

# City of Avon

## Comprehensive Annual Financial Report

For the fiscal year ended December 31, 2019, for the City of Avon, Ohio





# INTRODUCTION







**City of Avon, Ohio**

*Comprehensive Annual Financial Report*

For The Year Ended December 31, 2019

Prepared by:

Office of the Director of Finance

William D. Logan  
Director of Finance



**City of Avon, Ohio**  
**Comprehensive Annual Financial Report**  
**For the Year Ended December 31, 2019**  
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# CITY OF AVON

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June 30, 2020

Members of City Council and  
Citizens of Avon  
Avon, Ohio 44011-1588

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2019.

This report enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38, which requires the cities reporting on a GAAP basis to file unaudited basic financial statements with the Auditor of State within 150 days of the fiscal year end. This report is submitted to satisfy that requirement for the year ended December 31, 2019.

Management assumes full responsibility for both the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Under Ohio law, regular audits are required to be performed on all financial related operations of the City. These audits may be done by either the State Auditor's Office or, if the State Auditor permits, an independent public accounting firm. For the year 2019, the City of Avon was audited by the Ohio Auditor of State's office.

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

## PROFILE OF THE GOVERNMENT

The City of Avon was founded in 1814, incorporated as a village in 1917, and achieved City status in 1961. The City of Avon is located in Lorain County in northeast Ohio, 22 miles west of downtown Cleveland. The City is bounded on the north by the City of Avon Lake, on the east by the City of Westlake, on the west by the Village of Sheffield, and on the south by the City of North Ridgeville. The City covers 20.5 square miles, or a total of 13,120 acres. Avon is between 625 and 700 feet above sea level. The French Creek waterway runs throughout the City's relatively flat topography. The 2010 U.S. Census Bureau reports the City's population at 21,193, up 87 percent from 11,353 in 2000; however, the current estimated, non-Census population of the City is 23,054.

Avon is a Charter Municipal Corporation established and operated under the laws of the State of Ohio. A charter was first adopted by the electorate on May 2, 1961. The charter provides for a Mayor-Council form of government. The elected officials consist of a Mayor and seven council members.

The Mayor is the City's chief executive officer and is elected to a four-year term. The Mayor supervises the administration of all departments and appoints department heads and public members of administrative boards, upon confirmation by Council. As the chief conservator of the peace, he oversees the enforcement of all laws and ordinances. He also executes all contracts, conveyances, and evidences of indebtedness of the City. A magistrate presides over the mayor's court and reports to the Mayor.

Legislative authority is vested in a seven-member council with four members elected from wards and three elected at large. All of the Council members choose an at large member to serve as Council President. Council enacts ordinances and resolutions relating to tax levies, appropriations, borrowing money, and accepting bids for materials and services and other municipal purposes. During the 2012 General Election, City of Avon voters changed the terms of Council from two years to four years. To enact this change, the four Ward representatives were elected to serve four-year terms in 2013, effective in 2014 and going forward. The three At-Large representatives were elected to serve four-year terms in 2015, effective in 2016 and going forward.

## **CITY DEPARTMENTS & SERVICES**

**The Avon Fire Department** is full-time with 38 firefighter paramedics that offer much more than fire protection and emergency services. The fire department is very service oriented. We offer many specialties such as CPR and First Aid training, a senior lock box program, the File of Life program, child safety seat inspections and installations, fire safety inspections for home and businesses, and fire extinguisher training with a propane powered simulator. This training is offered to businesses as well as Avon residents.

The Avon Fire Department responded to 3,363 calls in 2019. Of those calls, 2,763 were emergency medical calls and 600 were fire related calls, which included service and specialty rescue calls. Specialty rescue includes water and ice rescue, confined space rescue, rope rescue, and structural collapse rescue. Of the specialty rescue teams, all members assigned to those teams are also a part of the Lorain County Specialty Rescue Teams as well as Regional Federal Response Teams.

**The Avon Police Department** handled 20,631 calls for service in 2019, which resulted in 926 traffic crashes handled and 556 criminal arrests along with 2,254 traffic charges filed. The police department also conducted approximately 8,000 physical checks of homes for residents who were away on vacation and an additional 3,000 physical premise checks were completed on residential and commercial properties.

In 2019 the police department participated in the Annual Safety Fair, held an open house, Coffee with a Cop events at a few different locations, and conducted our third Citizens' Police Academy. Our School Resource Officers were active full-time in the Middle School and High School. During the summer months they worked helping to prepare our kindergarten class for school at Safety Town. We also added our second patrol canine, Remco.

**The City of Avon Parks & Recreation Department** offers a host of activities for children, adults and families to enjoy throughout the year. Just to name a few are the Creative Cupcakes, Playground Days, Adult Volleyball, Yoga programs and partnering with the Avon Local Schools coaches and staff members to offer a variety of seasonal sport camps throughout the year. Recently, we have added family-fun activities, free to the residents of Avon. These events showcase what our various parks and facilities have to offer our community. They include Movie Night in the Park, Not So Spooky Halloween, Family Bingo Night, Health and Safety Fair, Super Hero Day and our annual Pool Party to celebrate the start of summer.

The City of Avon Parks & Recreation Department oversees the care and maintenance of over 315 acres of City-owned property among eight parks. The parks offer amenities such as pavilions, soccer, baseball, football and lacrosse fields.

In 2019, the City purchased the Cahoon House, a historical residential dwelling over 200 years old. The home was completed in 1825 and remains virtually the same today as it was when it was built with a few interior modifications. The Cahoon House sits on one full acre of land, stands 80 feet long and has 12 rooms. To this date, the Cahoon House is one of the oldest wood-framed houses in Lorain County. It is anticipated that the City will use the home as a museum and for small community meetings.



**The Avon Service Department** is responsible for performing maintenance, repair and improvements to the City-owned infrastructure in order to provide for the safe, efficient, and expeditious movement of motor vehicles and pedestrians throughout the City. The Department maintains all the City vehicles and equipment.

**The Avon Utilities Department** is responsible to maintain all the water and sanitary sewer lines throughout the City. The Department sends monthly invoices to all the residents and businesses for their water consumption and sewer discharge. In 2018, the City established a storm water fund that is used towards the maintenance and management of storm water throughout the City.

**The Avon Building Department** manages and inspects all construction activities within the City, ensuring that contractors are performing up to both the City and State building code. In addition, they are here to assist residents and businesses with all re-modeling and new construction projects.

**The Avon Planning Department's** main function is being the channel through which all development applications are processed and all development codes are enforced. The Planning Department ensures that development proposals adhere to City regulations and meet sound planning principles.

**The Avon Finance Department** is responsible for the accurate recording of all financial transactions for the City including monitoring of all assets and liabilities, keeping accurate accounting of all tax revenues and assessments, collecting all monies, payroll and benefits administration and authorization of all City purchasing functions.

**The Avon Information Technology Department** is responsible for the operation and maintenance of the City's hardware and software.

Other services provided by the City include a Mayor's Court, facility rentals for parties and other events and general administrative services.

## **GENERAL INFORMATION ABOUT AVON**

A number of major State and county roads traverse the City of Avon, including Interstate 90, Ohio State Routes 83, 254 and 611. The Ohio Turnpike is approximately ten miles south of the City. The City of Avon is serviced by two airports, Cleveland Hopkins International Airport, 16 miles southeast, and Lorain County Regional Airport, 15 miles southwest.

Shopping centers in the City of Avon include Avon Commons, Avon Crossings, Chester Road Square, French Creek Square, 2100 Center, City Centre and Market Place at Avon. In recent years several prominent retailers have opened in Avon, including Levin Furniture, Cabela's, Ashley Home Furnishings and Duluth Trading Company. Several large shopping centers are located within close proximity of the City including the Promenade and Crocker Park in Westlake, Great Northern Mall in North Olmsted, and South Park Mall in Strongsville. The City of Avon is home to many fine restaurants, with more in the construction and planning phases. Banks with branches in the City include Fifth Third Bank, The First Federal Savings and Loan of Lorain, First National Bank, PNC Bank, Dollar Bank, Lorain National Bank, Key Bank, Third Federal Savings and Loan, Huntington National Bank, First Federal of Lakewood and Chase Bank.

The Board of Education of the Avon Local School District is a separate political subdivision of the State, although its territorial boundaries are coterminous with those of the City. The Board of Education provides public education for kindergarten through 12th grade. Avon Local School enrollment is approximately 4,332. Within commuting distance are several public and private two-year and four-year colleges and universities providing a wide range of educational facilities and opportunities. These include Baldwin-Wallace University, Case Western Reserve University, Cleveland State University, Cuyahoga Community College, John Carroll University, Lakeland Community College, Lorain County Community College, Kent State University, Notre Dame College, Oberlin College, Southeastern Business College, Ursuline College, the Cleveland Institute of Music and the Cleveland Institute of Art.

## CITY PROFILE – ECONOMIC CONDITIONS

### *Residential Information*

The City of Avon is appealing to new residents because of their excellent schools and City services. The current estimated median household income in Avon, \$104,125, is 191 percent of the State average and 165 percent of the national average. The median age for Avon residents is 38. Over 52 percent of Avon residents have attained an Associate's Degree or higher. The average length of time a home in Avon is for re-sale is 90 days. The number of new single-family home permits issued for the year 2019 was 95 with an approximate valuation of \$68,341,750 compared to 97 single-family home permits issued the previous year with a valuation of \$43,816,882.

There are now over 30 residential developments in the City of Avon. In addition, many residents still choose to live on the primary thoroughfares that traverse the City.

### *Commercial & Industrial Development*

Commercial permits for new construction issued in 2019 had an approximate valuation of \$27,389,770, compared to \$59,016,127 in 2018. New commercial facilities that opened in the last two years include:

|                         |                            |
|-------------------------|----------------------------|
| Ashley Home Furnishings | Meijer                     |
| Beerhead Bar & Eatery   | Menard's                   |
| Cabela's                | Mercy Hospital             |
| Chase Bank              | Party Place                |
| Cleveland Eye Clinic    | Planet Fitness             |
| Culvers                 | Speedway                   |
| Duluth Trading Company  | Swenson's Drive-in         |
| Dunkin Donuts           | Superior Self Storage      |
| Freeman Manufacturing   | University Hospitals       |
| Journey Church          | ValenSil Technologies, LLC |
| Longhorn Steakhouse     | Walmart Convenience Store  |
| Main Event              | Woodman Agitator           |
| Martin's Retail Center  | Zoom Carwash               |

### *Assessed Valuations*

The assessed valuation for tax year 2019 for the City of Avon is \$951,308,260 per the Lorain County Auditor's Office. Property taxes will be collected on this valuation in 2020. This is \$100,423,070 (12 percent) more than the tax year 2018 valuation. The City's assessed value equates to approximately \$2.7 billion at full market value. The Lorain County Auditors' Office performed a full six-year appraisal of all properties throughout the County in 2018. This re-appraisal resulted in about a 9 percent increase in valuation among both residential and commercial properties.

Because the City has thirteen Tax Increment Financing (TIF) agreements in place for much of the commercial property north of I-90, these values are considered exempt and therefore not included in the County Auditor's total taxable assessed valuations. The City and the Avon Local School District both collect Tax Increment Financing revenues as if they were property taxes. Presently, the City is collecting TIF revenues on an estimated commercial assessed valuation of over \$120,000,000.

See the history of assessed valuations in the Statistical Section of this report.

## **REVELANT FINANCIAL POLICIES**

The budget must be structurally balanced so that revenues support expenditures. Budgetary appropriations may not exceed estimated resources, with a balanced budget maintained in each fund.

The budget is controlled at the object level within each fund. Council action is not necessary for the transfers of appropriations within an object. The budget may be amended or supplemented at any time during the year upon formal action of Council. Transfers of cash between funds require City Council authorization.

## **LONG-TERM FINANCIAL PLANNING**

The City's Finance Department continuously reviews all monetary transactions. In addition, the Finance Department works diligently to manage and analyze revenues of the City so that all funds maintain optimal balances. The City's financial operations remain strong due to its historically steady rate of income tax growth, expected future expansion of commercial and industrial employers, a healthy Aa2 credit rating (Moody's) and a demonstrated track record of sound budgeting and financial management. The City maintains an efficient balance between debt funded and cash funded municipal projects.

The City of Avon has established thirteen Tax Increment Financing (TIF) Districts throughout the commercial and industrial zoned areas, primarily north of Interstate 90. The historical and future revenues received from these TIF districts contribute to various infrastructure improvements such as the Nagel Road Interchange and to debt service on existing bonds that were used to finance qualified infrastructure related projects. It is expected that the City will collect on over 350 parcels in 2020. All Tax Increment Financing agreements in place are "30 year agreements" and each one keeps the Avon Local School District whole.

On January 22, 2019 the City rolled over \$3,900,000 in General Obligation Bond Anticipatory Notes for the purposes of making improvements and the widening of Chester Road, and the acquisition of parkland. The City retired \$500,000 of the notes that had been outstanding. These notes had a maturity date of January 22, 2020, with an interest rate of 3.0 percent.

On January 30, 2019, the City rolled over \$4,250,000 in Water Revenue Notes for the purpose of constructing a 3,000,000-gallon elevated water storage tank and 16" water transmission line, and for the purpose of the installation of new water meters and related meter reading software. The City retired \$3,000,000 of the notes that had been outstanding. These notes had a maturity date of January 30, 2020, with an interest rate of 3.0 percent.

## **AWARDS & ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to a governmental unit that publishes an easily readable and efficiently organized Comprehensive Annual Financial Report which conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The City of Avon has received the Certificate of Achievement for its Comprehensive Annual Financial Report each year dating back a number of years. A Certificate of Achievement is valid for a period of one year.

The City of Avon believes the current report continues to conform to the requirements and standards of the Certificate of Achievement Program and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

For 2009, the City received the Auditor of State's "Making Your Tax Dollars Count" Award, and for years 2010, 2011, 2013 and 2017 the City was presented with the "Auditor of State Award with Distinction."



The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department and the supervisors of the other City departments. The preparation of the Comprehensive Annual Financial Report requires a major effort, and we would like to express our appreciation to everyone who assisted and contributed to the presentation of this year's report. Special acknowledgment is extended to the Local Government Services Section of the Office of the Auditor of State for their continued guidance in the preparation of this report.

We are happy to report that the City's financial policies and management, combined with a strong local economy, have enabled Avon to continue to improve its already sound financial condition. In addition, the prospects for continuing this trend are encouraging. Each year we renew our commitment to implement responsible and progressive changes in order to improve our responsiveness to the citizenry and to insure the financial stability of the community. We extend our appreciation to City Council for its continued support and commitment to responsible fiscal reporting.

Respectfully submitted,



Bryan K. Jensen  
Mayor



William D. Logan  
Director of Finance

**City of Avon, Ohio**  
*Principal Officials*  
*December 31, 2019*

***Elected Officials:***

Mayor..... Bryan K. Jensen  
President of Council ..... Craig Witherspoon  
Council Member at Large ..... Brian Fischer  
Council Member at Large ..... Tammy Holtzmeier  
Council Member – Ward I ..... Bob Butkowski  
Council Member – Ward II ..... Dennis McBride  
Council Member – Ward III ..... Anthony Moore  
Council Member – Ward IV ..... Scott Radcliffe

***Directors:***

Director of Law ..... John A. Gasior  
Director of Finance ..... William D. Logan  
Director of Public Service ..... Mike Farmer

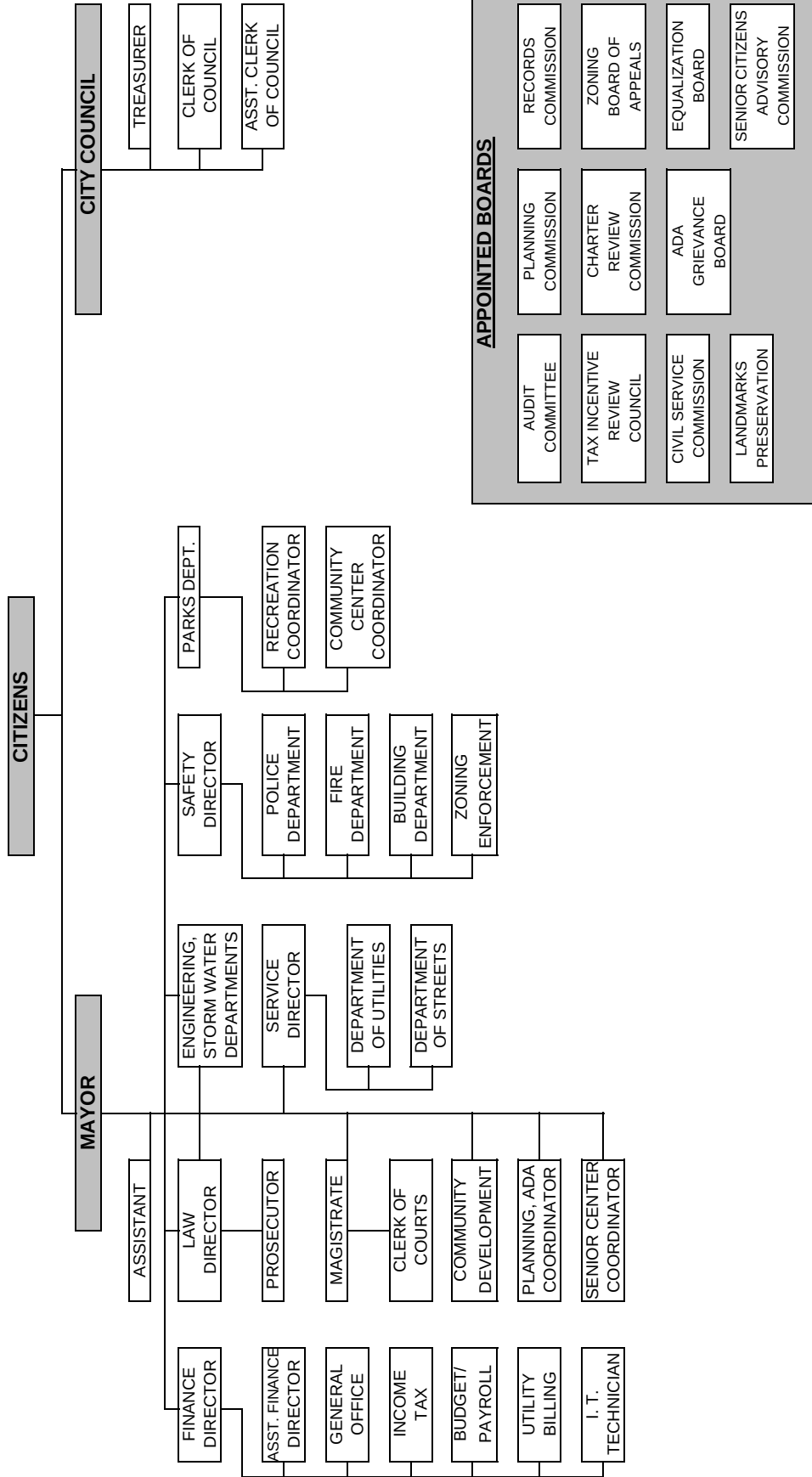
***Chairmen, Boards and Commissions:***

Board of Zoning and Building Appeals ..... Randy Fratianne  
Planning Commission ..... Carolyn Witherspoon  
Civil Service Commission ..... Peter G. Kratt

***Other Staff Members:***

Treasurer ..... Kathleen Burns  
City Consulting Engineer ..... Ryan Cummins, Chagrin Valley Engineering  
Superintendent of Utilities ..... Ed McCallie  
Secretary to the Mayor ..... Rose Seighman  
Clerk of Council ..... Barbara J. Brooks  
Clerk of Court ..... Susan Pintz  
Assistant Director of Finance ..... Beth A. Raicevich  
Planning Coordinator ..... Pam Fechter  
Clerk Secretary of Planning Commission and Zoning Board of Appeals ..... Jill K. Clements  
Zoning Enforcement Officer ..... Richard A. Schneider  
Prosecutor ..... Richard Kray  
City Magistrate ..... Thomas C. Stringer  
Chief of Police ..... Richard A. Bosley  
Police Captain ..... Lawrence M. Fischbach III  
Chief of Fire ..... Frank Root, III  
Assistant Chief of Fire ..... Michael J. Emling  
Chief Building Inspector ..... Emily Hanson

# CITY OF AVON ORGANIZATIONAL CHART







Government Finance Officers Association

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

Presented to

**City of Avon  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morill*

Executive Director/CEO



# FINANCIAL









Lausche Building, 12<sup>th</sup> Floor  
615 Superior Avenue, NW  
Cleveland, Ohio 44113-1801  
(216) 787-3665 or (800) 626-2297  
NortheastRegion@ohioauditor.gov

## INDEPENDENT AUDITOR'S REPORT

City of Avon  
Lorain County  
36080 Chester Road  
Avon, Ohio 44011

To the Members of 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 Avon, Lorain County, Ohio (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

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

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

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

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



### ***Opinion***

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

### ***Emphasis of Matter***

As discussed in Note 3 to the financial statements, during the year, it was determined that accrued interest payable was not recorded to the proper funds in 2018. This caused the municipal swimming pool fund balance to be understated and the other governmental funds fund balance to be overstated. December 31, 2018 fund balances for each opinion unit were restated by management. We did not modify our opinion regarding this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Supplementary and Other Information***

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

The introductory section, the financial section's combining statements, individual fund 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 will also issue our report dated June 30, 2020, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State

Columbus, Ohio

June 30, 2020

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

### **Financial Highlights**

Key financial highlights for 2019 are:

- The City re-issued \$6,750,000 in general obligation notes for the construction of an aquatic facility and supporting infrastructure. The principal amount of these notes was paid down by \$750,000. It is anticipated that these notes will be retired within the next five years.
- The City re-issued \$1,000,000 in general obligation notes for the purchase of 56 acres of parkland. This property was subsequently sold in 2016 to the Lorain County Metropolitan Park District. The City will receive \$850,000 for this property from the Lorain County Metropolitan Park District over a ten-year period. The principal amount of these notes was paid down by \$325,000.
- The City re-issued \$2,900,000 in general obligation notes for the City's portion of widening and other improvements to Chester Road between State Route 83 and Jaycox Road. The principal amount of these notes was paid down by \$175,000.
- The City retired \$3,000,000 of water revenue notes that were issued for a water meter change-out project that installed new meter reading software and new water meters in every household and business throughout the City.
- The City re-issued \$4,250,000 in water revenue notes for the construction of a 3,000,000-gallon elevated water storage tank and a 16-inch water transmission line. The principal amount of these notes was paid down by \$975,000 in 2020 and it is expected that these notes will be retired with the next three years.
- Income tax collections increased on a cash basis by 5.3 percent over 2018. This is a result of increased employment and new commercial/industrial development in the City. Income tax growth has averaged 7.2 percent, annually, over the last five years.
- Tax Increment Financing revenues increased on a cash basis by 36.1 percent over 2018. This is a result of commercial and industrial development in the City. TIF revenue growth has averaged 28.4 percent, annually, over the last four years.

### **Using This Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the City of Avon as a financial whole or an entire operating entity. The statements here proceed to provide an increasingly detailed look at our specific financial conditions.

The statement of net position and statement of activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major 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 dollars remain 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.



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## **Reporting the City of Avon as a Whole**

### **Statement of Net Position and Statement of Activities**

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City do financially during 2019?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows and liabilities and deferred inflows using the accrual basis of accounting similar to the accounting method used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the changes in that position. The changes in net position are important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City capital assets will also need to be evaluated.

The statement of net position and the statement of activities are divided into the following categories:

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position (Assets and Deferred Outflows of Resources minus Liabilities and Deferred Inflows of Resources)
- Program Revenue and Expenses
- General Revenues
- Net Position Beginning of Year and Year's End

## **Reporting the City of Avon's Most Significant Funds**

### ***Fund Financial Statements***

The discussion of the City's funds begins on page 11. Fund financial statements provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds which account for the multitude of services, facilities and infrastructure provided to our residents; however, these fund financial statements focus on the City's most significant funds. In the case of the City of Avon, the major funds are the general, fire department, street construction, maintenance and repair, police, general obligation bond retirement, special assessment bond retirement, municipal swimming pool, road and bridges, water and sewer.

### ***Governmental Funds***

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

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**Proprietary Funds**

Proprietary funds (the water, sewer, and storm water funds) have historically operated as enterprise funds using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the City as a whole.

**The City of Avon as a Whole**

The statement of net position looks at the City as a whole. Table 1 provides a summary of the City's net position at December 31, 2019 compared to December 31, 2018.

**Table 1**  
**Net Position**

|                                             | Governmental Activities |                     | Business-Type Activities |                     | Total               |                     |
|---------------------------------------------|-------------------------|---------------------|--------------------------|---------------------|---------------------|---------------------|
|                                             | 2019                    | 2018                | 2019                     | 2018                | 2019                | 2018                |
| <b>Assets</b>                               |                         |                     |                          |                     |                     |                     |
| Current and Other Assets                    | \$49,824,953            | \$46,241,952        | \$9,350,903              | \$10,172,473        | \$59,175,856        | \$56,414,425        |
| Net Pension Asset                           | 13,761                  | 1,074               | 3,020                    | 206                 | 16,781              | 1,280               |
| Capital Assets, Net                         | 121,190,238             | 121,614,857         | 40,448,707               | 41,294,508          | 161,638,945         | 162,909,365         |
| <i>Total Assets</i>                         | <i>171,028,952</i>      | <i>167,857,883</i>  | <i>49,802,630</i>        | <i>51,467,187</i>   | <i>220,831,582</i>  | <i>219,325,070</i>  |
| <b>Deferred Outflows of Resources</b>       |                         |                     |                          |                     |                     |                     |
| Deferred Charge on Refunding                | 2,341,862               | 2,501,630           | 0                        | 0                   | 2,341,862           | 2,501,630           |
| Pension                                     | 8,614,119               | 3,871,409           | 638,723                  | 241,564             | 9,164,303           | 4,093,058           |
| OPEB                                        | 1,722,509               | 1,796,180           | 124,227                  | 47,906              | 1,800,794           | 1,844,086           |
| <i>Total Deferred Outflows of Resources</i> | <i>12,678,490</i>       | <i>8,169,219</i>    | <i>762,950</i>           | <i>289,470</i>      | <i>13,306,959</i>   | <i>8,438,774</i>    |
| <b>Liabilities</b>                          |                         |                     |                          |                     |                     |                     |
| Current and Other Liabilities               | 12,401,013              | 12,425,591          | 1,971,872                | 3,824,878           | 14,372,885          | 16,250,469          |
| Long-Term Liabilities:                      |                         |                     |                          |                     |                     |                     |
| Due Within One Year                         | 3,491,588               | 3,185,670           | 210,373                  | 252,503             | 3,701,961           | 3,438,173           |
| Due In More Than One Year:                  |                         |                     |                          |                     |                     |                     |
| Other Amounts                               | 71,903,636              | 75,882,140          | 8,169,126                | 9,317,629           | 80,072,762          | 85,199,769          |
| Net Pension Liability                       | 30,802,967              | 21,870,469          | 1,876,595                | 964,779             | 32,679,562          | 22,835,248          |
| Net OPEB Liability                          | 6,425,212               | 18,866,342          | 865,422                  | 638,523             | 7,290,634           | 19,504,865          |
| <i>Total Liabilities</i>                    | <i>125,024,416</i>      | <i>132,230,212</i>  | <i>13,093,388</i>        | <i>14,998,312</i>   | <i>138,117,804</i>  | <i>147,228,524</i>  |
| <b>Deferred Inflows of Resources</b>        |                         |                     |                          |                     |                     |                     |
| Property Taxes                              | 5,573,312               | 5,060,749           | 0                        | 0                   | 5,573,312           | 5,060,749           |
| Payment in Lieu of Taxes                    | 2,847,368               | 2,645,838           | 0                        | 0                   | 2,847,368           | 2,645,838           |
| Pension                                     | 550,408                 | 2,108,895           | 74,027                   | 320,772             | 535,896             | 2,409,752           |
| OPEB                                        | 1,105,534               | 716,025             | 34,725                   | 109,599             | 1,094,317           | 825,624             |
| <i>Total Deferred Inflows of Resources</i>  | <i>10,076,622</i>       | <i>10,531,507</i>   | <i>108,752</i>           | <i>430,371</i>      | <i>10,050,893</i>   | <i>10,941,963</i>   |
| <b>Net Position</b>                         |                         |                     |                          |                     |                     |                     |
| Net Investment in Capital Assets            | 44,244,473              | 40,705,398          | 31,342,561               | 29,208,283          | 75,587,034          | 69,913,681          |
| Restricted:                                 |                         |                     |                          |                     |                     |                     |
| Capital Projects                            | 939,036                 | 1,414,965           | 0                        | 0                   | 939,036             | 1,414,965           |
| Debt Service                                | 11,900,099              | 12,350,278          | 0                        | 0                   | 11,900,099          | 12,350,278          |
| Other Purposes                              | 4,735,407               | 4,185,535           | 0                        | 0                   | 4,735,407           | 4,185,535           |
| Unrestricted (Deficit)                      | (13,212,611)            | (25,390,793)        | 6,020,879                | 7,119,691           | (7,191,732)         | (18,271,102)        |
| <i>Total Net Position</i>                   | <i>\$48,606,404</i>     | <i>\$33,265,383</i> | <i>\$37,363,440</i>      | <i>\$36,327,974</i> | <i>\$85,969,844</i> | <i>\$69,593,357</i> |

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The net pension liability (NPL) is one of the largest single liabilities reported by the City at December 31, 2019. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this 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 these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Total assets increased during 2019 by \$1.5 million. The largest increases were seen in cash and cash equivalents due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 84. Funds and respective cash that were previously considered to be custodial are now considered to be monies of the primary government. Total liabilities decreased by \$9.1 million during 2019. The decrease in liabilities is due to decreased long-term liabilities due to the payment of debt obligations and a decrease in the net OPEB liability, although these were partially offset by an increase in the net pension liability. The items mentioned primarily contributed to the total increase in net position during 2019 of \$16.4 million.

