,906</u>	<u>-</u>	<u>84,275</u>	<u>-</u>	<u>425,181</u>
Deferred inflows of resources:					
Property taxes levied for the next year	372,000	-	-	-	372,000
Delinquent property tax revenue not available	24,024	-	-	-	24,024
Income tax revenue not available	385,989	-	-	-	385,989
Intergovernmental revenue not available	637,677	-	-	-	637,677
Payments in lieu of taxes levied for the next year	904,000	-	-	-	904,000
Total deferred inflows of resources	<u>2,323,690</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,323,690</u>
Total liabilities and deferred inflows of resources	<u>2,664,596</u>	<u>-</u>	<u>84,275</u>	<u>-</u>	<u>2,748,871</u>
Fund balances:					
Nonspendable	106,712	-	-	34,982	141,694
Restricted	14,155,492	441,419	6,491	-	14,603,402
Committed	1,176,502	-	5,113,008	-	6,289,510
Assigned	62,077	-	-	-	62,077
Unassigned (deficit)	-	-	(76,180)	-	(76,180)
Total fund balances	<u>15,500,783</u>	<u>441,419</u>	<u>5,043,319</u>	<u>34,982</u>	<u>21,020,503</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 18,165,379</u>	<u>\$ 441,419</u>	<u>\$ 5,127,594</u>	<u>\$ 34,982</u>	<u>\$ 23,769,374</u>

CITY OF DELAWARE, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017

	Street Maintenance and Repair	State Highway Improvement	License Fee	Cemetery
Assets:				
Equity in pooled cash and cash equivalents	\$ 516,179	\$ 211,818	\$ 222,085	\$ 297,627
Receivables (net of allowance for uncollectibles):				
Income taxes	-	-	-	-
Property and other local taxes	-	-	-	-
Payments in lieu of taxes	-	-	-	-
Accounts	-	-	-	4,490
Loans receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	651,440	52,820	210,251	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Restricted assets:				
Cash and cash equivalents in segregated accounts	-	-	-	-
Customer deposits	-	-	-	-
Total assets	<u>\$ 1,167,619</u>	<u>\$ 264,638</u>	<u>\$ 432,336</u>	<u>\$ 302,117</u>
Liabilities:				
Accounts payable	\$ 41,127	\$ 3,500	\$ -	\$ 12,399
Accrued wages and benefits	31,417	-	-	3,419
Compensated absences payable	21,885	-	-	1,606
Due to other funds	-	-	-	-
Due to other governments	7,757	-	-	717
Payable from restricted assets:				
Customer deposits	-	-	-	-
Total liabilities	<u>102,186</u>	<u>3,500</u>	<u>-</u>	<u>18,141</u>
Deferred inflows of resources:				
Property taxes levied for the next year	-	-	-	-
Payments in lieu of taxes levied for the next year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Income tax revenue not available	-	-	-	-
Intergovernmental revenue not available	436,094	35,360	143,181	-
Total deferred inflows of resources	<u>436,094</u>	<u>35,360</u>	<u>143,181</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	629,339	225,778	289,155	283,976
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	<u>629,339</u>	<u>225,778</u>	<u>289,155</u>	<u>283,976</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 1,167,619</u>	<u>\$ 264,638</u>	<u>\$ 432,336</u>	<u>\$ 302,117</u>

<u>Airport Improvement</u>	<u>Airport T-Hangars</u>	<u>Recreation Center Income Tax</u>	<u>Airport TIF</u>	<u>Glenn Road Bridge TIF</u>	<u>Sky Climber/ V&P TIF</u>
\$ 266,369	\$ 156,164	\$ 4,002,841	\$ 82,416	\$ 2,000,561	\$ -
-	-	587,670	-	-	-
-	-	-	-	-	-
-	-	-	25,000	706,000	40,000
29,997	480	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
38,674	-	-	-	-	-
10,613	-	-	-	-	-
-	-	-	-	-	-
5,604	8,033	-	-	-	-
<u>\$ 351,257</u>	<u>\$ 164,677</u>	<u>\$ 4,590,511</u>	<u>\$ 107,416</u>	<u>\$ 2,706,561</u>	<u>\$ 40,000</u>
\$ 4,148	\$ -	\$ 6,440	\$ -	\$ -	\$ -
5,049	-	-	-	-	-
2,382	-	-	-	-	-
-	-	-	-	-	-
1,021	-	-	-	-	-
5,604	8,033	-	-	-	-
<u>18,204</u>	<u>8,033</u>	<u>6,440</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	25,000	706,000	40,000
-	-	-	-	-	-
-	-	385,989	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>385,989</u>	<u>25,000</u>	<u>706,000</u>	<u>40,000</u>
49,287	-	-	-	-	-
-	-	4,198,082	82,416	2,000,561	-
283,766	156,644	-	-	-	-
-	-	-	-	-	-
<u>333,053</u>	<u>156,644</u>	<u>4,198,082</u>	<u>82,416</u>	<u>2,000,561</u>	<u>-</u>
<u>\$ 351,257</u>	<u>\$ 164,677</u>	<u>\$ 4,590,511</u>	<u>\$ 107,416</u>	<u>\$ 2,706,561</u>	<u>\$ 40,000</u>

(continued)

CITY OF DELAWARE, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017

	<u>Mill Run TIF</u>	<u>Municipal Court</u>	<u>IDIAM</u>	<u>Drug Enforcement</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 2,565,707	\$ 22,433	\$ 58,800
Receivables (net of allowance for uncollectibles):				
Income taxes	-	-	-	-
Property and other local taxes	-	-	-	-
Payments in lieu of taxes	133,000	-	-	-
Accounts	-	-	-	-
Loans receivable	-	-	-	-
Due from other funds	-	-	-	300
Due from other governments	-	489,043	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Restricted assets:				
Cash and cash equivalents in segregated accounts	-	-	-	-
Customer deposits	-	-	-	-
Total assets	<u>\$ 133,000</u>	<u>\$ 3,054,750</u>	<u>\$ 22,433</u>	<u>\$ 59,100</u>
Liabilities:				
Accounts payable	\$ -	\$ 1,573	\$ 1,012	\$ -
Accrued wages and benefits	-	45,674	-	-
Compensated absences payable	-	33,486	-	-
Due to other funds	-	67,941	-	-
Due to other governments	-	15,161	-	-
Payable from restricted assets:				
Customer deposits	-	-	-	-
Total liabilities	<u>-</u>	<u>163,835</u>	<u>1,012</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next year	-	-	-	-
Payments in lieu of taxes levied for the next year	133,000	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Income tax revenue not available	-	-	-	-
Intergovernmental revenue not available	-	-	-	-
Total deferred inflows of resources	<u>133,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	-	2,890,915	21,421	59,100
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	<u>-</u>	<u>2,890,915</u>	<u>21,421</u>	<u>59,100</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 133,000</u>	<u>\$ 3,054,750</u>	<u>\$ 22,433</u>	<u>\$ 59,100</u>

<u>Court Alcohol Treatment</u>	<u>OMVI Enforcement and Education</u>	<u>Police Judgment</u>	<u>Park Exaction Fees</u>	<u>Computer Legal Research</u>	<u>Court Special Projects</u>
\$ 534,109	\$ 5,904	\$ 121,505	\$ 167,887	\$ 620,406	\$ 867,016
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,659	152	-	-	16,569	17,153
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 536,768</u>	<u>\$ 6,056</u>	<u>\$ 121,505</u>	<u>\$ 167,887</u>	<u>\$ 636,975</u>	<u>\$ 884,169</u>
\$ 5,027	\$ -	\$ 5,693	\$ -	\$ 1,909	\$ 1,168
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,027</u>	<u>-</u>	<u>5,693</u>	<u>-</u>	<u>1,909</u>	<u>1,168</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
531,741	6,056	115,812	-	635,066	883,001
-	-	-	167,887	-	-
-	-	-	-	-	-
<u>531,741</u>	<u>6,056</u>	<u>115,812</u>	<u>167,887</u>	<u>635,066</u>	<u>883,001</u>
<u>\$ 536,768</u>	<u>\$ 6,056</u>	<u>\$ 121,505</u>	<u>\$ 167,887</u>	<u>\$ 636,975</u>	<u>\$ 884,169</u>

(continued)

CITY OF DELAWARE, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017

	<u>Probation Services</u>	<u>Police and Fire Pension</u>	<u>Community Promotion</u>	<u>Community Development Block Grant</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 498,020	\$ -	\$ 62,077	\$ 2,530
Receivables (net of allowance for uncollectibles):				
Income taxes	-	-	-	-
Property and other local taxes	-	396,024	-	-
Payments in lieu of taxes	-	-	-	-
Accounts	-	-	-	-
Loans receivable	-	-	-	-
Due from other funds	23,912	-	-	-
Due from other governments	-	23,042	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Restricted assets:				
Cash and cash equivalents in segregated accounts	-	-	-	-
Customer deposits	-	-	-	-
Total assets	<u>\$ 521,932</u>	<u>\$ 419,066</u>	<u>\$ 62,077</u>	<u>\$ 2,530</u>
Liabilities:				
Accounts payable	\$ 2,089	\$ -	\$ -	\$ -
Accrued wages and benefits	-	-	-	-
Compensated absences payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Payable from restricted assets:				
Customer deposits	-	-	-	-
Total liabilities	<u>2,089</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next year	-	372,000	-	-
Payments in lieu of taxes levied for the next year	-	-	-	-
Delinquent property tax revenue not available	-	24,024	-	-
Income tax revenue not available	-	-	-	-
Intergovernmental revenue not available	-	23,042	-	-
Total deferred inflows of resources	<u>-</u>	<u>419,066</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	519,843	-	-	2,530
Committed	-	-	-	-
Assigned	-	-	62,077	-
Total fund balances	<u>519,843</u>	<u>-</u>	<u>62,077</u>	<u>2,530</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 521,932</u>	<u>\$ 419,066</u>	<u>\$ 62,077</u>	<u>\$ 2,530</u>

<u>Revolving Loan</u>	<u>CHIP</u>	<u>Fire Donations</u>	<u>Park Donations</u>	<u>Police Donations</u>	<u>Mayor Donations</u>
\$ 197,662	\$ 401	\$ 6,345	\$ 6,810	\$ 7,796	\$ 1,657
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
585,496	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 783,158</u>	<u>\$ 401</u>	<u>\$ 6,345</u>	<u>\$ 6,810</u>	<u>\$ 7,796</u>	<u>\$ 1,657</u>
\$ 3,044	\$ -	\$ -	\$ -	\$ -	\$ 625
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,044</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>625</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
780,114	401	-	-	-	-
-	-	6,345	6,810	7,796	1,032
-	-	-	-	-	-
<u>780,114</u>	<u>401</u>	<u>6,345</u>	<u>6,810</u>	<u>7,796</u>	<u>1,032</u>
<u>\$ 783,158</u>	<u>\$ 401</u>	<u>\$ 6,345</u>	<u>\$ 6,810</u>	<u>\$ 7,796</u>	<u>\$ 1,657</u>

(continued)

CITY OF DELAWARE, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017

	<u>Project Trust</u>	<u>Municipal Court Unclaimed Funds</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 546,222	\$ -	\$ 14,049,347
Receivables (net of allowance for uncollectibles):			
Income taxes	-	-	587,670
Property and other local taxes	-	-	396,024
Payments in lieu of taxes	-	-	904,000
Accounts	-	-	34,967
Loans receivable	-	-	585,496
Due from other funds	-	185	60,930
Due from other governments	-	-	1,426,596
Materials and supplies inventory	-	-	38,674
Prepayments	-	-	10,613
Restricted assets:			
Cash and cash equivalents in segregated accounts	-	57,425	57,425
Customer deposits	-	-	13,637
Total assets	<u>\$ 546,222</u>	<u>\$ 57,610</u>	<u>\$ 18,165,379</u>
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 89,754
Accrued wages and benefits	-	-	85,559
Compensated absences payable	-	-	59,359
Due to other funds	-	-	67,941
Due to other governments	-	-	24,656
Payable from restricted assets:			
Customer deposits	-	-	13,637
Total liabilities	<u>-</u>	<u>-</u>	<u>340,906</u>
Deferred inflows of resources:			
Property taxes levied for the next year	-	-	372,000
Payments in lieu of taxes levied for the next year	-	-	904,000
Delinquent property tax revenue not available	-	-	24,024
Income tax revenue not available	-	-	385,989
Intergovernmental revenue not available	-	-	637,677
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>2,323,690</u>
Fund balances:			
Nonspendable	-	57,425	106,712
Restricted	-	185	14,155,492
Committed	546,222	-	1,176,502
Assigned	-	-	62,077
Total fund balances	<u>546,222</u>	<u>57,610</u>	<u>15,500,783</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 546,222</u>	<u>\$ 57,610</u>	<u>\$ 18,165,379</u>

CITY OF DELAWARE, OHIO
 COMBINING BALANCE SHEET
 INDIVIDUAL NONMAJOR DEBT SERVICE FUNDS
 DECEMBER 31, 2017

	<u>General Obligation Bond Retirement</u>	<u>Park Improvement Bond Retirement</u>	<u>Total Nonmajor Debt Service Funds</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 331,642	\$ 109,777	\$ 441,419
Total assets	<u>\$ 331,642</u>	<u>\$ 109,777</u>	<u>\$ 441,419</u>
Fund balances:			
Restricted	\$ 331,642	\$ 109,777	\$ 441,419
Total fund balances	<u>331,642</u>	<u>109,777</u>	<u>441,419</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 331,642</u>	<u>\$ 109,777</u>	<u>\$ 441,419</u>

CITY OF DELAWARE, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2017

	<u>Point Project</u>	<u>FAA Airport Expansion</u>	<u>FAA Airport Allocation Improvement</u>	<u>Equipment Replacement</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ -	\$ -	\$ 141,958
Due from other governments	6,491	-	5,695	-
Total assets	<u>\$ 6,491</u>	<u>\$ -</u>	<u>\$ 5,695</u>	<u>\$ 141,958</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Interfund loans payable	-	61,010	20,865	-
Total liabilities	<u>-</u>	<u>61,010</u>	<u>20,865</u>	<u>-</u>
Fund balances:				
Restricted	6,491	-	-	-
Committed	-	-	-	141,958
Unassigned (deficit)	-	(61,010)	(15,170)	-
Total fund balances	<u>6,491</u>	<u>(61,010)</u>	<u>(15,170)</u>	<u>141,958</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 6,491</u>	<u>\$ -</u>	<u>\$ 5,695</u>	<u>\$ 141,958</u>

Park Impact Fees	Police Impact Fees	Fire Impact Fees	Municipal Impact Fees	Glenn Road North Construction	Total Nonmajor Capital Projects Funds
\$ 1,120,155	\$ 311,853	\$ 305,460	\$ 556,779	\$ 384,602	\$ 2,820,807
-	-	-	-	2,294,601	2,306,787
<u>\$ 1,120,155</u>	<u>\$ 311,853</u>	<u>\$ 305,460</u>	<u>\$ 556,779</u>	<u>\$ 2,679,203</u>	<u>\$ 5,127,594</u>
\$ 2,400	\$ -	\$ -	\$ -	\$ -	\$ 2,400
-	-	-	-	-	81,875
<u>2,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84,275</u>
-	-	-	-	-	6,491
1,117,755	311,853	305,460	556,779	2,679,203	5,113,008
-	-	-	-	-	(76,180)
<u>1,117,755</u>	<u>311,853</u>	<u>305,460</u>	<u>556,779</u>	<u>2,679,203</u>	<u>5,043,319</u>
<u>\$ 1,120,155</u>	<u>\$ 311,853</u>	<u>\$ 305,460</u>	<u>\$ 556,779</u>	<u>\$ 2,679,203</u>	<u>\$ 5,127,594</u>

CITY OF DELAWARE, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Income taxes	\$ 2,050,020	\$ -	\$ -	\$ -	\$ 2,050,020
Property and other local taxes	370,832	-	-	-	370,832
Miscellaneous taxes	82,835	-	-	-	82,835
Payments in lieu of taxes	902,657	-	-	-	902,657
Intergovernmental	2,187,467	-	516,096	-	2,703,563
Investment income	71,742	11,839	24,490	367	108,438
Fines and forfeitures	3,353,889	-	-	-	3,353,889
Impact fees	-	-	500,187	-	500,187
Charges for services	1,675,494	-	93,028	-	1,768,522
Donations	75,082	-	-	-	75,082
Reimbursements	64,245	-	-	-	64,245
Miscellaneous	6,613	-	-	-	6,613
Total revenues	10,840,876	11,839	1,133,801	367	11,986,883
Expenditures:					
Current:					
General government	51,497	82,521	-	-	134,018
Public safety:					
Police	248,965	-	160,347	-	409,312
Fire	208,185	-	14,842	-	223,027
Municipal court	2,749,032	-	-	-	2,749,032
Parks & facilities	445,010	-	361,108	1,448	807,566
Community development	930,882	-	-	-	930,882
Airport	716,624	-	524,575	-	1,241,199
Public works	2,994,262	-	323,028	-	3,317,290
Debt service:					
Principal retirement	170,000	1,687,231	25,000	-	1,882,231
Interest and fiscal charges	46,081	1,092,431	-	-	1,138,512
Total expenditures	8,560,538	2,862,183	1,408,900	1,448	12,833,069
Excess (deficiency) of revenues over (under) expenditures	2,280,338	(2,850,344)	(275,099)	(1,081)	(846,186)
Other financing sources (uses):					
Bond issuance	-	771,735	-	-	771,735
Sale of capital assets	3,191	-	-	-	3,191
Payment to refunded bond escrow agent	-	(812,835)	-	-	(812,835)
Transfers in	2,016,754	2,738,408	510,000	-	5,265,162
Transfers (out)	(2,092,326)	-	(292,225)	-	(2,384,551)
Premium on bond issuance	-	414,292	-	-	414,292
Total other financing sources (uses)	(72,381)	3,111,600	217,775	-	3,256,994
Net change in fund balances	2,207,957	261,256	(57,324)	(1,081)	2,410,808
Fund balances at beginning of year	13,292,826	180,163	5,100,643	36,063	18,609,695
Fund balances at end of year	\$ 15,500,783	\$ 441,419	\$ 5,043,319	\$ 34,982	\$ 21,020,503

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CITY OF DELAWARE, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
INDIVIDUAL NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Street Maintenance and Repair	State Highway Improvement	License Fee	Cemetery
Revenues:				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property and other local taxes	-	-	-	-
Miscellaneous taxes	-	-	-	-
Intergovernmental	1,309,536	106,178	414,691	-
Investment income	-	1,726	3,499	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	169,372
Donations	-	-	-	650
Reimbursements	1,580	-	-	-
Miscellaneous	568	-	-	1,112
Total revenues	1,311,684	107,904	418,190	171,134
Expenditures:				
Current:				
General government	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Municipal court	-	-	-	-
Parks & facilities	-	-	-	254,502
Community development	-	-	-	-
Airport	-	-	-	-
Public works	2,570,785	5,100	418,377	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	2,570,785	5,100	418,377	254,502
Excess (deficiency) of revenues over/(under) expenditures	(1,259,101)	102,804	(187)	(83,368)
Other financing sources (uses):				
Sale of capital assets	3,191	-	-	-
Transfers in	1,361,754	-	-	75,000
Transfers (out)	-	-	-	-
Total other financing sources/(uses)	1,364,945	-	-	75,000
Net change in fund balances	105,844	102,804	(187)	(8,368)
Fund balances at beginning of year	523,495	122,974	289,342	292,344
Fund balances at end of year	\$ 629,339	\$ 225,778	\$ 289,155	\$ 283,976

Airport Improvement	Airport T-Hangars	Recreation Center Income Tax	Airport TIF	Glenn Road Bridge TIF	Sky Climber/ V&P TIF
\$ -	\$ -	\$ 2,050,020	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	75,804	-
-	-	40,827	-	20,681	-
-	-	-	-	-	-
673,599	93,797	-	-	-	-
-	-	-	-	-	-
62,665	-	-	-	-	-
1,164	1,042	-	-	-	-
<u>737,428</u>	<u>94,839</u>	<u>2,090,847</u>	<u>25,001</u>	<u>801,863</u>	<u>40,049</u>
-	-	-	-	48,531	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	108,220	-	-	-
-	-	-	-	-	40,049
695,189	21,435	-	-	-	-
-	-	-	-	-	-
-	-	-	-	170,000	-
-	-	-	-	46,081	-
<u>695,189</u>	<u>21,435</u>	<u>108,220</u>	<u>-</u>	<u>264,612</u>	<u>40,049</u>
<u>42,239</u>	<u>73,404</u>	<u>1,982,627</u>	<u>25,001</u>	<u>537,251</u>	<u>-</u>
-	-	-	-	-	-
30,000	-	-	-	-	-
-	(53,151)	(1,489,175)	-	-	-
<u>30,000</u>	<u>(53,151)</u>	<u>(1,489,175)</u>	<u>-</u>	<u>-</u>	<u>-</u>
72,239	20,253	493,452	25,001	537,251	-
260,814	136,391	3,704,630	57,415	1,463,310	-
<u>\$ 333,053</u>	<u>\$ 156,644</u>	<u>\$ 4,198,082</u>	<u>\$ 82,416</u>	<u>\$ 2,000,561</u>	<u>\$ -</u>

(continued)

CITY OF DELAWARE, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
INDIVIDUAL NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Mill Run TIF</u>	<u>Municipal Court</u>	<u>IDIAM</u>	<u>Drug Enforcement</u>
Revenues:				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property and other local taxes	-	-	-	-
Miscellaneous taxes	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	-	-	-	-
Fines and forfeitures	-	2,267,495	27,517	5,350
Charges for services	-	481,952	-	-
Donations	-	-	-	-
Reimbursements	-	-	-	-
Miscellaneous	-	5	-	-
Total revenues	<u>132,229</u>	<u>2,749,452</u>	<u>27,517</u>	<u>5,350</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Municipal court	-	2,453,092	19,531	263
Parks & facilities	-	-	-	-
Community development	132,229	-	-	-
Airport	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>132,229</u>	<u>2,453,092</u>	<u>19,531</u>	<u>263</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>-</u>	<u>296,360</u>	<u>7,986</u>	<u>5,087</u>
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	-	550,000	-	-
Transfers (out)	-	-	-	-
Total other financing sources/(uses)	<u>-</u>	<u>550,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	846,360	7,986	5,087
Fund balances at beginning of year	<u>-</u>	<u>2,044,555</u>	<u>13,435</u>	<u>54,013</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 2,890,915</u>	<u>\$ 21,421</u>	<u>\$ 59,100</u>