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Table 2 shows the changes in net position for the year ended December 31, 2019.

**Table 2**  
**Changes in Net Position**

|                                                | Governmental Activities |              | Business-Type Activities |              | Total        |              |
|------------------------------------------------|-------------------------|--------------|--------------------------|--------------|--------------|--------------|
|                                                | 2019                    | 2018         | 2019                     | 2018         | 2019         | 2018         |
| <b>Revenues</b>                                |                         |              |                          |              |              |              |
| Program Revenues:                              |                         |              |                          |              |              |              |
| Charges for Services and Operating Assessments | \$6,732,967             | \$5,148,641  | \$9,559,633              | \$9,244,412  | \$16,292,600 | \$14,393,053 |
| Operating Grants and Contributions             | 2,151,742               | 1,675,361    | 0                        | 0            | 2,151,742    | 1,675,361    |
| Capital Grants and Contributions               | 2,341,221               | 4,616,397    | 290,378                  | 760,388      | 2,631,599    | 5,376,785    |
| Total Program Revenues                         | 11,225,930              | 11,440,399   | 9,850,011                | 10,004,800   | 21,075,941   | 21,445,199   |
| General Revenues:                              |                         |              |                          |              |              |              |
| Property Taxes                                 | 5,487,969               | 4,921,545    | 0                        | 0            | 5,487,969    | 4,921,545    |
| Municipal Income Taxes                         | 20,299,002              | 18,852,519   | 0                        | 0            | 20,299,002   | 18,852,519   |
| Grants and Entitlements                        | 1,250,922               | 961,286      | 0                        | 0            | 1,250,922    | 961,286      |
| Unrestricted Contributions                     | 2,215                   | 240          | 0                        | 0            | 2,215        | 240          |
| Investment Earnings                            | 618,049                 | 392,997      | 391                      | 7,198        | 618,440      | 400,195      |
| Payments in Lieu of Taxes                      | 2,580,907               | 1,954,892    | 0                        | 0            | 2,580,907    | 1,954,892    |
| Gain on Sale of Capital Assets                 | 0                       | 16,717       | 31,222                   | 4,000        | 31,222       | 20,717       |
| Miscellaneous                                  | 640,674                 | 388,076      | 29,658                   | 39,970       | 670,332      | 428,046      |
| Total General Revenues                         | 30,879,738              | 27,488,272   | 61,271                   | 51,168       | 30,941,009   | 27,539,440   |
| Total Revenues                                 | 42,105,668              | 38,928,671   | 9,911,282                | 10,055,968   | 52,016,950   | 48,984,639   |
| <b>Program Expenses</b>                        |                         |              |                          |              |              |              |
| General Government                             | 6,434,578               | 4,582,465    | 0                        | 0            | 6,434,578    | 4,582,465    |
| General Government - Intergovernmental         | 481,222                 | 486,023      | 0                        | 0            | 481,222      | 486,023      |
| Security of Persons and Property               | 2,189,332               | 14,263,912   | 0                        | 0            | 2,189,332    | 14,263,912   |
| Transportation                                 | 7,147,202               | 6,587,258    | 0                        | 0            | 7,147,202    | 6,587,258    |
| Community Environment                          | 4,248,527               | 3,035,192    | 0                        | 0            | 4,248,527    | 3,035,192    |
| Basic Utility Services                         | 1,310,333               | 904,786      | 0                        | 0            | 1,310,333    | 904,786      |
| Leisure Time Activities                        | 2,584,382               | 2,071,772    | 0                        | 0            | 2,584,382    | 2,071,772    |
| Interest and Fiscal Charges                    | 2,669,789               | 2,681,243    | 0                        | 0            | 2,669,789    | 2,681,243    |
| Water                                          | 0                       | 0            | 3,660,184                | 3,635,564    | 3,660,184    | 3,635,564    |
| Sewer                                          | 0                       | 0            | 4,443,700                | 4,311,528    | 4,443,700    | 4,311,528    |
| Storm Water                                    | 0                       | 0            | 471,214                  | 243,607      | 471,214      | 243,607      |
| Total Expenses                                 | 27,065,365              | 34,612,651   | 8,575,098                | 8,190,699    | 35,640,463   | 42,803,350   |
| Increase in Net Position Before Transfers      | 15,040,303              | 4,316,020    | 1,336,184                | 1,865,269    | 16,376,487   | 6,181,289    |
| Transfers                                      | 300,718                 | 80,741       | (300,718)                | (80,741)     | 0            | 0            |
| Changes in Net Position                        | 15,341,021              | 4,396,761    | 1,035,466                | 1,784,528    | 16,376,487   | 6,181,289    |
| Net Position, January 1                        | 33,265,383              | 28,868,622   | 36,327,974               | 34,543,446   | 69,593,357   | 63,412,068   |
| Net Position, December 31                      | \$48,606,404            | \$33,265,383 | \$37,363,440             | \$36,327,974 | \$85,969,844 | \$69,593,357 |

Governmental program revenues decreased primarily from decreased capital grants and contributions due to the large decrease in capital contributions, which was mostly offset by increases in charges for services and operating grants and contributions. The significant change comes from decreased developer donated assets related to streets, traffic signals, storm sewers, and water hydrants. While program revenues provide considerable assistance in the provision of governmental services, the burden of governmental support is met by general revenues such as property taxes, municipal income taxes, and grants and entitlements. General revenues increased from the prior year due to increased municipal income taxes, payments in lieu of taxes, property taxes, grants and entitlements, and investment earnings.



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The two largest governmental activities expenses are related to transportation and general government. Transportation increased due to higher accounts payable, accrued wages payable, and compensated absences payables, as well as increased net pension and OPEB expense. General government expenses increased primarily due to increases in human resources personal services, law director contractual services, and engineering contractual services.

For 2019, OP&F recognized a change in benefit terms for their OPEB plan. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years. These changes contributed to OPEB expense decreasing from \$1,500,281 in 2018 to a negative OPEB expense of (\$11,858,734) for 2019.

Program revenues make up a significant portion of the total revenues for business-type activities. Charges for services and operating assessments increased due to more customers. Capital grants and contributions decreased from the prior year due to decreased donated assets from developers for sewer lines.

### **GOVERNMENTAL ACTIVITIES**

Several revenue sources fund the City's governmental activities with City income tax being the largest contribution. The general income tax rate of 1 percent was established by City Ordinance No. 371-68, passed February 28, 1968. The Income Tax Ordinance was amended on November 2, 1993 requiring proposed tax rate changes be submitted to the electors of the City for approval or rejection. On November 6, 2002 the electors approved an increase in the income tax rate to 1-1/2 percent from 1 percent and a change in the tax credit for residents having income taxable in another community. In November 2007, the electors approved an increase in the income tax rate to 1-3/4 percent and a change in the tax credit. In 2019, the revenue from municipal income taxes increased by \$1,446,483 over the prior year.

The City of Avon is very aggressive in collecting delinquent income tax. The City utilizes the Regional Income Tax Agency for income tax collections. Their collection efforts including subpoena programs and small claims court are very effective and cost justified. The City's strong and diversified commercial and industrial tax base provide the City with a predictable revenue stream. There's an estimated 20,100 people working in Avon.

Charges for services represents receipts from the Mayor's Court, cable television, building permits, park development and improvement fees, recreation program fees, emergency rescue fees, contractor registration, community center rental fees, and storm water detention fees.

Within the category of security of persons and property expense are the Police Department and the Fire Department.

The Police Department is very efficient and continues to operate within its budget each year. The Police Department is partially funded by a continuous 2 mill levy, a portion of the 0.50 income tax revenue and through general fund transfers of revenues. The department has a 5 year, 0.50 mill equipment levy that is utilized for capital asset purchases, including vehicles.

The Fire Department is also very efficient and operates well within its annual budget. The department is partially funded with a portion of the .50 percent income tax that was passed by Avon voters in 2002, along with emergency rescue services revenue and through transfers from the general fund. Like the Police Department, the Fire Department also has a 5 year, 0.50 mill equipment levy that is utilized for capital asset purchases, including vehicles and equipment for both the Fire Department and rescue squad. The department continues to upgrade emergency fire and rescue equipment to better serve the community.

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Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services shown below identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

**Table 3**  
**Total Cost and Net Cost of Services**

|                                        | Total Cost of Services |                     | Net Cost of Services  |                       |
|----------------------------------------|------------------------|---------------------|-----------------------|-----------------------|
|                                        | 2019                   | 2018                | 2019                  | 2018                  |
| General Government                     | \$6,434,578            | \$4,582,465         | (\$3,141,025)         | (\$2,144,299)         |
| General Government - Intergovernmental | 481,222                | 486,023             | (481,222)             | (486,023)             |
| Security of Persons and Property       | 2,189,332              | 14,263,912          | (1,238,229)           | (13,431,123)          |
| Transportation                         | 7,147,202              | 6,587,258           | (4,191,828)           | (3,691,333)           |
| Community Environment                  | 4,248,527              | 3,035,192           | (1,904,074)           | (1,024,132)           |
| Basic Utility Services                 | 1,310,333              | 904,786             | (344,632)             | 1,832,060             |
| Leisure Time Activities                | 2,584,382              | 2,071,772           | (1,868,636)           | (1,546,159)           |
| Interest and Fiscal Charges            | 2,669,789              | 2,681,243           | (2,669,789)           | (2,681,243)           |
| Total Cost of Services                 | <u>\$27,065,365</u>    | <u>\$34,612,651</u> | <u>(\$15,839,435)</u> | <u>(\$23,172,252)</u> |

### ***BUSINESS-TYPE ACTIVITIES***

The increase in expenses in business-type activities funds were due to increases in all expense categories except for materials and supplies, overall. The water and sewer funds' main increases were in contractual services and personal services. The storm water fund had increases in these expenses, as well as materials and supplies.

### **The City's Funds**

Information about the City's governmental funds begins on page 20. These funds are accounted for by using the modified accrual basis of accounting. All governmental funds had total revenues of \$40,808,465 and expenditures of \$41,503,463. The most significant fund is the general fund with a year-end fund balance of \$11,727,186, which included an unassigned fund balance of \$9,363,127, compared to annual expenditures of \$8,620,813. While revenues far exceeded expenditures, \$7,451,000 was transferred to other funds, leaving the general fund with a net change of \$2,145,233 with other financing sources included. The transferred funds enabled the City to fund police and fire operations, street improvement and other capital improvements projects, as well as to service long-term and short-term debt obligations.

Even with an increase in municipal income tax revenues, expenditures in the fire department fund exceeded revenues; however, the fire department fund ended with a positive balance due to transfers in from the general fund. The street construction, maintenance and repair and police funds were also similar in that their revenues increased over the prior year, as did their expenditures, and they both receipted large transfers in from the general fund. The general obligation bond retirement fund's debt service requirements continue to decrease while it receives sizeable transfers in from general fund. The special assessment bond retirement fund continues to be self-sufficient. The municipal swimming pool fund ended with a large fund deficit due to the fund having a \$4,350,000 liability related to the notes that were rolled during the year. The road and bridges fund had a large operating deficit that was offset through general obligation notes that were issued and transfers in, primarily from the general fund.

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

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### **General Fund Budgeting Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. At the direction of Council, all capital projects and requests for capital type purchases must be reviewed and approved individually by Council. Recommendations and requests for budget changes are referred to the Finance Committee of City Council for review, after which they are sent to Council work session for presentation before going to the formal Council meeting for ordinance enactment on the change. Budgets for projects are set based on public bidding and engineers' estimates. The City strives to hold down project costs and control contractor expenditures. The result is that most contract/project work is completed under budget. The City takes great pride in project management successes. The legal level of budgetary control has been established by Council at the fund department, object level for all funds.

The general fund supports many major activities such as the Building and Planning Departments as well as the legislative and most executive activities. Some capital projects are funded with general fund dollars. By ordinance, these funds are transferred from the general fund to capital project funds where the revenue and expenditures for the capital improvement are tracked and monitored.

The most significant budgeted fund is the general fund. During the course of 2019, the City amended its general fund budget for a total increase in certified revenues. All revenues were expected to increase with the primary increases expected for municipal income and property taxes. Actual revenues received by the City were well above the final budgeted amount due to the implementation of GASB 84, as revenues that were formerly considered to be agency fund revenues are now recognized within the general fund for various deposits.

Original appropriations were increased during the year to establish final appropriated expenditures of \$9,874,110 for the year. The increases were primarily due to conservative budgeting at the beginning of the year. The actual expenditures were over the final budgeted amount also due to GASB 84, as expenditures that were formerly considered to be agency fund expenditures are now recognized within the general fund for various deposits.

The City continued to maintain a respectable level of liquidity in the general fund by maintaining a fund balance at year-end of 59.21 percent of total actual revenues received during the year.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

Total capital assets (net of depreciation) for the governmental activities are \$121,190,238, which is a decrease from the prior year. Total governmental capital asset additions were \$6,083,589, with \$3,679,212 of this amount being infrastructure additions. Total capital assets (net of depreciation) for the business-type activities are \$40,448,707, which is a decrease from the prior year. Total business-type activities' capital asset additions were \$990,720, which was mostly infrastructure, as well.

See Note 13 of the Notes to the Basic Financial Statements for additional information on the City's capital assets.

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

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**Debt Administration**

On December 31, 2019, the City of Avon had a total of \$81,753,905 in outstanding long-term debt obligations (excluding compensated absences, NPL, and OPEB), with \$3,553,372 due within one year.

General obligation bonds for governmental activities include Schneider Court Improvements, YMCA/Recreation Center and related recreation complex infrastructure improvements, Nagel road interchange improvements, and various refunding bonds. Governmental activities also include refunding bonds for the 1996 Detroit Road Park, Northgate Sewer Improvement and the 1997 New City Hall. These bond obligations are paid from monies transferred from the general fund into the debt service funds. The business-type activities general obligation bonds are payable from the water and sewer funds' charges for services.

The special assessment bonds consist of the voluntary assessment a developer has agreed to for their portion of the interchange and related infrastructure improvements, Route 83 Sewer Improvements, Schneider Court Improvements, a various purpose sanitary sewer project and refunding bonds. Principal and interest for these bonds are paid from the collection of special assessments by the Lorain County Auditor.

The Ohio Public Works Commission loans represent interest free loans obtained to finance portions of the Jaycox Road/Chester Improvements, the Detroit Road Improvement, Phases I and II, the Reigelsberger-Jaycox Bridge project, the Chester Road relocation project, and the Chester Road American Roadway Improvements. These OPWC loans are paid from the bond retirement fund.

During 2009, the City of Avon entered into contractual agreements with the City of Avon Lake for the construction and future maintenance of a water trunk line that services the City of Avon. The project was financed mainly by general obligation bonds which were issued by the City of Avon Lake. All proceeds were received by the City of Avon Lake and the City of Avon Lake is responsible for the debt retirement and maintenance. The line will be a capital asset of the City of Avon Lake. The total amount owed to the City of Avon Lake as of December 31, 2019, is \$251,918. This amount has been recorded on Avon's financial statements as a long-term liability in the water enterprise fund.

During 2019, the City issued \$6,750,000 in general obligation notes for the purpose of financing the municipal swimming pool, park, and municipal buildings projects.

During 2019, the City issued \$3,900,000 in general obligation notes for the purpose of road projects and land purchases.

During 2019, the City issued \$4,250,000 in general obligation notes to help finance water system improvements.

See Notes 14, 15, and 19 of the Notes to the Basic Financial Statements for additional information on the City's outstanding debt obligations.

**Current Financial Related Activities**

Over the past ten years the City has enjoyed strong growth in revenues as a result of new commercial and industrial development. The City, with the support of the school system, currently has four tax abatement agreements in effect with local companies. Each of these companies has expanded in Avon from their original facility and employment base. Although property taxes have been partially deferred as a result of these abatements, the deferral has been more than offset by the significant increase in income tax collections as a result of the employment in these companies.

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

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The City has aggressively pursued the use of Tax Increment Financing (TIF) as an economic development tool. The City currently has 13 areas designated as TIF districts. The revenues derived from these districts are used for infrastructure related projects and the associated debt service.

The City is ideally situated on Interstate 90, approximately twenty minutes from Cleveland, Ohio and Cleveland Hopkins International Airport. Interstate 90 divides the City providing an ideal separation for commercial and industrial development north of Interstate 90 and commercial and residential development south of Interstate 90. With development of the industrial sites on the north side, the City's financial condition has been significantly strengthened. Moody's Investor Services has assigned an Aa2 bond rating to the City of Avon, and the City Administration works hard to maintain or improve this rating.

The City takes advantage of grants wherever possible. Recent examples of grant funded capital projects include:

- Detroit Road & Nagel Road Round-a-bout, Ohio Department of Transportation Safety Funding, \$2,909,000.
- State Routes 83 and 254 Intersection Improvements, Ohio Department of Transportation Safety Funding, \$4,616,000.
- Moore Road Rehabilitation, Northeast Ohio Areawide Coordinating Agency (NOACA)/Ohio Department of Transportation TIP Award, up to \$427,743 or 80 percent of the construction costs.
- Chester Road American Roadway Improvements, Ohio Public Works Commission, total grant/loan awarded \$500,000.
- Nagel Road Widening, Ohio Public Works Commission, total grant/loan awarded \$500,000.
- Acquisition and demolition of two homes in the floodplain, Federal Emergency Management Agency, \$378,873 and the Ohio Department of Public Safety, \$63,145.
- Bicycle & Pedestrian Master Plan, NOACA Transportation for Livable Communities Initiative (TLCI), \$45,000.
- Various Capital Budget grants, including \$50,000 for improvements at All-Pro Freight Stadium, \$82,000 for improvements at the Avon Isle, and \$200,000 for a Military Veterans Memorial.

In addition to these capital improvement grants, the City receives various grant funding for issues such as Drug Use Prevention, Re-cycling, Safety/Workers' Compensation, NOPEC Energized Community Grant and other sources.

From a commercial/industrial standpoint, the City of Avon has seen steady growth. Many businesses in Avon are expanding. Hospitals and other health care related organizations have opened in Avon. Companies, hotels, stores and restaurants are finding Avon a very attractive destination, particularly along the I-90 corridor. At the same time, the City's population continues to grow with new home construction averaging about 100 houses annually.



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

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The City's employment increased in 2019 by 15.50 employees, a 9.6 percent increase. Safety forces increased by 8 employees. Gross wages, however, increased by 6.5 percent. This is primarily a result of the safety forces reaching the recommended staffing level and supplementing staffing with part-time personnel.

The Finance Director, Mayor, and City Council work extremely hard at managing debt. Finances are planned so that we can pay cash for many of the municipal projects, facility improvements and acquisitions, and continue to pay cash for all equipment and other major purchases necessary to maintain a decent level of services. The City pays down principal amounts on short-term debt continuously. Over the past five years the City has paid cash in excess of \$10,000,000 toward capital projects and land acquisitions. The annual budget is monitored efficiently and consistently throughout the year. Department heads review their budgets monthly and spend only for necessary expenses. Over the last ten years the City has expanded their services but has strived to keep the size of its work force at practical levels.

The City of Avon has committed itself to financial excellence. The City has received the Government Finance Officers Certificate of Achievement for Excellence in Financial Reporting Award every year since 1991, the year of our first Comprehensive Annual Financial Report. The City of Avon was one of the first in Ohio to report using the Government Accounting Standards Board (GASB) 34 requirements and early implemented GASB Statement 54 in the 2010 CAFR. The City of Avon received the Auditor of State "Making Your Tax Dollars Count" award for the 2009 audit and the "Auditor of State Award with Distinction" for the 2010, 2011, 2013 and 2017 audits. Our commitment to the residents of Avon has been one of full disclosure of the financial position of the City and will continue to be.

**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends or invests. If you have any questions about this report or need additional information, contact the Finance Department, City of Avon, 36080 Chester Road, Avon, Ohio 44011, telephone 440-937-7806, or at the website at [www.cityofavon.com](http://www.cityofavon.com).

## **Basic Financial Statements**

**City of Avon, Ohio**  
*Statement of Net Position*  
*December 31, 2019*

|                                             | Governmental<br>Activities | Business-Type<br>Activities * | Total *             |
|---------------------------------------------|----------------------------|-------------------------------|---------------------|
| <b>Assets</b>                               |                            |                               |                     |
| Equity in Pooled Cash and Cash Equivalents  | \$20,709,568               | \$6,971,530                   | \$27,681,098        |
| Accrued Interest Receivable                 | 31,186                     | 77,906                        | 109,092             |
| Materials and Supplies Inventory            | 312,487                    | 419,644                       | 732,131             |
| Accounts Receivable                         | 0                          | 750,972                       | 750,972             |
| Internal Balances                           | (16,000)                   | 16,000                        | 0                   |
| Intergovernmental Receivable                | 1,304,273                  | 0                             | 1,304,273           |
| Municipal Income Taxes Receivable           | 5,784,551                  | 0                             | 5,784,551           |
| Property Taxes Receivable                   | 5,624,360                  | 0                             | 5,624,360           |
| Payments in Lieu of Taxes Receivable        | 2,855,893                  | 0                             | 2,855,893           |
| Special Assessments Receivable              | 12,868,635                 | 1,114,851                     | 13,983,486          |
| Loan Receivable                             | 350,000                    | 0                             | 350,000             |
| Net Pension Asset (See Note 21)             | 13,761                     | 3,020                         | 16,781              |
| Capital Assets, Non-Depreciable             | 6,410,401                  | 21,045                        | 6,431,446           |
| Capital Assets, Depreciable, Net            | 114,779,837                | 40,427,662                    | 155,207,499         |
| <i>Total Assets</i>                         | <i>171,028,952</i>         | <i>49,802,630</i>             | <i>220,831,582</i>  |
| <b>Deferred Outflows of Resources</b>       |                            |                               |                     |
| Deferred Charge on Refunding                | 2,341,862                  | 0                             | 2,341,862           |
| Pension                                     | 8,614,119                  | 638,723                       | 9,164,303           |
| OPEB                                        | 1,722,509                  | 124,227                       | 1,800,794           |
| <i>Total Deferred Outflows of Resources</i> | <i>12,678,490</i>          | <i>762,950</i>                | <i>13,306,959</i>   |
| <b>Liabilities</b>                          |                            |                               |                     |
| Accounts Payable                            | 556,400                    | 144,587                       | 700,987             |
| Contracts Payable                           | 412,617                    | 109,313                       | 521,930             |
| Accrued Wages and Benefits                  | 526,298                    | 47,385                        | 573,683             |
| Intergovernmental Payable                   | 232,576                    | 474,384                       | 706,960             |
| Payroll Withholding Payable                 | 17,281                     | 1,192                         | 18,473              |
| Deposits Held Payable                       | 2,767,792                  | 0                             | 2,767,792           |
| Retainage Payable                           | 144,331                    | 13,465                        | 157,796             |
| Accrued Interest Payable                    | 343,718                    | 206,546                       | 550,264             |
| Notes Payable                               | 7,400,000                  | 975,000                       | 8,375,000           |
| Long-Term Liabilities:                      |                            |                               |                     |
| Due Within One Year                         | 3,491,588                  | 210,373                       | 3,701,961           |
| Due In More Than One Year:                  |                            |                               |                     |
| Other Amounts Due in More Than One Year     | 71,903,636                 | 8,169,126                     | 80,072,762          |
| Net Pension Liability (See Note 21)         | 30,802,967                 | 1,876,595                     | 32,679,562          |
| Net OPEB Liability (See Note 22)            | 6,425,212                  | 865,422                       | 7,290,634           |
| <i>Total Liabilities</i>                    | <i>125,024,416</i>         | <i>13,093,388</i>             | <i>138,117,804</i>  |
| <b>Deferred Inflows of Resources</b>        |                            |                               |                     |
| Property Taxes                              | 5,573,312                  | 0                             | 5,573,312           |
| Payments in Lieu of Taxes                   | 2,847,368                  | 0                             | 2,847,368           |
| Pension                                     | 550,408                    | 74,027                        | 535,896             |
| OPEB                                        | 1,105,534                  | 34,725                        | 1,094,317           |
| <i>Total Deferred Inflows of Resources</i>  | <i>10,076,622</i>          | <i>108,752</i>                | <i>10,050,893</i>   |
| <b>Net Position</b>                         |                            |                               |                     |
| Net Investment in Capital Assets            | 44,244,473                 | 31,342,561                    | 75,587,034          |
| Restricted for:                             |                            |                               |                     |
| Capital Projects                            | 939,036                    | 0                             | 939,036             |
| Debt Service                                | 11,900,099                 | 0                             | 11,900,099          |
| Fire Department                             | 635,889                    | 0                             | 635,889             |
| Street Construction, Maintenance and Repair | 1,653,925                  | 0                             | 1,653,925           |
| Police                                      | 597,802                    | 0                             | 597,802             |
| Park Operating                              | 1,447,705                  | 0                             | 1,447,705           |
| Other Purposes                              | 400,086                    | 0                             | 400,086             |
| Unrestricted (Deficit)                      | (13,212,611)               | 6,020,879                     | (7,191,732)         |
| <i>Total Net Position</i>                   | <i>\$48,606,404</i>        | <i>\$37,363,440</i>           | <i>\$85,969,844</i> |

See accompanying notes to the basic financial statements

\* After deferred outflows of resources and deferred inflows of resources related to the change in internal proportionate share of pension and OPEB related items have been eliminated.

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

|                                        | Expenses                   | Program Revenues                                     |                                          |                                        |
|----------------------------------------|----------------------------|------------------------------------------------------|------------------------------------------|----------------------------------------|
|                                        |                            | Charges for Services<br>and Operating<br>Assessments | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions |
| <b>Governmental Activities</b>         |                            |                                                      |                                          |                                        |
| General Government                     | \$6,434,578                | \$3,293,553                                          | \$0                                      | \$0                                    |
| General Government - Intergovernmental | 481,222                    | 0                                                    | 0                                        | 0                                      |
| Security of Persons and Property       | 2,189,332                  | 771,395                                              | 117,989                                  | 61,719                                 |
| Transportation                         | 7,147,202                  | 5,147                                                | 1,696,424                                | 1,253,803                              |
| Community Environment                  | 4,248,527                  | 2,065,815                                            | 217,444                                  | 61,194                                 |
| Basic Utility Services                 | 1,310,333                  | 49,696                                               | 0                                        | 916,005                                |
| Leisure Time Activities                | 2,584,382                  | 547,361                                              | 119,885                                  | 48,500                                 |
| Interest and Fiscal Charges            | 2,669,789                  | 0                                                    | 0                                        | 0                                      |
| <i>Total Governmental Activities</i>   | <u>27,065,365</u>          | <u>6,732,967</u>                                     | <u>2,151,742</u>                         | <u>2,341,221</u>                       |
| <b>Business-Type Activities</b>        |                            |                                                      |                                          |                                        |
| Water                                  | 3,660,184                  | 4,622,337                                            | 0                                        | 0                                      |
| Sewer                                  | 4,443,700                  | 4,535,296                                            | 0                                        | 290,378                                |
| Storm Water                            | 471,214                    | 402,000                                              | 0                                        | 0                                      |
| <i>Total Business-Type Activities</i>  | <u>8,575,098</u>           | <u>9,559,633</u>                                     | <u>0</u>                                 | <u>290,378</u>                         |
| <i>Total</i>                           | <u><u>\$35,640,463</u></u> | <u><u>\$16,292,600</u></u>                           | <u><u>\$2,151,742</u></u>                | <u><u>\$2,631,599</u></u>              |

**General Revenues**

Property Taxes Levied for:

General Purposes

Streets

Police

Park Operating

Lorain Public Library

Equipment

Municipal Income Taxes Levied for:

General Purposes

Fire Department

Police

Park Operating

Recreation Complex

Grants and Entitlements not Restricted  
to Specific Programs

Unrestricted Contributions

Investment Earnings

Payments in Lieu of Taxes

Gain on Sale of Capital Assets

Miscellaneous

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

Change in Net Position

*Net Position Beginning of Year*

*Net Position End of Year*

See accompanying notes to the basic financial statements

| Net (Expense) Revenue<br>and Changes in Net Position |                             |               |
|------------------------------------------------------|-----------------------------|---------------|
| Governmental<br>Activities                           | Business-Type<br>Activities | Total         |
| (\$3,141,025)                                        | \$0                         | (\$3,141,025) |
| (481,222)                                            | 0                           | (481,222)     |
| (1,238,229)                                          | 0                           | (1,238,229)   |
| (4,191,828)                                          | 0                           | (4,191,828)   |
| (1,904,074)                                          | 0                           | (1,904,074)   |
| (344,632)                                            | 0                           | (344,632)     |
| (1,868,636)                                          | 0                           | (1,868,636)   |
| (2,669,789)                                          | 0                           | (2,669,789)   |
| (15,839,435)                                         | 0                           | (15,839,435)  |
| 0                                                    | 962,153                     | 962,153       |
| 0                                                    | 381,974                     | 381,974       |
| 0                                                    | (69,214)                    | (69,214)      |
| 0                                                    | 1,274,913                   | 1,274,913     |
| (15,839,435)                                         | 1,274,913                   | (14,564,522)  |
| 1,951,655                                            | 0                           | 1,951,655     |
| 1,293,845                                            | 0                           | 1,293,845     |
| 722,005                                              | 0                           | 722,005       |
| 306,437                                              | 0                           | 306,437       |
| 434,169                                              | 0                           | 434,169       |
| 779,858                                              | 0                           | 779,858       |
| 10,960,373                                           | 0                           | 10,960,373    |
| 3,384,756                                            | 0                           | 3,384,756     |
| 3,384,757                                            | 0                           | 3,384,757     |
| 1,284,559                                            | 0                           | 1,284,559     |
| 1,284,557                                            | 0                           | 1,284,557     |
| 1,250,922                                            | 0                           | 1,250,922     |
| 2,215                                                | 0                           | 2,215         |
| 618,049                                              | 391                         | 618,440       |
| 2,580,907                                            | 0                           | 2,580,907     |
| 0                                                    | 31,222                      | 31,222        |
| 640,674                                              | 29,658                      | 670,332       |
| 30,879,738                                           | 61,271                      | 30,941,009    |
| 300,718                                              | (300,718)                   | 0             |
| 31,180,456                                           | (239,447)                   | 30,941,009    |
| 15,341,021                                           | 1,035,466                   | 16,376,487    |
| 33,265,383                                           | 36,327,974                  | 69,593,357    |
| \$48,606,404                                         | \$37,363,440                | \$85,969,844  |



**City of Avon, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2019*

|                                                                               | General             | Fire<br>Department | Street<br>Construction,<br>Maintenance<br>and Repair | Police             |
|-------------------------------------------------------------------------------|---------------------|--------------------|------------------------------------------------------|--------------------|
| <b>Assets</b>                                                                 |                     |                    |                                                      |                    |
| Equity in Pooled Cash and Cash Equivalents                                    | \$9,097,144         | \$574,851          | \$889,557                                            | \$676,949          |
| Materials and Supplies Inventory                                              | 0                   | 8,861              | 262,540                                              | 33,147             |
| Interfund Receivable                                                          | 886,000             | 0                  | 0                                                    | 0                  |
| Intergovernmental Receivable                                                  | 291,883             | 0                  | 756,544                                              | 40,297             |
| Accrued Interest Receivable                                                   | 30,170              | 0                  | 920                                                  | 0                  |
| Municipal Income Taxes Receivable                                             | 3,181,167           | 927,668            | 0                                                    | 927,668            |
| Property Taxes Receivable                                                     | 2,005,446           | 0                  | 1,325,405                                            | 739,535            |
| Payments in Lieu of Taxes Receivable                                          | 0                   | 0                  | 0                                                    | 0                  |
| Special Assessments Receivable                                                | 0                   | 0                  | 0                                                    | 0                  |
| Loan Receivable                                                               | 350,000             | 0                  | 0                                                    | 0                  |
| Restricted Assets:                                                            |                     |                    |                                                      |                    |
| Equity in Pooled Cash and Cash Equivalents                                    | 2,756,071           | 0                  | 0                                                    | 0                  |
| <b>Total Assets</b>                                                           | <b>\$18,597,881</b> | <b>\$1,511,380</b> | <b>\$3,234,966</b>                                   | <b>\$2,417,596</b> |
| <b>Liabilities</b>                                                            |                     |                    |                                                      |                    |
| Accounts Payable                                                              | \$192,611           | \$10,850           | \$47,214                                             | \$87,547           |
| Contracts Payable                                                             | 123,947             | 0                  | 0                                                    | 0                  |
| Accrued Wages and Benefits                                                    | 106,049             | 156,727            | 45,653                                               | 195,091            |
| Interfund Payable                                                             | 0                   | 0                  | 0                                                    | 0                  |
| Intergovernmental Payable                                                     | 64,644              | 69,977             | 16,078                                               | 75,380             |
| Retainage Payable                                                             | 0                   | 0                  | 0                                                    | 0                  |
| Payroll Withholding Payable                                                   | 3,024               | 7,734              | 0                                                    | 6,057              |
| Deposits Held Payable                                                         | 2,740,942           | 0                  | 0                                                    | 0                  |
| Accrued Interest Payable                                                      | 0                   | 0                  | 0                                                    | 0                  |
| Notes Payable                                                                 | 0                   | 0                  | 0                                                    | 0                  |
| <b>Total Liabilities</b>                                                      | <b>3,231,217</b>    | <b>245,288</b>     | <b>108,945</b>                                       | <b>364,075</b>     |
| <b>Deferred Inflows of Resources</b>                                          |                     |                    |                                                      |                    |
| Property Taxes                                                                | 1,986,919           | 0                  | 1,313,208                                            | 732,919            |
| Payments in Lieu of Taxes                                                     | 0                   | 0                  | 0                                                    | 0                  |
| Unavailable Revenue                                                           | 1,652,559           | 407,654            | 542,979                                              | 454,567            |
| <b>Total Deferred Inflows of Resources</b>                                    | <b>3,639,478</b>    | <b>407,654</b>     | <b>1,856,187</b>                                     | <b>1,187,486</b>   |
| <b>Fund Balances</b>                                                          |                     |                    |                                                      |                    |
| Nonspendable                                                                  | 421,129             | 8,861              | 262,540                                              | 33,147             |
| Restricted                                                                    | 0                   | 849,577            | 951,198                                              | 832,888            |
| Committed                                                                     | 0                   | 0                  | 0                                                    | 0                  |
| Assigned                                                                      | 1,942,930           | 0                  | 56,096                                               | 0                  |
| Unassigned (Deficit)                                                          | 9,363,127           | 0                  | 0                                                    | 0                  |
| <b>Total Fund Balances (Deficit)</b>                                          | <b>11,727,186</b>   | <b>858,438</b>     | <b>1,269,834</b>                                     | <b>866,035</b>     |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources and Fund Balances</b> | <b>\$18,597,881</b> | <b>\$1,511,380</b> | <b>\$3,234,966</b>                                   | <b>\$2,417,596</b> |

See accompanying notes to the basic financial statements

| General<br>Obligation<br>Bond<br>Retirement | Special<br>Assessment<br>Bond<br>Retirement | Municipal<br>Swimming Pool | Road and<br>Bridges | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---------------------------------------------|---------------------------------------------|----------------------------|---------------------|--------------------------------|--------------------------------|
| \$135,904                                   | \$784,836                                   | \$0                        | \$1,316,039         | \$4,478,217                    | \$17,953,497                   |
| 0                                           | 0                                           | 0                          | 0                   | 7,939                          | 312,487                        |
| 0                                           | 0                                           | 0                          | 0                   | 0                              | 886,000                        |
| 0                                           | 0                                           | 0                          | 0                   | 215,549                        | 1,304,273                      |
| 0                                           | 0                                           | 0                          | 0                   | 96                             | 31,186                         |
| 0                                           | 0                                           | 0                          | 0                   | 748,048                        | 5,784,551                      |
| 0                                           | 0                                           | 0                          | 0                   | 1,553,974                      | 5,624,360                      |
| 0                                           | 0                                           | 0                          | 0                   | 2,855,893                      | 2,855,893                      |
| 0                                           | 12,868,635                                  | 0                          | 0                   | 0                              | 12,868,635                     |
| 0                                           | 0                                           | 0                          | 0                   | 0                              | 350,000                        |
| 0                                           | 0                                           | 0                          | 0                   | 0                              | 2,756,071                      |
| <u>\$135,904</u>                            | <u>\$13,653,471</u>                         | <u>\$0</u>                 | <u>\$1,316,039</u>  | <u>\$9,859,716</u>             | <u>\$50,726,953</u>            |
| \$0                                         | \$0                                         | \$0                        | \$188,867           | \$29,311                       | \$556,400                      |
| 0                                           | 0                                           | 0                          | 255,651             | 33,019                         | 412,617                        |
| 0                                           | 0                                           | 0                          | 0                   | 22,778                         | 526,298                        |
| 0                                           | 0                                           | 0                          | 110,000             | 792,000                        | 902,000                        |
| 0                                           | 0                                           | 0                          | 0                   | 6,497                          | 232,576                        |
| 0                                           | 0                                           | 0                          | 127,381             | 16,950                         | 144,331                        |
| 0                                           | 0                                           | 0                          | 0                   | 466                            | 17,281                         |
| 0                                           | 0                                           | 0                          | 0                   | 26,850                         | 2,767,792                      |
| 0                                           | 0                                           | 0                          | 7,146               | 55,683                         | 62,829                         |
| 0                                           | 0                                           | 4,350,000                  | 400,000             | 2,650,000                      | 7,400,000                      |
| 0                                           | 0                                           | 4,350,000                  | 1,089,045           | 3,633,554                      | 13,022,124                     |
| 0                                           | 0                                           | 0                          | 0                   | 1,540,266                      | 5,573,312                      |
| 0                                           | 0                                           | 0                          | 0                   | 2,847,368                      | 2,847,368                      |
| 0                                           | 12,868,635                                  | 0                          | 0                   | 486,471                        | 16,412,865                     |
| 0                                           | 12,868,635                                  | 0                          | 0                   | 4,874,105                      | 24,833,545                     |
| 0                                           | 0                                           | 0                          | 0                   | 7,939                          | 733,616                        |
| 135,904                                     | 784,836                                     | 0                          | 0                   | 2,794,475                      | 6,348,878                      |
| 0                                           | 0                                           | 0                          | 0                   | 478,340                        | 478,340                        |
| 0                                           | 0                                           | 0                          | 226,994             | 636,221                        | 2,862,241                      |
| 0                                           | 0                                           | (4,350,000)                | 0                   | (2,564,918)                    | 2,448,209                      |
| <u>135,904</u>                              | <u>784,836</u>                              | <u>(4,350,000)</u>         | <u>226,994</u>      | <u>1,352,057</u>               | <u>12,871,284</u>              |
| <u>\$135,904</u>                            | <u>\$13,653,471</u>                         | <u>\$0</u>                 | <u>\$1,316,039</u>  | <u>\$9,859,716</u>             | <u>\$50,726,953</u>            |

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

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|                                         |                     |
|-----------------------------------------|---------------------|
| <b>Total Governmental Fund Balance:</b> | <b>\$12,871,284</b> |
|-----------------------------------------|---------------------|

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

|                                                                                                                         |             |
|-------------------------------------------------------------------------------------------------------------------------|-------------|
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | 121,190,238 |
|-------------------------------------------------------------------------------------------------------------------------|-------------|

Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable in the funds:

|                                      |            |            |
|--------------------------------------|------------|------------|
| Delinquent Property Taxes            | 51,048     |            |
| Delinquent Payments in Lieu of Taxes | 8,525      |            |
| Municipal Income Taxes               | 2,533,557  |            |
| Intergovernmental                    | 951,100    |            |
| Special Assessments                  | 12,868,635 |            |
| Total                                | 16,412,865 | 16,412,865 |

|                                                                                                                                                        |           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. | (280,889) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

|                              |              |              |
|------------------------------|--------------|--------------|
| Deferred Charge on Refunding | 2,341,862    |              |
| General Obligation Bonds     | (55,998,473) |              |
| Special Assessment Bonds     | (13,688,196) |              |
| General Obligation Notes     | (3,373,699)  |              |
| OPWC Loans                   | (451,735)    |              |
| Capital Lease                | (24,771)     |              |
| Compensated Absences         | (1,858,350)  |              |
| Total                        | (73,053,362) | (73,053,362) |

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

|                             |              |              |
|-----------------------------|--------------|--------------|
| Net Pension Asset           | 13,761       |              |
| Deferred Outflows - Pension | 8,614,119    |              |
| Deferred Outflows - OPEB    | 1,722,509    |              |
| Net Pension Liability       | (30,802,967) |              |
| Net OPEB Liability          | (6,425,212)  |              |
| Deferred Inflows - Pension  | (550,408)    |              |
| Deferred Inflows - OPEB     | (1,105,534)  |              |
| Total                       | (28,533,732) | (28,533,732) |

|                                                       |                                   |
|-------------------------------------------------------|-----------------------------------|
| <b><i>Net Position of Governmental Activities</i></b> | <b><u><u>\$48,606,404</u></u></b> |
|-------------------------------------------------------|-----------------------------------|

See accompanying notes to the basic financial statements

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

|                                                     | General             | Fire<br>Department | Street<br>Construction,<br>Maintenance<br>and Repair | Police             | General<br>Obligation<br>Bond<br>Retirement |
|-----------------------------------------------------|---------------------|--------------------|------------------------------------------------------|--------------------|---------------------------------------------|
| <b>Revenues</b>                                     |                     |                    |                                                      |                    |                                             |
| Property Taxes                                      | \$1,955,555         | \$0                | \$1,296,245                                          | \$723,451          | \$0                                         |
| Payments in Lieu of Taxes                           | 0                   | 0                  | 0                                                    | 0                  | 0                                           |
| Municipal Income Taxes                              | 10,769,274          | 3,399,082          | 0                                                    | 3,399,083          | 0                                           |
| Charges for Services                                | 437,136             | 746,297            | 0                                                    | 0                  | 594,309                                     |
| Licenses and Permits                                | 2,451,343           | 650                | 5,147                                                | 444                | 0                                           |
| Fines and Forfeitures                               | 225,701             | 0                  | 0                                                    | 24,004             | 0                                           |
| Intergovernmental                                   | 1,110,481           | 18,707             | 1,322,628                                            | 96,754             | 0                                           |
| Special Assessments                                 | 0                   | 0                  | 0                                                    | 0                  | 0                                           |
| Interest                                            | 592,511             | 0                  | 23,590                                               | 0                  | 0                                           |
| Contributions and Donations                         | 2,215               | 0                  | 0                                                    | 1,000              | 0                                           |
| Rentals                                             | 37,875              | 0                  | 0                                                    | 0                  | 0                                           |
| Miscellaneous                                       | 455,125             | 9,094              | 5,120                                                | 157,398            | 0                                           |
| <b>Total Revenues</b>                               | <b>18,037,216</b>   | <b>4,173,830</b>   | <b>2,652,730</b>                                     | <b>4,402,134</b>   | <b>594,309</b>                              |
| <b>Expenditures</b>                                 |                     |                    |                                                      |                    |                                             |
| Current:                                            |                     |                    |                                                      |                    |                                             |
| General Government                                  | 5,021,956           | 0                  | 0                                                    | 0                  | 687                                         |
| Security of Persons and Property                    | 0                   | 5,512,642          | 0                                                    | 6,647,521          | 0                                           |
| Transportation                                      | 0                   | 0                  | 2,784,686                                            | 0                  | 0                                           |
| Community Environment                               | 3,547,933           | 0                  | 0                                                    | 0                  | 0                                           |
| Leisure Time Activities                             | 25,346              | 0                  | 0                                                    | 0                  | 0                                           |
| Intergovernmental                                   | 0                   | 0                  | 0                                                    | 0                  | 0                                           |
| Capital Outlay                                      | 0                   | 0                  | 0                                                    | 0                  | 0                                           |
| Debt Service:                                       |                     |                    |                                                      |                    |                                             |
| Principal Retirement                                | 23,990              | 0                  | 150,675                                              | 0                  | 643,752                                     |
| Interest and Fiscal Charges                         | 1,588               | 0                  | 30,142                                               | 0                  | 363,029                                     |
| Note Issuance Costs                                 | 0                   | 0                  | 0                                                    | 0                  | 80,662                                      |
| <b>Total Expenditures</b>                           | <b>8,620,813</b>    | <b>5,512,642</b>   | <b>2,965,503</b>                                     | <b>6,647,521</b>   | <b>1,088,130</b>                            |
| <b>Excess of Revenues Over (Under) Expenditures</b> | <b>9,416,403</b>    | <b>(1,338,812)</b> | <b>(312,773)</b>                                     | <b>(2,245,387)</b> | <b>(493,821)</b>                            |
| <b>Other Financing Sources (Uses)</b>               |                     |                    |                                                      |                    |                                             |
| Sale of Capital Assets                              | 3,430               | 0                  | 2,499                                                | 0                  | 0                                           |
| General Obligation Notes Issued                     | 0                   | 0                  | 0                                                    | 0                  | 0                                           |
| Premium on General Obligation Notes Issued          | 0                   | 0                  | 0                                                    | 0                  | 123,699                                     |
| OPWC Loans Issued                                   | 0                   | 0                  | 0                                                    | 0                  | 0                                           |
| Transfers In                                        | 176,400             | 1,500,000          | 500,000                                              | 2,200,000          | 500,091                                     |
| Transfers Out                                       | (7,451,000)         | 0                  | 0                                                    | 0                  | (283,375)                                   |
| <b>Total Other Financing Sources (Uses)</b>         | <b>(7,271,170)</b>  | <b>1,500,000</b>   | <b>502,499</b>                                       | <b>2,200,000</b>   | <b>340,415</b>                              |
| <b>Net Change in Fund Balances</b>                  | <b>2,145,233</b>    | <b>161,188</b>     | <b>189,726</b>                                       | <b>(45,387)</b>    | <b>(153,406)</b>                            |
| <b>Fund Balances (Deficit)</b>                      |                     |                    |                                                      |                    |                                             |
| Beginning of Year - Restated (See Note 3)           | 9,581,953           | 697,250            | 1,080,108                                            | 911,422            | 289,310                                     |
| <b>Fund Balances (Deficit) End of Year</b>          | <b>\$11,727,186</b> | <b>\$858,438</b>   | <b>\$1,269,834</b>                                   | <b>\$866,035</b>   | <b>\$135,904</b>                            |

(continued)

**City of Avon, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds (continued)*  
*For the Year Ended December 31, 2019*

|                                                     | Special<br>Assessment<br>Bond<br>Retirement | Municipal<br>Swimming Pool | Road and<br>Bridges | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|-----------------------------------------------------|---------------------------------------------|----------------------------|---------------------|--------------------------------|--------------------------------|
| <b>Revenues</b>                                     |                                             |                            |                     |                                |                                |
| Property Taxes                                      | \$0                                         | \$0                        | \$0                 | \$1,518,495                    | \$5,493,746                    |
| Payments in Lieu of Taxes                           | 0                                           | 0                          | 0                   | 2,592,018                      | 2,592,018                      |
| Municipal Income Taxes                              | 0                                           | 0                          | 0                   | 2,567,100                      | 20,134,539                     |
| Charges for Services                                | 0                                           | 0                          | 0                   | 600,728                        | 2,378,470                      |
| Licenses and Permits                                | 0                                           | 0                          | 0                   | 293,460                        | 2,751,044                      |
| Fines and Forfeitures                               | 0                                           | 0                          | 0                   | 7,236                          | 256,941                        |
| Intergovernmental                                   | 0                                           | 0                          | 623,806             | 858,288                        | 4,030,664                      |
| Special Assessments                                 | 1,301,607                                   | 0                          | 0                   | 0                              | 1,301,607                      |
| Interest                                            | 0                                           | 0                          | 0                   | 1,948                          | 618,049                        |
| Contributions and Donations                         | 0                                           | 0                          | 0                   | 112,660                        | 115,875                        |
| Rentals                                             | 0                                           | 0                          | 0                   | 456,963                        | 494,838                        |
| Miscellaneous                                       | 0                                           | 0                          | 0                   | 13,937                         | 640,674                        |
| <b>Total Revenues</b>                               | <b>1,301,607</b>                            | <b>0</b>                   | <b>623,806</b>      | <b>9,022,833</b>               | <b>40,808,465</b>              |
| <b>Expenditures</b>                                 |                                             |                            |                     |                                |                                |
| Current:                                            |                                             |                            |                     |                                |                                |
| General Government                                  | 44,894                                      | 0                          | 0                   | 0                              | 5,067,537                      |
| Security of Persons and Property                    | 0                                           | 0                          | 0                   | 3,553                          | 12,163,716                     |
| Transportation                                      | 0                                           | 0                          | 0                   | 305,744                        | 3,090,430                      |
| Community Environment                               | 0                                           | 0                          | 0                   | 198,483                        | 3,746,416                      |
| Leisure Time Activities                             | 0                                           | 0                          | 0                   | 1,934,902                      | 1,960,248                      |
| Intergovernmental                                   | 0                                           | 0                          | 0                   | 481,222                        | 481,222                        |
| Capital Outlay                                      | 0                                           | 0                          | 2,968,048           | 2,228,415                      | 5,196,463                      |
| Debt Service:                                       |                                             |                            |                     |                                |                                |
| Principal Retirement                                | 431,351                                     | 0                          | 2,900,000           | 2,831,523                      | 6,981,291                      |
| Interest and Fiscal Charges                         | 538,668                                     | 0                          | 3,198               | 1,798,853                      | 2,735,478                      |
| Bond Issuance Costs                                 | 0                                           | 0                          | 0                   | 0                              | 80,662                         |
| <b>Total Expenditures</b>                           | <b>1,014,913</b>                            | <b>0</b>                   | <b>5,871,246</b>    | <b>9,782,695</b>               | <b>41,503,463</b>              |
| <b>Excess of Revenues Over (Under) Expenditures</b> | <b>286,694</b>                              | <b>0</b>                   | <b>(5,247,440)</b>  | <b>(759,862)</b>               | <b>(694,998)</b>               |
| <b>Other Financing Sources (Uses)</b>               |                                             |                            |                     |                                |                                |
| Sale of Capital Assets                              | 0                                           | 0                          | 0                   | 19,112                         | 25,041                         |
| General Obligation Notes Issued                     | 0                                           | 0                          | 2,500,000           | 750,000                        | 3,250,000                      |
| Premium on General Obligation Notes Issued          | 0                                           | 0                          | 0                   | 0                              | 123,699                        |
| OPWC Loans Issued                                   | 0                                           | 0                          | 141,371             | 0                              | 141,371                        |
| Transfers In                                        | 58                                          | 250,000                    | 2,550,000           | 1,385,541                      | 9,062,090                      |
| Transfers Out                                       | 0                                           | (2,949)                    | (77,902)            | (946,146)                      | (8,761,372)                    |
| <b>Total Other Financing Sources (Uses)</b>         | <b>58</b>                                   | <b>247,051</b>             | <b>5,113,469</b>    | <b>1,208,507</b>               | <b>3,840,829</b>               |
| <b>Net Change in Fund Balances</b>                  | <b>286,752</b>                              | <b>247,051</b>             | <b>(133,971)</b>    | <b>448,645</b>                 | <b>3,145,831</b>               |
| <b>Fund Balances (Deficit)</b>                      |                                             |                            |                     |                                |                                |
| Beginning of Year - Restated (See Note 3)           | 498,084                                     | (4,597,051)                | 360,965             | 903,412                        | 9,725,453                      |
| <b>Fund Balances (Deficit) End of Year</b>          | <b>\$784,836</b>                            | <b>(\$4,350,000)</b>       | <b>\$226,994</b>    | <b>\$1,352,057</b>             | <b>\$12,871,284</b>            |

See accompanying notes to the basic financial statements

**City of Avon, 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, 2019*

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|                                                               |                    |
|---------------------------------------------------------------|--------------------|
| <b>Net Change in Fund Balances - Total Governmental Funds</b> | <b>\$3,145,831</b> |
|---------------------------------------------------------------|--------------------|

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

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

|                           |             |           |
|---------------------------|-------------|-----------|
| Capital Asset Additions:  |             |           |
| Capital Outlays           | 4,537,587   |           |
| Capital Contributions     | 1,546,002   |           |
| Current Year Depreciation | (6,197,797) |           |
| Total                     |             | (114,208) |

|                                                                                                                                                                                                |           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. | (310,411) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|

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

|                                      |           |           |
|--------------------------------------|-----------|-----------|
| Delinquent Property Taxes            | (5,777)   |           |
| Delinquent Payments in Lieu of Taxes | (11,111)  |           |
| Municipal Income Taxes               | 164,463   |           |
| Intergovernmental                    | 49,559    |           |
| Special Assessments                  | (449,933) |           |
| Total                                |           | (252,799) |

Other financing sources in the governmental funds increase long-term liabilities in the statement of net position:

|                                            |             |             |
|--------------------------------------------|-------------|-------------|
| General Obligation Notes Issued            | (3,250,000) |             |
| Premium on General Obligation Notes Issued | (123,699)   |             |
| OPWC Loans Issued                          | (141,371)   |             |
| Total                                      |             | (3,515,070) |

|                                                                                                                                                                                              |           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Repayment of bond, note, loan, and capital lease principal are expenditures in the governmental funds, but the repayments reduce the long-term liabilities in the statement of net position. | 6,981,291 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|

In the statement of activities, interest is accrued on outstanding bonds and deferred charges and bond premiums are amortized over the term of the bonds, whereas in governmental funds, an expenditure is reported when bonds are issued:

|                                        |           |        |
|----------------------------------------|-----------|--------|
| Accrued Interest                       | 454       |        |
| Amortization of Loss on Refunding      | (159,768) |        |
| Amortization of Bond and Note Premiums | 225,003   |        |
| Total                                  |           | 65,689 |

|                                                                                                                                                                                                                 |          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds, such as compensated absences. | (18,638) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|

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

|         |           |           |
|---------|-----------|-----------|
| Pension | 2,199,874 |           |
| OPEB    | 42,348    |           |
| Total   |           | 2,242,222 |

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

|         |             |           |
|---------|-------------|-----------|
| Pension | (4,818,486) |           |
| OPEB    | 11,935,600  |           |
| Total   |             | 7,117,114 |

|                                                                 |                                   |
|-----------------------------------------------------------------|-----------------------------------|
| <b><i>Change in Net Position of Governmental Activities</i></b> | <b><u><u>\$15,341,021</u></u></b> |
|-----------------------------------------------------------------|-----------------------------------|

See accompanying notes to the basic financial statements



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

|                                             | Budgeted Amounts          |                           |                            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------------|---------------------------|---------------------------|----------------------------|---------------------------------------------------------|
|                                             | Original<br>Budget        | Final<br>Budget           | Actual                     |                                                         |
| <b>Revenues</b>                             |                           |                           |                            |                                                         |
| Property Taxes                              | \$1,772,400               | \$1,955,555               | \$1,955,555                | \$0                                                     |
| Municipal Income Taxes                      | 9,581,146                 | 10,571,238                | 10,571,238                 | 0                                                       |
| Charges for Services                        | 392,163                   | 432,688                   | 437,136                    | 4,448                                                   |
| Licenses and Permits                        | 975,016                   | 1,075,772                 | 2,451,343                  | 1,375,571                                               |
| Fines and Forfeitures                       | 184,984                   | 204,100                   | 205,150                    | 1,050                                                   |
| Intergovernmental                           | 955,399                   | 1,054,128                 | 1,084,414                  | 30,286                                                  |
| Interest                                    | 457,022                   | 504,250                   | 551,485                    | 47,235                                                  |
| Contributions and Donations                 | 2,132                     | 2,215                     | 2,215                      | 0                                                       |
| Rentals                                     | 34,479                    | 37,085                    | 37,875                     | 790                                                     |
| Miscellaneous                               | 414,101                   | 451,769                   | 505,125                    | 53,356                                                  |
| <i>Total Revenues</i>                       | <u>14,768,842</u>         | <u>16,288,800</u>         | <u>17,801,536</u>          | <u>1,512,736</u>                                        |
| <b>Expenditures</b>                         |                           |                           |                            |                                                         |
| Current:                                    |                           |                           |                            |                                                         |
| General Government                          | 5,247,162                 | 5,921,090                 | 5,262,598                  | 658,492                                                 |
| Community Environment                       | 3,865,874                 | 3,872,191                 | 4,626,941                  | (754,750)                                               |
| Leisure Time Activities                     | 125,251                   | 55,251                    | 25,898                     | 29,353                                                  |
| Debt Service:                               |                           |                           |                            |                                                         |
| Principal Retirement                        | 23,990                    | 23,990                    | 23,990                     | 0                                                       |
| Interest and Fiscal Charges                 | 1,588                     | 1,588                     | 1,588                      | 0                                                       |
| <i>Total Expenditures</i>                   | <u>9,263,865</u>          | <u>9,874,110</u>          | <u>9,941,015</u>           | <u>(66,905)</u>                                         |
| <i>Excess of Revenues Over Expenditures</i> | <u>5,504,977</u>          | <u>6,414,690</u>          | <u>7,860,521</u>           | <u>1,445,831</u>                                        |
| <b>Other Financing Sources (Uses)</b>       |                           |                           |                            |                                                         |
| Sale of Capital Assets                      | 3,500                     | 3,500                     | 3,430                      | (70)                                                    |
| Advances In                                 | 0                         | 50,000                    | 50,000                     | 0                                                       |
| Transfers In                                | 701,400                   | 601,400                   | 601,400                    | 0                                                       |
| Transfers Out                               | (7,302,000)               | (8,528,000)               | (7,876,000)                | 652,000                                                 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(6,597,100)</u>        | <u>(7,873,100)</u>        | <u>(7,221,170)</u>         | <u>651,930</u>                                          |
| <i>Net Change in Fund Balance</i>           | <u>(1,092,123)</u>        | <u>(1,458,410)</u>        | <u>639,351</u>             | <u>2,097,761</u>                                        |
| <i>Fund Balance Beginning of Year</i>       | <u>8,416,760</u>          | <u>8,416,760</u>          | <u>8,416,760</u>           | <u>0</u>                                                |
| <i>Prior Year Encumbrances Appropriated</i> | <u>1,484,080</u>          | <u>1,484,080</u>          | <u>1,484,080</u>           | <u>0</u>                                                |
| <i>Fund Balance End of Year</i>             | <u><u>\$8,808,717</u></u> | <u><u>\$8,442,430</u></u> | <u><u>\$10,540,191</u></u> | <u><u>\$2,097,761</u></u>                               |