Court Alcohol Treatment	OMVI Enforcement and Education	Police Judgment	Park Exaction Fees	Computer Legal Research	Court Special Projects
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
65,277	2,020	41,543	-	327,719	334,104
-	-	-	-	-	-
-	-	-	26,808	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>65,277</u>	<u>2,020</u>	<u>41,543</u>	<u>26,808</u>	<u>327,719</u>	<u>334,104</u>
-	-	-	-	-	-
-	-	39,228	-	-	-
52,874	-	-	-	96,733	85,677
-	-	-	64,098	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>52,874</u>	<u>-</u>	<u>39,228</u>	<u>64,098</u>	<u>96,733</u>	<u>85,677</u>
12,403	2,020	2,315	(37,290)	230,986	248,427
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(100,000)	(250,000)
-	-	-	-	(100,000)	(250,000)
12,403	2,020	2,315	(37,290)	130,986	(1,573)
519,338	4,036	113,497	205,177	504,080	884,574
<u>\$ 531,741</u>	<u>\$ 6,056</u>	<u>\$ 115,812</u>	<u>\$ 167,887</u>	<u>\$ 635,066</u>	<u>\$ 883,001</u>

(continued)

CITY OF DELAWARE, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
INDIVIDUAL NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Probation Services	Police and Fire Pension	Community Promotion	Community Development Block Grant
Revenues:				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property and other local taxes	-	370,832	-	-
Miscellaneous taxes	-	-	82,835	-
Intergovernmental	-	45,537	-	82,000
Investment income	-	-	-	-
Fines and forfeitures	282,679	-	-	-
Charges for services	-	-	-	-
Donations	-	-	35,125	-
Reimbursements	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	282,679	416,369	117,960	82,000
Expenditures:				
Current:				
General government	-	-	-	-
Public safety:				
Police	-	208,184	-	-
Fire	-	208,185	-	-
Municipal court	40,612	-	-	-
Parks & facilities	-	-	-	-
Community development	-	-	101,380	82,000
Airport	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	40,612	416,369	101,380	82,000
Excess (deficiency) of revenues over/(under) expenditures	242,067	-	16,580	-
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(200,000)	-	-	-
Total other financing sources/(uses)	(200,000)	-	-	-
Net change in fund balances	42,067	-	16,580	-
Fund balances at beginning of year	477,776	-	45,497	2,530
Fund balances at end of year	\$ 519,843	\$ -	\$ 62,077	\$ 2,530

Revolving Loan	Housing Program Income	CHIP	Fire Donations	Park Donations	Police Donations
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	153,721	-	-	-
5,009	-	-	-	-	-
-	-	-	-	-	-
256,774	-	-	-	-	-
-	-	-	580	-	1,540
-	-	-	-	-	-
-	-	-	-	-	-
<u>261,783</u>	<u>-</u>	<u>153,721</u>	<u>580</u>	<u>-</u>	<u>1,540</u>
-	-	-	-	-	-
-	-	-	-	-	1,553
-	-	-	-	-	-
-	-	-	-	18,190	-
391,303	27,018	134,666	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>391,303</u>	<u>27,018</u>	<u>134,666</u>	<u>-</u>	<u>18,190</u>	<u>1,553</u>
<u>(129,520)</u>	<u>(27,018)</u>	<u>19,055</u>	<u>580</u>	<u>(18,190)</u>	<u>(13)</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(129,520)</u>	<u>(27,018)</u>	<u>19,055</u>	<u>580</u>	<u>(18,190)</u>	<u>(13)</u>
909,634	27,018	(18,654)	5,765	25,000	7,809
<u>\$ 780,114</u>	<u>\$ -</u>	<u>\$ 401</u>	<u>\$ 6,345</u>	<u>\$ 6,810</u>	<u>\$ 7,796</u>

(continued)

CITY OF DELAWARE, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
INDIVIDUAL NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Mayor Donations	Project Trust	Municipal Court Unclaimed Funds	Total Nonmajor Special Revenue Funds
Revenues:				
Income taxes	\$ -	\$ -	\$ -	\$ 2,050,020
Property and other local taxes	-	-	-	370,832
Miscellaneous taxes	-	-	-	82,835
Intergovernmental	-	-	-	2,187,467
Investment income	-	-	-	71,742
Fines and forfeitures	-	-	185	3,353,889
Charges for services	-	-	-	1,675,494
Donations	2,040	8,339	-	75,082
Reimbursements	-	-	-	64,245
Miscellaneous	-	-	2,722	6,613
Total revenues	2,040	8,339	2,907	10,840,876
Expenditures:				
Current:				
General government	2,966	-	-	51,497
Public safety:				
Police	-	-	-	248,965
Fire	-	-	-	208,185
Municipal court	-	-	250	2,749,032
Parks & facilities	-	-	-	445,010
Community development	-	22,237	-	930,882
Airport	-	-	-	716,624
Public works	-	-	-	2,994,262
Debt service:				
Principal retirement	-	-	-	170,000
Interest and fiscal charges	-	-	-	46,081
Total expenditures	2,966	22,237	250	8,560,538
Excess (deficiency) of revenues over/(under) expenditures	(926)	(13,898)	2,657	2,280,338
Other financing sources (uses):				
Sale of capital assets	-	-	-	3,191
Transfers in	-	-	-	2,016,754
Transfers (out)	-	-	-	(2,092,326)
Total other financing sources/(uses)	-	-	-	(72,381)
Net change in fund balances	(926)	(13,898)	2,657	2,207,957
Fund balances at beginning of year	1,958	560,120	54,953	13,292,826
Fund balances at end of year	\$ 1,032	\$ 546,222	\$ 57,610	\$ 15,500,783

CITY OF DELAWARE, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
INDIVIDUAL NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	General Obligation Bond Retirement	Park Improvement Bond Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Investment income	\$ 5,502	\$ 6,337	\$ 11,839
Total revenues	<u>5,502</u>	<u>6,337</u>	<u>11,839</u>
Expenditures:			
Current:			
General government	82,521	-	82,521
Debt service:			
Principal retirement	1,147,231	540,000	1,687,231
Interest and fiscal charges	344,018	748,413	1,092,431
Total expenditures	<u>1,573,770</u>	<u>1,288,413</u>	<u>2,862,183</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>(1,568,268)</u>	<u>(1,282,076)</u>	<u>(2,850,344)</u>
Other financing sources (uses):			
Bond issuance	771,735	-	771,735
Payment to refunded bond escrow agent	(812,835)	-	(812,835)
Transfers in	1,454,351	1,284,057	2,738,408
Premium on bond issuance	414,292	-	414,292
Total other financing sources/(uses)	<u>1,827,543</u>	<u>1,284,057</u>	<u>3,111,600</u>
Net change in fund balances	259,275	1,981	261,256
Fund balances at beginning of year	<u>72,367</u>	<u>107,796</u>	<u>180,163</u>
Fund balances at end of year	<u>\$ 331,642</u>	<u>\$ 109,777</u>	<u>\$ 441,419</u>

CITY OF DELAWARE, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
INDIVIDUAL NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Point Project	FAA Airport Expansion	FAA Airport Allocation Improvement	Equipment Replacement
Revenues:				
Intergovernmental	\$ 6,491	\$ 318,705	\$ 190,900	\$ -
Investment income	-	-	-	-
Impact fees	-	-	-	-
Charges for services	-	-	-	-
Total revenues	<u>6,491</u>	<u>318,705</u>	<u>190,900</u>	<u>-</u>
Expenditures:				
Current:				
Public safety:				
Police	-	-	-	152,946
Fire	-	-	-	-
Parks & facilities	-	-	-	94,918
Airport	-	315,659	208,916	-
Public works	-	-	-	320,000
Debt service:				
Principal retirement	-	-	-	-
Total expenditures	<u>-</u>	<u>315,659</u>	<u>208,916</u>	<u>567,864</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>6,491</u>	<u>3,046</u>	<u>(18,016)</u>	<u>(567,864)</u>
Other financing sources (uses):				
Transfers in	-	-	-	510,000
Transfers (out)	-	-	-	-
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>510,000</u>
Net change in fund balances	6,491	3,046	(18,016)	(57,864)
Fund balances at beginning of year	-	(64,056)	2,846	199,822
Fund balances at end of year	<u>\$ 6,491</u>	<u>\$ (61,010)</u>	<u>\$ (15,170)</u>	<u>\$ 141,958</u>

Park Impact Fees	Police Impact Fees	Fire Impact Fees	Municipal Impact Fees	Glenn Road North Construction	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 516,096
11,724	3,457	3,564	5,745	-	24,490
289,302	41,969	78,585	90,331	-	500,187
-	-	-	65,000	28,028	93,028
<u>301,026</u>	<u>45,426</u>	<u>82,149</u>	<u>161,076</u>	<u>28,028</u>	<u>1,133,801</u>
-	7,401	-	-	-	160,347
-	-	7,421	7,421	-	14,842
266,190	-	-	-	-	361,108
-	-	-	-	-	524,575
-	-	-	-	3,028	323,028
-	-	-	-	25,000	25,000
<u>266,190</u>	<u>7,401</u>	<u>7,421</u>	<u>7,421</u>	<u>28,028</u>	<u>1,408,900</u>
<u>34,836</u>	<u>38,025</u>	<u>74,728</u>	<u>153,655</u>	<u>-</u>	<u>(275,099)</u>
-	-	-	-	-	510,000
-	(60,227)	(100,000)	(131,998)	-	(292,225)
-	(60,227)	(100,000)	(131,998)	-	217,775
34,836	(22,202)	(25,272)	21,657	-	(57,324)
<u>1,082,919</u>	<u>334,055</u>	<u>330,732</u>	<u>535,122</u>	<u>2,679,203</u>	<u>5,100,643</u>
<u>\$ 1,117,755</u>	<u>\$ 311,853</u>	<u>\$ 305,460</u>	<u>\$ 556,779</u>	<u>\$ 2,679,203</u>	<u>\$ 5,043,319</u>

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CITY OF DELAWARE, OHIO

Combining Statements – Nonmajor Enterprise Funds

Enterprise Funds

Golf Course Fund

To account for funds received and used at the City's Municipal Golf Course.

Parking Lots Fund

To account for funds received from the rental of City-owned parking lots and meters. The receipts are used to purchase and maintain traffic enforcement equipment, parking lots, and meters.

CITY OF DELAWARE, OHIO
COMBINING BALANCE SHEET
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Golf Course</u>	<u>Parking Lots</u>	<u>Totals</u>
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 68,499	\$ 42,270	\$ 110,769
Materials and supplies inventory	453	-	453
Prepayments	896	-	896
Total current assets	<u>69,848</u>	<u>42,270</u>	<u>112,118</u>
Noncurrent assets:			
Net pension asset	866	-	866
Capital assets:			
Land and construction in progress	8,500	202,254	210,754
Depreciable capital assets, net	189,575	-	189,575
Total capital assets, net	<u>198,075</u>	<u>202,254</u>	<u>400,329</u>
Total noncurrent assets	<u>198,941</u>	<u>202,254</u>	<u>401,195</u>
Total assets	<u>268,789</u>	<u>244,524</u>	<u>513,313</u>
Deferred outflows of resources:			
Pension OPERS	58,922	-	58,922
Total deferred outflows of resources	<u>58,922</u>	<u>-</u>	<u>58,922</u>
Liabilities:			
Current liabilities:			
Accounts payable	818	4,454	5,272
Accrued wages and benefits payable	1,637	-	1,637
Due to other governments	431	-	431
Compensated absences payable - current	5,870	-	5,870
Total current liabilities	<u>8,756</u>	<u>4,454</u>	<u>13,210</u>
Long-term liabilities:			
Compensated absences payable - matured	7,675	-	7,675
Net pension liability	146,085	-	146,085
Total noncurrent liabilities	<u>153,760</u>	<u>-</u>	<u>153,760</u>
Total liabilities	<u>162,516</u>	<u>4,454</u>	<u>166,970</u>
Deferred inflows of resources:			
Pension OPERS	6,217	-	6,217
Total liabilities and deferred inflows of resources	<u>168,733</u>	<u>4,454</u>	<u>173,187</u>
Net position:			
Net investment in capital assets	198,075	202,254	400,329
Unrestricted	<u>(39,097)</u>	<u>37,816</u>	<u>(1,281)</u>
Total net position	<u>158,978</u>	<u>240,070</u>	<u>399,048</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 327,711</u>	<u>\$ 244,524</u>	<u>\$ 572,235</u>

CITY OF DELAWARE, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Golf Course</u>	<u>Parking Lots</u>	<u>Totals</u>
Operating revenues:			
Charges for services	\$ 163,957	\$ 49,695	\$ 213,652
Other	5,037	-	5,037
Total operating revenues	<u>168,994</u>	<u>49,695</u>	<u>218,689</u>
Operating expenses:			
Personal services	143,267	-	143,267
Services and charges	31,694	40,545	72,239
Materials and supplies	14,173	-	14,173
Depreciation	962	-	962
Total operating expenses	<u>190,096</u>	<u>40,545</u>	<u>230,641</u>
Net income (loss)	(21,102)	9,150	(11,952)
Net position, January 1	<u>180,080</u>	<u>230,920</u>	<u>411,000</u>
Net position, December 31	<u>\$ 158,978</u>	<u>\$ 240,070</u>	<u>\$ 399,048</u>

CITY OF DELAWARE, OHIO

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Golf Course</u>	<u>Parking Lots</u>	<u>Totals</u>
Cash flows from operating activities:			
Cash received from customers	\$ 163,957	\$ 49,695	\$ 213,652
Cash payments for personal services	(126,487)	-	(126,487)
Cash payments for services and charges	(30,242)	(36,091)	(66,333)
Cash payments for materials and supplies	(13,728)	-	(13,728)
Cash receipts/ payments for other operating	5,037	-	5,037
Net cash provided by (used in) operating activities	<u>(1,463)</u>	<u>13,604</u>	<u>12,141</u>
Net increase (decrease) in cash and cash equivalents	(1,463)	13,604	12,141
Cash and cash equivalents, January 1	69,962	28,666	98,628
Cash and cash equivalents, December 31	<u>\$ 68,499</u>	<u>\$ 42,270</u>	<u>\$ 110,769</u>
 Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ (21,102)	\$ 9,150	\$ (11,952)
Adjustments:			
Depreciation	962	-	962
Changes in assets, deferred inflows, liabilities and deferred outflows:			
Increase in materials and supplies inventory	275	-	275
Increase in prepaid asset	804	-	804
Increase in net pension asset	(866)	-	(866)
Increase in deferred outflows - pension - OPERS	(9,771)	-	(9,771)
Increase in accounts payable	818	4,454	5,272
Decrease in accrued wages and benefits	(2,395)	-	(2,395)
Increase in compensated absences payable	3,220	-	3,220
Decrease in due to other governments	18	-	18
Increase in net pension liability	22,741	-	22,741
Increase in deferred inflows - pension - OPERS	3,833	-	3,833
Net cash provided by operating activities	<u>\$ (1,463)</u>	<u>\$ 13,604</u>	<u>\$ 12,141</u>

CITY OF DELAWARE, OHIO

Combining Statements – Internal Service Funds

Internal Service Funds

Garage Rotary Fund

To account for the fuel, maintenance and repair for all City vehicles and machinery. The cost is allocated to the various departments.

Info Tech Rotary Fund

To account for the staff, system support, and purchases of the City's technology and GIS department. The cost is allocated to the various departments supported.

Self-insurance Fund

To account for premiums charged to various City funds for the payment of employee health care claims.

Worker's Compensation Fund

To account for the potential worker's compensation claims of the City. The City utilizes a retro-payment system where annual premiums are paid, as are retroactive claims. The City charges various departments for these premiums and payments.

CITY OF DELAWARE, OHIO

COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Garage Rotary	Info Tech Rotary	Self-Insurance	Workers Compensation	Totals
Assets:					
Current assets:					
Equity in pooled cash and cash equivalents	\$ 340,629	\$ 724,385	\$ 1,918,596	\$ 2,352,623	\$ 5,336,233
Prepayments	-	5,587	-	188,241	193,828
Total current assets	<u>340,629</u>	<u>729,972</u>	<u>1,918,596</u>	<u>2,540,864</u>	<u>5,530,061</u>
Noncurrent assets:					
Net pension asset	1,984	3,043	-	-	5,027
Capital assets:					
Depreciable capital assets, net	13,453	566	-	-	14,019
Total capital assets, net	<u>13,453</u>	<u>566</u>	<u>-</u>	<u>-</u>	<u>14,019</u>
Total noncurrent assets	<u>15,437</u>	<u>3,609</u>	<u>-</u>	<u>-</u>	<u>19,046</u>
Total assets	<u>356,066</u>	<u>733,581</u>	<u>1,918,596</u>	<u>2,540,864</u>	<u>5,549,107</u>
Deferred outflows of resources:					
Pension OPERS	134,807	208,342	-	-	343,149
Total deferred outflows of resources	<u>134,807</u>	<u>208,342</u>	<u>-</u>	<u>-</u>	<u>343,149</u>
Liabilities:					
Current liabilities:					
Accounts payable	4,489	57,300	10,048	-	71,837
Accrued wages and benefits payable	5,820	6,808	-	-	12,628
Due to other governments	1,555	1,737	-	-	3,292
Compensated absences payable - current	14,714	20,720	-	-	35,434
Claims payable - current	-	-	336,733	-	336,733
Total current liabilities	<u>26,578</u>	<u>86,565</u>	<u>346,781</u>	<u>-</u>	<u>459,924</u>
Long-term liabilities:					
Compensated absences payable - matured	28,204	39,757	-	-	67,961
Claims payable	-	-	15,083	622,598	637,681
Net pension liability	334,629	513,274	-	-	847,903
Total noncurrent liabilities	<u>362,833</u>	<u>553,031</u>	<u>15,083</u>	<u>622,598</u>	<u>1,553,545</u>
Total liabilities	<u>389,411</u>	<u>639,596</u>	<u>361,864</u>	<u>622,598</u>	<u>2,013,469</u>
Deferred inflows of resources:					
Pension OPERS	5,883	4,609	-	-	10,492
Total liabilities and deferred inflows of resources	<u>395,294</u>	<u>644,205</u>	<u>361,864</u>	<u>622,598</u>	<u>2,023,961</u>
Net position:					
Net investment in capital assets	13,453	566	-	-	14,019
Unrestricted	82,126	297,152	1,556,732	1,918,266	3,854,276
Total net position	<u>95,579</u>	<u>297,718</u>	<u>1,556,732</u>	<u>1,918,266</u>	<u>3,868,295</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 490,873</u>	<u>\$ 941,923</u>	<u>\$ 1,918,596</u>	<u>\$ 2,540,864</u>	<u>\$ 5,892,256</u>

CITY OF DELAWARE, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Garage Rotary</u>	<u>Info Tech Rotary</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Totals</u>
Operating revenues:					
Charges for services	\$ 645,440	\$ 1,052,850	\$ 4,757,861	\$ 569,714	\$ 7,025,865
Reimbursements	-	-	814,682	171,237	985,919
Total operating revenues	<u>645,440</u>	<u>1,052,850</u>	<u>5,572,543</u>	<u>740,951</u>	<u>8,011,784</u>
Operating expenses:					
Personal services	347,740	487,860	-	-	835,600
Services and charges	18,067	422,151	984,862	31,784	1,456,864
Materials and supplies	239,891	4,179	-	-	244,070
Claims	-	-	4,866,040	224,850	5,090,890
Depreciation	2,638	1,584	-	-	4,222
Total operating expenses	<u>608,336</u>	<u>915,774</u>	<u>5,850,902</u>	<u>256,634</u>	<u>7,631,646</u>
Net income (loss)	37,104	137,076	(278,359)	484,317	380,138
Net position, January 1	<u>58,475</u>	<u>160,642</u>	<u>1,835,091</u>	<u>1,433,949</u>	<u>3,488,157</u>
Net position, December 31	<u>\$ 95,579</u>	<u>\$ 297,718</u>	<u>\$ 1,556,732</u>	<u>\$ 1,918,266</u>	<u>\$ 3,868,295</u>

CITY OF DELAWARE, OHIO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Garage Rotary</u>	<u>Info Tech Rotary</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Totals</u>
Cash flows from operating activities:					
Cash received from customers	\$ 645,440	\$ 1,052,850	\$ -	\$ -	\$ 1,698,290
Cash received for premiums	-	-	4,757,861	569,714	5,327,575
Cash payments for personal services	(316,088)	(472,809)	-	-	(788,897)
Cash payments for services and charges	(18,362)	(366,626)	(974,814)	(31,784)	(1,391,586)
Cash payments for materials and supplies	(243,790)	(50,133)	-	-	(293,923)
Cash payments for claims	-	-	(4,895,450)	(330,432)	(5,225,882)
Other cash receipts or payments	-	-	814,682	171,237	985,919
Net cash provided by (used in) operating activities	<u>67,200</u>	<u>163,282</u>	<u>(297,721)</u>	<u>378,735</u>	<u>311,496</u>
Net increase (decrease) in cash and cash equivalents	67,200	163,282	(297,721)	378,735	311,496
Cash and cash equivalents, January 1	<u>273,429</u>	<u>561,103</u>	<u>2,216,317</u>	<u>1,973,888</u>	<u>5,024,737</u>
Cash and cash equivalents, December 31	<u>\$ 340,629</u>	<u>\$ 724,385</u>	<u>\$ 1,918,596</u>	<u>\$ 2,352,623</u>	<u>\$ 5,336,233</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ 37,104	\$ 137,076	\$ (278,359)	\$ 484,317	\$ 380,138
Adjustments:					
Depreciation	2,638	1,584	-	-	4,222
Changes in assets, deferred inflows, liabilities and deferred outflows:					
Increase in prepaid asset	-	-	-	(1,102)	(1,102)
Increase in net pension asset	(1,984)	(3,043)	-	-	(5,027)
Increase in deferred outflows - pension - OPERS	(31,233)	(48,076)	-	-	(79,309)
Increase (decrease) in accounts payable	(4,123)	9,571	10,048	(4,761)	10,735
Increase in accrued wages and benefits	(8,326)	(12,735)	-	-	(21,061)
Increase (decrease) in compensated absences payable	1,087	(30,463)	-	-	(29,376)
Increase (decrease) in due to other governments	70	(198)	-	-	(128)
Increase in net pension liability	71,142	112,853	-	-	183,995
Increase (decrease) in deferred inflows - pension - OPERS	825	(3,287)	-	-	(2,462)
Increase (decrease) in claims payable	-	-	(29,410)	(99,719)	(129,129)
Net cash provided by operating activities	<u>\$ 67,200</u>	<u>\$ 163,282</u>	<u>\$ (297,721)</u>	<u>\$ 378,735</u>	<u>\$ 311,496</u>

CITY OF DELAWARE, OHIO

Combining Statements –Fiduciary Funds

Agency Funds

Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governmental units, and/or other funds.

Highway Patrol Transfer Fund

To account for money received from fines and forfeitures used to support the Delaware County Law Library.

State Building Permit Fund

To account for the allocation of permit fees collected by the City that are due to the State.

Municipal Court

To account for the collection and distribution of court fines and forfeitures through the Municipal Court.

Berkshire JEDD

To account for income taxes levied and collected within the Berkshire Township/City of Delaware Joint Economic Development District by the City and distributed accordingly.

Performance Bonds

To account for funds on deposit from developers unable to issue a surety performance bonds and for funds on deposit for fire damaged dwellings prior to either razing and disposing of the building or reparations are made.

CITY OF DELAWARE, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance at			Balance at
	January 1, 2017	Additions	Reductions	December 31,
				2017
Highway Patrol Transfer				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 252	\$ 65,193	\$ 65,445	\$ -
Due from Other Governments	<u>3,491</u>	<u>3,371</u>	<u>3,491</u>	<u>3,371</u>
<i>Total Assets</i>	<u>\$ 3,743</u>	<u>\$ 68,564</u>	<u>\$ 68,936</u>	<u>\$ 3,371</u>
Liabilities				
Due to Other Governments	\$ 3,743	\$ 68,564	\$ 68,936	\$ 3,371
<i>Total Liabilities</i>	<u>\$ 3,743</u>	<u>\$ 68,564</u>	<u>\$ 68,936</u>	<u>\$ 3,371</u>
State Building Permit Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 474	\$ 6,769	\$ 6,872	\$ 371
<i>Total Assets</i>	<u>\$ 474</u>	<u>\$ 6,769</u>	<u>\$ 6,872</u>	<u>\$ 371</u>
Liabilities				
Due to Other Governments	\$ 474	\$ 6,769	\$ 6,872	\$ 371
<i>Total Liabilities</i>	<u>\$ 474</u>	<u>\$ 6,769</u>	<u>\$ 6,872</u>	<u>\$ 371</u>
Municipal Court				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 217,549	\$ 6,392,062	\$ 6,321,005	\$ 288,606
<i>Total Assets</i>	<u>\$ 217,549</u>	<u>\$ 6,392,062</u>	<u>\$ 6,321,005</u>	<u>\$ 288,606</u>
Liabilities				
Undistributed Assets	\$ 217,549	\$ 6,392,062	\$ 6,321,005	\$ 288,606
<i>Total Liabilities</i>	<u>\$ 217,549</u>	<u>\$ 6,392,062</u>	<u>\$ 6,321,005</u>	<u>\$ 288,606</u>
Berkshire JEDD				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 32,427	\$ 339,519	\$ 168,242	\$ 203,704
Due from Other Governments	<u>23,516</u>	<u>69,181</u>	<u>23,516</u>	<u>69,181</u>
<i>Total Assets</i>	<u>\$ 55,943</u>	<u>\$ 408,700</u>	<u>\$ 191,758</u>	<u>\$ 272,885</u>
Liabilities				
Due to Other Governments	\$ 32,447	\$ 118,330	\$ 32,447	\$ 118,330
Undistributed Assets	<u>23,496</u>	<u>290,370</u>	<u>159,311</u>	<u>154,555</u>
<i>Total Liabilities</i>	<u>\$ 55,943</u>	<u>\$ 408,700</u>	<u>\$ 191,758</u>	<u>\$ 272,885</u>
Performance Bonds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 164,146	\$ 20,931	\$ -	\$ 185,077
<i>Total Assets</i>	<u>\$ 164,146</u>	<u>\$ 20,931</u>	<u>\$ -</u>	<u>\$ 185,077</u>
Liabilities				
Undistributed Assets	\$ 164,146	\$ 20,931	\$ -	\$ 185,077
<i>Total Liabilities</i>	<u>\$ 164,146</u>	<u>\$ 20,931</u>	<u>\$ -</u>	<u>\$ 185,077</u>

CITY OF DELAWARE, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance at January 1, 2017	Additions	Reductions	Balance at December 31, 2017
Totals				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 414,848	\$ 6,824,474	\$ 6,561,564	\$ 677,758
Due from Other Governments	<u>27,007</u>	<u>72,552</u>	<u>27,007</u>	<u>72,552</u>
<i>Total Assets</i>	<u>\$ 441,855</u>	<u>\$ 6,897,026</u>	<u>\$ 6,588,571</u>	<u>\$ 750,310</u>
Liabilities				
Due to Other Governments	\$ 36,664	\$ 193,663	\$ 108,255	\$ 122,072
Undistributed Assets	<u>405,191</u>	<u>6,703,363</u>	<u>6,480,316</u>	<u>628,238</u>
<i>Total Liabilities</i>	<u>\$ 441,855</u>	<u>\$ 6,897,026</u>	<u>\$ 6,588,571</u>	<u>\$ 750,310</u>

CITY OF DELAWARE, 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, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Income Taxes	\$ 14,031,065	\$ 13,946,065	\$ 13,549,553	\$ (396,512)
Property & Other Taxes	1,363,700	1,363,700	1,259,726	(103,974)
Intergovernmental	843,800	843,800	880,649	36,849
Charges For Service	1,107,000	1,107,000	2,152,606	1,045,606
Fines & Court Fees	145,000	145,000	139,539	(5,461)
Licenses & Permits	1,125,000	1,125,000	1,132,517	7,517
Interest	175,000	175,000	387,615	212,615
Special Assessment	-	-	14,336	14,336
Reimbursements	100,000	100,000	78,859	(21,141)
Other	150,000	150,000	66,693	(83,307)
Total Revenues	<u>19,040,565</u>	<u>18,955,565</u>	<u>19,662,093</u>	<u>706,528</u>
Expenditures:				
Current:				
Public Safety				
Police				
Personal Services	7,230,090	7,230,090	7,069,106	160,984
Materials & Supplies	215,751	215,751	180,577	35,174
Services & Charges	500,790	500,790	486,627	14,163
Capital Outlay	61,330	61,330	58,664	2,666
General Admin. - Street Lighting				
Services & Charges	<u>280,000</u>	<u>280,000</u>	<u>252,041</u>	<u>27,959</u>
Total Public Safety	<u>8,287,961</u>	<u>8,287,961</u>	<u>8,047,015</u>	<u>240,946</u>
General Government				
Council				
Personal Services	100,798	100,798	96,445	4,353
Materials & Supplies	200	200	82	118
Services & Charges	18,020	18,020	6,615	11,405
Capital Outlay	5,000	5,000	4,993	7
City Manager's Office				
Personal Services	413,352	413,352	409,279	4,073
Materials & Supplies	1,400	1,400	1,191	209
Services & Charges	89,953	89,953	73,502	16,451
Capital Outlay	600	600	595	5
Administrative Services				
Personal Services	173,494	188,494	183,418	5,076
Materials & Supplies	2,050	2,050	1,802	248
Services & Charges	120,216	120,216	71,858	48,358
Economic Development				
Personal Services	100,734	100,734	98,563	2,171
Materials & Supplies	200	200	43	157
Services & Charges	105,102	105,102	76,275	28,827
Reimbursements	112,000	112,000	109,812	2,188

(continued)

CITY OF DELAWARE, 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, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Legal Affairs				
Personal Services	\$ 573,250	\$ 573,250	\$ 551,058	\$ 22,192
Materials & Supplies	11,719	11,719	7,825	3,894
Services & Charges	61,163	61,163	54,723	6,440
Capital Outlay	1,000	1,000	-	1,000
Finance				
Personal Services	929,132	929,132	907,662	21,470
Materials & Supplies	25,595	25,595	15,348	10,247
Services & Charges	284,209	284,209	267,426	16,783
Capital Outlay	10,000	10,000	-	10,000
General Administration				
Services & Charges	280,440	455,440	402,615	52,825
Refunds	113,569	118,569	110,663	7,906
Capital Outlay	8,500	8,500	5,525	2,975
Risk Management				
Services & Charges	332,900	332,900	281,921	50,979
Planning & Community Development				
Personal Services	695,288	695,288	627,880	67,408
Materials & Supplies	10,707	10,707	8,802	1,905
Services & Charges	103,490	103,491	94,089	9,402
Refunds	55,606	64,939	56,914	8,025
Engineering				
Personal Services	310,819	360,819	276,645	84,174
Materials & Supplies	11,733	11,733	9,858	1,875
Services & Charges	703,468	1,453,468	1,137,657	315,811
Capital Outlay	7,000	7,000	7,469	(469)
Municipal Building & Grounds Maintenance				
Personal Services	128,349	128,349	122,029	6,320
Materials & Supplies	22,841	22,841	20,417	2,424
Services & Charges	312,630	312,630	259,353	53,277
Capital Outlay	64,600	64,600	43,139	21,461
Total General Government	<u>6,301,126</u>	<u>7,305,460</u>	<u>6,403,490</u>	<u>901,970</u>
Total Expenditures	<u>14,589,087</u>	<u>15,593,421</u>	<u>14,450,505</u>	<u>1,142,916</u>
Excess (Deficiency) Of				
Excess of Revenues Over Expenditures	4,451,478	3,362,144	5,211,588	1,849,444

(continued)

CITY OF DELAWARE, 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, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Sale of Assets	\$ -	\$ -	\$ 12,654	\$ 12,654
Advances Out	-	-	(81,875)	(81,875)
Transfers Out	<u>(5,036,187)</u>	<u>(5,036,187)</u>	<u>(5,036,187)</u>	-
Total Other Financing Sources (Uses)	<u>(5,036,187)</u>	<u>(5,036,187)</u>	<u>(5,105,408)</u>	<u>(69,221)</u>
 Net Change in Fund Balance	 (584,709)	 (1,674,043)	 106,180	 1,780,223
 Fund Balance at Beginning of Year:	 4,122,821	 4,122,821	 4,122,821	 -
Prior Years Encumbrances	<u>259,398</u>	<u>259,398</u>	<u>259,398</u>	-
Fund Balance at End of Year:	<u>\$ 3,797,510</u>	<u>\$ 2,708,176</u>	<u>\$ 4,488,399</u>	<u>\$ 1,780,223</u>

CITY OF DELAWARE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS & RECREATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 17,000	\$ 17,000	\$ 20,585	\$ 3,585
Other	15,000	15,000	4,851	(10,149)
Total Revenues	<u>32,000</u>	<u>32,000</u>	<u>25,436</u>	<u>(6,564)</u>
Expenditures:				
Current:				
Parks & Facilities				
Grounds & Facilities Maintenance				
Personal Services	767,265	767,265	739,756	27,509
Materials & Supplies	114,382	114,382	96,145	18,237
Services & Charges	177,251	177,251	176,040	1,211
Capital Outlay	6,000	6,000	5,750	250
Urban Forestry				
Personal Services	73,368	77,018	76,247	771
Materials & Supplies	2,450	2,450	687	1,763
Services & Charges	31,470	31,470	24,955	6,515
Capital Outlay	30,000	30,000	513	29,487
Recreational Services				
Services & Charges	<u>209,153</u>	<u>209,153</u>	<u>209,153</u>	<u>-</u>
Total Expenditures	<u>1,411,339</u>	<u>1,414,989</u>	<u>1,329,246</u>	<u>85,743</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,379,339)	(1,382,989)	(1,303,810)	79,179
Other Financing Sources (Uses):				
Transfers In	<u>1,395,000</u>	<u>1,395,000</u>	<u>1,350,000</u>	<u>(45,000)</u>
Total Other Financing Sources (Uses)	<u>1,395,000</u>	<u>1,395,000</u>	<u>1,350,000</u>	<u>(45,000)</u>
Net Change in Fund Balance	15,661	12,011	46,190	34,179
Fund Balance at Beginning of Year:	214,761	214,761	214,761	-
Prior Years Encumbrances	17,620	17,620	17,620	-
Fund Balance at End of Year:	<u>\$ 248,042</u>	<u>\$ 244,392</u>	<u>\$ 278,571</u>	<u>\$ 34,179</u>

CITY OF DELAWARE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TREE REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Charges For Service	\$ 15,000	\$ 15,000	\$ 64,001	\$ 49,001
Other	-	-	330	330
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>64,331</u>	<u>49,331</u>
Expenditures:				
Current:				
Parks & Recreation				
Capital Outlay	<u>75,000</u>	<u>75,000</u>	<u>54,044</u>	<u>20,956</u>
Total Expenditures	<u>75,000</u>	<u>75,000</u>	<u>54,044</u>	<u>20,956</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,000)	(60,000)	10,287	70,287
Other Financing Sources (Uses):				
Transfers In	-	-	45,000	45,000
Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>(5,000)</u>	<u>45,000</u>
Net Change in Fund Balance	(110,000)	(110,000)	5,287	115,287
Fund Balance at Beginning of Year:	<u>211,030</u>	<u>211,030</u>	<u>211,030</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 101,030</u>	<u>\$ 101,030</u>	<u>\$ 216,317</u>	<u>\$ 115,287</u>

CITY OF DELAWARE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEVELOPMENT RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Original	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:				
Current:				
Community Development				
Services & Charges	\$ 150,000	\$ 150,000	\$ 33,000	\$ 117,000
Total Expenditures	150,000	150,000	33,000	117,000
Excess (Deficiency) of Deficiency of Revenues Over Expenditures	(150,000)	(150,000)	(33,000)	117,000
 Other Financing Sources (Uses):				
Transfers In	150,000	150,000	150,000	-
Total Other Financing Sources	150,000	150,000	150,000	-
Net Change in Fund Balance	-	-	117,000	117,000
 Fund Balance at Beginning of Year:	807,886	807,886	807,886	-
Fund Balance at End of Year:	\$ 807,886	\$ 807,886	\$ 924,886	\$ 117,000

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

BUDGET RESERVE FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Transfers In	\$ 34,733	\$ 34,733	\$ 34,733	\$ -
Total Other Financing Sources (Uses)	<u>34,733</u>	<u>34,733</u>	<u>34,733</u>	<u>-</u>
 Net Change in Fund Balance	34,733	34,733	34,733	-
 Fund Balance at Beginning of Year:	<u>1,012,323</u>	<u>1,012,323</u>	<u>1,012,323</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 1,047,056</u>	<u>\$ 1,047,056</u>	<u>\$ 1,047,056</u>	<u>\$ -</u>

CITY OF DELAWARE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE/EMS INCOME TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Income Taxes	\$ 9,823,746	\$ 9,823,746	\$ 9,471,183	\$ (352,563)
Intergovernmental	2,500	2,500	3,125	625
Charges for Services	640,000	640,000	976,417	336,417
Reimbursements	4,500	4,500	6,255	1,755
Total Revenues	<u>10,470,746</u>	<u>10,470,746</u>	<u>10,456,980</u>	<u>(13,766)</u>
Expenditures:				
Current:				
Public Safety				
Personal Services	7,945,110	7,945,110	7,203,967	741,143
Materials & Supplies	284,056	284,056	236,091	47,965
Services & Charges	774,314	774,314	601,050	173,264
Capital Outlay	4,326,788	4,326,788	3,759,911	566,877
Debt Service:				
Capital Lease Principal	160,694	160,694	160,694	-
Interest & Fiscal Charges	5,600	5,600	5,600	-
Total Expenditures	<u>13,496,562</u>	<u>13,496,562</u>	<u>11,967,313</u>	<u>1,529,249</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,025,816)	(3,025,816)	(1,510,333)	1,515,483
Other Financing Sources (Uses):				
Proceeds of Bonds	4,000,000	4,000,000	3,500,000	(500,000)
Transfers Out	(404,262)	(404,262)	(589,950)	(185,688)
Total Other Financing Sources (Uses)	<u>3,595,738</u>	<u>3,595,738</u>	<u>2,910,050</u>	<u>(685,688)</u>
Net Change in Fund Balance	569,922	569,922	1,399,717	829,795
Fund Balance at Beginning of Year:	5,377,907	5,377,907	5,377,907	-
Prior Years Encumbrances	259,272	259,272	259,272	-
Fund Balance at End of Year:	<u>\$ 6,207,101</u>	<u>\$ 6,207,101</u>	<u>\$ 7,036,896</u>	<u>\$ 829,795</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

CAPITAL IMPROVEMENTS FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ 1,245,000	\$ 1,245,000	\$ 150,004	\$ (1,094,996)
Special Assessments	156,000	156,000	146,825	(9,175)
Total Revenues	<u>1,401,000</u>	<u>1,401,000</u>	<u>296,829</u>	<u>(1,104,171)</u>
Expenditures:				
Current:				
General Government				
Capital Outlay	3,341,341	3,341,341	2,085,476	1,255,865
Debt Service:				
Principal Retirement	4,006	4,006	4,488	(482)
Total Expenditures	<u>3,345,347</u>	<u>3,345,347</u>	<u>2,089,964</u>	<u>1,255,383</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,944,347)	(1,944,347)	(1,793,135)	151,212
Other Financing Sources (Uses):				
Transfers In	2,039,700	2,039,700	2,039,700	-
Transfers Out	(1,007,137)	(1,007,137)	(823,907)	183,230
Total Other Financing Sources (Uses)	<u>1,032,563</u>	<u>1,032,563</u>	<u>1,215,793</u>	<u>183,230</u>
Net Change in Fund Balance	(911,784)	(911,784)	(577,342)	334,442
Fund Balance at Beginning of Year:	785,524	785,524	785,524	-
Prior Years Encumbrances	<u>623,326</u>	<u>623,326</u>	<u>623,326</u>	-
Fund Balance at End of Year:	<u>\$ 497,066</u>	<u>\$ 497,066</u>	<u>\$ 831,508</u>	<u>\$ 334,442</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

GLENN ROAD SOUTH CONSTRUCTION FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Impact Fees	\$ 120,000	\$ 120,000	\$ 105,423	\$ (14,577)
Payments in Lieu of Taxes	<u>260,000</u>	<u>260,000</u>	<u>439,746</u>	<u>179,746</u>
Total Revenues	<u>380,000</u>	<u>380,000</u>	<u>545,169</u>	<u>165,169</u>
Expenditure:				
Current:				
Public Works				
Services & Charges	51,008	51,008	29,914	21,094
Refunds	-	45,282	45,282	-
Debt Service:				
Principal Retirement	11,215,000	11,215,000	11,215,000	-
Interest & Fiscal Charges	<u>111,840</u>	<u>111,840</u>	<u>111,839</u>	<u>1</u>
Total Expenditures	<u>11,377,848</u>	<u>11,423,130</u>	<u>11,402,035</u>	<u>21,095</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,997,848)	(11,043,130)	(10,856,866)	186,264
Other Financing Sources (Uses):				
Issuance of Notes	11,435,000	11,435,000	10,565,000	(870,000)
Premium on Note Issuance	<u>-</u>	<u>-</u>	<u>69,412</u>	<u>69,412</u>
Total Other Financing Sources (Uses)	<u>11,435,000</u>	<u>11,435,000</u>	<u>10,634,412</u>	<u>(800,588)</u>
Net Change in Fund Balance	437,152	391,870	(222,454)	(614,324)
Fund Balance at Beginning of Year:	3,085,728	3,085,728	3,085,728	-
Prior Years Encumbrances	<u>1,008</u>	<u>1,008</u>	<u>1,008</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 3,523,888</u>	<u>\$ 3,478,606</u>	<u>\$ 2,864,282</u>	<u>\$ (614,324)</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

WATER FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Charges For Service	\$ 5,584,000	\$ 5,584,000	\$ 5,556,502	\$ (27,498)
Capacity Fees	1,350,000	1,350,000	1,392,200	42,200
Intergovernmental	-	-	5,000	5,000
Interest	45,000	45,000	110,971	65,971
Water Deposits	35,000	35,000	22,051	(12,949)
Other	21,132	21,132	37,140	16,008
Total Revenues	<u>7,035,132</u>	<u>7,035,132</u>	<u>7,123,864</u>	<u>88,732</u>
Expenses:				
Administration				
Personal Services	251,162	251,162	262,524	(11,362)
Materials & Supplies	14,550	14,550	15,049	(499)
Services & Charges	301,737	427,736	408,466	19,270
Refunds	5,600	17,600	19,852	(2,252)
Treatment				
Personal Services	812,385	812,385	751,812	60,573
Materials & Supplies	363,200	443,200	421,944	21,256
Services & Charges	1,093,057	1,203,057	1,131,675	71,382
Capital Outlay	85,646	85,646	85,613	33
Distribution				
Personal Services	581,928	581,928	555,677	26,251
Materials & Supplies	344,395	344,395	306,654	37,741
Services & Charges	279,283	279,283	254,263	25,020
Refunds	37,000	37,000	14,093	22,907
Capital Outlay	31,833	31,833	6,994	24,839
Capital Projects				
Services & Charges	1,075,000	1,075,000	48,250	1,026,750
Capital Outlay	1,227,964	1,227,964	653,858	574,106
Debt Service				
Principal Retirement	1,153,251	3,678,251	3,579,772	98,479
Interest & Fiscal Charges	1,184,475	1,309,167	1,155,225	153,942
Total Expenses	<u>8,842,466</u>	<u>11,820,157</u>	<u>9,671,721</u>	<u>2,148,436</u>
Excess (Deficiency) Of Revenues Over (Under) Expenses	(1,807,334)	(4,785,025)	(2,547,857)	2,237,168
Other Financing Sources (Uses):				
Issuance of Bonds	-	2,400,000	2,390,957	(9,043)
Premium on Debt Issuances	-	200,000	241,656	41,656
Total Other Financing Sources (Uses)	<u>-</u>	<u>2,600,000</u>	<u>2,632,613</u>	<u>32,613</u>
Net Change in Fund Equity	(1,807,334)	(2,185,025)	84,756	2,269,781
Fund Equity at Beginning of Year:	10,872,800	10,872,800	10,872,800	-
Prior Years Encumbrances	452,149	452,149	452,149	-
Fund Equity at End of Year:	<u>\$ 9,517,615</u>	<u>\$ 9,139,924</u>	<u>\$ 11,409,705</u>	<u>\$ 2,269,781</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