See accompanying notes to the basic financial statements

**City of Avon, Ohio**  
*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Fire Department Fund  
For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts   |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|------------------|------------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget  | Actual           |                                                         |
| <b>Revenues</b>                              |                    |                  |                  |                                                         |
| Municipal Income Taxes                       | \$3,426,819        | \$3,366,514      | \$3,366,514      | \$0                                                     |
| Charges for Services                         | 746,887            | 733,743          | 733,743          | 0                                                       |
| Licenses and Permits                         | 662                | 650              | 650              | 0                                                       |
| Intergovernmental                            | 19,042             | 18,707           | 18,707           | 0                                                       |
| Miscellaneous                                | 8,861              | 8,706            | 9,094            | 388                                                     |
| <i>Total Revenues</i>                        | 4,202,271          | 4,128,320        | 4,128,708        | 388                                                     |
| <b>Expenditures</b>                          |                    |                  |                  |                                                         |
| Current:                                     |                    |                  |                  |                                                         |
| Security of Persons and Property             | 5,690,481          | 5,700,481        | 5,531,684        | 168,797                                                 |
| <i>Excess of Revenues Under Expenditures</i> | (1,488,210)        | (1,572,161)      | (1,402,976)      | 169,185                                                 |
| <b>Other Financing Sources</b>               |                    |                  |                  |                                                         |
| Transfers In                                 | 1,500,000          | 1,500,000        | 1,500,000        | 0                                                       |
| <i>Net Change in Fund Balance</i>            | 11,790             | (72,161)         | 97,024           | 169,185                                                 |
| <i>Fund Balance Beginning of Year</i>        | 363,098            | 363,098          | 363,098          | 0                                                       |
| Prior Year Encumbrances Appropriated         | 21,698             | 21,698           | 21,698           | 0                                                       |
| <i>Fund Balance End of Year</i>              | <u>\$396,586</u>   | <u>\$312,635</u> | <u>\$481,820</u> | <u>\$169,185</u>                                        |

See accompanying notes to the basic financial statements

**City of Avon, Ohio**  
*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Construction, Maintenance and Repair Fund  
For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts   |                    |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|--------------------|------------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget    | Actual           |                                                         |
| <b>Revenues</b>                              |                    |                    |                  |                                                         |
| Property Taxes                               | \$1,445,359        | \$1,296,245        | \$1,296,245      | \$0                                                     |
| Licenses and Permits                         | 5,739              | 5,147              | 5,147            | 0                                                       |
| Intergovernmental                            | 1,383,421          | 1,240,697          | 1,249,072        | 8,375                                                   |
| Interest                                     | 24,531             | 22,000             | 24,343           | 2,343                                                   |
| Miscellaneous                                | 5,957              | 5,084              | 5,120            | 36                                                      |
| <i>Total Revenues</i>                        | <u>2,865,007</u>   | <u>2,569,173</u>   | <u>2,579,927</u> | <u>10,754</u>                                           |
| <b>Expenditures</b>                          |                    |                    |                  |                                                         |
| Current:                                     |                    |                    |                  |                                                         |
| Transportation                               | 3,426,485          | 3,462,485          | 2,963,620        | 498,865                                                 |
| Debt Service:                                |                    |                    |                  |                                                         |
| Principal Retirement                         | 132,529            | 150,676            | 150,675          | 1                                                       |
| Interest and Fiscal Charges                  | 48,291             | 30,144             | 30,142           | 2                                                       |
| <i>Total Expenditures</i>                    | <u>3,607,305</u>   | <u>3,643,305</u>   | <u>3,144,437</u> | <u>498,868</u>                                          |
| <i>Excess of Revenues Under Expenditures</i> | <u>(742,298)</u>   | <u>(1,074,132)</u> | <u>(564,510)</u> | <u>509,622</u>                                          |
| <b>Other Financing Sources</b>               |                    |                    |                  |                                                         |
| Sale of Capital Assets                       | 2,500              | 2,500              | 2,499            | (1)                                                     |
| Transfers In                                 | 500,000            | 500,000            | 500,000          | 0                                                       |
| <i>Net Change in Fund Balance</i>            | <u>(239,798)</u>   | <u>(571,632)</u>   | <u>(62,011)</u>  | <u>509,621</u>                                          |
| <i>Fund Balance Beginning of Year</i>        | <u>406,746</u>     | <u>406,746</u>     | <u>406,746</u>   | <u>0</u>                                                |
| <i>Prior Year Encumbrances Appropriated</i>  | <u>282,133</u>     | <u>282,133</u>     | <u>282,133</u>   | <u>0</u>                                                |
| <i>Fund Balance End of Year</i>              | <u>\$449,081</u>   | <u>\$117,247</u>   | <u>\$626,868</u> | <u>\$509,621</u>                                        |

See accompanying notes to the basic financial statements

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

|                                              | Budgeted Amounts   |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|------------------|------------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget  | Actual           |                                                         |
| <b>Revenues</b>                              |                    |                  |                  |                                                         |
| Property Taxes                               | \$724,725          | \$723,451        | \$723,451        | \$0                                                     |
| Municipal Income Taxes                       | 3,372,444          | 3,366,515        | 3,366,515        | 0                                                       |
| Licenses and Permits                         | 445                | 444              | 444              | 0                                                       |
| Fines and Forfeitures                        | 23,998             | 23,956           | 24,004           | 48                                                      |
| Intergovernmental                            | 96,924             | 96,754           | 96,754           | 0                                                       |
| Contributions and Donations                  | 1,002              | 1,000            | 1,000            | 0                                                       |
| Miscellaneous                                | 140,416            | 140,169          | 157,398          | 17,229                                                  |
| <i>Total Revenues</i>                        | 4,359,954          | 4,352,289        | 4,369,566        | 17,277                                                  |
| <b>Expenditures</b>                          |                    |                  |                  |                                                         |
| Current:                                     |                    |                  |                  |                                                         |
| Security of Persons and Property             | 7,094,338          | 7,067,081        | 6,715,700        | 351,381                                                 |
| <i>Excess of Revenues Under Expenditures</i> | (2,734,384)        | (2,714,792)      | (2,346,134)      | 368,658                                                 |
| <b>Other Financing Sources</b>               |                    |                  |                  |                                                         |
| Transfers In                                 | 2,200,000          | 2,200,000        | 2,200,000        | 0                                                       |
| <i>Net Change in Fund Balance</i>            | (534,384)          | (514,792)        | (146,134)        | 368,658                                                 |
| <i>Fund Balance Beginning of Year</i>        | 568,963            | 568,963          | 568,963          | 0                                                       |
| Prior Year Encumbrances Appropriated         | 126,105            | 126,105          | 126,105          | 0                                                       |
| <i>Fund Balance End of Year</i>              | <u>\$160,684</u>   | <u>\$180,276</u> | <u>\$548,934</u> | <u>\$368,658</u>                                        |

See accompanying notes to the basic financial statements

**City of Avon, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2019*

|                                                       | Business-Type Activities |                     |                         |                     |
|-------------------------------------------------------|--------------------------|---------------------|-------------------------|---------------------|
|                                                       | Water                    | Sewer               | Nonmajor<br>Storm Water | Total               |
| <b>Assets</b>                                         |                          |                     |                         |                     |
| <i>Current Assets</i>                                 |                          |                     |                         |                     |
| Equity in Pooled Cash and Cash Equivalents            | \$3,222,161              | \$3,626,902         | \$122,467               | \$6,971,530         |
| Accrued Interest Receivable                           | 123                      | 77,783              | 0                       | 77,906              |
| Materials and Supplies Inventory                      | 388,454                  | 31,190              | 0                       | 419,644             |
| Accounts Receivable                                   | 304,248                  | 407,086             | 39,638                  | 750,972             |
| Interfund Receivable                                  | 0                        | 132,000             | 0                       | 132,000             |
| Special Assessments Receivable                        | 282,983                  | 831,868             | 0                       | 1,114,851           |
| <i>Total Current Assets</i>                           | <u>4,197,969</u>         | <u>5,106,829</u>    | <u>162,105</u>          | <u>9,466,903</u>    |
| <i>Noncurrent Assets</i>                              |                          |                     |                         |                     |
| Net Pension Asset                                     | 1,342                    | 1,342               | 336                     | 3,020               |
| Capital Assets, Non-Depreciable                       | 0                        | 21,045              | 0                       | 21,045              |
| Capital Assets, Depreciable, Net                      | 19,116,394               | 21,194,665          | 116,603                 | 40,427,662          |
| <i>Total Noncurrent Assets</i>                        | <u>19,117,736</u>        | <u>21,217,052</u>   | <u>116,939</u>          | <u>40,451,727</u>   |
| <i>Total Assets</i>                                   | <u>23,315,705</u>        | <u>26,323,881</u>   | <u>279,044</u>          | <u>49,918,630</u>   |
| <b>Deferred Outflows of Resources</b>                 |                          |                     |                         |                     |
| Pension                                               | 290,128                  | 288,737             | 101,353                 | 680,218             |
| OPEB                                                  | 58,187                   | 58,186              | 34,066                  | 150,439             |
| <i>Total Deferred Outflows of Resources</i>           | <u>348,315</u>           | <u>346,923</u>      | <u>135,419</u>          | <u>830,657</u>      |
| <b>Liabilities</b>                                    |                          |                     |                         |                     |
| <i>Current Liabilities</i>                            |                          |                     |                         |                     |
| Accounts Payable                                      | 60,114                   | 84,473              | 0                       | 144,587             |
| Contracts Payable                                     | 109,313                  | 0                   | 0                       | 109,313             |
| Accrued Wages and Benefits                            | 21,685                   | 20,735              | 4,965                   | 47,385              |
| Intergovernmental Payable                             | 93,735                   | 379,377             | 1,272                   | 474,384             |
| Payroll Withholding Payable                           | 596                      | 596                 | 0                       | 1,192               |
| Retainage Payable                                     | 0                        | 13,465              | 0                       | 13,465              |
| Interfund Payable                                     | 116,000                  | 0                   | 0                       | 116,000             |
| Accrued Interest Payable                              | 122,609                  | 83,937              | 0                       | 206,546             |
| Notes Payable                                         | 975,000                  | 0                   | 0                       | 975,000             |
| Compensated Absences Payable                          | 7,593                    | 7,593               | 2,736                   | 17,922              |
| Avon Lake Intergovernmental Payable                   | 31,247                   | 0                   | 0                       | 31,247              |
| Bonds Payable                                         | 25,254                   | 58,998              | 0                       | 84,252              |
| Capital Lease Payable                                 | 0                        | 76,952              | 0                       | 76,952              |
| <i>Total Current Liabilities</i>                      | <u>1,563,146</u>         | <u>726,126</u>      | <u>8,973</u>            | <u>2,298,245</u>    |
| <i>Long-Term Liabilities (net of current portion)</i> |                          |                     |                         |                     |
| Compensated Absences Payable                          | 64,355                   | 64,355              | 15,836                  | 144,546             |
| Avon Lake Intergovernmental Payable                   | 220,671                  | 0                   | 0                       | 220,671             |
| Notes Payable                                         | 3,275,000                | 0                   | 0                       | 3,275,000           |
| Bonds Payable                                         | 1,485,369                | 2,964,542           | 0                       | 4,449,911           |
| Capital Lease Payable                                 | 0                        | 78,998              | 0                       | 78,998              |
| Net Pension Liability                                 | 834,042                  | 834,043             | 208,510                 | 1,876,595           |
| Net OPEB Liability                                    | 384,632                  | 384,632             | 96,158                  | 865,422             |
| <i>Total Long-Term Liabilities</i>                    | <u>6,264,069</u>         | <u>4,326,570</u>    | <u>320,504</u>          | <u>10,911,143</u>   |
| <i>Total Liabilities</i>                              | <u>7,827,215</u>         | <u>5,052,696</u>    | <u>329,477</u>          | <u>13,209,388</u>   |
| <b>Deferred Inflows of Resources</b>                  |                          |                     |                         |                     |
| Pension                                               | 55,121                   | 56,456              | 3,945                   | 115,522             |
| OPEB                                                  | 30,338                   | 30,338              | 261                     | 60,937              |
| <i>Total Deferred Inflows of Resources</i>            | <u>85,459</u>            | <u>86,794</u>       | <u>4,206</u>            | <u>176,459</u>      |
| <b>Net Position</b>                                   |                          |                     |                         |                     |
| Net Investment in Capital Assets                      | 13,203,203               | 18,022,755          | 116,603                 | 31,342,561          |
| Unrestricted (Deficit)                                | 2,548,143                | 3,508,559           | (35,823)                | 6,020,879           |
| <i>Total Net Position</i>                             | <u>\$15,751,346</u>      | <u>\$21,531,314</u> | <u>\$80,780</u>         | <u>\$37,363,440</u> |

See accompanying notes to the basic financial statements

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

|                                                  | Business-Type Activities   |                            |                         |                            |
|--------------------------------------------------|----------------------------|----------------------------|-------------------------|----------------------------|
|                                                  | Water                      | Sewer                      | Nonmajor<br>Storm Water | Total                      |
| <b>Operating Revenues</b>                        |                            |                            |                         |                            |
| Charges for Services                             | \$4,622,337                | \$4,535,296                | \$402,000               | \$9,559,633                |
| Other                                            | 26,186                     | 3,472                      | 0                       | 29,658                     |
| <i>Total Operating Revenues</i>                  | <u>4,648,523</u>           | <u>4,538,768</u>           | <u>402,000</u>          | <u>9,589,291</u>           |
| <b>Operating Expenses</b>                        |                            |                            |                         |                            |
| Personal Services                                | 751,444                    | 699,284                    | 223,123                 | 1,673,851                  |
| Materials and Supplies                           | 1,411,092                  | 2,310,813                  | 183,083                 | 3,904,988                  |
| Contractual Services                             | 480,781                    | 313,969                    | 58,851                  | 853,601                    |
| Other                                            | 7,608                      | 19,030                     | 20                      | 26,658                     |
| Depreciation and Amortization                    | 813,781                    | 1,016,603                  | 6,137                   | 1,836,521                  |
| <i>Total Operating Expenses</i>                  | <u>3,464,706</u>           | <u>4,359,699</u>           | <u>471,214</u>          | <u>8,295,619</u>           |
| <i>Operating Income (Loss)</i>                   | <u>1,183,817</u>           | <u>179,069</u>             | <u>(69,214)</u>         | <u>1,293,672</u>           |
| <b>Non-Operating Revenues (Expenses)</b>         |                            |                            |                         |                            |
| Interest                                         | 391                        | 0                          | 0                       | 391                        |
| Gain on Sale of Capital Assets                   | 15,611                     | 15,611                     | 0                       | 31,222                     |
| Interest and Fiscal Charges                      | (195,478)                  | (84,001)                   | 0                       | (279,479)                  |
| <i>Total Non-Operating Revenues (Expenses)</i>   | <u>(179,476)</u>           | <u>(68,390)</u>            | <u>0</u>                | <u>(247,866)</u>           |
| <i>Income Before Contributions and Transfers</i> | <u>1,004,341</u>           | <u>110,679</u>             | <u>(69,214)</u>         | <u>1,045,806</u>           |
| Capital Contributions                            | 0                          | 290,378                    | 0                       | 290,378                    |
| Transfers In                                     | 0                          | 14,543                     | 0                       | 14,543                     |
| Transfers Out                                    | (315,261)                  | 0                          | 0                       | (315,261)                  |
| <i>Change in Net Position</i>                    | <u>689,080</u>             | <u>415,600</u>             | <u>(69,214)</u>         | <u>1,035,466</u>           |
| <i>Net Position Beginning of Year</i>            | <u>15,062,266</u>          | <u>21,115,714</u>          | <u>149,994</u>          | <u>36,327,974</u>          |
| <i>Net Position End of Year</i>                  | <u><u>\$15,751,346</u></u> | <u><u>\$21,531,314</u></u> | <u><u>\$80,780</u></u>  | <u><u>\$37,363,440</u></u> |

See accompanying notes to the basic financial statements

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

|                                                                   | Business-Type Activities |                    |                         | Totals             |
|-------------------------------------------------------------------|--------------------------|--------------------|-------------------------|--------------------|
|                                                                   | Water                    | Sewer              | Nonmajor<br>Storm Water |                    |
| <b>Increase (Decrease) in Cash and Cash Equivalents</b>           |                          |                    |                         |                    |
| <b>Cash Flows from Operating Activities</b>                       |                          |                    |                         |                    |
| Cash Received from Customers                                      | \$4,600,881              | \$4,504,260        | \$399,708               | \$9,504,849        |
| Other Operating Revenues                                          | 26,782                   | 4,068              | 0                       | 30,850             |
| Cash Payments for Employee Services and Benefits                  | (605,625)                | (580,462)          | (116,431)               | (1,302,518)        |
| Cash Payments to Suppliers for Materials and Supplies             | (1,358,013)              | (2,309,013)        | (183,083)               | (3,850,109)        |
| Cash Payments for Contractual Services                            | (380,810)                | (215,343)          | (58,851)                | (655,004)          |
| Other Operating Expenses                                          | (7,608)                  | (19,030)           | (20)                    | (26,658)           |
| <i>Net Cash Provided by Operating Activities</i>                  | <u>2,275,607</u>         | <u>1,384,480</u>   | <u>41,323</u>           | <u>3,701,410</u>   |
| <b>Cash Flows from Noncapital Financing Activities</b>            |                          |                    |                         |                    |
| Special Assessments                                               | 5,016                    | 12,741             | 0                       | 17,757             |
| Transfers In                                                      | 0                        | 14,543             | 0                       | 14,543             |
| Advances Out                                                      | 0                        | (132,000)          | 0                       | (132,000)          |
| Transfers Out                                                     | (315,261)                | 0                  | 0                       | (315,261)          |
| <i>Net Cash Used for Noncapital Financing Activities</i>          | <u>(310,245)</u>         | <u>(104,716)</u>   | <u>0</u>                | <u>(414,961)</u>   |
| <b>Cash Flows from Capital and Related Financing Activities</b>   |                          |                    |                         |                    |
| Acquisition of Capital Assets                                     | (356,411)                | (207,726)          | (122,740)               | (686,877)          |
| Disposal of Capital Assets                                        | 15,611                   | 15,611             | 0                       | 31,222             |
| General Obligation Notes Issued                                   | 4,250,000                | 0                  | 0                       | 4,250,000          |
| Principal Paid on General Obligation Bonds                        | (18,215)                 | (41,014)           | 0                       | (59,229)           |
| Principal Paid on Special Assessment Bonds                        | (3,622)                  | (10,651)           | 0                       | (14,273)           |
| Principal Paid on Intangible Asset                                | (29,570)                 | 0                  | 0                       | (29,570)           |
| Principal Paid on Notes                                           | (6,250,000)              | (1,000,000)        | 0                       | (7,250,000)        |
| Principal Paid on Capital Lease                                   | 0                        | (133,465)          | 0                       | (133,465)          |
| Interest Paid on General Obligation Bonds                         | (40,587)                 | (46,486)           | 0                       | (87,073)           |
| Interest Paid on Special Assessment Bonds                         | (9,537)                  | (28,048)           | 0                       | (37,585)           |
| Interest Paid on Intangible Asset                                 | (16,018)                 | 0                  | 0                       | (16,018)           |
| Interest Paid on Notes                                            | (148,437)                | (23,749)           | 0                       | (172,186)          |
| Interest Paid on Capital Lease                                    | 0                        | (7,810)            | 0                       | (7,810)            |
| Payment on Manuscript Bonds                                       | (10,000)                 | 0                  | 0                       | (10,000)           |
| <i>Net Cash Used for Capital and Related Financing Activities</i> | <u>(2,616,786)</u>       | <u>(1,483,338)</u> | <u>(122,740)</u>        | <u>(4,222,864)</u> |
| <b>Cash Flows from Investing Activities</b>                       |                          |                    |                         |                    |
| Interest on Investments                                           | <u>1,463</u>             | <u>0</u>           | <u>0</u>                | <u>1,463</u>       |
| Net Decrease in Cash and Cash Equivalents                         | (649,961)                | (203,574)          | (81,417)                | (934,952)          |
| <i>Cash and Cash Equivalents Beginning of Year</i>                | <u>3,872,122</u>         | <u>3,830,476</u>   | <u>203,884</u>          | <u>7,906,482</u>   |
| <i>Cash and Cash Equivalents End of Year</i>                      | <u>\$3,222,161</u>       | <u>\$3,626,902</u> | <u>\$122,467</u>        | <u>\$6,971,530</u> |
| See accompanying notes to the basic financial statements          |                          |                    |                         | (continued)        |



**City of Avon, Ohio**  
**Statement of Cash Flows**  
*Proprietary Funds (continued)*  
For the Year Ended December 31, 2019

|                                                                                               | Business-Type Activities |                    |                         |                    |
|-----------------------------------------------------------------------------------------------|--------------------------|--------------------|-------------------------|--------------------|
|                                                                                               | Water                    | Sewer              | Nonmajor<br>Storm Water | Totals             |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b> |                          |                    |                         |                    |
| Operating Income (Loss)                                                                       | <u>\$1,183,817</u>       | <u>\$179,069</u>   | <u>(\$69,214)</u>       | <u>\$1,293,672</u> |
| <i>Adjustments:</i>                                                                           |                          |                    |                         |                    |
| Depreciation and Amortization                                                                 | 813,781                  | 1,016,603          | 6,137                   | 1,836,521          |
| (Increase) Decrease in Assets:                                                                |                          |                    |                         |                    |
| Materials and Supplies Inventory                                                              | 53,079                   | 1,800              | 0                       | 54,879             |
| Accounts Receivable                                                                           | (21,456)                 | (31,036)           | (2,292)                 | (54,784)           |
| Prepaid Items                                                                                 | 4,500                    | 4,500              | 0                       | 9,000              |
| Net Pension Asset                                                                             | (402)                    | (402)              | (101)                   | (905)              |
| Increase in Deferred Outflows - Pension                                                       | 210,387                  | 198,941            | 85,794                  | 495,122            |
| Increase in Deferred Outflows - OPEB                                                          | 33,693                   | 33,694             | 29,157                  | 96,544             |
| Increase (Decrease) in Liabilities:                                                           |                          |                    |                         |                    |
| Accounts Payable                                                                              | (4,635)                  | 23,107             | 0                       | 18,472             |
| Contracts Payable                                                                             | 109,313                  | 0                  | 0                       | 109,313            |
| Accrued Wages and Benefits                                                                    | 4,840                    | 4,790              | 654                     | 10,284             |
| Intergovernmental Payable                                                                     | (9,379)                  | 70,931             | (397)                   | 61,155             |
| Payroll Withholding Payable                                                                   | 596                      | 596                | 0                       | 1,192              |
| Compensated Absences Payable                                                                  | 9,395                    | 9,395              | 2,114                   | 20,904             |
| Net Pension Liability                                                                         | (905)                    | (905)              | (225)                   | (2,035)            |
| Net OPEB Liability                                                                            | 21,070                   | 21,070             | 5,267                   | 47,407             |
| Decrease in Deferred Inflows - Pension                                                        | (98,772)                 | (114,358)          | (13,951)                | (227,081)          |
| Decrease in Deferred Inflows - OPEB                                                           | <u>(33,315)</u>          | <u>(33,315)</u>    | <u>(1,620)</u>          | <u>(68,250)</u>    |
| <i>Total Adjustments</i>                                                                      | <u>1,091,790</u>         | <u>1,205,411</u>   | <u>110,537</u>          | <u>2,407,738</u>   |
| <i>Net Cash Provided by Operating Activities</i>                                              | <u>\$2,275,607</u>       | <u>\$1,384,480</u> | <u>\$41,323</u>         | <u>\$3,701,410</u> |

**Noncash Capital Financing Activities**

During 2019, the sewer enterprise fund received sewer lines from developers valued at \$290,378.

At December 31, 2019, the City had retainage payable related to the acquisition of capital assets of \$13,465 in the sewer fund.

See accompanying notes to the basic financial statements

**City of Avon, Ohio**  
*Statement of Fiduciary Net Position*  
*Custodial Fund*  
*December 31, 2019*

|                                            |  | Avon Lake<br>Sanitary Sewer<br>Trunk Fees |
|--------------------------------------------|--|-------------------------------------------|
|                                            |  | <u>                    </u>               |
| <b>Assets</b>                              |  |                                           |
| Equity in Pooled Cash and Cash Equivalents |  | \$11,123                                  |
| <b>Liabilities</b>                         |  |                                           |
| Intergovernmental Payable                  |  | <u>11,123</u>                             |
| <b>Net Position</b>                        |  |                                           |
| Restricted for Other Governments           |  | <u><u>\$0</u></u>                         |

See accompanying notes to the basic financial statements

**City of Avon, Ohio**  
*Statement of Changes in Fiduciary Net Position*  
*Custodial Fund*  
*For the Year Ended December 31, 2019*

|                                                          | <u>Avon Lake<br/>Sanitary Sewer<br/>Trunk Fees</u> |
|----------------------------------------------------------|----------------------------------------------------|
| <b>Additions</b>                                         |                                                    |
| Charges for Services for Other Governments               | \$147,115                                          |
| <b>Deductions</b>                                        |                                                    |
| Distributions to Other Governments                       | <u>147,115</u>                                     |
| <i>Net Change in Fiduciary Net Position</i>              | 0                                                  |
| <i>Net Position Beginning of Year</i>                    | <u>0</u>                                           |
| <i>Net Position End of Year</i>                          | <u><u>\$0</u></u>                                  |
| See accompanying notes to the basic financial statements |                                                    |

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 1 – Description of City and Reporting Entity**

The City of Avon (the “City”) is a municipal corporation duly organized and existing under the constitution and laws of the State of Ohio. The City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable general laws. Avon was incorporated as a village in 1917 and made a city in May 1961. The City operates under its own charter and is governed by the mayor-council form of government.

The Mayor is the City's chief executive officer and is elected to a four-year term. The Mayor supervises the administration of all departments and appoints department heads and public members of administrative boards, upon confirmation by Council. The chief conservator of the peace, he/she oversees the enforcement of all laws and ordinances and presides over the Mayor's Court. He/She also executes all contracts, conveyances, and evidences of indebtedness of the City.

Legislative authority is vested in a seven-member council with four members elected from wards and three elected at large. All of the council members choose an at-large council member to serve as Council President. Council enacts ordinances and resolutions relating to tax levies, appropriates and borrows money, and accepts bids for materials and services and other municipal purposes.

***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading.

The primary government of the City consists of all funds, agencies, departments and offices that are not legally separate from the City. The primary government includes the City departments and agencies that provide the following services: police protection, firefighting and prevention, street maintenance and repairs, building inspection, parks and recreation, water and sewer.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The City has no component units.

The City is associated with the Lorain County General Health District, the Northeast Ohio Public Energy Council (NOPEC), and the Regional Income Tax Agency (RITA), all of which are jointly governed organizations, as presented in Note 16.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 2 – Summary of Significant Accounting Policies**

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

***Basis of Presentation***

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

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

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

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

***Fund Accounting***

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

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

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**General Fund** This fund is the operating fund of the City and is used to account for and report all financial resources except those required to be accounted for and reported in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.

**Fire Department Fund** This fund is used to account for and report income taxes restricted for the cost of operating the City's fire department and Emergency Medical Services revenue.

**Street Construction, Maintenance and Repair Fund** This fund is used to account for and report property tax revenue and 92.5 percent of the State gasoline tax and motor vehicle registration fees restricted for street construction, maintenance and repair of dedicated streets within the City.

**Police Fund** This fund is used to account for and report restricted income taxes and property taxes levied to pay for the cost of operating the City's police department.

**General Obligation Bond Retirement Fund** This fund accounts for and reports transfers in and debt proceeds that are restricted for the repayment of general obligation debt.

**Special Assessment Bond Retirement Fund** This fund is used to account for and report the accumulation of restricted special assessments to pay principal and interest on special assessment debt.

**Municipal Swimming Pool Fund** This fund accounts for and reports restricted monies, transfers and note proceeds for the design and architectural services for the construction of a municipal swimming pool.

**Road and Bridges Fund** This fund accounts for and reports assigned monies received from transfers in for the road and bridge improvements made during the year that include activities such as resurfacing and blacktop upgrades.

**Proprietary Funds** Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City has no internal service funds.

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

**Water Fund** This fund is used to account for revenues generated from charges for distribution of water to the residential and commercial users of the City and for the maintenance and construction of waterlines.

**Sewer Fund** This fund is used to account for revenues generated from charges for sanitary sewer services provided to the residential and commercial users of the City and for the maintenance and construction of sewer lines.

**Fiduciary Funds** Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into the following four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's fiduciary fund is custodial. The City's custodial fund accounts for sanitary sewer trunk fees collected by the City on behalf of the City of Avon Lake.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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***Measurement Focus***

***Government-wide Financial Statements*** The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

***Fund Financial Statements*** All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources, generally, are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from investment trust, private purpose trust funds, and custodial funds.

***Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

***Revenues – Exchange and Nonexchange Transactions*** Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 8). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, State-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines, interest, grants, fees and rentals.