SEWER FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 7,510,000	\$ 7,510,000	\$ 7,249,124	\$ (260,876)
Capacity Fees	1,300,000	1,300,000	1,333,452	33,452
Interest	25,000	25,000	97,134	72,134
Other	5,000	5,000	53,120	48,120
Total Revenues	<u>8,840,000</u>	<u>8,840,000</u>	<u>8,732,830</u>	<u>(107,170)</u>
Expenses:				
Administration				
Personal Services	204,912	204,912	191,625	13,287
Materials & Supplies	900	900	761	139
Services & Charges	339,514	349,514	315,241	34,273
Refunds	4,000	4,000	9,301	(5,301)
Treatment				
Personal Services	878,535	878,535	846,454	32,081
Materials & Supplies	250,114	250,114	212,601	37,513
Services & Charges	1,443,529	1,443,529	1,279,434	164,095
Capital Outlay	27,000	27,000	14,266	12,734
Collection				
Personal Services	388,364	388,364	363,570	24,794
Materials & Supplies	186,122	186,122	141,782	44,340
Services & Charges	345,452	345,452	303,239	42,213
Capital Outlay	23,950	23,950	23,010	940
Capital Projects				
Services & Charges	143,209	143,210	68,210	75,000
Capital Outlay	3,789,780	3,789,780	1,402,655	2,387,125
Debt Service				
Principal Retirement	2,040,076	2,750,076	2,762,678	(12,602)
Interest & Fiscal Charges	1,106,064	1,106,064	1,098,641	7,423
Total Expenses	<u>11,171,521</u>	<u>11,891,522</u>	<u>9,033,468</u>	<u>2,858,054</u>
Excess (Deficiency) Of Revenues Over (Under) Expenses	(2,331,521)	(3,051,522)	(300,638)	2,750,884
Other Financing Sources (Uses):				
Issuance of Bond	-	675,000	672,308	(2,692)
Premium on Debt Issuance	-	55,000	67,951	12,951
Total Other Financing Sources (Uses)	<u>-</u>	<u>730,000</u>	<u>740,259</u>	<u>10,259</u>
Net Change in Fund Equity	(2,331,521)	(2,321,522)	439,621	2,761,143
Fund Equity at Beginning of Year:	8,268,524	8,268,524	8,268,524	-
Prior Years Encumbrances	1,229,277	1,229,277	1,229,277	-
Fund Equity at End of Year:	<u>\$ 7,166,280</u>	<u>\$ 7,176,279</u>	<u>\$ 9,937,422</u>	<u>\$ 2,761,143</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

STORM SEWER FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 850,000	\$ 850,000	\$ 832,486	\$ (17,514)
Other	2,000	2,000	902	(1,098)
Total Revenues	<u>852,000</u>	<u>852,000</u>	<u>833,388</u>	<u>(18,612)</u>
Expenses:				
Operations				
Personal Services	245,499	245,499	216,378	29,121
Materials & Supplies	79,469	79,469	61,333	18,136
Services & Charges	172,104	172,104	128,009	44,095
Refunds	1,000	1,000	109	891
Capital Outlay	30,000	30,000	25,110	4,890
Capital Projects				
Capital Outlay	<u>1,184,513</u>	<u>1,349,513</u>	<u>948,136</u>	<u>401,377</u>
Total Expenses	<u>1,712,585</u>	<u>1,877,585</u>	<u>1,379,075</u>	<u>498,510</u>
Net Change in Fund Equity	(860,585)	(1,025,585)	(545,687)	479,898
Fund Equity at Beginning of Year:	1,751,571	1,751,571	1,751,571	-
Prior Years Encumbrances	<u>170,127</u>	<u>170,127</u>	<u>170,127</u>	<u>-</u>
Fund Equity at End of Year:	<u>\$ 1,061,113</u>	<u>\$ 896,113</u>	<u>\$ 1,376,011</u>	<u>\$ 479,898</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

REFUSE FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 3,564,000	\$ 3,564,000	\$ 3,518,094	\$ (45,906)
Interest	3,500	3,500	15,125	11,625
Intergovernmental	15,000	15,000	-	(15,000)
Other	<u>6,000</u>	<u>6,000</u>	<u>6,187</u>	<u>187</u>
Total Revenues	<u>3,588,500</u>	<u>3,588,500</u>	<u>3,539,406</u>	<u>(49,094)</u>
Expenses:				
Administration				
Services & Charges	61,015	61,015	60,492	523
Refunds	-	-	700	(700)
Capital Outlay	1,878,798	1,878,798	1,955,626	(76,828)
Collection				
Personal Services	704,011	704,011	666,423	37,588
Materials & Supplies	183,270	183,270	121,769	61,501
Services & Charges	1,419,836	1,419,836	1,326,517	93,319
Capital Outlay	<u>393,000</u>	<u>393,000</u>	<u>367,050</u>	<u>25,950</u>
Recycling				
Personal Services	453,961	453,961	425,239	28,722
Materials & Supplies	62,298	62,298	53,966	8,332
Services & Charges	136,665	136,665	134,082	2,583
Capital Outlay	<u>81,000</u>	<u>81,000</u>	<u>46,745</u>	<u>34,255</u>
Debt Service				
Principal Retirement	134,026	134,026	78,967	55,059
Interest & Fiscal Charges	<u>3,623</u>	<u>3,623</u>	<u>1,285</u>	<u>2,338</u>
Total Expenses	<u>5,511,503</u>	<u>5,511,503</u>	<u>5,238,861</u>	<u>272,642</u>
Excess (Deficiency) Of Revenues Over (Under) Expenses	(1,923,003)	(1,923,003)	(1,699,455)	223,548
Other Financing Sources (Uses):				
Sale of Assets	-	-	4,981	4,981
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>4,981</u>	<u>4,981</u>
Net Change in Fund Equity	(1,923,003)	(1,923,003)	(1,694,474)	228,529
Fund Equity at Beginning of Year:	2,045,048	2,045,048	2,045,048	-
Prior Years Encumbrances	<u>140,671</u>	<u>140,671</u>	<u>140,671</u>	<u>-</u>
Fund Equity at End of Year:	\$ 262,716	\$ 262,716	\$ 491,245	\$ 228,529

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

STREET MAINTENANCE & REPAIR FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,290,000	\$ 1,290,000	\$ 1,302,795	\$ 12,795
Reimbursements	1,000	1,000	1,580	580
Other	<u>1,000</u>	<u>1,000</u>	<u>568</u>	<u>(432)</u>
Total Revenues	<u>1,292,000</u>	<u>1,292,000</u>	<u>1,304,943</u>	<u>12,943</u>
Expenditures:				
Current:				
Public Works				
Administration				
Personal Services	665,677	621,425	614,836	6,589
Materials & Supplies	13,568	13,568	6,987	6,581
Services & Charges	198,739	198,739	177,491	21,248
Street Division				
Personal Services	636,059	570,028	544,226	25,802
Materials & Supplies	545,244	542,244	454,424	87,820
Services & Charges	209,529	212,529	197,643	14,886
Capital Outlay	39,900	39,900	39,900	-
Traffic Division				
Personal Services	371,841	336,687	312,205	24,482
Materials & Supplies	149,471	159,471	149,618	9,853
Services & Charges	144,251	144,251	141,239	3,012
Capital Outlay	<u>26,500</u>	<u>26,500</u>	<u>26,500</u>	<u>-</u>
Total Expenditures	<u>3,000,779</u>	<u>2,865,342</u>	<u>2,665,069</u>	<u>200,273</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,708,779)	(1,573,342)	(1,360,126)	213,216
Other Financing Sources (Uses):				
Sale of Assets	7,500	7,500	3,191	(4,309)
Transfers In	<u>1,507,191</u>	<u>1,361,754</u>	<u>1,361,754</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,514,691</u>	<u>1,369,254</u>	<u>1,364,945</u>	<u>(4,309)</u>
Net Change in Fund Balance	(194,088)	(204,088)	4,819	208,907
Fund Balance at Beginning of Year:	361,044	361,044	361,044	-
Prior Years Encumbrances	<u>81,926</u>	<u>81,926</u>	<u>81,926</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 248,882</u>	<u>\$ 238,882</u>	<u>\$ 447,789</u>	<u>\$ 208,907</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

STATE HIGHWAY IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 104,250	\$ 104,250	\$ 105,632	\$ 1,382
Interest	125	125	1,726	1,601
Total Revenues	<u>104,375</u>	<u>104,375</u>	<u>107,358</u>	<u>2,983</u>
Expenditures:				
Current:				
Public Works				
Capital Outlay	<u>100,000</u>	<u>100,000</u>	<u>5,500</u>	<u>94,500</u>
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>5,500</u>	<u>94,500</u>
Net Change in Fund Balance	4,375	4,375	101,858	97,483
Fund Balance at Beginning of Year:	<u>106,060</u>	<u>106,060</u>	<u>106,060</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 110,435</u>	<u>\$ 110,435</u>	<u>\$ 207,918</u>	<u>\$ 97,483</u>

CITY OF DELAWARE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LICENSE FEE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 400,000	\$ 400,000	\$ 413,515	\$ 13,515
Interest	-	-	3,500	3,500
Total Revenues	<u>400,000</u>	<u>400,000</u>	<u>417,015</u>	<u>17,015</u>
Expenditures:				
Current:				
Public Works				
Capital Outlay	<u>472,488</u>	<u>472,488</u>	<u>418,377</u>	<u>54,111</u>
Total Expenditures	<u>472,488</u>	<u>472,488</u>	<u>418,377</u>	<u>54,111</u>
Net Change in Fund Balance	(72,488)	(72,488)	(1,362)	71,126
Fund Balance at Beginning of Year:	210,959	210,959	210,959	-
Prior Years Encumbrances	<u>12,488</u>	<u>12,488</u>	<u>12,488</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 150,959</u>	<u>\$ 150,959</u>	<u>\$ 222,085</u>	<u>\$ 71,126</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

CEMETERY FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 137,000	\$ 137,000	\$ 165,045	\$ 28,045
Interest	500	500	-	(500)
Other	-	-	1,112	1,112
Donations	-	-	650	650
Total Revenues	<u>137,500</u>	<u>137,500</u>	<u>166,807</u>	<u>29,307</u>
Expenditures:				
Current:				
Parks & Facilities				
Personal Services	185,526	185,526	165,965	19,561
Materials & Supplies	13,419	13,419	10,770	2,649
Services & Charges	37,221	37,221	22,003	15,218
Refunds & Repurchases	6,000	6,000	2,500	3,500
Capital Outlay	<u>215,534</u>	<u>215,534</u>	<u>87,300</u>	<u>128,234</u>
Total Expenditures	<u>457,700</u>	<u>457,700</u>	<u>288,538</u>	<u>169,162</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(320,200)	(320,200)	(121,731)	198,469
Other Financing Sources (Uses):				
Transfers In	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	-
Total Other Financing Sources (Uses)	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	-
Net Change in Fund Balance	(245,200)	(245,200)	(46,731)	198,469
Fund Balance at Beginning of Year:	252,959	252,959	252,959	-
Prior Years Encumbrances	<u>46,419</u>	<u>46,419</u>	<u>46,419</u>	-
Fund Balance at End of Year:	<u>\$ 54,178</u>	<u>\$ 54,178</u>	<u>\$ 252,647</u>	<u>\$ 198,469</u>

CITY OF DELAWARE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AIRPORT IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Original	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 637,726	\$ 637,726	\$ 658,427	\$ 20,701
Reimbursements	39,787	39,787	48,019	8,232
Other	<u>3,705</u>	<u>3,705</u>	<u>1,214</u>	<u>(2,491)</u>
Total Revenues	<u>681,218</u>	<u>681,218</u>	<u>707,660</u>	<u>26,442</u>
Expenditures:				
Current:				
Airport				
Personal Services	177,739	177,739	162,457	15,282
Materials & Supplies	405,342	405,342	336,705	68,637
Services & Charges	219,801	219,801	200,139	19,662
Refunds	1,000	1,000	1,183	(183)
Capital Outlay	<u>3,294</u>	<u>3,294</u>	<u>3,243</u>	<u>51</u>
Total Expenditures	<u>807,176</u>	<u>807,176</u>	<u>703,727</u>	<u>103,449</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(125,958)	(125,958)	3,933	129,891
Other Financing Sources (Uses):				
Transfers In	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Net Change in Fund Balance	(95,958)	(95,958)	33,933	129,891
Fund Balance at Beginning of Year:	226,670	226,670	226,670	-
Prior Years Encumbrances	<u>5,625</u>	<u>5,625</u>	<u>5,625</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 136,337</u>	<u>\$ 136,337</u>	<u>\$ 266,228</u>	<u>\$ 129,891</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

AIRPORT T-HANGARS FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 100,101	\$ 100,101	\$ 94,185	\$ (5,916)
Other	500	500	1,042	542
Total Revenues	<u>100,601</u>	<u>100,601</u>	<u>95,227</u>	<u>(5,374)</u>
Expenditures:				
Current:				
Airport				
Services & Charges	23,500	23,500	20,519	2,981
Refunds	<u>1,000</u>	<u>1,000</u>	<u>889</u>	<u>111</u>
Total Expenditures	<u>24,500</u>	<u>24,500</u>	<u>21,408</u>	<u>3,092</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	76,101	76,101	73,819	(2,282)
Other Financing Sources (Uses):				
Transfers Out	<u>(77,035)</u>	<u>(77,035)</u>	<u>(53,151)</u>	<u>23,884</u>
Total Other Financing Sources (Uses)	<u>(77,035)</u>	<u>(77,035)</u>	<u>(53,151)</u>	<u>23,884</u>
Net Change in Fund Balance	(934)	(934)	20,668	21,602
Fund Balance at Beginning of Year:	<u>143,529</u>	<u>143,529</u>	<u>143,529</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 142,595</u>	<u>\$ 142,595</u>	<u>\$ 164,197</u>	<u>\$ 21,602</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

RECREATION CENTER INCOME TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Income Taxes	\$ 2,090,000	\$ 2,090,000	\$ 2,030,479	\$ (59,521)
Interest	15,000	-	40,827	40,827
Reimbursements	-	15,000	-	(15,000)
Total Revenues	<u>2,105,000</u>	<u>2,105,000</u>	<u>2,071,306</u>	<u>(33,694)</u>
Expenditures:				
Current:				
Parks & Recreation				
Capital Outlay	<u>540,331</u>	<u>775,331</u>	<u>386,553</u>	<u>388,778</u>
Total Expenditures	<u>540,331</u>	<u>775,331</u>	<u>386,553</u>	<u>388,778</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,564,669	1,329,669	1,684,753	355,084
Other Financing Sources (Uses):				
Transfers Out	<u>(1,494,569)</u>	<u>(1,494,569)</u>	<u>(1,489,175)</u>	<u>5,394</u>
Total Other Financing Sources (Uses)	<u>(1,494,569)</u>	<u>(1,494,569)</u>	<u>(1,489,175)</u>	<u>5,394</u>
Net Change in Fund Balance	70,100	(164,900)	195,578	360,478
Fund Balance at Beginning of Year:	3,507,240	3,507,240	3,507,240	-
Prior Years Encumbrances	<u>23,750</u>	<u>23,750</u>	<u>23,750</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 3,601,090</u>	<u>\$ 3,366,090</u>	<u>\$ 3,726,568</u>	<u>\$ 360,478</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

AIRPORT TIF FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 25,750	\$ 25,750	\$ 25,001	\$ (749)
Total Revenues	<u>25,750</u>	<u>25,750</u>	<u>25,001</u>	<u>(749)</u>
 Net Change in Fund Balance	25,750	25,750	25,001	(749)
 Fund Balance at Beginning of Year:	<u>57,415</u>	<u>57,415</u>	<u>57,415</u>	<u>-</u>
 Fund Balance at End of Year:	<u>\$ 83,165</u>	<u>\$ 83,165</u>	<u>\$ 82,416</u>	<u>\$ (749)</u>

CITY OF DELAWARE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GLENN ROAD BRIDGE TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 550,000	\$ 550,000	\$ 705,378	\$ 155,378
Intergovernmental	86,100	86,100	75,804	(10,296)
Interest	4,000	4,000	20,681	16,681
Total Revenues	<u>640,100</u>	<u>640,100</u>	<u>801,863</u>	<u>161,763</u>
Expenditures:				
Current:				
General Government				
Services & Charges	269,370	269,370	239,270	30,100
Debt Service:				
Principal Retirement	170,000	170,000	170,000	-
Interest & Fiscal Charges	46,082	46,082	46,081	1
Total Expenditures	<u>485,452</u>	<u>485,452</u>	<u>455,351</u>	<u>30,101</u>
Net Change in Fund Balance	154,648	154,648	346,512	191,864
Fund Balance at Beginning of Year:	1,243,940	1,243,940	1,243,940	-
Prior Years Encumbrances	219,370	219,370	219,370	-
Fund Balance at End of Year:	<u>\$ 1,617,958</u>	<u>\$ 1,617,958</u>	<u>\$ 1,809,822</u>	<u>\$ 191,864</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

SKY CLIMBER/V&P TIF FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 70,000	\$ 70,000	\$ 40,049	\$ (29,951)
Total Revenues	<u>70,000</u>	<u>70,000</u>	<u>40,049</u>	<u>(29,951)</u>
Expenditures:				
Current:				
Community Development				
Reimbursements	<u>70,000</u>	<u>70,000</u>	<u>40,049</u>	<u>29,951</u>
Total Expenditures	<u>70,000</u>	<u>70,000</u>	<u>40,049</u>	<u>29,951</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

MILL RUN TIF FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 170,000	\$ 170,000	\$ 132,229	\$ (37,771)
Total Revenues	<u>170,000</u>	<u>170,000</u>	<u>132,229</u>	<u>(37,771)</u>
Expenditures:				
Current:				
Community Development				
Reimbursements	<u>170,000</u>	<u>170,000</u>	<u>132,229</u>	<u>37,771</u>
Total Expenditures	<u>170,000</u>	<u>170,000</u>	<u>132,229</u>	<u>37,771</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

MUNICIPAL COURT FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines & Court Fees	\$ 1,967,750	\$ 1,967,750	\$ 2,267,495	\$ 299,745
Charges for Service	218,000	218,000	247,186	29,186
Other	<u>1,000</u>	<u>1,000</u>	<u>5</u>	<u>(995)</u>
Total Revenues	<u>2,186,750</u>	<u>2,186,750</u>	<u>2,514,686</u>	<u>327,936</u>
Expenditures:				
Current:				
Municipal Court				
Court Administration				
Personal Services	1,210,712	1,261,712	1,255,200	6,512
Materials & Supplies	21,588	21,588	8,074	13,514
Services & Charges	52,703	52,703	33,637	19,066
Clerk of Court				
Personal Services	1,276,164	1,276,164	1,159,862	116,302
Materials & Supplies	25,797	25,797	16,778	9,019
Services & Charges	<u>71,375</u>	<u>71,375</u>	<u>36,953</u>	<u>34,422</u>
Total Expenditures	<u>2,658,339</u>	<u>2,709,339</u>	<u>2,510,504</u>	<u>198,835</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(471,589)	(522,589)	4,182	526,771
Other Financing Sources (Uses):				
Transfers In	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>-</u>
Net Change in Fund Balance	78,411	27,411	554,182	526,771
Fund Balance at Beginning of Year:	1,865,402	1,865,402	1,865,402	-
Prior Years Encumbrances	<u>16,438</u>	<u>16,438</u>	<u>16,438</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 1,960,251</u>	<u>\$ 1,909,251</u>	<u>\$ 2,436,022</u>	<u>\$ 526,771</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

IDIAM FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines & Court Fees	\$ 11,000	\$ 11,000	\$ 27,517	\$ 16,517
Total Revenues	<u>11,000</u>	<u>11,000</u>	<u>27,517</u>	<u>16,517</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	<u>26,877</u>	<u>26,877</u>	<u>24,812</u>	<u>2,065</u>
Total Expenditures	<u>26,877</u>	<u>26,877</u>	<u>24,812</u>	<u>2,065</u>
Net Change in Fund Balance	(15,877)	(15,877)	2,705	18,582
Fund Balance at Beginning of Year:	16,907	16,907	16,907	-
Prior Years Encumbrances	<u>1,877</u>	<u>1,877</u>	<u>1,877</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 2,907</u>	<u>\$ 2,907</u>	<u>\$ 21,489</u>	<u>\$ 18,582</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

DRUG ENFORCEMENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines & Court Fees	\$ 5,500	\$ 5,500	\$ 5,050	\$ (450)
Total Revenues	<u>5,500</u>	<u>5,500</u>	<u>5,050</u>	<u>(450)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	20,000	20,000	140	19,860
Capital Outlay	<u>29,000</u>	<u>29,000</u>	<u>123</u>	<u>28,877</u>
Total Expenditures	<u>49,000</u>	<u>49,000</u>	<u>263</u>	<u>48,737</u>
Net Change in Fund Balance	(43,500)	(43,500)	4,787	48,287
Fund Balance at Beginning of Year:	<u>54,013</u>	<u>54,013</u>	<u>54,013</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 10,513</u>	<u>\$ 10,513</u>	<u>\$ 58,800</u>	<u>\$ 48,287</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

COURT ALCOHOL TREATMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines & Court Fees	\$ 38,000	\$ 38,000	\$ 65,437	\$ 27,437
Total Revenues	<u>38,000</u>	<u>38,000</u>	<u>65,437</u>	<u>27,437</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	<u>100,000</u>	<u>100,000</u>	<u>54,342</u>	<u>45,658</u>
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>54,342</u>	<u>45,658</u>
Net Change in Fund Balance	(62,000)	(62,000)	11,095	73,095
Fund Balance at Beginning of Year:	<u>516,519</u>	<u>516,519</u>	<u>516,519</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 454,519</u>	<u>\$ 454,519</u>	<u>\$ 527,614</u>	<u>\$ 73,095</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

OMVI ENFORCEMENT & EDUCATION FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines & Court Fees	\$ 1,200	\$ 1,200	\$ 1,868	\$ 668
Total Revenues	<u>1,200</u>	<u>1,200</u>	<u>1,868</u>	<u>668</u>
Expenditures:				
Current:				
Public Safety				
Capital Outlay	<u>3,000</u>	<u>3,000</u>	-	<u>3,000</u>
Total Expenditures	<u>3,000</u>	<u>3,000</u>	-	<u>3,000</u>
Net Change in Fund Balance	(1,800)	(1,800)	1,868	3,668
Fund Balance at Beginning of Year:	<u>4,036</u>	<u>4,036</u>	<u>4,036</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 2,236</u>	<u>\$ 2,236</u>	<u>\$ 5,904</u>	<u>\$ 3,668</u>

CITY OF DELAWARE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE JUDGMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Fines & Court Fees	\$ 7,500	\$ 7,500	\$ 41,543	\$ 34,043
Total Revenues	<u>7,500</u>	<u>7,500</u>	<u>41,543</u>	<u>34,043</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	5,000	5,000	4,749	251
Capital Outlay	<u>70,374</u>	<u>70,374</u>	<u>50,237</u>	<u>20,137</u>
Total Expenditures	<u>75,374</u>	<u>75,374</u>	<u>54,986</u>	<u>20,388</u>
Net Change in Fund Balance	(67,874)	(67,874)	(13,443)	54,431
Fund Balance at Beginning of Year:	109,507	109,507	109,507	-
Prior Years Encumbrances	5,374	5,374	5,374	-
Fund Balance at End of Year:	<u>\$ 47,007</u>	<u>\$ 47,007</u>	<u>\$ 101,438</u>	<u>\$ 54,431</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PARK EXACTION FEES FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Donations	\$ -	\$ -	\$ 26,808	\$ 26,808
Total Revenues	<u>-</u>	<u>-</u>	<u>26,808</u>	<u>26,808</u>
Expenditures:				
Current:				
Parks & Recreation				
Capital Outlay	<u>201,241</u>	<u>201,241</u>	<u>91,598</u>	<u>109,643</u>
Total Expenditures	<u>201,241</u>	<u>201,241</u>	<u>91,598</u>	<u>109,643</u>
Net Change in Fund Balance	(201,241)	(201,241)	(64,790)	136,451
Fund Balance at Beginning of Year:	<u>205,177</u>	<u>205,177</u>	<u>205,177</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 3,936</u>	<u>\$ 3,936</u>	<u>\$ 140,387</u>	<u>\$ 136,451</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

COMPUTER LEGAL RESEARCH FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines & Court Fees	\$ 300,000	\$ 300,000	\$ 329,991	\$ 29,991
Total Revenues	<u>300,000</u>	<u>300,000</u>	<u>329,991</u>	<u>29,991</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	125,927	125,927	77,577	48,350
Capital Outlay	<u>79,659</u>	<u>79,659</u>	<u>21,732</u>	<u>57,927</u>
Total Expenditures	<u>205,586</u>	<u>205,586</u>	<u>99,309</u>	<u>106,277</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	94,414	94,414	230,682	136,268
Other Financing Sources (Uses):				
Transfers Out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net Change in Fund Balance	(5,586)	(5,586)	130,682	136,268
Fund Balance at Beginning of Year:	465,796	465,796	465,796	-
Prior Years Encumbrances	<u>21,170</u>	<u>21,170</u>	<u>21,170</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 481,380</u>	<u>\$ 481,380</u>	<u>\$ 617,648</u>	<u>\$ 136,268</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

COURT SPECIAL PROJECTS FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines & Court Fees	\$ 240,000	\$ 240,000	\$ 336,323	\$ 96,323
Total Revenues	<u>240,000</u>	<u>240,000</u>	<u>336,323</u>	<u>96,323</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	99,509	99,509	37,643	61,866
Capital Outlay	<u>89,985</u>	<u>89,985</u>	<u>48,676</u>	<u>41,309</u>
Total Expenditures	<u>189,494</u>	<u>189,494</u>	<u>86,319</u>	<u>103,175</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,506	50,506	250,004	199,498
Other Financing Sources (Uses):				
Transfers Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Net Change in Fund Balance	(199,494)	(199,494)	4	199,498
Fund Balance at Beginning of Year:	842,160	842,160	842,160	-
Prior Years Encumbrances	<u>23,237</u>	<u>23,237</u>	<u>23,237</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 665,903</u>	<u>\$ 665,903</u>	<u>\$ 865,401</u>	<u>\$ 199,498</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PROBATION SERVICES FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines & Court Fees	\$ 310,000	\$ 310,000	\$ 284,956	\$ (25,044)
Total Revenues	<u>310,000</u>	<u>310,000</u>	<u>284,956</u>	<u>(25,044)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	81,644	81,644	30,059	51,585
Capital Outlay	<u>23,500</u>	<u>23,500</u>	<u>10,394</u>	<u>13,106</u>
Total Expenditures	<u>105,144</u>	<u>105,144</u>	<u>40,453</u>	<u>64,691</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	204,856	204,856	244,503	39,647
Other Financing Sources (Uses):				
Transfers Out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Net Change in Fund Balance	4,856	4,856	44,503	39,647
Fund Balance at Beginning of Year:	444,943	444,943	444,943	-
Prior Years Encumbrances	<u>6,644</u>	<u>6,644</u>	<u>6,644</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 456,443</u>	<u>\$ 456,443</u>	<u>\$ 496,090</u>	<u>\$ 39,647</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

POLICE AND FIRE PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Property and Other Taxes	\$ 400,000	\$ 400,000	\$ 370,832	\$ (29,168)
Intergovernmental	48,600	48,600	45,538	(3,062)
Total Revenues	<u>448,600</u>	<u>448,600</u>	<u>416,370</u>	<u>(32,230)</u>
Expenditures:				
Current:				
Public Safety				
Personal Services	448,600	448,600	416,370	32,230
Total Expenditures	<u>448,600</u>	<u>448,600</u>	<u>416,370</u>	<u>32,230</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

COMMUNITY PROMOTION FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property and Other Taxes	\$ 80,000	\$ 80,000	\$ 82,835	\$ 2,835
Donations	25,000	25,000	35,125	10,125
Total Revenues	<u>105,000</u>	<u>105,000</u>	<u>117,960</u>	<u>12,960</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	108,529	108,529	107,218	1,311
Total Expenditures	<u>108,529</u>	<u>108,529</u>	<u>107,218</u>	<u>1,311</u>
Net Change in Fund Balance	(3,529)	(3,529)	10,742	14,271
Fund Balance at Beginning of Year:	<u>45,497</u>	<u>45,497</u>	<u>45,497</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 41,968</u>	<u>\$ 41,968</u>	<u>\$ 56,239</u>	<u>\$ 14,271</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 82,000	\$ 82,000	\$ 82,000	\$ -
Total Revenues	<u>82,000</u>	<u>82,000</u>	<u>82,000</u>	<u>-</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	12,000	12,000	12,000	-
Capital Outlay	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Total Expenditures	<u>82,000</u>	<u>82,000</u>	<u>82,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year:	<u>2,530</u>	<u>2,530</u>	<u>2,530</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 2,530</u>	<u>\$ 2,530</u>	<u>\$ 2,530</u>	<u>\$ -</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

REVOLVING LOAN FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 123,916	\$ 123,916	\$ 103,593	\$ (20,323)
Interest	500	500	5,009	4,509
Total Revenues	<u>124,416</u>	<u>124,416</u>	<u>108,602</u>	<u>(15,814)</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	124,239	124,239	107,610	16,629
Capital Outlay	<u>365,626</u>	<u>365,626</u>	<u>354,647</u>	<u>10,979</u>
Total Expenditures	<u>489,865</u>	<u>489,865</u>	<u>462,257</u>	<u>27,608</u>
Net Change in Fund Balance	(365,449)	(365,449)	(353,655)	11,794
Fund Balance at Beginning of Year:	368,624	368,624	368,624	-
Prior Years Encumbrances	109,650	109,650	109,650	-
Fund Balance at End of Year:	<u>\$ 112,825</u>	<u>\$ 112,825</u>	<u>\$ 124,619</u>	<u>\$ 11,794</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

HOUSING PROGRAM INCOME FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Expenditures:				
Current:				
Community Development				
Capital Outlay	\$ 27,019	\$ 27,019	\$ 27,018	\$ 1
Total Expenditures	<u>27,019</u>	<u>27,019</u>	<u>27,018</u>	<u>1</u>
 Net Change in Fund Balance	 (27,019)	 (27,019)	 (27,018)	 1
 Fund Balance at Beginning of Year:	 12,618	 12,618	 12,618	 -
Prior Years Encumbrances	<u>14,400</u>	<u>14,400</u>	<u>14,400</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ 1</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY HOUSING IMPROVEMENT PROGRAM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 386,797	\$ 431,224	\$ 215,991	\$ (215,233)
Total Revenues	<u>386,797</u>	<u>431,224</u>	<u>215,991</u>	<u>(215,233)</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	296,929	296,929	150,756	146,173
Capital Outlay	<u>27,600</u>	<u>27,600</u>	<u>5,600</u>	<u>22,000</u>
Total Expenditures	<u>324,529</u>	<u>324,529</u>	<u>156,356</u>	<u>168,173</u>
Net Change in Fund Balance	62,268	106,695	59,635	(47,060)
Fund Balance at Beginning of Year:	(207,797)	(207,797)	(207,797)	-
Prior Years Encumbrances	<u>145,529</u>	<u>145,529</u>	<u>145,529</u>	<u>-</u>
Fund Balance (Deficit) at End of Year:	<u>\$ 0</u>	<u>\$ 44,427</u>	<u>\$ (2,633)</u>	<u>\$ (47,060)</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FIRE DONATIONS FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Donations	\$ 1,500	\$ 1,500	\$ 580	\$ (920)
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>580</u>	<u>(920)</u>
Expenditures:				
Current:				
Public Safety				
Materials & Supplies	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total Expenditures	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Net Change in Fund Balance	(1,500)	(1,500)	580	2,080
Fund Balance at Beginning of Year:	<u>5,765</u>	<u>5,765</u>	<u>5,765</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 4,265</u>	<u>\$ 4,265</u>	<u>\$ 6,345</u>	<u>\$ 2,080</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PARK DONATIONS FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Expenditures:				
Current:				
Parks & Recreation				
Capital Outlay	\$ -	\$ 19,000	\$ 18,190	\$ 810
Total Expenditures	<u>-</u>	<u>19,000</u>	<u>18,190</u>	<u>810</u>
 Net Change in Fund Balance	-	(19,000)	(18,190)	810
 Fund Balance at Beginning of Year:	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 25,000</u>	<u>\$ 6,000</u>	<u>\$ 6,810</u>	<u>\$ 810</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

POLICE DONATIONS FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Donations	\$ 500	\$ 500	\$ 1,540	\$ 1,040
Total Revenues	<u>500</u>	<u>500</u>	<u>1,540</u>	<u>1,040</u>
Expenditures:				
Current:				
Public Safety				
Materials & Supplies	2,000	2,000	53	1,947
Capital Outlay	<u>5,677</u>	<u>5,677</u>	<u>1,500</u>	<u>4,177</u>
Total Expenditures	<u>7,677</u>	<u>7,677</u>	<u>1,553</u>	<u>6,124</u>
Net Change in Fund Balance	(7,177)	(7,177)	(13)	7,164
Fund Balance at Beginning of Year:	<u>7,809</u>	<u>7,809</u>	<u>7,809</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 632</u>	<u>\$ 632</u>	<u>\$ 7,796</u>	<u>\$ 7,164</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

MAYOR'S DONATIONS FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Donations	\$ 2,400	\$ 2,400	\$ 2,040	\$ (360)
Total Revenues	<u>2,400</u>	<u>2,400</u>	<u>2,040</u>	<u>(360)</u>
Expenditures:				
Current:				
General Government				
Services & Charges	<u>3,500</u>	<u>3,500</u>	<u>2,966</u>	<u>534</u>
Total Expenditures	<u>3,500</u>	<u>3,500</u>	<u>2,966</u>	<u>534</u>
Net Change in Fund Balance	(1,100)	(1,100)	(926)	174
Fund Balance at Beginning of Year:	1,258	1,258	1,258	-
Prior Years Encumbrances	<u>700</u>	<u>700</u>	<u>700</u>	<u>-</u>
Fund Balance at End of Year:	<u>858</u>	<u>858</u>	<u>1,032</u>	<u>174</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PROJECT TRUST FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Donations	\$ 7,512	\$ 7,512	\$ 8,339	\$ 827
Developers' Fees	10,000	10,000	-	(10,000)
Total Revenues	<u>17,512</u>	<u>17,512</u>	<u>8,339</u>	<u>(9,173)</u>
Expenditures:				
Current:				
Community Development				
Capital Outlay	<u>21,500</u>	<u>35,500</u>	<u>22,237</u>	<u>13,263</u>
Total Expenditures	<u>21,500</u>	<u>35,500</u>	<u>22,237</u>	<u>13,263</u>
Net Change in Fund Balance	(3,988)	(17,988)	(13,898)	4,090
Fund Balance at Beginning of Year:	548,620	548,620	548,620	-
Prior Years Encumbrances	11,500	11,500	11,500	-
Fund Balance at End of Year:	<u>\$ 556,132</u>	<u>\$ 542,132</u>	<u>\$ 546,222</u>	<u>\$ 4,090</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OBLIGATION BOND RETIREMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$ -	\$ -	\$ 5,502	\$ 5,502
Total Revenues	<u>-</u>	<u>-</u>	<u>5,502</u>	<u>5,502</u>
Expenditures:				
General Government				
Services & Charges	10,000	70,000	82,521	(12,521)
Debt Service:				
Principal Retirement	1,340,000	2,355,000	2,403,327	(48,327)
Interest & Fiscal Charges	<u>396,015</u>	<u>436,264</u>	<u>350,757</u>	<u>85,507</u>
Total Expenditures	<u>1,746,015</u>	<u>2,861,264</u>	<u>2,836,605</u>	<u>24,659</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,746,015)	(2,861,264)	(2,831,103)	30,161
Other Financing Sources (Uses):				
Issuance of Notes	450,000	450,000	450,000	-
Issuance of Bonds	-	1,090,000	771,735	(318,265)
Premium on Debt Issuances	-	65,000	414,292	349,292
Transfers In	<u>1,297,065</u>	<u>1,297,065</u>	<u>1,454,351</u>	<u>157,286</u>
Total Other Financing Sources (Uses)	<u>1,747,065</u>	<u>2,902,065</u>	<u>3,090,378</u>	<u>188,313</u>
Net Change in Fund Balance	1,050	40,801	259,275	218,474
Fund Balance at Beginning of Year:	<u>72,367</u>	<u>72,367</u>	<u>72,367</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 73,417</u>	<u>\$ 113,168</u>	<u>\$ 331,642</u>	<u>\$ 218,474</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PARK IMPROVEMENT BOND RETIREMENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$ 2,000	\$ 2,000	\$ 6,337	\$ 4,337
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>6,337</u>	<u>4,337</u>
Expenditures:				
Debt Service:				
Principal Retirement	540,000	540,000	540,000	-
Interest & Fiscal Charges	<u>752,902</u>	<u>752,902</u>	<u>752,901</u>	<u>1</u>
Total Expenditures	<u>1,292,902</u>	<u>1,292,902</u>	<u>1,292,901</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,290,902)	(1,290,902)	(1,286,564)	4,338
Other Financing Sources (Uses):				
Transfers In	<u>1,293,939</u>	<u>1,293,939</u>	<u>1,288,545</u>	<u>(5,394)</u>
Total Other Financing Sources (Uses)	<u>1,293,939</u>	<u>1,293,939</u>	<u>1,288,545</u>	<u>(5,394)</u>
Net Change in Fund Balance	3,037	3,037	1,981	(1,056)
Fund Balance at Beginning of Year:	<u>107,796</u>	<u>107,796</u>	<u>107,796</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 110,833</u>	<u>\$ 110,833</u>	<u>\$ 109,777</u>	<u>\$ (1,056)</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

POINT PROJECT FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 1,000,000	\$ -	\$ (1,000,000)
Total Revenues	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
Expenditures:				
Current:				
Airport	<u>-</u>	<u>984,898</u>	<u>984,898</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>984,898</u>	<u>984,898</u>	<u>-</u>
Net Change in Fund Balance	-	15,102	(984,898)	(1,000,000)
Fund Balance (Deficit) at Beginning of Year:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit) at End of Year:	<u>\$ -</u>	<u>\$ 15,102</u>	<u>\$ (984,898)</u>	<u>\$ (1,000,000)</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FAA AIRPORT EXPANSION FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 446,086	\$ 725,593	\$ 629,449	\$ (96,144)
Total Revenues	<u>446,086</u>	<u>725,593</u>	<u>629,449</u>	<u>(96,144)</u>
Expenditures:				
Current:				
Airport	<u>73,753</u>	<u>315,659</u>	<u>315,659</u>	<u>-</u>
Total Expenditures	<u>73,753</u>	<u>315,659</u>	<u>315,659</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	372,333	409,934	313,790	(96,144)
Other Financing Sources (Uses):				
Advances In	-	-	61,010	61,010
Transfers In	<u>2,467</u>	<u>8,745</u>	<u>-</u>	<u>(8,745)</u>
Total Other Financing Sources (Uses)	<u>2,467</u>	<u>8,745</u>	<u>61,010</u>	<u>52,265</u>
Net Change in Fund Balance	374,800	418,679	374,800	(43,879)
Fund Balance (Deficit) at Beginning of Year:	(431,886)	(431,886)	(431,886)	-
Prior Years Encumbrances	<u>57,086</u>	<u>57,086</u>	<u>57,086</u>	<u>-</u>
Fund Balance (Deficit) at End of Year:	\$ -	\$ 43,879	\$ -	\$ (43,879)

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FAA AIRPORT ALLOCATION/IMPROVEMENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 676,269	\$ 676,269	\$ 594,421	\$ (81,848)
Total Revenues	<u>676,269</u>	<u>676,269</u>	<u>594,421</u>	<u>(81,848)</u>
Expenditures:				
Current:				
Airport	<u>449,020</u>	<u>295,075</u>	<u>295,075</u>	<u>-</u>
Total Expenditures	<u>449,020</u>	<u>295,075</u>	<u>295,075</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	227,249	381,194	299,346	(81,848)
Other Financing Sources (Uses):				
Advances In	-	-	20,865	20,865
Transfers In	<u>180,459</u>	<u>180,459</u>	<u>-</u>	<u>(180,459)</u>
Total Other Financing Sources (Uses)	<u>180,459</u>	<u>180,459</u>	<u>20,865</u>	<u>(159,594)</u>
Net Change in Fund Balance	407,708	561,653	320,211	(241,442)
Fund Balance at Beginning of Year:	(431,370)	(431,370)	(431,370)	-
Prior Years Encumbrances	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Fund Balance (Deficit) at End of Year:	\$ 1,338	\$ 155,283	\$ (86,159)	\$ (241,442)

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

EQUIPMENT REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Expenditures:				
Current:				
Police	\$ 168,000	\$ 168,000	\$ 152,946	\$ 15,054
Parks & Facilities	115,995	115,995	99,859	16,136
Public Works	332,317	332,317	320,000	12,317
Airport	<u>375</u>	<u>375</u>	<u>-</u>	<u>375</u>
Total Expenditures	<u>616,687</u>	<u>616,687</u>	<u>572,805</u>	<u>43,882</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 (616,687)	 (616,687)	 (572,805)	 43,882
 Other Financing Sources (Uses):				
Transfers In	<u>510,000</u>	<u>510,000</u>	<u>510,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>510,000</u>	<u>510,000</u>	<u>510,000</u>	<u>-</u>
 Net Change in Fund Balance	 (106,687)	 (106,687)	 (62,805)	 43,882
 Fund Balance at Beginning of Year:	 89,212	 89,212	 89,212	 -
Prior Years Encumbrances	<u>110,610</u>	<u>110,610</u>	<u>110,610</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 93,135</u>	<u>\$ 93,135</u>	<u>\$ 137,017</u>	<u>\$ 43,882</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PARK IMPACT FEES FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Impact Fees	\$ 250,000	\$ 250,000	\$ 289,302	\$ 39,302
Interest	250	250	11,724	11,474
Total Revenues	<u>250,250</u>	<u>250,250</u>	<u>301,026</u>	<u>50,776</u>
Expenditures:				
Current:				
Parks & Recreation				
Services & Charges	43,760	43,760	26,575	17,185
Capital Outlay	<u>963,718</u>	<u>963,718</u>	<u>273,992</u>	<u>689,726</u>
Total Expenditures	<u>1,007,478</u>	<u>1,007,478</u>	<u>300,567</u>	<u>706,911</u>
Net Change in Fund Balance	(757,228)	(757,228)	459	757,687
Fund Balance at Beginning of Year:	920,240	920,240	920,240	-
Prior Years Encumbrances	<u>162,678</u>	<u>162,678</u>	<u>162,678</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 325,690</u>	<u>\$ 325,690</u>	<u>\$ 1,083,377</u>	<u>\$ 757,687</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