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 21 and 22.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, OPEB and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance 2020 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 delinquent property taxes, delinquent payments in lieu of taxes, municipal income taxes, intergovernmental revenues and special assessments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balance to net position of governmental activities found on page 22. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 21 and 22).

***Expenditures/Expenses*** On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

***Budgetary Process***

All funds, except custodial funds, are legally required to be budgeted and appropriated. For reporting purposes, various custodial funds, utilized for internal control purposes, have been combined with the general fund and various special revenue, capital projects, and enterprise funds. These custodial funds are not required to be budgeted and appropriated and therefore are not included in the Accountability and Compliance note (Note 4). The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the fund, department, object level for all funds.



**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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

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

***Cash and Cash Equivalents***

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

During 2019, investments were made in federal home loan bank bonds, federal farm credit bank bonds, municipal securities, negotiable certificates of deposit, and a money market mutual fund. Investments are reported at fair value, which is based on quoted market prices.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2019 amounted to \$592,511, which includes \$327,798 assigned from other City funds.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

***Inventory***

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable materials and supplies held for consumption.

***Restricted Assets***

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund represent money set aside for unclaimed monies and deposits held.

***Capital Assets***

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of five thousand dollars.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

| Description               | Estimated Lives |
|---------------------------|-----------------|
| Land Improvements         | 10 years        |
| Building and Improvements | 10 - 50 years   |
| Machinery and Equipment   | 3 - 20 years    |
| Vehicles                  | 5 - 15 years    |
| Infrastructure            | 10 - 50 years   |
| Waterline Rights          | 50 years        |

The City's infrastructure consists of park improvements (roads, paths, bridges, culverts, water and sewer lines within the park system), streets, bridges and culverts, traffic signals, storm sewers, and water and sewer lines and includes infrastructure acquired prior to December 31, 1980.

***Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to pension/OPEB items are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position.

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

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

***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 employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

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

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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***Accrued Liabilities and Long-Term Obligations***

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund 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, are reported as obligations of the funds; however, claims and judgments and compensated absences that will be paid from governmental funds are reported as liabilities in the fund financial statements only to the extent that they are due for payment during the current year. Net pension/OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plans' fiduciary net position is not sufficient for payment of those benefits.

***Fund Balance***

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

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans. It also includes the long-term amount of loans receivable, unless the use of the proceeds from the collection of those receivables is restricted, committed, or assigned.

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

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by the highest level formal action (ordinance or resolution, as both are equally legally binding) 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 or resolution) it employed to previously commit those amounts. 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. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Assigned** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance or by State statute. City Council also assigned fund balance for City administration and community environment purposes.

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

***Net Position***

Net position represents the difference between all the elements in a statement of net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include recycling, highway maintenance, street lighting and traffic signals, and court computer systems.

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

***Contributions of Capital***

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

***Internal Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

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

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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***Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services and other operating revenue for the water, sewer, and storm water funds. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

***Deferred Charge on Refunding***

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

***Bond Premiums***

On the government-wide financial statements, bond premiums are deferred and amortized for the term of the bonds using the straight-line method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are receipted in the year the bonds are issued. Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

***Estimates***

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

**Note 3 – Changes in Accounting Principles and Restatement of Prior Year Fund Balances**

***Changes in Accounting Principles***

The Governmental Accounting Standards Board (GASB) recently issued GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The City evaluated implementing these certain GASB pronouncements based on the guidance in GASB 95.

For 2019, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, and related guidance from (GASB) Implementation Guide No. 2019-2, *Fiduciary Activities*.

GASB Statement No. 84 established specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the City will no longer be reporting agency funds. At December 31, 2018, the City's agency funds reported assets and liabilities of \$2,889,401. The City reviewed its agency funds and certain funds will be reported in the new fiduciary fund classification of custodial funds, while other funds have been reclassified as governmental funds. These fund reclassifications had no effect on fund balance, net position, or fiduciary net position as of December 31, 2018.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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GASB Statement No. 88 improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. These changes were incorporated in the City's fiscal year 2019 financial statements; however, there was no effect on beginning net position/fund balance.

For 2019, the City also implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2018-1*. These changes were incorporated in the City's 2019 financial statements; however, there was no effect on beginning net position/fund balance.

***Restatement of Prior Year Fund Balances***

During the year, it was determined that accrued interest payable was not recorded to the proper funds in 2018. This caused the municipal swimming pool fund balance to be understated and the other governmental funds' fund balance to be overstated by \$44,850. This changed the municipal swimming pool fund balance from (\$4,641,901) to (\$4,597,051) and the other governmental funds' fund balance from \$948,262 to \$903,412 at December 31, 2018.

**Note 4 – Accountability and Compliance**

***Accountability***

At December 31, 2019, the municipal swimming pool, park development and improvement, land purchases, storm sewers, and municipal buildings funds had deficits of \$4,350,000, \$609,736, \$207,672, \$18,308 and \$1,729,202, respectively. The municipal swimming pool, park development and improvement, land purchases and municipal buildings fund deficits are due to the issuance of short-term general obligation notes, which are used to finance the projects until bonds are issued. Once the notes are retired or bonds are issued, the deficit will be eliminated. The deficit in the storm sewers fund is due to an interfund payable. The general fund is liable for any deficits in other funds and provides transfers when cash is required, rather than when accruals occur.

***Compliance***

Contrary to Ohio Revised Code Section 5705.39, the municipal swimming pool and stadium marquee funds had original appropriations in excess of certified available resources in the amounts of \$15,000 and \$12,332, respectively.

Contrary to Ohio Revised Code Section 5705.39, the road and bridges fund had final appropriations in excess of certified available resources in the amount of \$84,389.

Although the budgetary violation was not corrected by year end, management has indicated that this will be closely monitored to ensure no future violations.

**Note 5 – Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general and the major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

**City of Avon, Ohio**  
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The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.
3. Investments are reported at cost (budget) rather than fair value (GAAP).
4. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
5. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and for the three major special revenue funds.

|                                                 | Net Change in Fund Balance |                    |                                                      |                    |
|-------------------------------------------------|----------------------------|--------------------|------------------------------------------------------|--------------------|
|                                                 | General                    | Fire<br>Department | Street<br>Construction,<br>Maintenance<br>and Repair | Police             |
| GAAP Basis                                      | \$2,145,233                | \$161,188          | \$189,726                                            | (\$45,387)         |
| Net Adjustment for Revenue Accruals             | 326,112                    | (32,568)           | (73,031)                                             | (32,568)           |
| Unrecorded Cash Beginning of Year               | 48,721                     | 58,597             | 1,283                                                | 0                  |
| Unrecorded Cash End of Year                     | (54,564)                   | (71,151)           | (1,055)                                              | 0                  |
| Beginning Fair Value Adjustment for Investments | (63,123)                   | 0                  | 0                                                    | 0                  |
| Ending Fair Value Adjustment for Investments    | (17,826)                   | 0                  | 0                                                    | 0                  |
| Net Adjustment for Expenditure Accruals         | (391,592)                  | (4,896)            | 82,700                                               | 53,779             |
| Encumbrances                                    | (1,353,610)                | (14,146)           | (261,634)                                            | (121,958)          |
| Budget Basis                                    | <u>\$639,351</u>           | <u>\$97,024</u>    | <u>(\$62,011)</u>                                    | <u>(\$146,134)</u> |

## Note 6 – Deposits and Investments

The City is a charter City and has adopted an investment policy through City Ordinance. The City has elected to follow the provisions of State statute. State Statutes classify monies held by the City into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon the City treasury. Active 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 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.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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Interim monies held by the City can be deposited or invested in the following securities:

1. United States Treasury bills, bonds notes, 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, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided 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 the term of the agreement must not exceed thirty days.

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.

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

The City has passed an ordinance allowing the City to invest monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.



**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

## Deposits

**Custodial credit risk** for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2019, \$1,164,763 of the City's total bank balance of \$19,032,320 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. One of the City's financial institution participates in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

## Investments

Investments are reported at fair value. As of December 31, 2019, the City had the following investments:

| Measurement/Investment             | Measurement<br>Amount | Maturity              | Standard<br>& Poor's<br>Rating | Percent of<br>Total<br>Investments |
|------------------------------------|-----------------------|-----------------------|--------------------------------|------------------------------------|
| Fair Value - Level 2 Inputs:       |                       |                       |                                |                                    |
| Federal Home Loan Bank Bonds       | \$998,820             | Less Than Two Years   | AA+                            | 11.12 %                            |
| Federal Farm Credit Bank Bonds     | 1,997,700             | Less Than Three Years | AA+                            | 22.25                              |
| Municipal Securities               | 1,709,658             | Less Than Two Years   | N/A                            | 19.04                              |
| Negotiable Certificates of Deposit | 3,215,149             | Less Than Five Years  | N/A                            | 35.80                              |
| Money Market Mutual Fund           | 1,058,869             | Less Than One Year    | N/A                            | 11.79                              |
| Total Investments                  | <u>\$8,980,196</u>    |                       |                                | <u>100.00 %</u>                    |

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. The preceding chart identifies the City's recurring fair value measurements as of December 31, 2019. The City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

**Interest Rate Risk** As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

**Credit Risk** The Federal Home Loan Bank Bonds and Federal Farm Credit Bank Bonds carry a rating of AA+ by Standard & Poor's. The municipal securities, negotiable certificates of deposit, and money market mutual fund are unrated. The City has no investment policy that would further limit its investment choices.

**Concentration of Credit Risk** The City limits investments in agencies to one-third of the total assets within the investment portfolio.

**Note 7 – Fund Balances**

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 the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

| Fund Balances                        | General             | Fire<br>Department | Street<br>Construction,<br>Maintenance<br>and Repair | Police           | General<br>Obligation<br>Bond<br>Retirement |
|--------------------------------------|---------------------|--------------------|------------------------------------------------------|------------------|---------------------------------------------|
| <u>Nonspendable:</u>                 |                     |                    |                                                      |                  |                                             |
| Inventory                            | \$0                 | \$8,861            | \$262,540                                            | \$33,147         | \$0                                         |
| Intergovernmental Loan               | 300,000             | 0                  | 0                                                    | 0                | 0                                           |
| Interfund Loans                      | 106,000             | 0                  | 0                                                    | 0                | 0                                           |
| Unclaimed Funds                      | 15,129              | 0                  | 0                                                    | 0                | 0                                           |
| <u>Total Nonspendable</u>            | <u>421,129</u>      | <u>8,861</u>       | <u>262,540</u>                                       | <u>33,147</u>    | <u>0</u>                                    |
| <u>Restricted for:</u>               |                     |                    |                                                      |                  |                                             |
| Fire Department                      | 0                   | 849,577            | 0                                                    | 0                | 0                                           |
| Street Maintenance                   | 0                   | 0                  | 951,198                                              | 0                | 0                                           |
| Police                               | 0                   | 0                  | 0                                                    | 832,888          | 0                                           |
| Debt Retirement                      | 0                   | 0                  | 0                                                    | 0                | 135,904                                     |
| Recycling                            | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| Mayor's Court                        | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| Recreation                           | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| Economic Development                 | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| Equipment                            | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| <u>Total Restricted</u>              | <u>0</u>            | <u>849,577</u>     | <u>951,198</u>                                       | <u>832,888</u>   | <u>135,904</u>                              |
| <u>Committed to:</u>                 |                     |                    |                                                      |                  |                                             |
| Street Maintenance                   | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| Recreation                           | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| Stadium Marquee                      | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| K-9 and Memorial Programs            | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| <u>Total Committed</u>               | <u>0</u>            | <u>0</u>           | <u>0</u>                                             | <u>0</u>         | <u>0</u>                                    |
| <u>Assigned to:</u>                  |                     |                    |                                                      |                  |                                             |
| 2020 Operations                      | 1,735,186           | 0                  | 0                                                    | 0                | 0                                           |
| City Administration                  | 194,618             | 0                  | 0                                                    | 0                | 0                                           |
| Community Environment                | 13,126              | 0                  | 0                                                    | 0                | 0                                           |
| Street Maintenance                   | 0                   | 0                  | 56,096                                               | 0                | 0                                           |
| Storm Water and Storm Sewer          | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| Capital Improvements                 | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| Sidewalk and Roads Programs          | 0                   | 0                  | 0                                                    | 0                | 0                                           |
| <u>Total Assigned</u>                | <u>1,942,930</u>    | <u>0</u>           | <u>56,096</u>                                        | <u>0</u>         | <u>0</u>                                    |
| Unassigned (Deficit)                 | 9,363,127           | 0                  | 0                                                    | 0                | 0                                           |
| <u>Total Fund Balances (Deficit)</u> | <u>\$11,727,186</u> | <u>\$858,438</u>   | <u>\$1,269,834</u>                                   | <u>\$866,035</u> | <u>\$135,904</u>                            |

(continued)

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

| Fund Balances                        | Special<br>Assessment<br>Bond<br>Retirement | Municipal<br>Swimming Pool | Road and<br>Bridges | Other<br>Governmental<br>Funds | Total               |
|--------------------------------------|---------------------------------------------|----------------------------|---------------------|--------------------------------|---------------------|
| <u>Nonspendable:</u>                 |                                             |                            |                     |                                |                     |
| Inventory                            | \$0                                         | \$0                        | \$0                 | \$7,939                        | \$312,487           |
| Intergovernmental Loan               | 0                                           | 0                          | 0                   | 0                              | 300,000             |
| Interfund Loans                      | 0                                           | 0                          | 0                   | 0                              | 106,000             |
| Unclaimed Funds                      | 0                                           | 0                          | 0                   | 0                              | 15,129              |
| <u>Total Nonspendable</u>            | <u>0</u>                                    | <u>0</u>                   | <u>0</u>            | <u>7,939</u>                   | <u>733,616</u>      |
| <u>Restricted for:</u>               |                                             |                            |                     |                                |                     |
| Fire Department                      | 0                                           | 0                          | 0                   | 0                              | 849,577             |
| Street Maintenance                   | 0                                           | 0                          | 0                   | 207,633                        | 1,158,831           |
| Police                               | 0                                           | 0                          | 0                   | 0                              | 832,888             |
| Debt Retirement                      | 784,836                                     | 0                          | 0                   | 168,242                        | 1,088,982           |
| Recycling                            | 0                                           | 0                          | 0                   | 129                            | 129                 |
| Mayor's Court                        | 0                                           | 0                          | 0                   | 71,715                         | 71,715              |
| Recreation                           | 0                                           | 0                          | 0                   | 1,416,675                      | 1,416,675           |
| Economic Development                 | 0                                           | 0                          | 0                   | 68,090                         | 68,090              |
| Equipment                            | 0                                           | 0                          | 0                   | 861,991                        | 861,991             |
| <u>Total Restricted</u>              | <u>784,836</u>                              | <u>0</u>                   | <u>0</u>            | <u>2,794,475</u>               | <u>6,348,878</u>    |
| <u>Committed to:</u>                 |                                             |                            |                     |                                |                     |
| Street Maintenance                   | 0                                           | 0                          | 0                   | 16                             | 16                  |
| Recreation                           | 0                                           | 0                          | 0                   | 425,741                        | 425,741             |
| Stadium Marquee                      | 0                                           | 0                          | 0                   | 49,871                         | 49,871              |
| K-9 and Memorial Programs            | 0                                           | 0                          | 0                   | 2,712                          | 2,712               |
| <u>Total Committed</u>               | <u>0</u>                                    | <u>0</u>                   | <u>0</u>            | <u>478,340</u>                 | <u>478,340</u>      |
| <u>Assigned to:</u>                  |                                             |                            |                     |                                |                     |
| 2020 Operations                      | 0                                           | 0                          | 0                   | 0                              | 1,735,186           |
| City Administration                  | 0                                           | 0                          | 0                   | 0                              | 194,618             |
| Community Environment                | 0                                           | 0                          | 0                   | 0                              | 13,126              |
| Street Maintenance                   | 0                                           | 0                          | 226,994             | 0                              | 283,090             |
| Storm Water and Storm Sewer          | 0                                           | 0                          | 0                   | 533,489                        | 533,489             |
| Capital Improvements                 | 0                                           | 0                          | 0                   | 65,569                         | 65,569              |
| Sidewalk and Roads Programs          | 0                                           | 0                          | 0                   | 37,163                         | 37,163              |
| <u>Total Assigned</u>                | <u>0</u>                                    | <u>0</u>                   | <u>226,994</u>      | <u>636,221</u>                 | <u>2,862,241</u>    |
| Unassigned (Deficit)                 | 0                                           | (4,350,000)                | 0                   | (2,564,918)                    | 2,448,209           |
| <u>Total Fund Balances (Deficit)</u> | <u>\$784,836</u>                            | <u>(\$4,350,000)</u>       | <u>\$226,994</u>    | <u>\$1,352,057</u>             | <u>\$12,871,284</u> |

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 8 – Receivables**

Receivables at December 31, 2019, consisted primarily of municipal income taxes, property taxes, payments in lieu of taxes, special assessments, intergovernmental receivables arising from entitlements and shared revenues and accounts (billings for user charged services and court fines).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except for special assessments and delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$12,457,998 in the special assessment bond retirement fund. The amount of delinquent special assessments outstanding at year-end is \$12,422.

***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2019 for real and public utility property taxes represents collections of 2018 taxes.

2019 real property taxes were levied after October 1, 2019, on the assessed value as of January 1, 2019, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2019 real property taxes are collected in and intended to finance 2020.

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 tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2019 public utility property taxes which became a lien December 31, 2018, are levied after October 1, 2019, and are collected in 2020 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2019, was \$9.15 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2019 property tax receipts were based are as follows:

|                                      | Assessed<br>Values          |
|--------------------------------------|-----------------------------|
| Real Property                        |                             |
| Residential/Agricultural             | \$752,294,870               |
| Commercial Industrial/Public Utility | 180,438,460                 |
| Public Utility Property              | <u>18,574,930</u>           |
| Total Valuation                      | <u><u>\$951,308,260</u></u> |

The Lorain County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2019, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2019 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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***Income Tax***

The City levies a municipal income tax of one-and-three-quarters percent on all salaries, wages, commissions and other compensation, and net profits earned within the City as well as on incomes of residents earned outside of the City. In the latter case, the City allows a credit of one-and-one-half percent of the taxable income earned in or attributable to the municipality of employment or business activity. One percent is levied for general purposes, one half percent is restricted for safety forces operations, and one-quarter percent is used for parks and recreation.

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

The Regional Income Tax Agency administers and collects income taxes for the City. Payments are remitted monthly net of collection fees of approximately 1.5 percent. Income tax proceeds are received by the general fund, the fire department, the police, and the park operating special revenue funds, and the recreation complex capital projects fund.

***Payments in Lieu of Taxes Receivables***

According to State law, the City has established several tax incremental financing districts within the City under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvements have been paid or the agreement expires, whichever occurs first. Future development by these owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

***Intergovernmental Receivables***

A summary of the governmental activities principal items of intergovernmental receivables follows:

| <u>Receivable</u>          | <u>Amount</u>             |
|----------------------------|---------------------------|
| Gasoline Tax               | \$640,460                 |
| Homestead and Rollback     | 303,394                   |
| Local Government           | 175,522                   |
| Motor Vehicle Registration | 91,741                    |
| Permissive Tax             | 63,836                    |
| ODOT Grant                 | <u>29,320</u>             |
| Total                      | <u><u>\$1,304,273</u></u> |

***Loan Receivable***

During 2016, the City purchased land for development. As it was later determined to be undevelopable, it was sold to the Lorain County Metropolitan Park District. The City received \$335,925 in proceeds from the sale in 2016 and will receive an additional \$500,000 that will be paid off in \$50,000 increments over ten years by the Lorain County Metropolitan Park District. The amount outstanding at December 31, 2019 was \$350,000.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 9 – Tax Abatements**

The City negotiates tax abatement agreements on an individual basis. The City may grant tax abatements only in designated Enterprise Zones or Community Re-investment Act zones. To date, all of the tax abatement agreements the City has granted have been under the Enterprise Zone Authority. The City has tax abatement agreements with four entities as of December 31, 2019:

| Company                       | Purpose         | Percentage<br>Abated<br>During the Year | Amount<br>Abated<br>During the Year |
|-------------------------------|-----------------|-----------------------------------------|-------------------------------------|
| Jenne Distributors            | Plant Expansion | 75 %                                    | \$87,156                            |
| Flavorseal, LLC               | Plant Expansion | 60                                      | 39,112                              |
| L&W Engineering               | Plant Expansion | 75                                      | 89,579                              |
| Custom Culinary, Incorporated | Plant Expansion | 50                                      | 14,089                              |
| Total                         |                 |                                         | <u>\$229,936</u>                    |

Each agreement was negotiated under Ohio Revised Code Sections 5709.62 and 5709.63, allowing localities to abate property taxes for a variety of economic development purposes, including business relocation, retention and expansion. Each of the tax abatement agreements currently in place in the City requires the company to increase employment, both in terms of new jobs created and incremental payroll dollars. The agreements further require investment in both real and personal property by the company.

Abatements are obtained through application by the property owner, including proof that the improvements have been made. The percentage abated is identified in the preceding table and is applied to the additional property tax resulting from the increase in assessed value as a result of the improvement. The amount of the abatement is deducted from the recipient's tax bill.

**Note 10 – Contingencies**

***Grants***

The City received financial assistance from the Ohio Department of Transportation, Department of Public Safety, Ohio Department of Natural Resources, and Ohio Public Works Commission in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City.

***Litigation***

The City is not currently a party to any legal proceedings which management estimates would have a material impact on the financial statements.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 11 – Risk Management**

***Property and Liability***

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2019, the City negotiated with Arthur J. Gallagher Risk Management Services for commercial insurance coverage relating to general liability, police professional, public officials, employment practices liability, cyber security liability, law enforcement liability, property, fire, auto and employee bonds and public official bonds.

This coverage includes a \$1,000,000/\$3,000,000 general liability policy, a \$1,000,000/\$3,000,000 employee benefits liability coverage policy, a \$1,000,000 public officials liability coverage policy, a \$1,000,000 employment practices liability, a \$100,000 crime coverage policy, a \$500,000 EDP policy, a \$1,000,000 cyber and privacy policy, a \$83,664,187 blanket building and contents policy, inland marine coverage of \$5,167,191 a \$1,000,000 vehicle policy and a \$9,000,000 excess umbrella policy. The deductibles on these policies range from \$1,000 to \$10,000.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there was no significant change in insurance coverage from the prior year.

***Workers' Compensation***

The City pays the Ohio Bureau of Workers' Compensation a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***Employee Insurance Benefits***

The City was fully insured with Medical Mutual of Ohio for medical and prescription drugs and with Delta Dental and Anthem Vision. Employees who choose to enroll are enrolled in all three plans. Enrolled individuals pay monthly premiums of \$141.12 for single coverage and \$379.20 for family coverage.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 12 – Compensated Absences**

The criteria for determining the vacation and sick leave liabilities are derived from negotiated agreements and City ordinances. The following table depicts these allowable amounts:

| <b>Vacation Time</b>                                | <b>Days Earned<br/>Per Year</b>       | <b>Permitted<br/>Carry-Over</b>    |                                                   |                                  |
|-----------------------------------------------------|---------------------------------------|------------------------------------|---------------------------------------------------|----------------------------------|
| All Employees other than Fire                       | 10 - 25                               | 80 hours                           |                                                   |                                  |
| Fire department:                                    |                                       |                                    |                                                   |                                  |
| Shift Employees                                     | 5 - 11 tours                          | 120 hours                          |                                                   |                                  |
| 40 Hours per Week                                   | 10 - 25                               | 40 hours                           |                                                   |                                  |
| <b>Compensatory Time</b>                            | <b>Allowable<br/>Accumulation/Use</b> | <b>Allowable<br/>Payout</b>        |                                                   |                                  |
| All Employees other than Police, Fire and Teamsters | 120                                   | 40                                 |                                                   |                                  |
| Fire Department                                     | 192                                   | 50                                 |                                                   |                                  |
| Police Department:                                  |                                       |                                    |                                                   |                                  |
| Patrolmen & Officers                                | 126                                   | 40                                 |                                                   |                                  |
| Dispatch                                            | 104                                   | 40                                 |                                                   |                                  |
| Teamsters                                           | 80                                    | 0                                  |                                                   |                                  |
| <b>Sick Leave</b>                                   | <b>Sick Leave<br/>Hours Earned</b>    | <b>Sick Leave<br/>Accumulation</b> | <b>Sick Leave Payment<br/>Upon Retirement (1)</b> | <b>Sick Leave<br/>Conversion</b> |
| All Employees other than Teamsters and Fire         | 10                                    | Unlimited                          | Accumulation, up to 960 Hours                     | (2)                              |
| Fire Department:                                    |                                       |                                    |                                                   |                                  |
| Shift Employees                                     | 13                                    | Unlimited                          | 1/2, up to 1,200 hours                            | (3)                              |
| 40 Hours per Week                                   | 10                                    | Unlimited                          | 1/2, up to 960 hours                              | (2)                              |
| Teamsters                                           | 8                                     | Unlimited                          | 1/2, up to 960 hours                              | (2)                              |

(1) To be eligible for retirement, the employee shall have worked full-time for the City at least ten years and shall have attained normal retirement age under the pension system.

(2) Accumulated sick leave in excess of 90 days may be converted to vacation leave at the rate of one sick leave day for one vacation day to a maximum of five days for a calendar year.

(3) Full-time fire shift employees who have accumulated more than 1,200 hours may convert up to 100 hours of sick leave to cash at the rate of two hours sick leave to one hour of pay to a maximum of 50 hours of pay per calendar year.



**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

**Note 13 – Capital Assets**

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

|                                                           | Balance<br>12/31/18  | Additions            | Deletions          | Balance<br>12/31/19  |
|-----------------------------------------------------------|----------------------|----------------------|--------------------|----------------------|
| <b>Governmental Activities:</b>                           |                      |                      |                    |                      |
| <b><i>Capital Assets, Not Being Depreciated:</i></b>      |                      |                      |                    |                      |
| Land                                                      | \$5,951,955          | \$0                  | \$0                | \$5,951,955          |
| Construction in Progress                                  | 0                    | 458,446              | 0                  | 458,446              |
| <b><i>Total Capital Assets, Not Being Depreciated</i></b> | <b>5,951,955</b>     | <b>458,446</b>       | <b>0</b>           | <b>6,410,401</b>     |
| <b><i>Capital Assets, Being Depreciated:</i></b>          |                      |                      |                    |                      |
| Land Improvements                                         | 1,408,633            | 50,271               | 0                  | 1,458,904            |
| Buildings and Improvements                                | 50,871,447           | 249,931              | 0                  | 51,121,378           |
| Machinery and Equipment                                   | 5,544,309            | 969,744              | 0                  | 6,514,053            |
| Vehicles                                                  | 6,252,106            | 675,985              | (397,387)          | 6,530,704            |
| Infrastructure:                                           |                      |                      |                    |                      |
| Park Improvements                                         | 1,158,693            | 219,392              | 0                  | 1,378,085            |
| Streets                                                   | 80,760,304           | 2,010,511            | 0                  | 82,770,815           |
| Bridges and Culverts                                      | 3,147,391            | 0                    | 0                  | 3,147,391            |
| Traffic Signals                                           | 6,262,868            | 0                    | 0                  | 6,262,868            |
| Storm Sewer                                               | 30,087,693           | 935,563              | 0                  | 31,023,256           |
| Water Lines                                               | 7,538,846            | 513,746              | (248,161)          | 7,804,431            |
| <b><i>Total Capital Assets, Being Depreciated</i></b>     | <b>193,032,290</b>   | <b>5,625,143</b>     | <b>(645,548)</b>   | <b>198,011,885</b>   |
| Less Accumulated Depreciation:                            |                      |                      |                    |                      |
| Land Improvements                                         | (1,003,138)          | (72,102)             | 0                  | (1,075,240)          |
| Buildings and Improvements                                | (10,415,579)         | (1,105,870)          | 0                  | (11,521,449)         |
| Machinery and Equipment                                   | (2,735,295)          | (519,829)            | 0                  | (3,255,124)          |
| Vehicles                                                  | (3,770,415)          | (450,592)            | 335,137            | (3,885,870)          |
| Infrastructure:                                           |                      |                      |                    |                      |
| Park Improvements                                         | (614,589)            | (42,280)             | 0                  | (656,869)            |
| Streets                                                   | (44,712,207)         | (2,656,850)          | 0                  | (47,369,057)         |
| Bridges and Culverts                                      | (967,744)            | (89,926)             | 0                  | (1,057,670)          |
| Traffic Signals                                           | (2,641,829)          | (308,245)            | 0                  | (2,950,074)          |
| Storm Sewer                                               | (9,396,678)          | (760,312)            | 0                  | (10,156,990)         |
| Water Lines                                               | (1,111,914)          | (191,791)            | 0                  | (1,303,705)          |
| <b><i>Total Accumulated Depreciation</i></b>              | <b>(77,369,388)</b>  | <b>(6,197,797) *</b> | <b>335,137</b>     | <b>(83,232,048)</b>  |
| <b>Total Capital Assets, Being Depreciated, Net</b>       | <b>115,662,902</b>   | <b>(572,654)</b>     | <b>(310,411)</b>   | <b>114,779,837</b>   |
| <b>Governmental Activities Capital Assets, Net</b>        | <b>\$121,614,857</b> | <b>(\$114,208)</b>   | <b>(\$310,411)</b> | <b>\$121,190,238</b> |

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

\* Depreciation expense was charged to governmental functions as follows:

|                                  |                           |
|----------------------------------|---------------------------|
| General Government               | \$844,597                 |
| Security of Persons and Property | 621,095                   |
| Transportation                   | 3,408,513                 |
| Community Environment            | 26,995                    |
| Basic Utility Services           | 952,104                   |
| Leisure Time Activities          | <u>344,493</u>            |
| Total Depreciation Expense       | <u><u>\$6,197,797</u></u> |

|                                                   | Balance<br>12/31/18        | Additions                 | Deletions         | Balance<br>12/31/19        |
|---------------------------------------------------|----------------------------|---------------------------|-------------------|----------------------------|
| <b>Business-Type Activities:</b>                  |                            |                           |                   |                            |
| <b>Capital Assets, Not Being Depreciated:</b>     |                            |                           |                   |                            |
| Land                                              | \$7,580                    | \$0                       | \$0               | \$7,580                    |
| Construction in Progress                          | <u>0</u>                   | <u>13,465</u>             | <u>0</u>          | <u>13,465</u>              |
| <i>Total Capital Assets Not Being Depreciated</i> | <u>7,580</u>               | <u>13,465</u>             | <u>0</u>          | <u>21,045</u>              |
| <b>Capital Assets, Being Depreciated:</b>         |                            |                           |                   |                            |
| Land Improvements                                 | 123,497                    | 151,591                   | 0                 | 275,088                    |
| Buildings and Improvements                        | 1,754,791                  | 0                         | 0                 | 1,754,791                  |
| Machinery and Equipment                           | 4,179,855                  | 113,368                   | 0                 | 4,293,223                  |
| Vehicles                                          | 1,304,794                  | 31,820                    | (211,256)         | 1,125,358                  |
| Waterline Rights                                  | 2,024,462                  | 0                         | 0                 | 2,024,462                  |
| Infrastructure:                                   |                            |                           |                   |                            |
| Water Lines                                       | 27,095,792                 | 248,161                   | 0                 | 27,343,953                 |
| Sewer Lines                                       | <u>29,458,561</u>          | <u>432,315</u>            | <u>0</u>          | <u>29,890,876</u>          |
| <i>Total Capital Assets, Being Depreciated</i>    | <u>65,941,752</u>          | <u>977,255</u>            | <u>(211,256)</u>  | <u>66,707,751</u>          |
| Less Accumulated Depreciation:                    |                            |                           |                   |                            |
| Land Improvements                                 | (106,831)                  | (10,610)                  | 0                 | (117,441)                  |
| Buildings and Improvements                        | (952,984)                  | (39,992)                  | 0                 | (992,976)                  |
| Machinery and Equipment                           | (564,552)                  | (238,518)                 | 0                 | (803,070)                  |
| Vehicles                                          | (537,889)                  | (110,945)                 | 211,256           | (437,578)                  |
| Waterline Rights                                  | (896,924)                  | (41,011)                  | 0                 | (937,935)                  |
| Infrastructure:                                   |                            |                           |                   |                            |
| Water Lines                                       | (9,991,701)                | (598,866)                 | 0                 | (10,590,567)               |
| Sewer Lines                                       | <u>(11,603,943)</u>        | <u>(796,579)</u>          | <u>0</u>          | <u>(12,400,522)</u>        |
| <i>Total Accumulated Depreciation</i>             | <u>(24,654,824)</u>        | <u>(1,836,521)</u>        | <u>211,256</u>    | <u>(26,280,089)</u>        |
| Total Capital Assets, Being Depreciated, Net      | <u>41,286,928</u>          | <u>(859,266)</u>          | <u>0</u>          | <u>40,427,662</u>          |
| Business-Type Activities Capital Assets, Net      | <u><u>\$41,294,508</u></u> | <u><u>(\$845,801)</u></u> | <u><u>\$0</u></u> | <u><u>\$40,448,707</u></u> |

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

During 2019, the City received street improvements valued at \$629,997, storm sewer improvements valued at \$650,420, and water hydrants valued at \$265,585 from developers in governmental activities. The sewer enterprise fund received sewer lines from developers valued at \$290,378.