POLICE IMPACT FEES FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Impact Fees	\$ 75,000	\$ 75,000	\$ 41,969	\$ (33,031)
Interest	150	150	3,457	3,307
Total Revenues	<u>75,150</u>	<u>75,150</u>	<u>45,426</u>	<u>(29,724)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	10,425	10,425	7,925	2,500
Total Expenditures	<u>10,425</u>	<u>10,425</u>	<u>7,925</u>	<u>2,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	64,725	64,725	37,501	(27,224)
Other Financing Sources (Uses):				
Transfers Out	(60,227)	(60,227)	(60,227)	-
Total Other Financing Sources (Uses)	<u>(60,227)</u>	<u>(60,227)</u>	<u>(60,227)</u>	<u>-</u>
Net Change in Fund Balance	4,498	4,498	(22,726)	(27,224)
Fund Balance at Beginning of Year:	<u>334,055</u>	<u>334,055</u>	<u>334,055</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 338,553</u>	<u>\$ 338,553</u>	<u>\$ 311,329</u>	<u>\$ (27,224)</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FIRE IMPACT FEES FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Impact Fees	\$ 85,000	\$ 85,000	\$ 78,585	\$ (6,415)
Interest	50	50	3,564	3,514
Total Revenues	<u>85,050</u>	<u>85,050</u>	<u>82,149</u>	<u>(2,901)</u>
Expenditure:				
Current:				
Public Safety				
Services & Charges	<u>18,750</u>	<u>18,750</u>	<u>7,950</u>	<u>10,800</u>
Total Expenditures	<u>18,750</u>	<u>18,750</u>	<u>7,950</u>	<u>10,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	66,300	66,300	74,199	7,899
Other Financing Sources (Uses):				
Transfers Out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net Change in Fund Balance	(33,700)	(33,700)	(25,801)	7,899
Fund Balance at Beginning of Year:	<u>330,732</u>	<u>330,732</u>	<u>330,732</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 297,032</u>	<u>\$ 297,032</u>	<u>\$ 304,931</u>	<u>\$ 7,899</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

MUNICIPAL IMPACT FEES FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Impact Fees	\$ 100,000	\$ 100,000	\$ 90,331	\$ (9,669)
Charges for Services	65,000	65,000	65,000	-
Interest	<u>200</u>	<u>200</u>	<u>5,745</u>	<u>5,545</u>
Total Revenues	<u>165,200</u>	<u>165,200</u>	<u>161,076</u>	<u>(4,124)</u>
Expenditure:				
Current:				
General Government				
Services & Charges	<u>20,025</u>	<u>20,025</u>	<u>7,950</u>	<u>12,075</u>
Total Expenditures	<u>20,025</u>	<u>20,025</u>	<u>7,950</u>	<u>12,075</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	145,175	145,175	153,126	7,951
Other Financing Sources (Uses):				
Transfers Out	<u>(131,998)</u>	<u>(131,998)</u>	<u>(131,998)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(131,998)</u>	<u>(131,998)</u>	<u>(131,998)</u>	<u>-</u>
Net Change in Fund Balance	13,177	13,177	21,128	7,951
Fund Balance at Beginning of Year:	<u>535,122</u>	<u>535,122</u>	<u>535,122</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 548,299</u>	<u>\$ 548,299</u>	<u>\$ 556,250</u>	<u>\$ 7,951</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

GLENN ROAD NORTH CONSTRUCTION FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 80,000	\$ 80,000	\$ 93,025	\$ 13,025
Total Revenues	<u>80,000</u>	<u>80,000</u>	<u>93,025</u>	<u>13,025</u>
Expenditure:				
Current:				
Public Works				
Services & Charges	11,743	11,743	5,000	6,743
Debt Service:				
Principal Retirement	25,000	25,000	25,000	-
Interest & Fiscal Charges	<u>80,395</u>	<u>80,395</u>	<u>80,395</u>	<u>-</u>
Total Expenditures	<u>117,138</u>	<u>117,138</u>	<u>110,395</u>	<u>6,743</u>
Net Change in Fund Balance	(37,138)	(37,138)	(17,370)	19,768
Fund Balance at Beginning of Year:	398,257	398,257	398,257	-
Prior Years Encumbrances	<u>1,743</u>	<u>1,743</u>	<u>1,743</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 362,862</u>	<u>\$ 362,862</u>	<u>\$ 382,630</u>	<u>\$ 19,768</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

GOLF COURSE FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 171,500	\$ 171,500	\$ 163,957	\$ (7,543)
Other	2,200	2,200	5,037	2,837
Total Revenues	<u>173,700</u>	<u>173,700</u>	<u>168,994</u>	<u>(4,706)</u>
Expenses:				
Personal Services	138,195	138,195	126,487	11,708
Materials & Supplies	21,900	21,900	13,728	8,172
Services & Charges	31,119	31,119	21,692	9,427
Refunds	400	400	-	400
Capital Outlay	9,000	9,000	8,852	148
Total Expenses	<u>200,614</u>	<u>200,614</u>	<u>170,759</u>	<u>29,855</u>
Net Change in Fund Equity	(26,914)	(26,914)	(1,765)	25,149
Fund Equity at Beginning of Year:	69,362	69,362	69,362	-
Prior Years Encumbrances	600	600	600	-
Fund Equity at End of Year:	<u>\$ 43,048</u>	<u>\$ 43,048</u>	<u>\$ 68,197</u>	<u>\$ 25,149</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PARKING LOTS FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 51,100	\$ 51,100	\$ 49,695	\$ (1,405)
Total Revenues	<u>51,100</u>	<u>51,100</u>	<u>49,695</u>	<u>(1,405)</u>
Expenses:				
Services & Charges	<u>53,175</u>	<u>53,175</u>	<u>44,751</u>	<u>8,424</u>
Total Expenses	<u>53,175</u>	<u>53,175</u>	<u>44,751</u>	<u>8,424</u>
Net Change in Fund Equity	(2,075)	(2,075)	4,944	7,019
Fund Equity at Beginning of Year:	<u>28,666</u>	<u>28,666</u>	<u>28,666</u>	<u>-</u>
Fund Equity at End of Year:	<u>\$ 26,591</u>	<u>\$ 26,591</u>	<u>\$ 33,610</u>	<u>\$ 7,019</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SOUTHEAST HIGHLAND BOND RETIREMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Interest	\$ 2,000	\$ 2,000	\$ 4,841	\$ 2,841
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>4,841</u>	<u>2,841</u>
Expenditures:				
Debt Service:				
Principal Retirement	-	-	-	-
Interest & Fiscal Charges	<u>3,968</u>	<u>3,968</u>	<u>3,967</u>	<u>1</u>
Total Expenditures	<u>3,968</u>	<u>3,968</u>	<u>3,967</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,968)	(1,968)	874	2,842
Other Financing Sources (Uses):				
Transfers In	995,925	995,925	991,804	(4,121)
Transfers Out	<u>(991,084)</u>	<u>(991,804)</u>	<u>(991,804)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>4,841</u>	<u>4,121</u>	<u>-</u>	<u>(4,121)</u>
Net Change in Fund Balance	2,873	2,153	874	(1,279)
Fund Balance at Beginning of Year:	<u>83,023</u>	<u>83,023</u>	<u>83,023</u>	<u>-</u>
Fund Balance at End of Year:	<u>\$ 85,896</u>	<u>\$ 85,176</u>	<u>\$ 83,897</u>	<u>\$ (1,279)</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

GARAGE ROTARY FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Services	\$ 645,440	\$ 645,440	\$ 645,440	\$ -
Total Revenues	<u>645,440</u>	<u>645,440</u>	<u>645,440</u>	<u>-</u>
Expenses:				
Personal Services	326,658	326,658	316,088	10,570
Materials & Supplies	313,572	313,572	272,545	41,027
Services & Charges	<u>31,075</u>	<u>31,075</u>	<u>20,485</u>	<u>10,590</u>
Total Expenses	<u>671,305</u>	<u>671,305</u>	<u>609,118</u>	<u>62,187</u>
Net Change in Fund Equity	(25,865)	(25,865)	36,322	62,187
Fund Equity At Beginning Of Year:	245,757	245,757	245,757	-
Prior Years Encumbrances	<u>27,672</u>	<u>27,672</u>	<u>27,672</u>	<u>-</u>
Fund Equity At End Of Year:	<u>\$ 247,564</u>	<u>\$ 247,564</u>	<u>\$ 309,751</u>	<u>\$ 62,187</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INFORMATION TECHNOLOGY ROTARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 1,052,850	\$ 1,052,850	\$ 1,052,850	\$ -
Total Revenues	<u>1,052,850</u>	<u>1,052,850</u>	<u>1,052,850</u>	<u>-</u>
Expenses:				
Technology				
Personal Services	420,007	420,007	393,744	26,263
Materials & Supplies	9,129	9,129	3,054	6,075
Services & Charges	14,766	14,766	5,414	9,352
Capital Outlay	26,450	26,450	24,509	1,941
Support				
Materials & Supplies	602	602	711	(109)
Services & Charges	441,183	441,182	381,501	59,681
Capital Outlay	42,858	42,858	39,517	3,341
Geographical Information Systems				
Personal Services	89,495	89,495	79,066	10,429
Materials & Supplies	700	700	508	192
Services & Charges	50,525	50,525	38,782	11,743
Capital Outlay	<u>18,000</u>	<u>18,000</u>	<u>5,982</u>	<u>12,018</u>
Total Expenses	<u>1,113,715</u>	<u>1,113,714</u>	<u>972,788</u>	<u>140,926</u>
Net Change in Fund Equity	(60,865)	(60,864)	80,062	140,926
Fund Equity At Beginning Of Year:	500,508	500,508	500,508	-
Prior Years Encumbrances	<u>60,595</u>	<u>60,595</u>	<u>60,595</u>	<u>-</u>
Fund Equity At End Of Year:	<u>\$ 500,238</u>	<u>\$ 500,239</u>	<u>\$ 641,165</u>	<u>\$ 140,926</u>

CITY OF DELAWARE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SELF-INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 4,715,810	\$ 4,715,810	\$ 4,757,861	\$ 42,051
Reimbursements	300,000	300,000	814,682	514,682
Total Revenues	<u>5,015,810</u>	<u>5,015,810</u>	<u>5,572,543</u>	<u>556,733</u>
Expenses:				
Services & Charges	835,058	835,058	932,510	(97,452)
Claims	4,428,600	5,155,600	4,917,464	238,136
Refunds	30,500	30,500	27,240	3,260
Other	40,000	40,000	1,724	38,276
Total Expenses	<u>5,334,158</u>	<u>6,061,158</u>	<u>5,878,938</u>	<u>143,944</u>
Net Change in Fund Equity	(318,348)	(1,045,348)	(306,395)	738,953
Fund Equity At Beginning Of Year:	2,214,259	2,214,259	2,214,259	-
Prior Years Encumbrances	2,058	2,058	2,058	-
Fund Equity At End Of Year:	<u>\$ 1,897,969</u>	<u>\$ 1,170,969</u>	<u>\$ 1,909,922</u>	<u>\$ 738,953</u>

CITY OF DELAWARE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

WORKER'S COMPENSATION FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges For Service	\$ 569,714	\$ 569,714	\$ 569,714	\$ -
Reimbursements	-	-	171,237	171,237
Total Revenues	<u>569,714</u>	<u>569,714</u>	<u>740,951</u>	<u>171,237</u>
Expenses:				
Claims	554,000	554,000	351,382	202,618
Services & Charges	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	-
Total Expenses	<u>566,000</u>	<u>566,000</u>	<u>363,382</u>	<u>202,618</u>
Net Change in Fund Equity	3,714	3,714	377,569	373,855
Fund Equity At Beginning Of Year:	1,969,888	1,969,888	1,969,888	-
Prior Years Encumbrances	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	-
Fund Equity At End Of Year:	<u>\$ 1,977,602</u>	<u>\$ 1,977,602</u>	<u>\$ 2,351,457</u>	<u>\$ 373,855</u>

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CITY OF DELAWARE, OHIO

STATISTICAL SECTION

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	214
Revenue Capacity These schedules contain information to help the reader assess the government’s most significant local revenue sources, Property Tax and Income Tax.	224
Debt Capacity These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.	232
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	240
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	242

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

CITY OF DELAWARE, OHIO

NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 44,510,126	\$ 42,217,131	\$ 49,555,182	\$ 44,178,679
Restricted	8,888,379	12,481,627	27,692,345	20,355,048
Unrestricted	<u>9,232,749</u>	<u>10,388,349</u>	<u>(5,629,421)</u>	<u>6,471,127</u>
Total Governmental Activities Net Position	<u>\$ 62,631,254</u>	<u>\$ 65,087,107</u>	<u>\$ 71,618,106</u>	<u>\$ 71,004,854</u>
Business-Type Activities				
Net Investment in Capital Assets	\$ 62,280,398	\$ 62,909,728	\$ 64,221,470	\$ 63,614,360
Unrestricted	<u>14,658,030</u>	<u>13,503,282</u>	<u>12,761,428</u>	<u>14,298,948</u>
Total Business-Type Activities Net Position	<u>\$ 76,938,428</u>	<u>\$ 76,413,010</u>	<u>\$ 76,982,898</u>	<u>\$ 77,913,308</u>
Primary Government				
Net Investment in Capital Assets	\$ 106,790,524	\$ 105,126,859	\$ 113,776,652	\$ 107,793,039
Restricted	8,888,379	12,481,627	27,692,345	20,355,048
Unrestricted	<u>23,890,779</u>	<u>23,891,631</u>	<u>7,132,007</u>	<u>20,770,075</u>
Total Primary Government Net Position	<u>\$ 139,569,682</u>	<u>\$ 141,500,117</u>	<u>\$ 148,601,004</u>	<u>\$ 148,918,162</u>

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 41,488,379	\$ 42,076,683	\$ 41,266,191	\$ 43,677,814	\$ 55,169,052	\$ 55,408,985
24,942,137	32,442,920	39,682,493	41,521,426	37,601,264	33,710,113
3,798,507	7,221,823	4,805,100	(18,275,450)	(15,529,509)	(5,897,747)
<u>\$ 70,229,023</u>	<u>\$ 81,741,426</u>	<u>\$ 85,753,784</u>	<u>\$ 66,923,790</u>	<u>\$ 77,240,807</u>	<u>\$ 83,221,351</u>
\$ 64,265,588	\$ 76,377,410	\$ 67,220,887	\$ 71,510,580	\$ 77,602,081	\$ 80,274,936
17,507,681	10,095,849	25,305,428	23,681,873	22,276,704	22,726,651
<u>\$ 81,773,269</u>	<u>\$ 86,473,259</u>	<u>\$ 92,526,315</u>	<u>\$ 95,192,453</u>	<u>\$ 99,878,785</u>	<u>\$ 103,001,587</u>
\$ 105,753,967	\$ 118,454,093	\$ 108,487,078	\$ 115,188,394	\$ 132,771,133	\$ 135,683,921
24,942,137	32,442,920	39,682,493	41,521,426	37,601,264	33,710,113
21,306,188	17,317,672	30,110,528	5,406,423	6,747,195	16,828,904
<u>\$ 152,002,292</u>	<u>\$ 168,214,685</u>	<u>\$ 178,280,099</u>	<u>\$ 162,116,243</u>	<u>\$ 177,119,592</u>	<u>\$ 186,222,938</u>

CITY OF DELAWARE, OHIO

**CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Expenses¹				
Governmental Activities:				
General Government	\$ 5,673,407	\$ 4,319,605	\$ 4,709,782	\$ 4,381,295
Public Safety	11,524,263	11,814,941	12,162,111	12,327,103
Municipal Court	3,173,354	3,167,772	3,116,508	3,005,899
Parks & Facilities	1,765,238	1,686,291	1,810,642	5,761,615
Community Development	445,970	78,974	290,966	705,895
Airport	1,213,569	1,125,084	1,134,052	1,187,418
Public Works	4,681,247	3,890,814	3,876,541	5,971,273
Interest and Charges	909,767	551,336	1,389,592	1,369,537
Total Governmental Activities Expenses	<u>29,386,815</u>	<u>26,634,817</u>	<u>28,490,194</u>	<u>34,710,035</u>
Business-Type Activities:				
Water	4,948,492	4,262,902	3,932,733	4,523,921
Sewer	7,043,539	8,200,691	7,458,354	7,449,457
Storm Sewer	666,681	699,321	608,410	648,000
Refuse	2,621,832	2,465,141	3,231,835	3,136,616
Other Business-Type Activities	237,816	315,875	256,076	236,782
Total Business-Type Activities	<u>15,518,360</u>	<u>15,943,930</u>	<u>15,487,408</u>	<u>15,994,776</u>
Total Primary Government Expenses	<u>\$ 44,905,175</u>	<u>\$ 42,578,747</u>	<u>\$ 43,977,602</u>	<u>\$ 50,704,811</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 940,558	\$ 848,521	\$ 811,028	\$ 938,452
Public Safety	638,080	678,647	714,196	897,278
Municipal Court	2,371,950	3,111,673	3,114,000	3,143,978
Parks & Facilities	422,942	412,909	497,698	474,276
Community Development	47,056	37,733	32,709	30,613
Airport	725,862	591,902	638,253	734,904
Public Works	159,407	100,522	8,321	101,739
Operating Grants and Contributions	1,432,856	786,367	754,091	402,615
Capital Grants and Contributions	5,471,180	3,250,089	7,224,661	3,710,470
Total Governmental Activities Program Revenues	<u>12,209,891</u>	<u>9,818,363</u>	<u>13,794,957</u>	<u>10,434,325</u>
Business-Type Activities:				
Charges for Services:				
Water	4,678,500	3,995,280	4,472,717	4,845,877
Sewer	6,739,840	6,416,812	6,816,959	6,994,836
Storm Sewer	753,136	774,379	771,881	794,557
Refuse	2,525,397	2,833,424	2,917,011	3,032,084
Other Activities	234,060	229,472	207,711	179,110
Operating Grants and Contributions	135,000	35,000	35,000	35,000
Capital Grants and Contributions	2,615,142	865,839	639,290	725,476
Total Business-Type Activities Program Revenues	<u>17,681,075</u>	<u>15,150,206</u>	<u>15,860,569</u>	<u>16,606,940</u>
Total Primary Government Program Revenues	<u>\$ 29,890,966</u>	<u>\$ 24,968,569</u>	<u>\$ 29,655,526</u>	<u>\$ 27,041,265</u>

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 4,745,838	\$ 5,375,292	\$ 4,860,873	\$ 5,143,079	\$ 5,524,652	\$ 6,707,987
12,794,421	15,141,815	14,272,584	15,552,432	19,992,138	18,710,133
2,785,258	2,841,353	3,399,596	3,680,931	3,856,097	3,121,476
1,849,411	2,742,270	2,539,343	3,208,146	3,053,700	3,556,789
673,941	1,383,226	1,907,039	743,635	1,364,230	1,168,189
1,321,930	1,773,732	1,453,063	1,115,674	1,268,107	1,619,896
10,348,212	5,210,285	5,959,161	3,976,326	5,035,494	5,820,602
1,636,456	1,332,336	1,237,019	1,273,452	1,177,668	1,055,766
<u>36,155,467</u>	<u>35,800,307</u>	<u>35,628,678</u>	<u>34,693,675</u>	<u>41,272,086</u>	<u>41,760,838</u>
4,292,105	4,333,495	4,775,189	6,005,289	8,292,758	7,552,225
7,363,967	7,176,767	7,103,077	7,268,246	7,212,472	7,447,356
930,359	646,183	835,863	874,420	947,710	1,387,609
2,707,019	2,815,284	2,995,678	3,150,050	3,194,252	3,118,738
257,826	223,873	196,828	199,689	254,919	230,641
<u>15,551,276</u>	<u>15,195,602</u>	<u>15,906,635</u>	<u>17,497,694</u>	<u>19,902,111</u>	<u>19,736,569</u>
<u>\$ 51,706,743</u>	<u>\$ 50,995,909</u>	<u>\$ 51,535,313</u>	<u>\$ 52,191,369</u>	<u>\$ 61,174,197</u>	<u>\$ 61,497,407</u>
\$ 1,397,945	\$ 1,200,336	\$ 1,523,408	\$ 1,588,573	\$ 2,531,014	\$ 2,736,739
619,758	639,973	640,043	484,545	743,552	1,219,065
3,108,000	3,147,494	3,229,011	3,425,539	3,692,368	4,221,056
48,391	260,166	174,815	202,630	277,356	606,865
74,930	17,475	14,114	10,710	244,798	256,774
808,333	818,506	745,394	691,363	574,989	832,267
84,112	109,594	233,389	65,000	111,105	321,325
557,212	814,885	662,137	650,062	252,589	2,211,209
3,943,885	4,213,649	6,303,648	5,448,944	13,637,840	4,164,802
<u>10,642,566</u>	<u>11,222,078</u>	<u>13,525,959</u>	<u>12,567,366</u>	<u>22,065,611</u>	<u>16,570,102</u>
6,064,510	6,196,486	6,627,825	6,296,882	7,055,925	6,752,023
7,877,850	7,734,100	8,314,613	7,830,367	8,852,192	8,272,758
698,034	797,580	809,553	812,464	839,798	835,029
3,165,678	3,234,523	3,332,815	3,373,629	3,501,944	3,515,497
225,095	199,158	188,331	210,367	211,843	213,652
14,000	17,500	-	-	-	-
<u>1,192,376</u>	<u>1,162,804</u>	<u>2,286,824</u>	<u>3,711,544</u>	<u>3,777,488</u>	<u>2,934,109</u>
<u>19,237,543</u>	<u>19,342,151</u>	<u>21,559,961</u>	<u>22,235,253</u>	<u>24,239,190</u>	<u>22,523,068</u>
<u>\$ 29,880,109</u>	<u>\$ 30,564,229</u>	<u>\$ 35,085,920</u>	<u>\$ 34,802,619</u>	<u>\$ 46,304,801</u>	<u>\$ 39,093,170</u>

CITY OF DELAWARE, OHIO

CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Net (Expense)/Revenue				
Governmental Activities	\$ (17,176,924)	\$ (16,816,454)	\$ (14,695,237)	\$ (24,275,710)
Business-Type Activities	<u>2,162,715</u>	<u>(793,724)</u>	<u>373,161</u>	<u>612,164</u>
Total Primary Government Net Expense	<u>\$ (15,014,209)</u>	<u>\$ (17,610,178)</u>	<u>\$ (14,322,076)</u>	<u>\$ (23,663,546)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Property Taxes	\$ 1,849,164	\$ 1,825,092	\$ 1,752,804	\$ 1,685,641
Income Taxes ²	14,077,081	14,938,237	15,558,058	18,114,605
Other Taxes	64,531	62,339	54,465	51,455
Gain (Loss) on Sale of Assets	758,080	20,837	97,639	12,345
Grants and Contributions not Restricted to Specific Programs	2,365,978	1,599,125	2,544,655	2,021,199
Payments in Lieu of Taxes	947,129	243,756	581,505	669,138
Special Assessments	-	-	-	-
Unrestricted Contributions	632,655	217,878	300,975	317,683
Interest Income	711,891	240,559	172,788	173,744
Miscellaneous	<u>218,147</u>	<u>124,484</u>	<u>163,347</u>	<u>616,648</u>
Total Governmental Activities	<u>21,624,656</u>	<u>19,272,307</u>	<u>21,226,236</u>	<u>23,662,458</u>
Special Item				
Transfer of Cemetery net position upon dissolution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-Type Activities:				
Interest Income	619,542	31,687	14,255	11,818
Gain on Sale of Assets	-	14,858	-	-
Miscellaneous	<u>203,529</u>	<u>221,761</u>	<u>182,472</u>	<u>306,428</u>
Total Business-Type Activities	<u>823,071</u>	<u>268,306</u>	<u>196,727</u>	<u>318,246</u>
Total Primary Government	<u>\$ 22,447,727</u>	<u>\$ 19,540,613</u>	<u>\$ 21,422,963</u>	<u>\$ 23,980,704</u>
Change in Net Position				
Governmental Activities	\$ 4,447,732	\$ 2,455,853	\$ 6,530,999	\$ (613,252)
Business-Type Activities	<u>2,985,786</u>	<u>(525,418)</u>	<u>569,888</u>	<u>930,410</u>
Total Primary Government	<u>\$ 7,433,518</u>	<u>\$ 1,930,435</u>	<u>\$ 7,100,887</u>	<u>\$ 317,158</u>

¹ In 2009, Municipal Court related expenses have been reported separately from Public Safety. Prior years have been restated, accordingly.

² Beginning in 2011, Income tax refunds are not reflected as General Government expenses, but rather as reduction in Income Tax revenues.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ (25,512,901)	\$ (24,578,229)	\$ (22,102,719)	\$ (22,126,309)	\$ (19,206,475)	\$ (25,190,736)
<u>3,686,267</u>	<u>4,146,549</u>	<u>5,653,326</u>	<u>4,737,559</u>	<u>4,337,079</u>	<u>2,786,499</u>
<u>\$ (21,826,634)</u>	<u>\$ (20,431,680)</u>	<u>\$ (16,449,393)</u>	<u>\$ (17,388,750)</u>	<u>\$ (14,869,396)</u>	<u>\$ (22,404,237)</u>

\$ 1,704,832	\$ 1,544,312	\$ 1,543,374	\$ 1,667,969	\$ 1,648,383	\$ 1,630,558
19,250,670	20,393,782	22,011,434	22,674,074	24,762,914	26,941,871
70,301	62,197	74,660	81,935	76,461	82,835
-	23,892	13,080	-	-	-
1,101,219	1,240,061	941,717	905,393	892,453	1,156,562
227,225	581,763	719,788	779,075	1,063,670	745,681
-	-	83,062	-	129,413	-
190,697	435,939	267,451	765,495	537,294	-
198,615	188,031	291,240	145,878	182,410	399,821
<u>728,605</u>	<u>876,322</u>	<u>169,271</u>	<u>561,557</u>	<u>345,269</u>	<u>213,952</u>
<u>23,472,164</u>	<u>25,346,299</u>	<u>26,115,077</u>	<u>27,581,376</u>	<u>29,638,267</u>	<u>31,171,280</u>

<u>1,264,906</u>	<u>17,008</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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13,444	12,679	16,454	31,295	96,836	228,071
-	-	-	-	-	-
<u>160,250</u>	<u>540,762</u>	<u>383,276</u>	<u>120,468</u>	<u>137,642</u>	<u>108,232</u>
<u>173,694</u>	<u>553,441</u>	<u>399,730</u>	<u>151,763</u>	<u>234,478</u>	<u>336,303</u>
<u>\$ 24,910,764</u>	<u>\$ 25,916,748</u>	<u>\$ 26,514,807</u>	<u>\$ 27,733,139</u>	<u>\$ 29,872,745</u>	<u>\$ 31,507,583</u>

\$ (775,831)	\$ 785,078	\$ 4,012,358	\$ 5,455,067	\$ 10,431,792	\$ 5,980,544
<u>3,859,961</u>	<u>4,699,990</u>	<u>6,053,056</u>	<u>4,889,322</u>	<u>4,571,557</u>	<u>3,122,802</u>
<u>\$ 3,084,130</u>	<u>\$ 5,485,068</u>	<u>\$ 10,065,414</u>	<u>\$ 10,344,389</u>	<u>\$ 15,003,349</u>	<u>\$ 9,103,346</u>

CITY OF DELAWARE, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ 241,848
Committed	-	-	-	733,570
Assigned	-	-	-	171,094
Unassigned	-	-	-	4,868,744
Reserved	146,602	311,399	283,192	-
Unreserved	4,329,430	3,363,482	4,269,038	-
Total General Fund	<u>\$ 4,476,032</u>	<u>\$ 3,674,881</u>	<u>\$ 4,552,230</u>	<u>\$ 6,015,256</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ 1,467,320
Restricted	-	-	-	11,029,429
Committed	-	-	-	2,163,710
Assigned	-	-	-	-
Unassigned	-	-	-	(14,107,013)
Reserved	3,286,888	2,260,622	12,632,020	-
Unreserved, Reported In:				
Special Revenue Funds	3,617,503	4,367,987	9,161,840	-
Debt Service Funds	(95,031)	(40,584)	65,486	-
Capital Project Funds	(9,670,311)	(10,265,440)	(11,336,439)	-
Total All Other Governmental Funds	<u>\$ (2,860,951)</u>	<u>\$ (3,677,415)</u>	<u>\$ 10,522,907</u>	<u>\$ 553,446</u>

(1) In 2011, GASB 54 was implemented which created new classifications for fund balance restrictions. There was no restatement of fund balances for years prior to 2011 as the relevant information no longer existed and was unavailable.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 193,516	\$ 186,096	\$ 159,472	\$ 226,255	\$ 230,035	\$ 153,979
774,267	784,159	371,870	376,206	402,507	486,338
226,167	132,700	172,773	118,431	1,408,973	164,363
5,373,025	5,931,742	5,700,232	5,962,298	5,018,573	7,416,633
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 6,566,975</u>	<u>\$ 7,034,697</u>	<u>\$ 6,404,347</u>	<u>\$ 6,683,190</u>	<u>\$ 7,060,088</u>	<u>\$ 8,221,313</u>
\$ 718,649	\$ 239,542	\$ 129,229	\$ 236,416	\$ 139,175	\$ 141,694
12,976,541	13,948,364	31,871,720	33,047,494	29,358,116	35,975,043
1,572,458	2,576,568	3,468,974	5,565,804	7,696,501	8,065,682
-	-	-	-	45,497	62,077
(15,144,652)	(9,925,636)	(18,111)	-	(82,710)	(76,180)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 122,996</u>	<u>\$ 6,838,838</u>	<u>\$ 35,451,812</u>	<u>\$ 38,849,714</u>	<u>\$ 37,156,579</u>	<u>\$ 44,168,316</u>

CITY OF DELAWARE, OHIO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues				
Taxes [see Schedule 5]	\$ 15,833,459	\$ 16,447,243	\$ 17,360,032	\$ 20,172,350
Intergovernmental	4,411,719	4,420,892	8,915,679	4,566,345
Payments in Lieu of Taxes	144,180	123,249	626,716	658,991
Special Assessments	-	-	-	-
Interest	711,891	240,559	172,788	173,744
Fees, Licenses, and Permits	911,800	649,967	717,855	772,584
Fines and Forfeitures	2,170,171	2,745,278	2,718,732	2,718,941
Impact Fees	947,185	313,320	282,074	317,812
Charges for Services	2,236,182	2,262,787	2,373,599	2,949,115
Contributions and Donations	-	-	-	-
Miscellaneous Revenues	575,290	588,769	653,928	709,914
Total Revenues	<u>27,941,877</u>	<u>27,792,064</u>	<u>33,821,403</u>	<u>33,039,796</u>
Expenditures				
Public Safety				
Police	6,082,182	6,711,910	6,535,526	6,410,160
Fire	4,827,021	5,021,164	5,207,654	6,701,280
Other	555,251	647,593	669,365	628,891
Municipal Court ³	2,541,708	2,774,856	2,517,600	2,419,095
Parks & Facilities	1,476,899	2,454,881	8,749,976	10,769,217
Community Development	449,766	144,508	273,568	707,277
Airport	735,271	687,147	716,795	980,685
Public Works	3,878,769	2,797,245	6,389,734	3,764,992
General Government	5,385,890	4,145,850	4,436,391	4,555,490
Capital Outlay	3,919,563	3,217,430	917,033	2,365,391
Refunds	-	-	-	26,409
Debt Service				
Principal	540,976	563,915	1,063,900	895,000
Interest and Charges	984,232	759,014	1,538,929	1,334,689
Total Expenditures	<u>31,377,528</u>	<u>29,925,513</u>	<u>39,016,471</u>	<u>41,558,576</u>
Excess of Revenues Over/(Under) Expenditures	<u>(3,435,651)</u>	<u>(2,133,449)</u>	<u>(5,195,068)</u>	<u>(8,518,780)</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	20,120,000	-
Issuance of Notes	-	-	-	-
Premium on Bond Issuance	-	-	140,775	-
Premium on Bond Issuance	-	-	-	-
Proceeds of Capital Lease	-	-	-	-
Payment to Refunding Agent	-	-	-	-
Discount on Bond Issuance	-	-	-	-
Sale of Long-term Notes	-	-	-	-
Sale of Assets ¹	1,123,313	37,085	11,964	12,345
Transfers In	5,671,567	5,804,230	6,121,095	5,155,407
Transfers Out	<u>(5,671,567)</u>	<u>(5,804,230)</u>	<u>(6,121,095)</u>	<u>(5,155,407)</u>
Total Other Financing Sources (Uses)	<u>1,123,313</u>	<u>37,085</u>	<u>20,272,739</u>	<u>12,345</u>
Special Item				
Transfer of Cemetery Fund Balance upon dissolution	-	-	-	-
Net Change in Fund Balances	<u>\$ (2,312,338)</u>	<u>\$ (2,096,364)</u>	<u>\$ 15,077,671</u>	<u>\$ (8,506,435)</u>
Debt Service as a Percentage of Noncapital Expenditures [restated]²				
	6.10%	5.27%	9.88%	7.07%

¹ Due to materiality, Sale of Assets was reported in Miscellaneous Revenues until 2008.

² Restated to use corrected capital outlay amount in calculation.

³ In 2009, Municipal Court related expenditures have been reported separately from Public Safety. Prior years have been restated, accordingly.

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$	20,535,799	\$ 21,988,314	\$ 23,270,782	\$ 24,379,942	\$ 25,921,183	\$ 27,262,335
	4,005,737	4,992,428	4,773,815	3,981,229	8,345,560	4,121,204
	377,639	471,345	667,480	713,560	656,973	902,657
	-	-	83,062	-	129,413	108,233
	198,615	188,031	291,240	145,878	182,410	496,053
	839,153	829,268	931,856	1,026,156	1,267,821	1,132,517
	2,700,089	2,842,024	2,882,641	2,917,509	3,104,553	3,728,548
	474,539	748,427	599,244	602,123	975,515	500,187
	2,339,600	2,594,039	3,072,065	2,453,250	3,731,316	4,338,192
	-	-	79,842	38,606	321,802	75,082
	808,330	723,758	1,708,434	505,472	304,669	284,967
	<u>32,279,501</u>	<u>35,377,634</u>	<u>38,360,461</u>	<u>36,763,725</u>	<u>44,941,215</u>	<u>42,949,975</u>
	6,717,902	6,920,490	7,108,706	7,137,567	7,950,012	8,055,865
	6,530,534	9,672,186	7,753,521	7,847,262	10,201,888	8,207,483
	205,862	286,614	878,777	848,743	994,875	846,536
	2,600,349	2,567,248	2,566,389	2,657,511	2,788,535	2,749,032
	2,870,507	1,696,745	1,831,678	3,633,933	2,937,310	2,246,233
	677,968	1,373,576	1,898,134	932,962	1,367,041	1,120,485
	806,080	1,272,294	1,196,372	1,061,877	5,335,278	1,241,199
	4,935,056	4,572,490	5,153,101	5,148,742	4,899,953	4,578,396
	4,395,764	5,044,760	4,585,133	4,658,180	5,363,259	5,666,642
	1,011,857	276,558	-	-	-	-
	427,286	27,452	67,835	-	-	-
	1,075,246	1,704,365	1,692,120	16,734,926	14,137,783	13,057,925
	<u>1,382,852</u>	<u>1,395,968</u>	<u>1,271,476</u>	<u>1,287,743</u>	<u>1,233,029</u>	<u>1,218,012</u>
	<u>33,637,263</u>	<u>36,810,746</u>	<u>36,003,242</u>	<u>51,949,446</u>	<u>57,208,963</u>	<u>48,987,808</u>
	(1,357,762)	(1,433,112)	2,357,219	(15,185,721)	(12,267,748)	(6,037,833)
	3,395,000	8,260,000	-	6,250,000	-	4,271,735
	-	-	-	-	-	10,265,000
	65,710	280,261	-	295,956	12,482	414,292
	-	-	-	-	-	69,412
	1,090,176	-	-	-	-	-
	(3,383,489)	-	-	-	-	(812,835)
	(24,058)	-	-	-	-	-
	-	-	14,885,000	12,145,000	11,015,000	-
	28,786	59,407	13,080	56,735	38,804	3,191
	6,804,445	9,292,264	8,332,187	9,573,938	7,048,628	7,304,862
	<u>(6,804,445)</u>	<u>(9,292,264)</u>	<u>(8,332,187)</u>	<u>(9,573,938)</u>	<u>(7,048,628)</u>	<u>(7,304,862)</u>
	<u>1,172,125</u>	<u>8,599,668</u>	<u>14,898,080</u>	<u>18,747,691</u>	<u>11,066,286</u>	<u>14,210,795</u>
	306,906	17,008	-	-	-	-
\$	<u>121,269</u>	<u>7,183,564</u>	<u>17,255,299</u>	<u>3,561,970</u>	<u>(1,201,462)</u>	<u>8,172,962</u>
	8.52%	9.48%	8.66%	39.45%	31.72%	31.13%

CITY OF DELAWARE, OHIO

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
 LAST TEN YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

<i>Year</i>	<i>Property</i>	<i>Income</i>	<i>Other</i>	<i>Total</i>
2008	\$ 1,849,164	\$ 13,919,764	\$ 64,531	\$ 15,833,459
2009	1,825,092	14,559,812	62,339	16,447,243
2010	1,752,804	15,552,763	54,465	17,360,032
2011	1,685,641	18,435,254	51,455	20,172,350
2012	1,549,615	18,915,883	70,301	20,535,799
2013	1,561,152	20,364,965	62,197	21,988,314
2014	1,561,621	21,634,501	74,660	23,270,782
2015	1,629,272	22,668,735	81,935	24,379,942
2016	1,702,541	24,142,181	76,461	25,921,183
2017	1,630,558	25,548,942	82,835	27,262,335
2008 to 2017	-11.82%	83.54%	28.36%	72.18%

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CITY OF DELAWARE, OHIO

ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
[IN THOUSANDS OF DOLLARS]

<i>Collection Year Ended December 31</i>	<i>Real Property</i>				
	<i>Residential</i>		<i>Industrial</i>	<i>Commercial</i>	
	<i>Property</i>	<i>Farm Property</i>	<i>Property</i>	<i>Property</i>	<i>Public Utility</i>
2008	\$ 512,224	\$ 1,219	\$ 45,441	\$ 118,208	\$ 62
2009	510,990	1,007	43,579	125,106	74
2010	509,294	1,001	45,495	132,514	85
2011	514,519	1,001	47,745	123,858	89
2012	481,689	1,308	45,783	120,973	98
2013	485,050	660	42,758	117,040	90
2014	493,795	661	40,480	118,438	94
2015	502,720	1,441	55,515	122,111	96
2016	520,571	2,121	47,991	131,885	90
2017	602,170	1,873	51,619	139,286	88

Source: Delaware County Auditor's Office

<i>Public Util Pers. Prop.</i>	<i>Tangible</i>	<i>Total Taxable Assessed Value</i>	<i>Total Direct Tax Rate</i>	<i>Estimated Actual Taxable Value</i>	<i>Assessed Value as a Percentage of Actual Value</i>
\$ 12,838	\$ 20,551	\$ 710,543	2.70	\$ 2,070,223	34.32
15,848	749	697,353	2.70	2,015,746	34.60
16,594	367	705,350	2.70	2,040,441	34.57
18,815	-	706,027	2.70	2,017,217	35.00
20,058	-	669,909	2.70	1,914,024	35.00
20,089	-	665,687	2.70	1,901,965	35.00
20,946	-	674,414	2.70	1,926,898	35.00
21,199	-	703,082	2.70	2,008,806	35.00
23,357	-	726,015	2.70	2,074,329	35.00
25,063	-	820,099	2.70	2,343,140	35.00

CITY OF DELAWARE, OHIO

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

[RATE PER \$1,000 OF ASSESSED VALUE]

<i>Collection Year</i>	<i>City of Delaware</i>			<i>Overlapping Rates¹</i>			<i>Total Direct & Overlapping Rates</i>
	<i>General Fund</i>	<i>Police & Fire Pension</i>	<i>Total Direct</i>	<i>County</i>	<i>School District</i>	<i>Other</i>	
2008	2.10	0.60	2.70	6.10	67.10	3.96	79.86
2009	2.10	0.60	2.70	6.30	67.42	3.94	80.36
2010	2.10	0.60	2.70	7.09	66.83	4.93	81.55
2011	2.10	0.60	2.70	7.10	66.91	4.90	81.61
2012	2.10	0.60	2.70	7.10	76.38	4.90	91.08
2013	2.10	0.60	2.70	7.10	76.73	4.90	91.43
2014	2.10	0.60	2.70	7.96	78.20	4.90	93.76
2015	2.10	0.60	2.70	7.96	78.51	4.90	94.07
2016	2.10	0.60	2.70	8.11	77.94	4.90	93.65
2017	2.10	0.60	2.70	8.09	83.55	4.90	99.24

Source: Delaware County Auditor's Office

Note: The City's basic property tax rate may be increased only by a majority vote of the City's residents.

¹Overlapping rates are those of local and county governments that apply to property owners within the City of Delaware.

Not all overlapping rates apply to all Delaware property owners: annexed properties may still pay township taxes in addition to City taxes.

CITY OF DELAWARE, OHIO
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND TEN YEARS AGO

<u>Taxpayer</u>	<u>2017</u>			<u>2007</u>		
	<i>Taxable</i>		<i>Percentage of</i>	<i>Taxable</i>		<i>Percentage of</i>
	<i>Assessed Value</i>	<i>Rank</i>	<i>Total City Taxable Assessed Value</i>	<i>Value</i>	<i>Rank</i>	<i>Total City Taxable Assessed Value</i>
Ohio [Columbus Southern] Power Co.	\$ 17,873,510	1	2.46 %	\$ 9,044,790	1	1.32 %
Kroger Company	8,534,240	2	1.18	6,126,310	2	0.89
HPI Troy Farms LLC	7,545,230	3	1.04	—	—	—
Willow Brook Christian	5,209,730	4	0.72	2,387,050	8	0.35
Carson Farms Investments LLC	4,975,870	5	0.69	—	—	—
Crown Group, Ltd.	4,712,110	6	0.65	1,767,980	16	0.26
Grady Memorial Hospital	4,515,390	7	0.62	2,026,610	14	0.30
USPG Portfolio Two, LLC	3,998,690	8	0.55	3,990,890	5	0.58
Pulte Homes of Ohio LLC [formerly Dominion Homes]	3,980,020	9	0.55	4,740,770	3	0.69
Bowtown Apartments, Inc.	3,958,290	10	0.55	4,529,210	4	0.66
Delaware Preserve LLC	3,850,010	11	0.53	—	—	—
SARBG Delaware, LTD	3,773,700	12	0.52	3,871,670	6	0.57
All Others	<u>653,088,090</u>		<u>89.96</u>	<u>646,128,261</u>		<u>94.38</u>
Total	<u>726,014,880</u>		<u>100 %</u>	<u>684,613,541</u>		<u>100 %</u>

Source: Delaware County Auditor's Office.

CITY OF DELAWARE, OHIO

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

<i>Tax Year/ Collection Year</i>	<i>Total Tax Levy</i>	<i>Current Tax Collections ¹</i>	<i>Percentage of Current Collections to Current Levy</i>	<i>Delinquent Tax Collections ²</i>	<i>Total Tax Collections</i>	<i>Percentage of Total Collections to Total Tax Levy</i>
2007/2008	\$ 1,883,475	\$ 1,807,518	95.97 %	\$ 72,451	\$ 1,879,969	99.81 %
2008/2009	1,832,785	1,771,209	96.64	58,723	1,829,932	99.84
2009/2010	1,856,229	1,753,217	94.45	51,149	1,804,366	97.21
2010/2011	1,854,135	1,776,838	95.83	70,062	1,846,900	99.61
2011/2012	1,762,460	1,715,093	97.31	43,714	1,758,807	99.79
2012/2013	1,756,488	1,694,568	96.47	53,757	1,748,325	99.54
2013/2014	1,773,793	1,710,019	96.40	46,458	1,756,477	99.02
2014/2015	1,838,428	1,782,436	96.95	37,766	1,820,202	99.01
2015/2016	1,873,277	1,848,443	98.67	52,235	1,900,678	101.46
2016/2017	1,895,706	1,795,546	94.72	31,361	1,826,907	96.37

¹ State reimbursement of homestead and rollback exemptions are included.