During 1994, the City acquired an intangible asset due to the agreement with the City of Avon Lake. Per this agreement, the City had the right to use the City of Avon Lake Waterline #1, which was jointly constructed, but is owned by the City of Avon Lake. The construction of the waterline was completed in 1996. The entire asset value was capitalized as of December 31, 1996.

During 2009, the City acquired an intangible asset due to the agreement with the City of Avon Lake. Per this agreement, the City had the right to use the City of Avon Lake Waterline #2, which was jointly constructed, but is owned by the City of Avon Lake. The construction of the waterline was completed in 2002. The entire asset value was capitalized as of December 31, 2002.

**Note 14 – Note Debt**

A summary of note transactions for the year ended December 31, 2019 follows:

|                                       | Balance<br>12/31/18       | Additions                 | Deletions                 | Balance<br>12/31/19       |
|---------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>Governmental Activities:</b>       |                           |                           |                           |                           |
| Municipal Swimming Pool Fund          | \$4,600,000               | \$4,350,000               | \$4,600,000               | \$4,350,000               |
| Park Development and Improvement Fund | 500,000                   | 500,000                   | 500,000                   | 500,000                   |
| Municipal Buildings Fund              | 2,400,000                 | 1,900,000                 | 2,400,000                 | 1,900,000                 |
| Total                                 | <u>7,500,000</u>          | <u>6,750,000</u>          | <u>7,500,000</u>          | <u>6,750,000</u>          |
| Road and Bridges Fund                 | 175,000                   | 400,000                   | 175,000                   | 400,000                   |
| Land Purchases Fund                   | 325,000                   | 250,000                   | 325,000                   | 250,000                   |
| Total                                 | <u>500,000</u>            | <u>650,000</u>            | <u>500,000</u>            | <u>650,000</u>            |
| <i>Total Governmental Activities</i>  | <u><u>\$8,000,000</u></u> | <u><u>\$7,400,000</u></u> | <u><u>\$8,000,000</u></u> | <u><u>\$7,400,000</u></u> |
| <b>Business-Type Activities:</b>      |                           |                           |                           |                           |
| Water Fund                            | \$2,000,000               | \$975,000                 | \$2,000,000               | \$975,000                 |
| Sewer Fund                            | 1,000,000                 | 0                         | 1,000,000                 | 0                         |
| <i>Total Business-Type Activities</i> | <u><u>\$3,000,000</u></u> | <u><u>\$975,000</u></u>   | <u><u>\$3,000,000</u></u> | <u><u>\$975,000</u></u>   |

During 2019, the City renewed \$6,750,000 in general obligation notes issued for the purpose of financing the municipal swimming pool, park, and municipal buildings projects. The notes mature on September 3, 2020 and carry an interest rate of 2 percent.

At December 31, 2019, the City had \$3,900,000 in outstanding notes related to road and bridges and land purchases. These notes were refinanced on January 21, 2020. \$650,000 of these notes was paid down and is reflected as a fund liability. The remaining \$3,250,000 was reissued and is reflected as a long-term liability. The \$400,000 outstanding notes payable in the road and bridges fund represents its share of the \$650,000 various purpose notes issued for road widening. The remaining \$250,000 outstanding notes payable are in the land purchases fund. These notes mature on January 22, 2020 and carry an interest rate of 3 percent.

At December 31, 2019, the City had \$4,250,000 in outstanding notes related to water projects. These notes were refinanced on January 29, 2020. \$975,000 of these notes were retired. The amount is reflected as current liability. The remaining \$3,275,000 in water project notes were refinanced and are reflected as a long-term liability. These notes mature on January 30, 2020, and carry an interest rate of 3 percent.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

All notes are backed by the full faith and credit of the City and mature within one year. The note liability is reflected in the fund which received the proceeds and will repay the debt. The notes are generally issued in anticipation of long-term bond financing and refinanced until such bonds are issued. At December 31, 2019, the City had unspent proceeds of \$71,253 and \$99,350 for governmental and the water enterprise fund, respectively, related to the notes.

**Note 15 – Long-Term Obligations**

The original issue date, interest rate, original issue amount and date of maturity of each of the City's bonds, notes and loans follows:

| Debt Issue                                                       | Interest Rate | Original<br>Issue Amount | Date of Maturity |
|------------------------------------------------------------------|---------------|--------------------------|------------------|
| <b>Governmental Activities:</b>                                  |               |                          |                  |
| <i>General Obligation Bonds:</i>                                 |               |                          |                  |
| 2006 Schneider Court Improvements Bonds                          | 3.45-4.25 %   | \$111,132                | December 1, 2026 |
| 2011 YMCA Bonds                                                  | 2.00-4.50     | 5,760,000                | December 1, 2031 |
| 2011 Refunding Bonds                                             | 1.50-4.00     | 604,477                  | December 1, 2021 |
| 2012A Various Purpose Bonds                                      | 1.00-3.625    | 2,448,725                | December 1, 2037 |
| 2012B Various Purpose Bonds                                      | 1.00-3.50     | 6,591,667                | December 1, 2037 |
| 2012C Refunding Bonds                                            | 2.00-4.00     | 2,535,000                | December 1, 2024 |
| 2013 Various Purpose Bonds                                       | 3.00-5.25     | 8,735,028                | December 1, 2038 |
| 2014 Nagel Road Interchange Bonds                                | 1.00-4.00     | 5,235,000                | December 1, 2039 |
| 2016 Refunding Bonds                                             | 2.00-4.00     | 26,834,600               | December 1, 2038 |
| 2017 Refunding Bonds                                             | 1.25-2.32     | 1,975,000                | December 1, 2023 |
| <i>Special Assessment Bonds:</i>                                 |               |                          |                  |
| 2006 Schneider Court Improvements Bonds                          | 3.45-4.25     | 903,868                  | December 1, 2026 |
| 2011 Refunding Bonds                                             | 1.50-4.00     | 2,015,523                | December 1, 2021 |
| 2012A Various Purpose Bonds                                      | 1.00-3.625    | 1,606,275                | December 1, 2037 |
| 2012B Various Purpose Bonds                                      | 1.00-3.50     | 2,128,333                | December 1, 2037 |
| 2013 Various Purpose Bonds                                       | 3.00-5.25     | 3,084,972                | December 1, 2038 |
| 2017 Street Improvement Bonds                                    | 2.00-4.00     | 6,330,000                | December 1, 2037 |
| <i>Long-Term Notes:</i>                                          |               |                          |                  |
| 2019 Various Purpose Notes                                       | 3.000         | 3,250,000                | January 21, 2020 |
| <i>Ohio Public Works Commission Loans from Direct Borrowing:</i> |               |                          |                  |
| Jaycox Road/Center Improvements                                  | 0.00          | 145,194                  | January 1, 2029  |
| Detroit Road Improvement - Phase I                               | 0.00          | 97,167                   | July 1, 2037     |
| Detroit Road Improvement - Phase II                              | 0.00          | 32,423                   | January 1, 2038  |
| Reigelsberger-Jaycox Bridge                                      | 0.00          | 125,000                  | January 1, 2036  |
| Chester Road Relocation                                          | 0.00          | 46,428                   | July 1, 2040     |
| Chester Road American Roadway Improvements                       | 0.00          | 141,371                  | Not Finalized    |
| <b>Business-Type Activities:</b>                                 |               |                          |                  |
| <i>General Obligation Bonds:</i>                                 |               |                          |                  |
| 2012A Various Purpose Bonds - Water                              | 1.00-3.625    | 863,981                  | December 1, 2037 |
| 2012A Various Purpose Bonds - Sewer                              | 1.00-3.625    | 2,141,257                | December 1, 2037 |
| 2012B Various Purpose Bonds - Water                              | 1.00-3.50     | 425,000                  | December 1, 2037 |
| 2016 Refunding Bonds - Water                                     | 2.00-4.00     | 20,400                   | December 1, 2028 |
| 2016 Refunding Bonds - Sewer                                     | 2.00-4.00     | 190,000                  | December 1, 2027 |
| <i>Special Assessment Bonds:</i>                                 |               |                          |                  |
| 2012A Various Purpose Bonds - Water                              | 1.00-3.625    | 297,864                  | December 1, 2037 |
| 2012A Various Purpose Bonds - Sewer                              | 1.00-3.625    | 876,898                  | December 1, 2037 |
| <i>Long-Term Notes:</i>                                          |               |                          |                  |
| 2019 Water and Sewer Improvement Notes - Water                   | 3.000         | 3,275,000                | January 29, 2020 |

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

Changes in bonds and other long-term obligations of the City during 2019 were as follows:

|                                            | Principal<br>Outstanding<br>12/31/18 | Additions          | Deletions          | Principal<br>Outstanding<br>12/31/19 | Due<br>Within<br>One Year |
|--------------------------------------------|--------------------------------------|--------------------|--------------------|--------------------------------------|---------------------------|
| <b>Governmental Activities:</b>            |                                      |                    |                    |                                      |                           |
| <i>General Obligation Bonds:</i>           |                                      |                    |                    |                                      |                           |
| 2006 Schneider Court Improvements Bonds    | \$55,292                             | \$0                | \$6,022            | \$49,270                             | \$6,022                   |
| Unamortized Premium                        | 194                                  | 0                  | 24                 | 170                                  | 0                         |
| 2011 YMCA Bonds Series - Serial            | 1,765,000                            | 0                  | 250,000            | 1,515,000                            | 260,000                   |
| 2011 YMCA Bonds Series - Term              | 2,420,000                            | 0                  | 0                  | 2,420,000                            | 0                         |
| Unamortized Premium                        | 46,440                               | 0                  | 3,572              | 42,868                               | 0                         |
| 2011 Refunding Bonds                       | 39,506                               | 0                  | 21,927             | 17,579                               | 10,387                    |
| Unamortized Premium                        | 3,316                                | 0                  | 1,421              | 1,895                                | 0                         |
| 2012A Various Purpose Bonds                | 2,352,293                            | 0                  | 29,738             | 2,322,555                            | 35,686                    |
| Unamortized Premium                        | 158,351                              | 0                  | 8,334              | 150,017                              | 0                         |
| 2012B Various Purpose Bonds - Serial       | 5,687,071                            | 0                  | 93,703             | 5,593,368                            | 100,912                   |
| 2012B Various Purpose Bonds - Term         | 439,685                              | 0                  | 0                  | 439,685                              | 0                         |
| Unamortized Premium                        | 116,753                              | 0                  | 6,144              | 110,609                              | 0                         |
| 2012C Refunding Bonds                      | 1,455,000                            | 0                  | 245,000            | 1,210,000                            | 245,000                   |
| Unamortized Premium                        | 87,442                               | 0                  | 14,574             | 72,868                               | 0                         |
| 2013 Various Purpose Bonds - Serial        | 1,300,640                            | 0                  | 55,425             | 1,245,215                            | 73,900                    |
| 2013 Various Purpose Bonds - Term          | 7,367,878                            | 0                  | 0                  | 7,367,878                            | 0                         |
| Unamortized Premium                        | 328,726                              | 0                  | 16,437             | 312,289                              | 0                         |
| 2014 Nagel Road Interchange Bonds - Serial | 530,000                              | 0                  | 175,000            | 355,000                              | 175,000                   |
| 2014 Nagel Road Interchange Bonds - Term   | 4,605,000                            | 0                  | 0                  | 4,605,000                            | 0                         |
| Unamortized Premium                        | 177,900                              | 0                  | 8,471              | 169,429                              | 0                         |
| 2016 Refunding Bonds                       | 26,524,984                           | 0                  | 1,363,332          | 25,161,652                           | 1,638,204                 |
| Unamortized Premium                        | 1,369,606                            | 0                  | 68,480             | 1,301,126                            | 0                         |
| 2017 Refunding Bonds                       | 1,900,000                            | 0                  | 365,000            | 1,535,000                            | 370,000                   |
| <i>Total General Obligation Bonds</i>      | <u>58,731,077</u>                    | <u>0</u>           | <u>2,732,604</u>   | <u>55,998,473</u>                    | <u>2,915,111</u>          |
| <i>Special Assessment Bonds:</i>           |                                      |                    |                    |                                      |                           |
| 2006 Schneider Court Improvements Bonds    | 449,708                              | 0                  | 48,978             | 400,730                              | 48,978                    |
| 2011 Refunding Bonds                       | 130,494                              | 0                  | 73,073             | 57,421                               | 34,613                    |
| Unamortized Premium                        | 11,055                               | 0                  | 4,738              | 6,317                                | 0                         |
| 2012A Various Purpose Bonds                | 1,540,081                            | 0                  | 19,470             | 1,520,611                            | 23,364                    |
| 2012B Various Purpose Bonds - Serial       | 1,836,255                            | 0                  | 30,255             | 1,806,000                            | 32,582                    |
| 2012B Various Purpose Bonds - Term         | 141,966                              | 0                  | 0                  | 141,966                              | 0                         |
| 2013 Various Purpose Bonds - Serial        | 459,360                              | 0                  | 19,575             | 439,785                              | 26,100                    |
| 2013 Various Purpose Bonds - Term          | 2,602,122                            | 0                  | 0                  | 2,602,122                            | 0                         |
| Unamortized Premium                        | 116,099                              | 0                  | 5,805              | 110,294                              | 0                         |
| 2017 Street Improvement Bonds              | 6,140,000                            | 0                  | 240,000            | 5,900,000                            | 245,000                   |
| Unamortized Premium                        | 742,002                              | 0                  | 39,052             | 702,950                              | 0                         |
| <i>Total Special Assessment Bonds</i>      | <u>14,169,142</u>                    | <u>0</u>           | <u>480,946</u>     | <u>13,688,196</u>                    | <u>410,637</u>            |
| <i>Long-Term Notes Payable:</i>            |                                      |                    |                    |                                      |                           |
| 2018 Various Purpose Notes                 | 3,900,000                            | 0                  | 3,900,000          | 0                                    | 0                         |
| Unamortized Premium                        | 47,951                               | 0                  | 47,951             | 0                                    | 0                         |
| 2019 Various Purpose Notes                 | 0                                    | 3,250,000          | 0                  | 3,250,000                            | 0                         |
| Unamortized Premium                        | 0                                    | 123,699            | 0                  | 123,699                              | 0                         |
| <i>Total Long-Term Notes Payable</i>       | <u>\$3,947,951</u>                   | <u>\$3,373,699</u> | <u>\$3,947,951</u> | <u>\$3,373,699</u>                   | <u>\$0</u>                |

(continued)

**City of Avon, Ohio**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2019**

|                                                | Principal<br>Outstanding<br>12/31/18 | Additions           | Deletions           | Principal<br>Outstanding<br>12/31/19 | Due<br>Within<br>One Year |
|------------------------------------------------|--------------------------------------|---------------------|---------------------|--------------------------------------|---------------------------|
| <b>Governmental Activities (continued):</b>    |                                      |                     |                     |                                      |                           |
| <i>OPWC Loans from Direct Borrowing:</i>       |                                      |                     |                     |                                      |                           |
| Jaycox Road/Chester Improvements               | \$76,227                             | \$0                 | \$7,260             | \$68,967                             | \$3,630                   |
| Detroit Road Improvement - Phase I             | 73,847                               | 0                   | 3,886               | 69,961                               | 1,943                     |
| Detroit Road Improvement - Phase II            | 25,290                               | 0                   | 1,297               | 23,993                               | 649                       |
| Reigelsberger-Jaycox Bridge                    | 109,375                              | 0                   | 6,250               | 103,125                              | 3,125                     |
| Chester Road Relocation                        | 46,428                               | 0                   | 2,110               | 44,318                               | 1,055                     |
| Chester Road American Roadway Improvements     | 0                                    | 141,371             | 0                   | 141,371                              | 0                         |
| <i>Total OPWC Loans from Direct Borrowing</i>  | <u>331,167</u>                       | <u>141,371</u>      | <u>20,803</u>       | <u>451,735</u>                       | <u>10,402</u>             |
| <i>Other Long-Term Obligation:</i>             |                                      |                     |                     |                                      |                           |
| Capital Lease                                  | 48,761                               | 0                   | 23,990              | 24,771                               | 24,771                    |
| Compensated Absences                           | 1,839,712                            | 125,127             | 106,489             | 1,858,350                            | 130,667                   |
| <i>Total Other Long-Term Obligations</i>       | <u>1,888,473</u>                     | <u>125,127</u>      | <u>130,479</u>      | <u>1,883,121</u>                     | <u>155,438</u>            |
| <i>Net Pension Liability:</i>                  |                                      |                     |                     |                                      |                           |
| OPERS                                          | 5,065,084                            | 3,483,826           | 0                   | 8,548,910                            | 0                         |
| OPF                                            | 16,805,385                           | 5,448,672           | 0                   | 22,254,057                           | 0                         |
| <i>Total Net Pension Liability</i>             | <u>21,870,469</u>                    | <u>8,932,498</u>    | <u>0</u>            | <u>30,802,967</u>                    | <u>0</u>                  |
| <i>Net OPEB Liability:</i>                     |                                      |                     |                     |                                      |                           |
| OPERS                                          | 3,352,256                            | 590,214             | 0                   | 3,942,470                            | 0                         |
| OPF                                            | 15,514,086                           | 0                   | 13,031,344          | 2,482,742                            | 0                         |
| <i>Total Net OPEB Liability</i>                | <u>18,866,342</u>                    | <u>590,214</u>      | <u>13,031,344</u>   | <u>6,425,212</u>                     | <u>0</u>                  |
| <i>Total Governmental Activities</i>           | <u>\$119,804,621</u>                 | <u>\$13,162,909</u> | <u>\$20,344,127</u> | <u>\$112,623,403</u>                 | <u>\$3,491,588</u>        |
| <b>Business-Type Activities:</b>               |                                      |                     |                     |                                      |                           |
| <i>General Obligation Bonds:</i>               |                                      |                     |                     |                                      |                           |
| 2012A Various Purpose Bonds - Water            | \$830,816                            | \$0                 | \$10,505            | \$820,311                            | \$12,606                  |
| 2012A Various Purpose Bonds - Sewer            | 2,057,686                            | 0                   | 26,014              | 2,031,672                            | 31,216                    |
| 2012B Various Purpose Bonds - Water - Serial   | 366,674                              | 0                   | 6,042               | 360,632                              | 6,506                     |
| 2012B Various Purpose Bonds - Water - Term     | 28,349                               | 0                   | 0                   | 28,349                               | 0                         |
| 2016 Refunding Bonds - Water                   | 20,016                               | 0                   | 1,668               | 18,348                               | 1,796                     |
| 2016 Refunding Bonds - Sewer                   | 175,000                              | 0                   | 15,000              | 160,000                              | 15,000                    |
| <i>Total General Obligation Bonds</i>          | <u>3,478,541</u>                     | <u>0</u>            | <u>59,229</u>       | <u>3,419,312</u>                     | <u>67,124</u>             |
| <i>Special Assessment Bonds:</i>               |                                      |                     |                     |                                      |                           |
| 2012A Water Various Purpose Bonds - Water      | 286,605                              | 0                   | 3,622               | 282,983                              | 4,346                     |
| 2012A Sewer Various Purpose Bonds - Sewer      | 842,519                              | 0                   | 10,651              | 831,868                              | 12,782                    |
| <i>Total Special Assessment Bonds</i>          | <u>1,129,124</u>                     | <u>0</u>            | <u>14,273</u>       | <u>1,114,851</u>                     | <u>17,128</u>             |
| <i>Intergovernmental Payable:</i>              |                                      |                     |                     |                                      |                           |
| 2009 Avon Lake Waterline                       | 281,488                              | 0                   | 29,570              | 251,918                              | 31,247                    |
| <i>Other Long-Term Obligations:</i>            |                                      |                     |                     |                                      |                           |
| 2018 Water and Sewer Improvement Notes - Water | 4,250,000                            | 0                   | 4,250,000           | 0                                    | 0                         |
| 2019 Water and Sewer Improvement Notes - Water | 0                                    | 3,275,000           | 0                   | 3,275,000                            | 0                         |
| Capital Leases                                 | 289,415                              | 0                   | 133,465             | 155,950                              | 76,952                    |
| Compensated Absences                           | 141,564                              | 36,870              | 15,966              | 162,468                              | 17,922                    |
| <i>Total Other Long-Term Obligations</i>       | <u>4,680,979</u>                     | <u>3,311,870</u>    | <u>4,399,431</u>    | <u>3,593,418</u>                     | <u>94,874</u>             |
| <i>Net Pension Liability:</i>                  |                                      |                     |                     |                                      |                           |
| OPERS - Water                                  | 422,091                              | 411,951             | 0                   | 834,042                              | 0                         |
| OPERS - Sewer                                  | 422,091                              | 411,952             | 0                   | 834,043                              | 0                         |
| OPERS - Storm Water                            | 120,597                              | 87,913              | 0                   | 208,510                              | 0                         |
| <i>Total Net Pension Liability</i>             | <u>964,779</u>                       | <u>911,816</u>      | <u>0</u>            | <u>1,876,595</u>                     | <u>0</u>                  |
| <i>Net OPEB Liability:</i>                     |                                      |                     |                     |                                      |                           |
| OPERS - Water                                  | 279,354                              | 105,278             | 0                   | 384,632                              | 0                         |
| OPERS - Sewer                                  | 279,354                              | 105,278             | 0                   | 384,632                              | 0                         |
| OPERS - Storm Water                            | 79,815                               | 16,343              | 0                   | 96,158                               | 0                         |
| <i>Total Net OPEB Liability</i>                | <u>638,523</u>                       | <u>226,899</u>      | <u>0</u>            | <u>865,422</u>                       | <u>0</u>                  |
| <i>Total Business-Type Activities</i>          | <u>\$11,173,434</u>                  | <u>\$4,450,585</u>  | <u>\$4,502,503</u>  | <u>\$11,121,516</u>                  | <u>\$210,373</u>          |

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

General obligation bonds will be paid from the general obligation bond retirement debt service fund, with the exception of portions being paid by the street, construction, maintenance and repair and park development and improvement special revenue funds and the municipal buildings and recreation complex capital projects funds. The long-term notes will be paid from the road and bridges and land purchases capital projects funds and the water and sewer enterprise funds. The Ohio Public Works Commission loans will be paid from the general obligation debt service fund. General obligation bonds reported in the enterprise funds will be paid from charges for services revenue in the respective enterprise funds.

Special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the City.

Special assessment debt and Ohio Public Works Commission loans used to construct business-type capital assets and paid out of governmental activities have been reflected in the “net position restricted for debt service” section of the statement of net position.

On April 12, 2006, the City issued \$1,015,000 in Schneider Court Improvement serial bonds at interest rates varying from 3.45 percent to 4.25 percent. The bonds were issued for a 20 year period with a final maturity at December 1, 2026. The bonds are being retired from the general obligation bond retirement fund.

On May 10, 2011, the City issued \$5,760,000 in governmental general obligation bonds with a maturity date of December 1, 2031 and an interest rate of 2 to 4.5 percent. The bonds were for the YMCA construction project.

**Optional Redemption** The YMCA bonds maturing on or after December 1, 2021 are subject to prior redemption, by and at the sole option of the City, either in whole on any date or in part (in any order of maturity) on any interest payment date on or after December 1, 2020, in integral multiples of \$5,000, at the redemption price of 100 percent of the principal amount redeemed plus, in each case, accrued interest to the redemption date.

**Mandatory Sinking Fund Redemption** The YMCA term bonds maturing on or after December 1, 2026, 2028 and 2030, respectively, are subject to mandatory redemption, pursuant to mandatory sinking fund requirements at a redemption price of 100 percent of the principal amount redeemed plus interest accrued to the redemption date, on December 1 in each of the years and in the principal amounts set forth as follows:

| Year                   | Issue            |                  |                  |
|------------------------|------------------|------------------|------------------|
|                        | \$955,000        | \$705,000        | \$760,000        |
| 2024                   | \$305,000        | \$0              | \$0              |
| 2025                   | 320,000          | 0                | 0                |
| 2027                   | 0                | 345,000          | 0                |
| 2029                   | 0                | 0                | 370,000          |
|                        | <u>\$625,000</u> | <u>\$345,000</u> | <u>\$370,000</u> |
| <i>Stated Maturity</i> | <i>12/1/2026</i> | <i>12/1/2028</i> | <i>12/1/2030</i> |

The remaining principal amount of the term bonds (\$330,000, \$360,000 and \$390,000) will mature at the stated maturity.

In 2011, the City issued general obligation bonds, in the amount of \$2,620,000, to refund bonds previously issued for various purposes. The bonds were issued with interest rates varying from 1.5 to 4 percent. The bonds were issued for a 10 year period with a final maturity on December 1, 2021. The bonds will be retired through the bond retirement debt service fund.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Optional Redemption** The refunding bonds maturing on or after December 1, 2021 are subject to prior redemption, by and at the sole option of the City, either in whole on any date or in part (in any order of maturity) on any interest payment date on or after December 1, 2020, in integral multiples of \$5,000, at the redemption price of 100 percent of the principal amount redeemed plus, in each case, accrued interest to the redemption date.

On June 28, 2012, the City issued general obligation bonds, in the amount of \$2,535,000, to refund a portion of the veteran's park and service garage term bonds. The bonds were issued with interest rates varying from 2 to 4 percent. The bonds were issued for a 12 year period with a final maturity on December 1, 2024. The bonds will be retired through the street, construction, maintenance and repair and park development and improvement special revenue funds. The bonds were sold at a premium of \$174,883. Proceeds of \$2,656,706 were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the veteran's park and service garage term bonds. As a result, \$2,435,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements.

On June 28, 2012, the City issued \$8,235,000 in general obligation and special assessment bonds with a maturity date of December 1, 2037 and interest rates varying from 1 to 3.625 percent. The bonds were issued for various projects in the City.

**Optional Redemption** The bonds maturing on or after December 1, 2022 are subject to prior redemption, by and at the sole option of the City, either in whole on any date or in part (in any order of maturity) on any interest payment date on or after December 1, 2021, in integral multiples of \$5,000, at the redemption price of 100 percent of the principal amount redeemed plus, in each case, accrued interest to the redemption date.

**Selection of Bonds to be Redeemed** If fewer than all of the outstanding bonds are called for redemption at one time, they may be called in any order of their maturities, and, if fewer than all of the bonds of a single maturity are to be redeemed, the selection of such bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will be made by the bond registrar by lot in such manner as the bond registrar may determine.

**Notice of Call for Redemption** The bond registrar shall cause notice of the call for redemption, identifying the bonds or portion thereof to be redeemed, to be sent by first-class mail, postage prepaid, at least 30 days prior to the date set for redemption, to the holders thereof at the address shown on the registration books 15 days prior to the mailing. Any defect in the notice or any failure to receive notice by mailing will not affect the validity of any proceedings for the redemption of any bonds. On the date designated for redemption, any bond so called for redemption shall become due and payable and, if on the redemption date the moneys for the redemption thereof are held by the bond registrar, thereafter those bonds or portions thereof to be redeemed shall cease to bear interest, and shall cease to be secured by, and shall not be deemed to be outstanding under the bond legislation.

On July 18, 2012, the City issued \$9,145,000 in general obligation and special assessment bonds with a maturity date of December 1, 2037, and interest rates varying from 1 to 3.5 percent. The bonds were issued for various projects in the City.

**Optional Redemption** The bonds maturing on or after December 1, 2022 are subject to prior redemption, by and at the sole option of the City, either in whole on any date or in part (in any order of maturity) on any interest payment date on or after December 1, 2021, in integral multiples of \$5,000, at the redemption price of 100 percent of the principal amount redeemed plus, in each case, accrued interest to the redemption date.

**Mandatory Sinking Fund Redemption** The 2012 various purpose term bonds maturing on or after December 1, 2021 and 2023, respectively, are subject to mandatory redemption, pursuant to mandatory sinking fund requirements at a redemption price of 100 percent of the principal amount redeemed plus interest accrued to the redemption date, on December 1 in each of the years and in the principal amounts set forth as follows:



**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

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| Year                   | Issue            |                  |
|------------------------|------------------|------------------|
|                        | \$290,000        | \$320,000        |
| 2020                   | \$140,000        | \$0              |
| 2022                   | 0                | 155,000          |
| Total                  | <u>\$140,000</u> | <u>\$155,000</u> |
| <i>Stated Maturity</i> | 12/1/2021        | 12/1/2023        |

The remaining principal amount of the term bonds (\$150,000 and \$165,000) will mature at the stated maturity.

*Selection of Bonds to be Redeemed* If fewer than all of the outstanding bonds are called for redemption at one time, they may be called in any order of their maturities, and, if fewer than all of the bonds of a single maturity are to be redeemed, the selection of such bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will be made by the bond registrar by lot in such manner as the bond registrar may determine.

*Notice of Call for Redemption* The bond registrar shall cause notice of the call for redemption, identifying the bonds or portion thereof to be redeemed, to be sent by first-class mail, postage prepaid, at least 30 days prior to the date set for redemption, to the holders thereof at the address shown on the registration books 15 days prior to the mailing. Any defect in the notice or any failure to receive notice by mailing will not affect the validity of any proceedings for the redemption of any bonds. On the date designated for redemption, any bond so called for redemption shall become due and payable and, if on the redemption date the moneys for the redemption thereof are held by the bond registrar, thereafter those bonds or portions thereof to be redeemed shall cease to bear interest, and shall cease to be secured by, and shall not be deemed to be outstanding under the bond legislation.

On June 26, 2013, the City issued \$11,820,000 in governmental various purpose general obligation and special assessment bonds with a maturity date of December 1, 2038, and interest rates varying from 3 to 5.25 percent. The bonds were issued for construction relating to an interchange at Nagel Road and I-90.

*Optional Redemption* The bonds maturing on or after December 1, 2022 are subject to prior redemption, by and at the sole option of the City, either in whole on any date or in part (in any order of maturity) on any interest payment date on or after December 1, 2021, in integral multiples of \$5,000, at the redemption price of 100 percent of the principal amount redeemed plus, in each case, accrued interest to the redemption date.

*Mandatory Sinking Fund Redemption* The 2013 various purpose term bonds maturing on or after December 1, 2028, 2031, 2033, 2035, and 2038, respectively, are subject to mandatory redemption, pursuant to mandatory sinking fund requirements at a redemption price of 100 percent of the principal amount redeemed plus interest accrued to the redemption date, on December 1 in each of the years and in the principal amounts set forth as follows:

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

| Year                   | Issue              |                    |                  |                  |                    |
|------------------------|--------------------|--------------------|------------------|------------------|--------------------|
|                        | \$1,785,000        | \$2,085,000        | \$1,560,000      | \$1,695,000      | \$2,845,000        |
| 2026                   | \$565,000          | \$0                | \$0              | \$0              | \$0                |
| 2027                   | 595,000            | 0                  | 0                | 0                | 0                  |
| 2029                   | 0                  | 660,000            | 0                | 0                | 0                  |
| 2030                   | 0                  | 695,000            | 0                | 0                | 0                  |
| 2032                   | 0                  | 0                  | 765,000          | 0                | 0                  |
| 2034                   | 0                  | 0                  | 0                | 825,000          | 0                  |
| 2036                   | 0                  | 0                  | 0                | 0                | 910,000            |
| 2037                   | 0                  | 0                  | 0                | 0                | 950,000            |
|                        | <u>\$1,160,000</u> | <u>\$1,355,000</u> | <u>\$765,000</u> | <u>\$825,000</u> | <u>\$1,860,000</u> |
| <i>Stated Maturity</i> | 12/1/2028          | 12/1/2031          | 12/1/2033        | 12/1/2035        | 12/1/2038          |

The remaining principal amount of the term bonds (\$625,000, \$730,000, \$795,000, \$870,000 and \$985,000) will mature at the stated maturity.

*Selection of Bonds to be Redeemed* If fewer than all of the outstanding bonds are called for redemption at one time, they may be called in any order of their maturities, and, if fewer than all of the bonds of a single maturity are to be redeemed, the selection of such bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will be made by the bond registrar by lot in such manner as the bond registrar may determine.

*Notice of Call for Redemption* The bond registrar shall cause notice of the call for redemption, identifying the bonds or portion thereof to be redeemed, to be sent by first-class mail, postage prepaid, at least 30 days prior to the date set for redemption, to the holders thereof at the address shown on the registration books 15 days prior to the mailing. Any defect in the notice or any failure to receive notice by mailing will not affect the validity of any proceedings for the redemption of any bonds. On the date designated for redemption, any bond so called for redemption shall become due and payable and, if on the redemption date the moneys for the redemption thereof are held by the bond registrar, thereafter those bonds or portions thereof to be redeemed shall cease to bear interest, and shall cease to be secured by, and shall not be deemed to be outstanding under the bond legislation.

On June 18, 2014, the City issued \$5,235,000 in Nagel Road Interchange general obligation bonds with a maturity date of December 1, 2039, and interest rates varying from 1 to 4 percent. The purpose of the bonds was to retire outstanding notes that were issued for the purpose of paying the costs of construction of an interchange at Nagel Road on Interstate 90.

*Optional Redemption* The bonds maturing on or after December 1, 2022 are subject to prior redemption, by and at the sole option of the City, either in whole on any date or in part (in any order of maturity) on any interest payment date on or after December 1, 2021, in integral multiples of \$5,000, at the redemption price of 100 percent of the principal amount redeemed plus, in each case, accrued interest to the redemption date.

*Mandatory Sinking Fund Redemption* The 2014 Nagel Road Interchange term bonds maturing on or after December 1, 2023, 2025, 2027, 2030, 2032, 2034, 2036 and 2039, respectively, are subject to mandatory redemption, pursuant to mandatory sinking fund requirements at a redemption price of 100 percent of the principal amount redeemed plus interest accrued to the redemption date, on December 1 in each of the years and in the principal amounts set forth as follows:

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

| Year                   | Issue            |                  |                  |                  |                  |                  |                  |                  |
|------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                        | \$375,000        | \$400,000        | \$430,000        | \$705,000        | \$520,000        | \$560,000        | \$610,000        | \$1,005,000      |
| 2022                   | \$185,000        | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| 2024                   | 0                | 195,000          | 0                | 0                | 0                | 0                | 0                | 0                |
| 2026                   | 0                | 0                | 210,000          | 0                | 0                | 0                | 0                | 0                |
| 2028                   | 0                | 0                | 0                | 225,000          | 0                | 0                | 0                | 0                |
| 2029                   | 0                | 0                | 0                | 235,000          | 0                | 0                | 0                | 0                |
| 2031                   | 0                | 0                | 0                | 0                | 255,000          | 0                | 0                | 0                |
| 2033                   | 0                | 0                | 0                | 0                | 0                | 275,000          | 0                | 0                |
| 2035                   | 0                | 0                | 0                | 0                | 0                | 0                | 300,000          | 0                |
| 2037                   | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 320,000          |
| 2038                   | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 335,000          |
|                        | <u>\$185,000</u> | <u>\$195,000</u> | <u>\$210,000</u> | <u>\$460,000</u> | <u>\$255,000</u> | <u>\$275,000</u> | <u>\$300,000</u> | <u>\$655,000</u> |
| <i>Stated Maturity</i> | 12/1/2023        | 12/1/2025        | 12/1/2027        | 12/1/2030        | 12/1/2032        | 12/1/2034        | 12/1/2036        | 12/1/2039        |

The remaining principal amount of the term bonds (\$190,000, \$205,000, \$220,000, \$245,000, \$265,000, \$285,000, \$310,000 and \$350,000) will mature at the stated maturity.

**Selection of Bonds to be Redeemed** If fewer than all of the outstanding bonds are called for redemption at one time, they may be called in any order of their maturities, and, if fewer than all of the bonds of a single maturity are to be redeemed, the selection of such bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will be made by the bond registrar by lot in such manner as the bond registrar may determine.

**Notice of Call for Redemption** The bond registrar shall cause notice of the call for redemption, identifying the bonds or portion thereof to be redeemed, to be sent by first-class mail, postage prepaid, at least 30 days prior to the date set for redemption, to the holders thereof at the address shown on the registration books 15 days prior to the mailing. Any defect in the notice or any failure to receive notice by mailing will not affect the validity of any proceedings for the redemption of any bonds. On the date designated for redemption, any bond so called for redemption shall become due and payable and, if on the redemption date the moneys for the redemption thereof are held by the bond registrar, thereafter those bonds or portions thereof to be redeemed shall cease to bear interest, and shall cease to be secured by, and shall not be deemed to be outstanding under the bond legislation.

On February 25, 2016, the City issued general obligation bonds, in the amount of \$27,045,000, to refund a portion of the Series 2008 and Series 2009B various purpose bonds in order to take advantage of lower interest rates. The bonds were issued with interest rates varying from 2 to 4 percent. The bonds were issued for a 22 year period with a final maturity on December 1, 2038. The bonds will be retired through the general obligation bond retirement fund and the water and sewer enterprise funds. The bonds were sold at a premium of \$1,575,047. Proceeds of \$28,289,718 were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the 2008 and Series 2009B various purpose bonds. As a result, \$25,420,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements.

On September 19, 2017, the City issued general obligation bonds, in the amount of \$1,975,000, to partially refund the Series 2009A various purpose bonds in order to take advantage of lower interest rates. The bonds were issued with interest rates varying from 1.25 to 2.32 percent. The bonds were issued for a 7 year period with a final maturity on December 1, 2023. The bonds will be retired through the general obligation bond retirement fund. Proceeds of \$1,930,457 were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the Series 2009A various purpose bonds. As a result, \$1,800,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements.

**City of Avon, Ohio**  
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On September 19, 2017, the City issued special assessment bonds, in the amount of \$6,330,000, for the purpose of widening and resurfacing a portion of Chester Road. The bonds were issued with interest rates varying from 2 to 4 percent. The bonds were issued for a 20 year period with a final maturity on December 1, 2037. The bonds will be retired through the special assessment bond retirement fund. The bonds were sold at a premium of \$781,055. Of this premium, \$762,244 was never received by the City, but rather sent directly to the paying agent to be used to redeem the outstanding notes. Had the City actually received those funds, they would have been deposited into the special assessment bond retirement fund and then used to pay the notes.

The City has entered into contractual agreements for construction loans from the Ohio Public Works Commission (OPWC). Under the terms of these agreements, the OPWC will reimburse, advance or directly pay the construction costs of approved projects. The OPWC loans are interest free. These loans from direct borrowing contain provisions that in the event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable. Lines of credit have been established with the OPWC in the amount of \$250,000 for Chester Road improvements with \$141,371 outstanding. Since the loan repayment schedule has not yet been finalized, a repayment schedule is not include in the schedule of debt service requirements.

During 2009, the City entered into a contractual agreement with the City of Avon Lake for the construction and future maintenance of a water trunk line that runs through Avon. Avon purchased waterline rights allowing residents to tap into the line. All proceeds were received by the City of Avon Lake and the City of Avon Lake is responsible for the debt retirement and maintenance. The line will be a capital asset of the City of Avon Lake. This amount has been recorded on Avon's books as a long-term liability in the water enterprise fund. The annual interest rate of this obligation is 5.672 percent. A corresponding amount was recorded as an intangible asset in the water enterprise fund. This amount will be amortized over the life of the waterline. In 2019, \$29,570 was paid from the water enterprise fund. The total amount owed to the City of Avon Lake as of December 31, 2019, is \$251,918.

In 2019, the City issued \$3,250,000 in various purpose notes for road projects and land purchases. This \$3,250,000 reflects the long-term portion of the \$3,900,000 note issuance. See Note 14 for the \$650,000 portion reflected as a fund liability. These notes mature on January 22, 2020 and carry an interest rate of 3 percent.

In 2019, the City issued \$3,275,000 in general obligation notes to help finance water system improvements. This \$3,275,000 reflects the long term portion of the \$4,250,000 note issuance. See Note 14 for the \$975,000 current portion of this note. The notes mature on January 30, 2020, and have an interest rate 3 percent. At December 31, 2019, the City had unspent proceeds of \$99,350 related to the notes in the water enterprise fund.

The City's overall legal debt margin was \$97,795,151 and an unvoted debt margin of \$50,229,738 at December 31, 2019. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2019 are as follows:

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**Governmental Activities:**

| Years     | General Obligation Bonds |                     | Special Assessment Bonds |                    | OPWC Loans<br>from Direct<br>Borrowing | Total<br>Governmental Activities |                     |
|-----------|--------------------------|---------------------|--------------------------|--------------------|----------------------------------------|----------------------------------|---------------------|
|           | Principal                | Interest            | Principal                | Interest           | Principal                              | Principal                        | Interest            |
| 2020      | \$2,915,111              | \$1,844,527         | \$410,637                | \$486,886          | \$10,402                               | \$3,336,150                      | \$2,331,413         |
| 2021      | 3,012,478                | 1,779,817           | 420,058                  | 476,798            | 31,205                                 | 3,463,741                        | 2,256,615           |
| 2022      | 3,125,300                | 1,707,241           | 419,384                  | 466,261            | 20,805                                 | 3,565,489                        | 2,173,502           |
| 2023      | 3,215,992                | 1,628,304           | 440,609                  | 455,562            | 20,803                                 | 3,677,404                        | 2,083,866           |
| 2024      | 3,335,099                | 1,547,218           | 661,440                  | 439,020            | 20,804                                 | 4,017,343                        | 1,986,238           |
| 2025-2029 | 15,725,469               | 5,989,649           | 3,522,473                | 1,806,895          | 100,386                                | 19,348,328                       | 7,796,544           |
| 2030-2034 | 12,295,913               | 3,179,941           | 4,021,327                | 1,067,371          | 67,720                                 | 16,384,960                       | 4,247,312           |
| 2035-2039 | 10,211,840               | 935,264             | 2,972,707                | 259,216            | 36,127                                 | 13,220,674                       | 1,194,480           |
| 2040      | 0                        | 0                   | 0                        | 0                  | 2,112                                  | 2,112                            | 0                   |
| Total     | <u>\$53,837,202</u>      | <u>\$18,611,961</u> | <u>\$12,868,635</u>      | <u>\$5,458,009</u> | <u>\$310,364</u>                       | <u>\$67,014,089</u>              | <u>\$24,069,970</u> |

**Business-Type Activities:**

| Years     | General Obligation Bonds |                    | Special Assessment Bonds |                  | Avon Lake        |                 | Total<br>Business-Type<br>Activities |                    |
|-----------|--------------------------|--------------------|--------------------------|------------------|------------------|-----------------|--------------------------------------|--------------------|
|           | Principal                | Interest           | Principal                | Interest         | Principal        | Interest        | Principal                            | Interest           |
| 2020      | \$67,124                 | \$112,917          | \$17,128                 | \$37,300         | \$31,247         | \$14,340        | \$115,499                            | \$164,557          |
| 2021      | 78,196                   | 111,449            | 19,269                   | 36,915           | 33,020           | 12,567          | 130,485                              | 160,931            |
| 2022      | 83,906                   | 109,375            | 21,409                   | 36,337           | 34,893           | 10,695          | 140,208                              | 156,407            |
| 2023      | 89,849                   | 107,077            | 23,550                   | 35,694           | 36,872           | 8,716           | 150,271                              | 151,487            |
| 2024      | 202,088                  | 104,600            | 61,374                   | 34,988           | 38,963           | 6,624           | 302,425                              | 146,212            |
| 2025-2029 | 1,075,220                | 414,530            | 341,838                  | 141,094          | 76,923           | 17,145          | 1,493,981                            | 572,769            |
| 2030-2034 | 1,121,675                | 228,582            | 386,085                  | 79,357           | 0                | 0               | 1,507,760                            | 307,939            |
| 2035-2038 | 701,254                  | 50,320             | 244,198                  | 17,373           | 0                | 0               | 945,452                              | 67,693             |
| Total     | <u>\$3,419,312</u>       | <u>\$1,238,850</u> | <u>\$1,114,851</u>       | <u>\$419,058</u> | <u>\$251,918</u> | <u>\$70,087</u> | <u>\$4,786,081</u>                   | <u>\$1,727,995</u> |

The capital leases will be paid from the sewer enterprise fund. Compensated absences will be paid from the general fund, the fire department special revenue fund, the street construction, maintenance and repair special revenue fund, the police special revenue fund, the recreation special revenue fund, the park operating special revenue fund, and the water, sewer, and storm water enterprise funds. The City pays obligations related to employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension/OPEB liabilities; however, employer pension/OPEB contributions are made from the same funds as compensated absences.

**Note 16 – Jointly Governed Organizations**

***Lorain County General Health District***

The City participates in the Lorain County General Health District (Health District), a jointly governed organization, which provides health services to the citizens within the Health District. The Health District is governed by the Board of Health which represents the area served by the Health District and oversees the operation of the Health District. The Health District's Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Board. The Board of Health members are appointed to staggered five-year terms. One member is appointed by the City of North Ridgeville, one member is jointly appointed by the cities of Avon and Sheffield Lake and one member is appointed jointly by the cities of Amherst and Oberlin. The remaining five members are appointed by the various mayors of villages, chairmen of the township trustees and the County

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Commissioners. The City contributed \$120,612 during 2019 for the operation of the Health District. Financial information can be obtained by contacting the Lorain County General Health District, 9880 S. Murray Ridge Road, Elyria, Ohio, 44035.

***Northeast Ohio Public Energy Council***

The City is a member of The Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC's Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Board. NOPEC is currently comprised of over 200 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City did not contribute to NOPEC during 2019. Financial information can be obtained by contacting Ron McVoy, Board Chairman, 31320 Solon Road, Suite 20 Solon, Ohio 44139 or at the website [www.nopecinfo.org](http://www.nopecinfo.org).

***Regional Income Tax Agency***

The Regional Income Tax Agency (RITA) is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collection income taxes on behalf of each member. RITA currently has approximately 350 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council. For 2019, the City paid RITA \$302,368 for income tax collection services.

**Note 17 – Interfund Balances and Transfers**

***Interfund Balances***

On the fund financial statements interfund balances at December 31, 2019, were:

|                          | Receivables                   |                     | Payable                         |                     |
|--------------------------|-------------------------------|---------------------|---------------------------------|---------------------|
|                          | Advances<br>To<br>Other Funds | Manuscript<br>Bonds | Advances<br>From<br>Other Funds | Manuscript<br>Bonds |
| General                  | \$770,000                     | \$116,000           | \$0                             | \$0                 |
| Road and Bridges         | 0                             | 0                   | 110,000                         | 0                   |
| Other Governmental Funds | 0                             | 0                   | 792,000                         | 0                   |
| Water                    | 0                             | 0                   | 0                               | 116,000             |
| Sewer                    | 132,000                       | 0                   | 0                               | 0                   |
| Total                    | <u>\$902,000</u>              | <u>\$116,000</u>    | <u>\$902,000</u>                | <u>\$116,000</u>    |

**City of Avon, Ohio**  
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The general fund and sewer fund had \$770,000 and \$132,000 interfund receivables, respectively, resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records, and (3) payments between funds are made. All are anticipated to be repaid within one year.

The Jaycox Road Watermain Improvement interfund balance of \$116,000 represents a manuscript bond that was issued on September 2, 2008, at 5.10 percent. This bond matures on December 1, 2028 and was used for the purpose of the cost of construction of a watermain extension on Jaycox Road. A repayment schedule for the remaining outstanding balance is as follows:

| Years     | Jaycox Road Watermain Improvement |                 |                  |
|-----------|-----------------------------------|-----------------|------------------|
|           | Principal                         | Interest        | Total            |
| 2020      | \$10,000                          | \$6,185         | \$16,185         |
| 2021      | 11,000                            | 5,185           | 16,185           |
| 2022      | 12,000                            | 4,185           | 16,185           |
| 2023      | 12,000                            | 4,185           | 16,185           |
| 2024      | 13,000                            | 3,185           | 16,185           |
| 2025-2028 | 58,000                            | 6,740           | 64,740           |
| Total     | <u>\$116,000</u>                  | <u>\$29,665</u> | <u>\$145,665</u> |

The manuscript bond was issued by the City and purchased by the general fund. The City intends to repay this from the proceeds of special assessments levied against benefited property owners.

During 2007, the City issued manuscript bonds in the amount of \$2,044,674. The sewer replacement and depreciation enterprise fund purchased the bonds. The North Branch sanitary sewer enterprise fund received the debt proceeds which will be used to pay for improvements to the Jaycox Road sewer line. For GAAP reporting purposes these two funds are combined and reported as part of the sewer enterprise fund. The manuscript bonds will be repaid from the collection of future tap-in fees over the next twenty years.

On March 1, 2008, the City refunded \$2,044,674 of manuscript bonds and issued \$1,987,552 in manuscript bonds with a maturity date of December 1, 2027 and at the interest rate of 4.5 percent. Due to the uncertainty of the collection of tap-in fees the annual revenue is not known.

During 2019, the City has pledged tap-in-fees in the amount of \$110,672 to repay the Jaycox Road Sewer Line Improvement manuscript bonds. The bonds are payable solely from and to the extent tap-in-fees are received by the City in connection with the improvement for which the bonds were issued and are payable through 2027. Currently; the City is unable to determine the amount of revenue to be collected from tap-in fees because a large portion of the land is undeveloped and it is not known who will purchase the land and when it will be connected to the sewer. Accordingly, because of such unknowns, an accurate debt repayment schedule has not been established.

***Internal Balances – Change in Proportionate Share***

The City uses an internal proportionate share to allocate its net pension/OPEB liability (asset) and corresponding deferred outflows/inflows of resources and pension/OPEB expense to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the pension/OPEB deferred outflows/inflows of resources in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position, thus allowing the total column to present the change in proportionate share for the City as a whole.

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Balances related to the internal proportionate share for pension at December 31, 2019, were as follows:

|                                | <u>Deferred Outflows</u> | <u>Deferred Inflows</u> |
|--------------------------------|--------------------------|-------------------------|
| Governmental Activities        | \$8,239                  | \$80,300                |
| Business-Type Activities:      |                          |                         |
| Water                          | 41,908                   | 23,777                  |
| Sewer                          | 40,573                   | 25,111                  |
| Storm Water                    | 39,314                   | 846                     |
| Total Business-Type Activities | <u>121,795</u>           | <u>49,734</u>           |
| Total                          | <u><u>\$130,034</u></u>  | <u><u>\$130,034</u></u> |

Balances related to the internal proportionate share for OPEB at December 31, 2019, were as follows:

|                                | <u>Deferred Outflows</u> | <u>Deferred Inflows</u> |
|--------------------------------|--------------------------|-------------------------|
| Governmental Activities        | \$0                      | \$45,942                |
| Business-Type Activities:      |                          |                         |
| Water                          | 22,971                   | 13,106                  |
| Sewer                          | 22,971                   | 13,106                  |
| Storm Water                    | 26,212                   | 0                       |
| Total Business-Type Activities | <u>72,154</u>            | <u>26,212</u>           |
| Total                          | <u><u>\$72,154</u></u>   | <u><u>\$72,154</u></u>  |

***Interfund Transfers***

Transfers are primarily from the general fund to various funds within the City. The general fund transferred funds to help finance the various programs accounted for in other special revenue funds and to provide start-up funds for new capital projects funds established by Council. Funds from the general fund are also transferred to the police fund to cover the shortfall of income tax collections.

Transfers are also made to cover the various debt obligations of the City from the general fund and other governmental funds to the debt service funds.

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

| Transfers To                                | Transfers From            |                                             |                            |                        |                                |                         | Total                     |
|---------------------------------------------|---------------------------|---------------------------------------------|----------------------------|------------------------|--------------------------------|-------------------------|---------------------------|
|                                             | General                   | General<br>Obligation<br>Bond<br>Retirement | Municipal<br>Swimming Pool | Road and<br>Bridges    | Other<br>Governmental<br>Funds | Water                   |                           |
| General                                     | \$0                       | \$0                                         | \$0                        | \$0                    | \$176,400                      | \$0                     | \$176,400                 |
| Fire Department                             | 1,500,000                 | 0                                           | 0                          | 0                      | 0                              | 0                       | 1,500,000                 |
| Street Construction, Maintenance and Repair | 500,000                   | 0                                           | 0                          | 0                      | 0                              | 0                       | 500,000                   |
| Police                                      | 2,200,000                 | 0                                           | 0                          | 0                      | 0                              | 0                       | 2,200,000                 |
| General Obligation Bond Retirement          | 500,000                   | 0                                           | 0                          | 0                      | 0                              | 91                      | 500,091                   |
| Special Assessment Bond Retirement          | 0                         | 0                                           | 0                          | 0                      | 0                              | 58                      | 58                        |
| Municipal Swimming Pool                     | 0                         | 250,000                                     | 0                          | 0                      | 0                              | 0                       | 250,000                   |
| Road and Bridges                            | 2,250,000                 | 0                                           | 0                          | 0                      | 0                              | 300,000                 | 2,550,000                 |
| Other Governmental Funds                    | 501,000                   | 33,375                                      | 2,949                      | 77,902                 | 769,746                        | 569                     | 1,385,541                 |
| Sewer                                       | 0                         | 0                                           | 0                          | 0                      | 0                              | 14,543                  | 14,543                    |
| Total                                       | <u><u>\$7,451,000</u></u> | <u><u>\$283,375</u></u>                     | <u><u>\$2,949</u></u>      | <u><u>\$77,902</u></u> | <u><u>\$946,146</u></u>        | <u><u>\$315,261</u></u> | <u><u>\$9,076,633</u></u> |



**City of Avon, Ohio**  
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**Note 18 – Significant Commitments**

***Contractual Commitments***

At December 31, 2019, the various projects within the City had contractual commitments consisting of the following:

| Project                       | Contract<br>Amount | Amount<br>Paid     | Remaining<br>on Contract |
|-------------------------------|--------------------|--------------------|--------------------------|
| Chester Road Relocation       | \$906,474          | \$416,116          | \$490,358                |
| 2019 Road Program             | 539,617            | 260,540            | 279,077                  |
| Avon Veterans' Memorial       | 170,813            | 152,552            | 18,261                   |
| Sanitary Sewer Replacement    | 164,703            | 132,797            | 31,906                   |
| Elizabeth, Puth, Joseph Sewer | 134,086            | 4,423              | 129,663                  |
| Detroit Road                  | 106,000            | 78,817             | 27,183                   |
| 2018 Road Program             | 42,000             | 35,353             | 6,647                    |
| Sidewalk Program              | 40,000             | 35,148             | 4,852                    |
| Nagel Road Improvements       | 5,900              | 0                  | 5,900                    |
| Total                         | <u>\$2,109,593</u> | <u>\$1,115,746</u> | <u>\$993,847</u>         |

The amounts remaining on these contracts were encumbered at year end.