² The County does not identify delinquent collections by tax year.

The presentation will be updated as new information becomes available.

Source: Delaware County Auditor's Office, City of Delaware Finance Department

CITY OF DELAWARE, OHIO

**INCOME TAX REVENUE BY SOURCE
LAST TEN YEARS**

[MODIFIED ACCRUAL BASIS OF ACCOUNTING, IN THOUSANDS OF DOLLARS]

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Income Tax Rate	1.40%	1.55%	1.55%	1.85%	1.85%	1.85%	1.85%	1.85%	1.85%	1.85%
Business Accounts	\$ 1,794	\$ 1,270	\$ 1,264	\$ 1,338	\$ 1,516	\$ 1,989	\$ 1,940	\$ 1,840	\$ 1,807	\$ 2,025
<i>Percentage of Total</i>	<i>12.89%</i>	<i>8.72%</i>	<i>8.13%</i>	<i>7.26%</i>	<i>8.01%</i>	<i>9.77%</i>	<i>8.97%</i>	<i>8.12%</i>	<i>7.48%</i>	<i>7.93%</i>
Residential Accounts	2,886	3,213	3,425	3,775	3,933	4,250	4,534	5,219	5,538	4,805
<i>Percentage of Total</i>	<i>20.73%</i>	<i>22.07%</i>	<i>22.02%</i>	<i>20.48%</i>	<i>20.79%</i>	<i>20.87%</i>	<i>20.96%</i>	<i>23.02%</i>	<i>22.94%</i>	<i>18.81%</i>
Withholding Accounts	9,240	10,077	10,864	13,322	13,467	14,126	15,161	15,610	16,797	18,719
<i>Percentage of Total</i>	<i>66.38%</i>	<i>69.21%</i>	<i>69.85%</i>	<i>72.26%</i>	<i>71.19%</i>	<i>69.36%</i>	<i>70.08%</i>	<i>68.86%</i>	<i>69.58%</i>	<i>73.27%</i>
Total Income Tax Revenues	<u>\$ 13,920</u>	<u>\$ 14,560</u>	<u>\$ 15,552</u>	<u>\$ 18,435</u>	<u>\$ 18,916</u>	<u>\$ 20,365</u>	<u>\$ 21,635</u>	<u>\$ 22,669</u>	<u>\$ 24,142</u>	<u>\$ 25,549</u>

Source: City of Delaware Tax Department

Passage of levy in 2008 increased rate by .15% for recreation improvements.

Passage of levy in 2010 increased rate by .3% for fire/ems improvements.

CITY OF DELAWARE, OHIO

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
[DOLLARS IN THOUSANDS, EXCEPT PER CAPITA]**

<i>Year</i>	<i>Governmental Activities</i>					<i>Business-type Activities</i>			
	<i>General Obligation Bonds</i>	<i>Tax Revenue Bonds</i>	<i>Special Assessment Bonds</i>	<i>BANs [Long- Term]</i>	<i>Capital Leases</i>	<i>Sewer Bonds</i>	<i>General Obligation Bonds</i>	<i>Loans Payable</i>	<i>Capital Leases</i>
2008	\$ 7,608	\$ -	\$ 62	\$ -	\$ 41	\$ -	\$ 9,647	\$ 24,251	\$ -
2009	7,103	-	23	-	21	15,150	8,976	23,245	-
2010	6,583	19,620	-	-	-	15,020	7,982	22,202	-
2011	6,043	19,265	-	-	-	14,855	7,567	23,446	-
2012	5,513	18,865	-	-	980	14,660	6,946	25,928	-
2013	12,648	18,435	-	-	831	14,415	6,471	30,284	327
2014	11,858	18,083	-	14,885	678	14,117	6,009	48,793	253
2015	17,156	17,592	-	12,145	524	13,732	5,508	50,091	176
2016	15,797	17,076	-	11,015	366	13,337	5,008	47,796	99
2017	18,271	16,531	-	10,265	205	12,932	4,616	45,603	20

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

¹ See Schedule 16 for personal income and population data.

Sources: City of Delaware Finance Department, Economic Development Department

<i>Total</i>	<i>Percentage of</i>	
<i>Primary</i>	<i>Personal</i>	<i>Per</i>
<i>Government</i>	<i>Income</i> ¹	<i>Capita</i> ¹
\$ 41,609	4.90 %	\$ 1,244
54,518	6.24	1,594
71,407	7.94	2,040
71,176	7.86	2,034
72,892	9.97	2,056
83,411	9.02	2,322
114,676	11.65	3,145
116,924	11.52	3,160
110,495	10.60	2,908
108,444	9.98	2,806

CITY OF DELAWARE, OHIO

RATIOS OF GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN YEARS

[DOLLARS IN THOUSANDS, EXCEPT PER CAPITA]

<i>Year</i>	<i>General Obligation Bonds</i>	<i>Less: Amounts Available in Debt Service Fund</i>	<i>Total</i>	<i>Estimated Actual Taxable Value of</i>	
				<i>Property</i> ¹	<i>Per Capita</i> ²
2008	\$ 17,255	\$ -	\$ 17,255	0.83 %	\$ 516
2009	16,079	-	16,079	0.80	471
2010	14,565	-	14,565	0.71	416
2011	13,610	-	13,610	0.67	389
2012	12,459	-	12,459	0.65	351
2013	19,119	10	19,109	1.00	532
2014	17,867	56	17,811	0.92	489
2015	22,665	64	22,601	1.13	611
2016	20,805	72	20,733	1.00	546
2017	22,887	332	22,555	0.96	584

Note: Further details regarding the City's outstanding debt can be found in the Notes to the Financial Statements. The amounts were restated to include both governmental and business-type bonds.

¹ See Schedule 6 for property value data.

² Population data can be found in Schedule 16.

CITY OF DELAWARE, OHIO

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2017**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ¹</u>	<u>Estimated Share of Overlapping Debt</u>
Outstanding General Obligation Debt			
Delaware County	\$ 115,127,477	10.48%	\$ 12,065,360
Delaware City School District	<u>68,099,940</u>	99.68%	67,882,020
Subtotal, Overlapping Debt	<u>\$ 183,227,417</u>		<u>79,947,380</u>
City of Delaware direct debt			<u>45,272,025</u>
Total Direct and Overlapping Debt			<u><u>\$ 125,219,405</u></u>

Sources: Debt outstanding and assessed value data used to estimate applicable percentages provided by the County Auditor.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Delaware. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not

¹ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

CITY OF DELAWARE, OHIO

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
[DOLLARS IN THOUSANDS]

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Assessed value	\$ 710,543	\$ 697,353	\$ 705,350	\$ 706,027
Overall Debt Limit - 10.5% of Assessed Valuation	74,607	73,222	74,062	74,133
Total Net Debt Applicable to Limit	<u>7,670</u>	<u>7,126</u>	<u>6,583</u>	<u>6,054</u>
Legal Debt Margin	66,937	66,096	67,479	68,079
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.28%	9.73%	8.89%	8.17%
Unvoted Debt Limit -- 5.5% of Assessed Valuation [General Limitation]	39,080	38,354	38,794	38,831
Total Net Debt Applicable to Limit	<u>7,670</u>	<u>7,126</u>	<u>6,583</u>	<u>6,054</u>
Legal Debt Margin	31,410	31,228	32,211	32,777
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.63%	18.58%	16.97%	15.59%

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10.5% of total assessed property value for voted debt, nor 5.5% of the total for unvoted debt. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$	669,909	\$ 665,687	\$ 674,414	\$ 703,082	\$ 702,658	\$ 795,000
	70,340	69,897	70,813	73,824	73,779	83,475
	<u>5,566</u>	<u>12,957</u>	<u>11,573</u>	<u>16,612</u>	<u>15,288</u>	<u>17,413</u>
	64,774	56,940	59,240	57,212	58,491	66,062
	7.91%	18.54%	16.34%	22.50%	20.72%	20.86%
	36,845	36,613	37,093	38,670	38,646	43,725
	<u>5,566</u>	<u>12,957</u>	<u>11,573</u>	<u>16,612</u>	<u>15,288</u>	<u>17,413</u>
	31,279	23,656	25,520	22,058	23,358	26,312
	15.11%	35.39%	31.20%	42.96%	39.56%	39.82%

CITY OF DELAWARE, OHIO

PLEGDED REVENUE COVERAGE
LAST TEN YEARS
[DOLLARS IN THOUSANDS]

Fiscal Year	Water Revenue Bonds & Loans						Sewer Revenue Bonds & Loans					
	Water Charges and Other ¹	Less: Operating ²	Net Available Revenue	Debt Service			Sewer Charges and Other ¹	Less: Operating ² Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	Coverage				Principal	Interest	Coverage
2008	N/A	N/A	N/A	\$ -	\$ -	-	\$ 5,866	\$ 3,312	\$ 2,554	\$ 874	\$ 892	1.45
2009	N/A	N/A	N/A	-	-	-	5,971	3,050	2,921	1,541	1,631	0.92
2010	N/A	N/A	N/A	-	-	-	6,309	3,223	3,086	1,723	1,697	0.90
2011	4,351	3,208	1,143	27	41	16.81	6,426	3,238	3,188	1,663	1,229	1.10
2012	5,158	3,298	1,860	57	80	13.58	6,983	3,478	3,505	1,851	1,518	1.04
2013	5,573	3,235	2,338	85	319	5.79	6,676	3,784	2,892	1,376	1,330	1.07
2014	5,366	3,619	1,747	198	370	3.08	7,112	3,592	3,520	1,787	1,349	1.12
2015	6,277	3,646	2,631	1,061	1,259	1.13	7,309	3,756	3,553	1,924	943	1.24
2016	5,561	5,650	(89)	1,157	1,644	(0.03)	6,926	5,267	1,659	1,978	1,106	0.54
2017	5,792	4,926	866	1,055	1,155	0.39	7,300	4,885	2,415	2,050	1,104	0.77

Fiscal Year	Special Assessment Bonds				Income Tax Bonds			
	Special Assessments	Debt Service			Income Tax	Debt Service		
		Collections	Principal	Interest		Coverage	Collections	Principal
2008	\$ 38	\$ 37	\$ 6	0.88	\$ -	\$ -	\$ -	-
2009	35	39	4	0.81	-	-	-	-
2010	21	23	1	0.88	1,226	500	648	1.07
2011	-	-	-	-	1,508	355	392	2.02
2012	N/A	N/A	N/A	-	1,557	400	385	1.98
2013	N/A	N/A	N/A	-	1,615	430	377	2.00
2014	N/A	N/A	N/A	-	1,748	465	791	1.39
2015	N/A	N/A	N/A	-	1,807	485	780	1.43
2016	N/A	N/A	N/A	-	1,910	510	768	1.49
2017	N/A	N/A	N/A	-	2,050	540	721	1.63

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

¹ Charges and Other Revenues do not include Capacity Fees, Contributed Assets, or Interest.

² Operating Expenses do not include Depreciation or Debt Service.

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CITY OF DELAWARE, OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

<i>Year</i>	<i>Population</i> ¹	<i>Personal Income</i> <i>[thousands of dollars]</i>	<i>Per Capita</i> <i>Personal Income</i> ¹	<i>School Enrollment</i> ²	<i>Unemployment</i> <i>Rate</i> ³
2007	32,500	\$ 819,130	\$ 25,204	4,686	4.00
2008	33,440	848,306	25,368	4,837	3.90
2009	34,168	872,412	25,533	4,800	7.80
2010	35,000	899,465	25,699	5,185	7.10
2011	35,011	905,560	25,865	5,272	6.42
2012	35,450	926,083	26,124	5,272	5.50
2013	35,925	924,817	25,743	5,525	5.40
2014	36,459	984,101	26,992	5,556	3.30
2015	37,002	1,014,632	27,421	5,453	3.60
2016	38,643	1,059,823	27,426	5,314	3.60
2017*	38,643	1,086,989	28,129	5,451	3.40

Sources: U.S. Census Bureau, Bureau of Economic Analysis, Delaware City Schools

¹ "Population estimates and Projections ", published by the U.S. Department of Commerce, Bureau of the Census, when available. When unavailable, estimates are interpolated based on increases in construction of single and double family homes.

* Census estimates were not available for 2017

² Delaware City School District

³ Ohio Bureau of Employment Services, Civilian Labor Force Research and Statistics Estimates

CITY OF DELAWARE, OHIO

**PRINCIPAL BUSINESS WITHHOLDINGS TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO**

Employer	2017				2007			
	<i>Taxes Paid</i> ¹	<i>Rank</i>	<i>Percentage of Total Business</i> ¹	<i>Percentage of Total City</i> ²	<i>Taxes Paid</i> ¹	<i>Rank</i>	<i>Percentage of Total Business</i> ¹	<i>Percentage of Total City</i> ²
The Kroger Company	\$ 1,009,076	1	5.16 %	3.42 %	\$ 472,986	1	5.29 %	3.68 %
Delaware County Auditor	848,042	2	4.34	2.87	469,863	2	5.25	3.65
Delaware City Board of Education	597,471	3	3.06	2.03	369,609	3	4.13	2.87
OhioHealth Corp [Grady Memorial Hospital]	548,669	4	2.81	1.86	362,443	4	4.05	2.82
Ohio Wesleyan University	490,888	5	2.51	1.66	348,107	5	3.89	2.71
PPG Industries Ohio, Inc.	456,130	6	2.33	1.55	277,159	8	3.10	2.15
State of Ohio	437,503	7	2.24	1.48	285,501	7	3.19	2.22
City of Delaware	384,260	8	1.97	1.30	231,119	9	2.58	1.80
Liebert North America, Inc.	336,887	9	1.72	1.14	310,027	6	3.47	2.41
Grant Riverside Med Care Foundation	329,906	10	1.69	1.12	—	—	—	—
Honda of America Mfg., Inc.	304,436	11	1.56	1.03	229,760	10	2.57	1.79
Jegs Automotive	278,700	12	1.43	0.94	136,687	13	1.53	1.06
Advance Stores Co. Inc.	242,128	13	1.24	0.82	177,908	11	1.99	1.38
Olentangy Local School District	233,712	14	1.20	0.79	—	—	—	—
Associated Hygienic Products	211,048	15	1.08	0.72	—	—	—	—
All Others	<u>12,846,322</u>		<u>65.69</u>	<u>43.55</u>	<u>5,273,831</u>		<u>58.96</u>	<u>40.99</u>
Total Business Withholdings	<u>\$19,555,178</u>		<u>100.00 %</u>	<u>66.26 %</u>	<u>\$ 8,945,000</u>		<u>100.00 %</u>	<u>69.52 %</u>

¹As compared to total business withholdings for the year from Schedule 10.

²As compared to total taxes received for the year from Schedule 10.

Source: City of Delaware Tax Department

CITY OF DELAWARE, OHIO

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN YEARS**

<u>Function</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government	50.5	48.5	48.5	47.5	45.5
Public Safety					
Police					
Officers	50.0	50.0	48.0	52.0	52.0
Civilians	18.0	16.7	7.5	8.5	8.5
Fire					
Firefighters and Officers	46.0	45.0	44.0	44.0	56.0
Civilians	1.0	2.7	1.5	1.5	1.5
Prosecutor	5.0	5.0	5.0	5.0	6.0
Municipal Court	34.0	35.0	35.0	35.0	35.0
Parks & Facilities	20.7	20.7	20.7	20.7	8.9
Community Development	1.0	1.0	1.0	1.0	1.0
Airport	3.0	3.0	3.0	2.5	2.5
Public Works	20.0	19.0	19.0	18.0	18.0
Water	18.5	17.0	17.0	17.5	17.8
Sewer	18.5	15.5	15.9	15.9	15.9
Refuse	13.0	13.0	13.0	13.0	13.0
Storm Sewer	2.0	2.0	2.0	2.0	2.0
Golf Course	3.4	3.4	3.4	3.4	3.4
Garage	4.0	4.0	4.0	4.0	4.0
Information Technology	4.5	4.0	4.8	4.8	4.8
Total	<u>313.1</u>	<u>305.5</u>	<u>293.3</u>	<u>296.3</u>	<u>295.8</u>

Source: City of Delaware's annual budget reports.

Notes: Beginning in 2015, Engineering [part of General Government] has merged with Public Works.

In 2009, Municipal Court related expenses have been reported separately from Public Safety. Prior years have been restated, accordingly.

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
46.5	50.0	35.5	35.5	32.0
52.0	52.0	52.0	53.0	54.0
8.5	8.5	8.5	9.0	11.0
61.0	56.0	68.0	68.0	69.0
1.5	3.0	1.0	1.0	1.0
6.0	7.0	7.5	7.5	8.0
35.4	37.0	33.0	33.0	36.5
9.5	13.5	14.5	15.0	14.8
1.0	2.0	2.0	2.0	2.0
2.5	2.5	3.3	3.3	3.3
18.0	17.0	27.4	28.0	30.5
17.0	20.0	19.0	19.0	18.0
16.0	13.0	16.0	16.0	16.0
13.0	15.0	14.0	14.5	15.0
2.0	3.5	3.0	3.0	3.3
3.1	3.1	3.1	3.1	3.1
4.0	4.0	4.0	4.0	4.0
5.0	5.0	5.0	5.0	5.0
<u>302.0</u>	<u>312.1</u>	<u>316.8</u>	<u>319.9</u>	<u>326.5</u>

CITY OF DELAWARE, OHIO

OPERATING INDICATORS BY FUNCTION
LAST TEN YEARS

<u>Function</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Public Safety					
Police					
Arrests	3,565	3,084	3,321	3,040	2,760
Traffic Violations	3,866	2,637	2,271	1,664	1,934
Parking Tickets	4,444	2,239	2,109	2,764	4,114
Fire					
Emergency Responses	4,795	4,674	4,470	4,761	4,928
Fires Extinguished	116	129	104	133	103
Inspections	1,020	1,019	1,049	1,218	817
Parks & Facilities [including Oak Grove Cemetery]					
Pool memberships	831	894	928	824	n/a
Burials/Interments	n/a	n/a	n/a	n/a	98
Airport					
Fuel sales 100 LL [low-lead][in gallons]	47,015	41,902	45,996	44,379	45,552
Fuel sales Jet A [in gallons]	51,786	58,594	57,695	57,959	66,611
Public Works					
Lane miles of roads built/donated	1.1	2.0	0.43	0.35	0.89
Street lights installed/donated	247	111	13	11	25
Water					
Average daily consumption [thousands of gallons]	3,450	3,473	3,648	3,774	3,661
Miles of lines donated	1.5	1.1	0.57	0.08	0.92
Sewer					
Miles of lines donated	1.7	1.0	0.84	0.03	0.74
Refuse					
Average monthly tonnage-collected recyclable material	91	101	122	107	122
Average monthly tonnage-collected solid waste materials	1,281	1,194	1,209	1,248	1,198
Average monthly tonnage-collected yard waste materials	147	131	120	145	124
Golf Course					
Memberships sold	72	60	57	52	61
Rounds sold [Members]	n/a	n/a	n/a	n/a	3,423
Rounds sold [Non-Members]	n/a	n/a	n/a	n/a	12,103

Source: City of Delaware Staff/Department Heads

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
2,731	2,613	3,117	2,749	2,819
2,398	2,001	1,923	1,948	2,012
3,261	2,966	4,450	3,401	2,287
4,831	5,173	5,380	5,890	5,924
104	102	126	108	109
1,222	1,461	1,365	1,345	1,402
n/a	n/a	n/a	n/a	n/a
99	89	92	82	80
39,998	34,930	28,712	39,195	42,678
71,814	65,852	72,568	54,222	86,659
2.10	1.67	1.76	2.74	4.53
34	63	68	96	96
3,889	3,774	3,134	3,287	3,330
0.83	1.89	1.72	2.27	2.44
1.22	2.27	2.29	2.39	2.90
115	116	120	126	129
1,210	1,225	1,268	1,310	1,213
134	139	153	150	165
60	77	54	58	57
4,482	5,149	5,394	4,663	5,233
10,659	9,329	9,891	9,148	11,027

CITY OF DELAWARE, OHIO

**CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN YEARS**

<u>Function</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Public Safety					
Police					
Stations	1	1	1	1	1
Cruisers	13	13	13	13	13
SRO Cars	2	2	2	2	2
Fire					
Stations	2	2	2	2	2
Fire Trucks	8	8	8	8	8
Ambulances	4	4	4	4	4
Parks & Facilities [including Oak Grove Cemetery]					
Parks	19	22	22	23	24
Acreage	300	352	352	366	368
Cemeteries	0	0	0	0	1
Public Works					
Lane Miles of Streets	299	301	303	303	305
Street Lights	1,505	1,616	1,629	1,629	1,678
Dump Trucks/ Snow Plows	12	14	14	14	14
Water					
Miles of Water Distribution	168	169	170	174	175
Sewer					
Miles of Sanitary Sewerline	152	153	154	156	157
Refuse					
Solid Waste Removal Trucks	9	8	8	8	8
Recycling Trucks	4	6	6	6	6

Source: City of Delaware Staff/Department Heads

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
1	1	1	1	1
13	13	13	13	14
2	2	2	2	2
3	3	3	3	3
8	8	8	8	8
4	4	4	4	4
24	24	24	24	24
368	368	368	368	368
1	1	1	1	1
306	308	311	312	317
1,754	1,817	1,817	1,913	2,009
14	14	14	14	20
178	180	182	185	187
159	161	163	166	169
8	9	9	9	9
6	5	5	5	5

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