***Encumbrances***

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

|                                             |                    |
|---------------------------------------------|--------------------|
| General                                     | \$1,353,610        |
| Fire Department                             | 14,146             |
| Street Construction, Maintenance and Repair | 261,634            |
| Police                                      | 121,958            |
| Road and Bridges                            | 809,165            |
| Other Governmental Funds                    | 625,546            |
| Water                                       | 350,669            |
| Sewer                                       | 189,109            |
| Storm Water                                 | 6,040              |
| Total                                       | <u>\$3,731,877</u> |

**Note 19 – Capital Leases**

During 2014, the City entered into a capital lease with Key Government Finance, Incorporated, for a sewer camera truck, which will end in 2019. During 2016, the City entered into a capital lease with Key Government Finance, Incorporated for an aerial truck, which will end in 2020. During 2017, the City entered into a capital lease with Key Government Finance, Incorporated, for a sewer cleaning truck, which will end in 2021. These leases meet the criteria for capital leases. The assets were capitalized at the present value of the minimum lease payments at the time the leases were entered into. The leases are secured by the related property.

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The assets acquired through capital leases are as follows:

|                                | Governmental<br>Activities | Business-Type<br>Activities |
|--------------------------------|----------------------------|-----------------------------|
| Asset:                         |                            |                             |
| Aerial Truck                   | \$117,535                  | \$0                         |
| Camera Truck                   | 0                          | 300,869                     |
| Cleaning Truck                 | 0                          | 381,670                     |
| Less: Accumulated depreciation | (41,137)                   | (260,894)                   |
| Total                          | <u>\$76,398</u>            | <u>\$421,645</u>            |

Such agreements provide for minimum, annual lease payments as follows:

|                                         | Governmental<br>Activities | Business-Type<br>Activities |
|-----------------------------------------|----------------------------|-----------------------------|
| 2020                                    | \$25,578                   | \$81,101                    |
| 2021                                    | 0                          | 81,101                      |
| Total Minimum Lease Payment             | 25,578                     | 162,202                     |
| Less: Amount Representing Interest      | (807)                      | (6,252)                     |
| Present Value of Minimum Lease Payments | <u>\$24,771</u>            | <u>\$155,950</u>            |

## Note 20 – Operating Leases

During 2008, the City entered into an operating lease with the United States Postal Service, for the period of February 1, 2008 to January 31, 2023, for the rental of the space located at 36225 Detroit Road. The terms of the lease require payment in monthly installments in the amount of \$10,833. The cost of the building was \$1,607,697. As of December 31, 2019, the accumulated depreciation is \$329,578, leaving a carrying amount of \$1,278,119.

During 2009, the City entered into an operating lease with Avon Baseball, LLC, for the period of 15 years, to be primarily used for professional baseball events located at the baseball stadium at the corner of Interstate 90 and State Route 611. Avon Baseball, LLC is responsible for all operating costs and the City will be responsible for capital item replacements. The terms of the lease require payment in annual installments in the amount of \$250,000. The cost of the building was \$13,773,746. As of December 31, 2019, the accumulated depreciation is \$2,823,618, leaving a carrying amount of \$10,950,128.

Such agreements provide for minimum, annual lease payments as follows:

|                             | 2008<br>Operating Lease | 2009<br>Operating Lease | Total              |
|-----------------------------|-------------------------|-------------------------|--------------------|
| 2020                        | \$130,000               | \$250,000               | \$380,000          |
| 2021                        | 130,000                 | 250,000                 | 380,000            |
| 2022                        | 130,000                 | 250,000                 | 380,000            |
| 2023                        | 10,833                  | 250,000                 | 260,833            |
| Total Minimum Lease Payment | <u>\$400,833</u>        | <u>\$1,000,000</u>      | <u>\$1,400,833</u> |

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**Note 21 – Defined Benefit Pension Plans**

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

***Net Pension Liability (Asset) /Net OPEB Liability (Asset)***

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

The net pension/OPEB liability (asset) represent the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB 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 these estimates annually.

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plans' unfunded benefits is presented as a *net pension asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 22 for the required OPEB disclosures.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

**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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

| <b>Group A</b><br>Eligible to retire prior to<br>January 7, 2013 or five years<br>after January 7, 2013                                                | <b>Group B</b><br>20 years of service credit prior to<br>January 7, 2013 or eligible to retire<br>ten years after January 7, 2013                      | <b>Group C</b><br>Members not in other Groups<br>and members hired on or after<br>January 7, 2013                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>State and Local</b>                                                                                                                                 | <b>State and Local</b>                                                                                                                                 | <b>State and Local</b>                                                                                                                                 |
| <b>Age and Service Requirements:</b><br>Age 60 with 60 months of service credit<br>or Age 55 with 25 years of service credit                           | <b>Age and Service Requirements:</b><br>Age 60 with 60 months of service credit<br>or Age 55 with 25 years of service credit                           | <b>Age and Service Requirements:</b><br>Age 57 with 25 years of service credit<br>or Age 62 with 5 years of service credit                             |
| <b>Traditional Plan Formula:</b><br>2.2% of FAS multiplied by years of<br>service for the first 30 years and 2.5%<br>for service years in excess of 30 | <b>Traditional Plan Formula:</b><br>2.2% of FAS multiplied by years of<br>service for the first 30 years and 2.5%<br>for service years in excess of 30 | <b>Traditional Plan Formula:</b><br>2.2% of FAS multiplied by years of<br>service for the first 35 years and 2.5%<br>for service years in excess of 35 |
| <b>Combined Plan Formula:</b><br>1% of FAS multiplied by years of<br>service for the first 30 years and 1.25%<br>for service years in excess of 30     | <b>Combined Plan Formula:</b><br>1% of FAS multiplied by years of<br>service for the first 30 years and 1.25%<br>for service years in excess of 30     | <b>Combined Plan Formula:</b><br>1% of FAS multiplied by years of<br>service for the first 35 years and 1.25%<br>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 traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual COLA. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, current law provides for a 3 percent COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. 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. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. 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 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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

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

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

For 2019, The City's contractually required contribution was \$761,882 for the traditional plan, \$9,717 for the combined plan and \$16,182 for the member-directed plan. Of these amounts, \$62,712 is reported as an intergovernmental payable for the traditional plan, \$797 for the combined plan, and \$1,331 for the member-directed plan.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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***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 OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F CAFR referenced previously for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3 percent or the percent increase, if any, in the Consumer Price Index over the 13 month period ending on September 30<sup>th</sup> of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013, is equal to 3 percent of their base pension or disability benefit.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

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

|                                                  | <u>Police</u>  | <u>Firefighters</u> |
|--------------------------------------------------|----------------|---------------------|
| <b>2019 Statutory Maximum Contribution Rates</b> |                |                     |
| Employer                                         | 19.50 %        | 24.00 %             |
| Employee                                         | 12.25 %        | 12.25 %             |
| <b>2019 Actual Contribution Rates</b>            |                |                     |
| Employer:                                        |                |                     |
| Pension                                          | 19.00 %        | 23.50 %             |
| Post-employment Health Care Benefits             | 0.50           | 0.50                |
| Total Employer                                   | <u>19.50 %</u> | <u>24.00 %</u>      |
| Employee                                         | 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 \$1,567,163 for 2019. Of this amount, \$118,385 is reported as an intergovernmental payable.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2018, and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net pension liability (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 of the City's defined benefit pension plans:

|                                                | <u>Traditional Plan</u> | <u>Combined Plan</u> | <u>OP&amp;F</u>     | <u>Total</u> |
|------------------------------------------------|-------------------------|----------------------|---------------------|--------------|
| Proportion of the Net Pension Liability/Asset: |                         |                      |                     |              |
| Current Measurement Date                       | 0.03806600%             | 0.01500700%          | 0.27263300%         |              |
| Prior Measurement Date                         | <u>0.03843600%</u>      | <u>0.00093900%</u>   | <u>0.27381700%</u>  |              |
| Change in Proportionate Share                  | <u>-0.00037000%</u>     | <u>0.01406800%</u>   | <u>-0.00118400%</u> |              |
| Proportionate Share of the:                    |                         |                      |                     |              |
| Net Pension Liability                          | \$10,425,505            | \$0                  | \$22,254,057        | \$32,679,562 |
| Net Pension Asset                              | 0                       | 16,781               | 0                   | 16,781       |
| Pension Expense                                | 2,253,852               | 3,226                | 2,965,397           | 5,222,475    |

2019 pension expense for the member-directed defined contribution plan was \$16,182. The aggregate pension expense for all pension plans was \$5,238,657 for 2019.

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

|                                                                                                           | OPERS<br>Traditional Plan | OPERS<br>Combined Plan | OP&F               | Total              |
|-----------------------------------------------------------------------------------------------------------|---------------------------|------------------------|--------------------|--------------------|
| <b>Deferred Outflows of Resources</b>                                                                     |                           |                        |                    |                    |
| Differences between expected and actual experience                                                        | \$481                     | \$0                    | \$914,330          | \$914,811          |
| Changes of assumptions                                                                                    | 907,566                   | 3,748                  | 589,986            | 1,501,300          |
| Net difference between projected and actual earnings on pension plan investments                          | 1,415,033                 | 3,615                  | 2,741,681          | 4,160,329          |
| Changes in proportion and differences between City contributions and proportionate share of contributions | 313                       | 0                      | 248,788            | 249,101            |
| City contributions subsequent to the measurement date                                                     | 761,882                   | 9,717                  | 1,567,163          | 2,338,762          |
| Total Deferred Outflows of Resources                                                                      | <u>\$3,085,275</u>        | <u>\$17,080</u>        | <u>\$6,061,948</u> | <u>\$9,164,303</u> |
| <b>Deferred Inflows of Resources</b>                                                                      |                           |                        |                    |                    |
| Differences between expected and actual experience                                                        | \$136,894                 | \$6,854                | \$20,781           | \$164,529          |
| Changes in proportion and differences between City contributions and proportionate share of contributions | 80,213                    | 11,179                 | 279,975            | 371,367            |
| Total Deferred Inflows of Resources                                                                       | <u>\$217,107</u>          | <u>\$18,033</u>        | <u>\$300,756</u>   | <u>\$535,896</u>   |

\$2,338,762 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 or increase to the net pension asset in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

|                          | OPERS<br>Traditional<br>Plan | OPERS<br>Combined<br>Plan | OP&F               | Total              |
|--------------------------|------------------------------|---------------------------|--------------------|--------------------|
| Year Ending December 31: |                              |                           |                    |                    |
| 2020                     | \$880,473                    | (\$809)                   | \$1,350,667        | \$2,230,331        |
| 2021                     | 436,445                      | (1,531)                   | 751,145            | 1,186,059          |
| 2022                     | 131,273                      | (1,456)                   | 846,865            | 976,682            |
| 2023                     | 658,095                      | (323)                     | 1,188,498          | 1,846,270          |
| 2024                     | 0                            | (1,807)                   | 56,854             | 55,047             |
| Thereafter               | 0                            | (4,744)                   | 0                  | (4,744)            |
| Total                    | <u>\$2,106,286</u>           | <u>(\$10,670)</u>         | <u>\$4,194,029</u> | <u>\$6,289,645</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.



**City of Avon, Ohio**  
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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, 2018, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2018, are presented as follows:

|                                                 | OPERS Traditional Plan                                       | OPERS Combined Plan                                          |
|-------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|
| Wage Inflation                                  | 3.25 percent                                                 | 3.25 percent                                                 |
| Future Salary Increases,<br>including inflation | 3.25 to 10.75 percent<br>including wage inflation            | 3.25 to 8.25 percent<br>including wage inflation             |
| COLA or Ad Hoc COLA:                            |                                                              |                                                              |
| Pre-January 7, 2013 Retirees                    | 3 percent, simple                                            | 3 percent, simple                                            |
| Post-January 7, 2013 Retirees                   | 3 percent, simple through 2018,<br>then 2.15 percent, simple | 3 percent, simple through 2018,<br>then 2.15 percent, simple |
| Investment Rate of Return                       | 7.2 percent                                                  | 7.2 percent                                                  |
| Actuarial Cost Method                           | Individual Entry Age                                         | Individual Entry Age                                         |

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 7.5 percent to 7.2 percent. This change was effective beginning with the 2018 valuation.

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

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

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

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

**City of Avon, Ohio**  
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The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table the follows displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

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

**Discount Rate** For 2018, the discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. For 2017, the discount rate used to measure the total pension liability was 7.5 percent for the traditional plan and the combined plan. 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 (Asset) 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 7.2 percent, 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 (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

|                                                                             | 1% Decrease<br>(6.20%) | Current<br>Discount Rate<br>(7.20%) | 1% Increase<br>(8.20%) |
|-----------------------------------------------------------------------------|------------------------|-------------------------------------|------------------------|
| <b>City's proportionate share<br/>of the net pension liability (asset):</b> |                        |                                     |                        |
| OPERS Traditional Plan                                                      | \$15,401,504           | \$10,425,505                        | \$6,290,407            |
| OPERS Combined Plan                                                         | (5,553)                | (16,781)                            | (24,912)               |

**Actuarial Assumptions – OP&F**

OP&F's total pension liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. 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

**City of Avon, Ohio**  
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continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2018, are presented as follows:

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

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

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

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

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

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

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 OP&F's target asset allocation as of December 31, 2018, are summarized as follows:

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

Note: Assumptions are geometric.

\* levered 2x

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

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

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

|                                                         | 1% Decrease<br>(7.00%) | Current<br>Discount Rate<br>(8.00%) | 1% Increase<br>(9.00%) |
|---------------------------------------------------------|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net pension liability | \$29,251,424           | \$22,254,057                        | \$16,406,746           |

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 22 – Postemployment Benefits**

See Note 21 for a description of the net OPEB liability.

***Ohio Public Employees Retirement System (OPERS)***

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced later for additional information.

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

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

Funding Policy – The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care was no longer being funded.

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

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.0 percent.

**City of Avon, Ohio**  
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Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$6,473 for 2019. Of this amount, \$532 is reported as an intergovernmental payable.

***Ohio Police & Fire Pension Fund (OP&F)***

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2019, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$37,040 for 2019. Of this amount, \$2,808 is reported as an intergovernmental payable.

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

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

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

|                                               | OPERS              | OP&F                |                |
|-----------------------------------------------|--------------------|---------------------|----------------|
| Proportion of the Net OPEB Liability:         |                    |                     |                |
| Current Measurement Date                      | 0.03687700%        | 0.27263300%         |                |
| Prior Measurement Date                        | 0.03675000%        | 0.27381700%         |                |
| Change in Proportionate Share                 | <u>0.00012700%</u> | <u>-0.00118400%</u> |                |
|                                               |                    |                     | <u>Total</u>   |
| Proportionate Share of the Net OPEB Liability | \$4,807,892        | \$2,482,742         | \$7,290,634    |
| OPEB Expense                                  | \$414,615          | (\$12,273,349)      | (\$11,858,734) |

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

|                                                                                                           | OPERS            | OP&F               | Total              |
|-----------------------------------------------------------------------------------------------------------|------------------|--------------------|--------------------|
| <b>Deferred Outflows of Resources</b>                                                                     |                  |                    |                    |
| Differences between expected and actual experience                                                        | \$1,629          | \$0                | \$1,629            |
| Changes of assumptions                                                                                    | 155,012          | 1,286,934          | 1,441,946          |
| Net difference between projected and actual earnings on OPEB plan investments                             | 220,413          | 84,043             | 304,456            |
| Changes in proportion and differences between City contributions and proportionate share of contributions | 9,250            | 0                  | 9,250              |
| City contributions subsequent to the measurement date                                                     | <u>6,473</u>     | <u>37,040</u>      | <u>43,513</u>      |
| Total Deferred Outflows of Resources                                                                      | <u>\$392,777</u> | <u>\$1,408,017</u> | <u>\$1,800,794</u> |
| <b>Deferred Inflows of Resources</b>                                                                      |                  |                    |                    |
| Differences between expected and actual experience                                                        | \$13,045         | \$66,518           | \$79,563           |
| Changes of assumptions                                                                                    | 0                | 687,340            | 687,340            |
| Changes in proportion and differences between City contributions and proportionate share of contributions | <u>34,237</u>    | <u>293,177</u>     | <u>327,414</u>     |
| Total Deferred Inflows of Resources                                                                       | <u>\$47,282</u>  | <u>\$1,047,035</u> | <u>\$1,094,317</u> |

\$43,513 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

|                          | OPERS            | OP&F             | Total            |
|--------------------------|------------------|------------------|------------------|
| Year Ending December 31: |                  |                  |                  |
| 2020                     | \$145,519        | \$60,332         | \$205,851        |
| 2021                     | 46,019           | 60,332           | 106,351          |
| 2022                     | 36,445           | 60,332           | 96,777           |
| 2023                     | 111,039          | 85,751           | 196,790          |
| 2024                     | 0                | 45,675           | 45,675           |
| Thereafter               | 0                | 11,520           | 11,520           |
| Total                    | <u>\$339,022</u> | <u>\$323,942</u> | <u>\$662,964</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 health care costs 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 coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

|                                                    |                                                         |
|----------------------------------------------------|---------------------------------------------------------|
| Wage Inflation                                     | 3.25 percent                                            |
| Projected Salary Increases,<br>including inflation | 3.25 to 10.75 percent<br>including wage inflation       |
| Single Discount Rate:                              |                                                         |
| Current measurement date                           | 3.96 percent                                            |
| Prior Measurement date                             | 3.85 percent                                            |
| Investment Rate of Return                          | 6.00 percent                                            |
| Municipal Bond Rate:                               |                                                         |
| Current measurement date                           | 3.71 percent                                            |
| Prior Measurement date                             | 3.31 percent                                            |
| Health Care Cost Trend Rate:                       |                                                         |
| Current measurement date                           | 10.0 percent, initial<br>3.25 percent, ultimate in 2029 |
| Prior Measurement date                             | 7.25 percent, initial<br>3.25 percent, ultimate in 2028 |
| Actuarial Cost Method                              | Individual Entry Age Normal                             |

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change was effective for the 2018 valuation.

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and



**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2019

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

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

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 5.6 percent for 2018.

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

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

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

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

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

|                                                      | 1% Decrease<br>(2.96%) | Current<br>Discount Rate<br>(3.96%) | 1% Increase<br>(4.96%) |
|------------------------------------------------------|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net OPEB liability | \$6,151,084            | \$4,807,892                         | \$3,739,697            |

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

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

|                                                      | 1% Decrease | Current Health Care<br>Cost Trend Rate<br>Assumption | 1% Increase |
|------------------------------------------------------|-------------|------------------------------------------------------|-------------|
| City's proportionate share of the net OPEB liability | \$4,621,426 | \$4,807,892                                          | \$5,022,647 |

***Actuarial Assumptions – OP&F***

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

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

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented as follows:

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

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

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

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

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

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

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 21.

**Discount Rate** For 2019, the total OPEB liability was calculated using the discount rate of 4.66 percent. For 2018, the total OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions,

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 4.13 percent at December 31, 2018 and 3.16 percent at December 31, 2017, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 4.66 percent for 2018 and 3.24 percent for 2017. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2031. The long-term expected rate of return on health care investments was applied to projected costs through 2031, and the municipal bond rate was applied to all health care costs after that date.

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

|                                                      | 1% Decrease<br>(3.66%) | Current<br>Discount Rate<br>(4.66%) | 1% Increase<br>(5.66%) |
|------------------------------------------------------|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net OPEB liability | \$3,024,657            | \$2,482,742                         | \$2,027,850            |

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate*** The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

## **Note 23 – Subsequent Events**

On January 21, 2020, the City rolled over \$3,250,000 in general obligation bond anticipatory notes for the purposes of making improvements and the widening of Chester Road and the acquisition of parkland. The City retired \$650,000 of the notes that had been outstanding. These notes have a maturity date of January 21, 2021, and have an interest rate of 2.0 percent.

On January 29, 2020, the City rolled over \$3,275,000 in water revenue notes for the purpose of constructing a 3,000,000-gallon elevated water storage tank and 16" water transmission line and for the purpose of the installation of new water meters and related meter reading software. The City retired \$975,000 of the notes that had been outstanding. These notes have a maturity date of January 28, 2021, and have an interest rate of 2.0 percent.

On June 11, 2020, the City issued special assessment notes for the purpose of constructing a sanitary sewer in the amount of \$3,600,000. The notes have a maturity date of June 10, 2021, and have an interest rate of 1.5 percent.

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City's investment portfolio and the investments of the pension and other employee benefit plans, in which the City participates, fluctuate with market conditions, and due to market volatility, the amount of gains or losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

## **Required Supplementary Information**

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

|                                                                                                   | 2019         | 2018        |
|---------------------------------------------------------------------------------------------------|--------------|-------------|
| City's Proportion of the Net Pension Liability                                                    | 0.03806600%  | 0.03843600% |
| City's Proportionate Share of the Net Pension Liability                                           | \$10,425,505 | \$6,029,863 |
| City's Covered Payroll                                                                            | \$5,141,493  | \$5,079,338 |
| City's Proportionate Share of the Net Pension Liability<br>as a Percentage of its Covered Payroll | 202.77%      | 118.71%     |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                        | 74.70%       | 84.66%      |

(1) Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

\* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information

| 2017        | 2016        | 2015        | 2014        |
|-------------|-------------|-------------|-------------|
| 0.03917700% | 0.03908700% | 0.03829000% | 0.03829000% |
| \$8,896,430 | \$6,770,361 | \$4,618,201 | \$4,513,892 |
| \$5,075,950 | \$4,853,183 | \$4,694,325 | \$4,442,337 |
| 175.27%     | 139.50%     | 98.38%      | 101.61%     |
| 77.25%      | 81.08%      | 86.45%      | 86.36%      |

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**City of Avon, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Asset*  
*Ohio Public Employees Retirement System - Combined Plan*  
*Last Two Years (1) \**

|                                                                                               | 2019        | 2018        |
|-----------------------------------------------------------------------------------------------|-------------|-------------|
| City's Proportion of the Net Pension Asset                                                    | 0.01500700% | 0.00093900% |
| City's Proportionate Share of the Net Pension Asset                                           | \$16,781    | \$1,280     |
| City's Covered Payroll                                                                        | \$64,186    | \$3,846     |
| City's Proportionate Share of the Net<br>Pension Asset as a Percentage of its Covered Payroll | -26.14%     | -33.28%     |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                    | 126.64%     | 137.28%     |

(1) Amounts for the Combined Plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years.

\* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information

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

|                                                                                                   | 2019         | 2018         |
|---------------------------------------------------------------------------------------------------|--------------|--------------|
| City's Proportion of the Net Pension Liability                                                    | 0.27263300%  | 0.27381700%  |
| City's Proportionate Share of the Net Pension Liability                                           | \$22,254,057 | \$16,805,385 |
| City's Covered Payroll                                                                            | \$6,166,015  | \$5,951,032  |
| City's Proportionate Share of the Net Pension Liability<br>as a Percentage of its Covered Payroll | 360.91%      | 282.39%      |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                        | 63.07%       | 70.91%       |

(1) Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

\* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information

| 2017         | 2016         | 2015         | 2014         |
|--------------|--------------|--------------|--------------|
| 0.28017600%  | 0.27287700%  | 0.27012100%  | 0.27012100%  |
| \$17,746,067 | \$17,554,368 | \$13,993,394 | \$13,155,740 |
| \$5,788,641  | \$5,497,478  | \$5,331,475  | \$5,231,361  |
| 306.57%      | 319.32%      | 262.47%      | 251.48%      |
| 68.36%       | 66.77%       | 71.71%       | 73.00%       |

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

|                                                                                                | 2019        | 2018        | 2017        |
|------------------------------------------------------------------------------------------------|-------------|-------------|-------------|
| City's Proportion of the Net OPEB Liability                                                    | 0.03687700% | 0.03675000% | 0.03771000% |
| City's Proportionate Share of the Net OPEB Liability                                           | \$4,807,892 | \$3,990,779 | \$3,808,837 |
| City's Covered Payroll                                                                         | \$5,348,954 | \$5,205,484 | \$5,211,700 |
| City's Proportionate Share of the Net<br>OPEB Liability as a Percentage of its Covered Payroll | 89.88%      | 76.66%      | 73.08%      |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability                        | 46.33%      | 54.14%      | 54.04%      |

(1) Although this schedule is intended to show information for ten years, information prior to 2017 is not available. An additional column will be added each year.

\* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information

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

|                                                                                                | 2019        | 2018         | 2017         |
|------------------------------------------------------------------------------------------------|-------------|--------------|--------------|
| City's Proportion of the Net OPEB Liability                                                    | 0.27263300% | 0.27381700%  | 0.28017600%  |
| City's Proportionate Share of the Net OPEB Liability                                           | \$2,482,742 | \$15,514,086 | \$13,299,325 |
| City's Covered Payroll                                                                         | \$6,166,015 | \$5,951,032  | \$5,788,641  |
| City's Proportionate Share of the Net<br>OPEB Liability as a Percentage of its Covered Payroll | 40.26%      | 260.70%      | 229.75%      |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability                        | 46.57%      | 14.13%       | 15.96%       |

(1) Although this schedule is intended to show information for ten years, information prior to 2017 is not available. An additional column will be added each year.

\* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information

**City of Avon, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Contributions*  
*Ohio Public Employees Retirement System*  
*Last Seven Years (1)*

|                                                                         | 2019             | 2018             | 2017             |
|-------------------------------------------------------------------------|------------------|------------------|------------------|
| <b>Net Pension Liability - Traditional Plan</b>                         |                  |                  |                  |
| Contractually Required Contribution                                     | \$761,882        | \$719,808        | \$660,314        |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(761,882)</u> | <u>(719,808)</u> | <u>(660,314)</u> |
| Contribution Deficiency (Excess)                                        | <u>\$0</u>       | <u>\$0</u>       | <u>\$0</u>       |
| City Covered Payroll                                                    | \$5,442,014      | \$5,141,493      | \$5,079,338      |
| Pension Contributions as a Percentage of Covered Payroll                | <u>14.00%</u>    | <u>14.00%</u>    | <u>13.00%</u>    |
| <b>Net Pension Asset - Combined Plan (3)</b>                            |                  |                  |                  |
| Contractually Required Contribution                                     | \$9,717          | \$8,986          | \$500            |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(9,717)</u>   | <u>(8,986)</u>   | <u>(500)</u>     |
| Contribution Deficiency (Excess)                                        | <u>\$0</u>       | <u>\$0</u>       | <u>\$0</u>       |
| City Covered Payroll                                                    | \$69,407         | \$64,186         | \$3,846          |
| Pension Contributions as a Percentage of Covered Payroll                | <u>14.00%</u>    | <u>14.00%</u>    | <u>13.00%</u>    |
| <b>Net OPEB Liability - OPEB Plan (4)</b>                               |                  |                  |                  |
| Contractually Required Contribution                                     | \$6,473          | \$5,731          | \$55,724         |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(6,473)</u>   | <u>(5,731)</u>   | <u>(55,724)</u>  |
| Contribution Deficiency (Excess)                                        | <u>\$0</u>       | <u>\$0</u>       | <u>\$0</u>       |
| City Covered Payroll (2)                                                | \$5,673,246      | \$5,348,954      | \$5,205,484      |
| OPEB Contributions as a Percentage of Covered Payroll                   | <u>0.11%</u>     | <u>0.11%</u>     | <u>1.07%</u>     |

(1) Although this schedule is intended to show information for ten years, information prior to 2013 is not available. An additional column will be added each year.

(2) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

(3) Information prior to 2017 is not available.

(4) Information prior to 2016 is not available.

See accompanying notes to the required supplementary information

| 2016        | 2015        | 2014        | 2013        |
|-------------|-------------|-------------|-------------|
| \$609,114   | \$582,381   | \$563,319   | \$577,504   |
| (609,114)   | (582,381)   | (563,319)   | (577,504)   |
| \$0         | \$0         | \$0         | \$0         |
| \$5,075,950 | \$4,853,183 | \$4,694,325 | \$4,442,337 |
| 12.00%      | 12.00%      | 12.00%      | 13.00%      |

|             |
|-------------|
| \$106,949   |
| (106,949)   |
| \$0         |
| \$5,211,700 |
| 2.05%       |

**City of Avon, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Contributions*  
*Ohio Police and Fire Pension Fund*  
*Last Ten Years*

|                                                                         | 2019               | 2018               | 2017               | 2016               |
|-------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Pension Liability</b>                                            |                    |                    |                    |                    |
| Contractually Required Contribution                                     | \$1,567,163        | \$1,305,658        | \$1,258,810        | \$1,225,896        |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(1,567,163)</u> | <u>(1,305,658)</u> | <u>(1,258,810)</u> | <u>(1,225,896)</u> |
| Contribution Deficiency (Excess)                                        | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         |
| City Covered Payroll                                                    | \$7,408,127        | \$6,166,015        | \$5,951,032        | \$5,788,641        |
| Pension Contributions as a Percentage of Covered Payroll                | <u>21.15%</u>      | <u>21.18%</u>      | <u>21.15%</u>      | <u>21.18%</u>      |
| <b>Net OPEB Liability</b>                                               |                    |                    |                    |                    |
| Contractually Required Contribution                                     | \$37,040           | \$30,830           | \$29,755           | \$28,943           |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(37,040)</u>    | <u>(30,830)</u>    | <u>(29,755)</u>    | <u>(28,943)</u>    |
| Contribution Deficiency (Excess)                                        | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         |
| OPEB Contributions as a Percentage of Covered Payroll                   | <u>0.50%</u>       | <u>0.50%</u>       | <u>0.50%</u>       | <u>0.50%</u>       |
| Total Contributions as a Percentage of Covered Payroll                  | <u>21.65%</u>      | <u>21.68%</u>      | <u>21.65%</u>      | <u>21.68%</u>      |

(1) The City's covered payroll is the same for pension and OPEB.

See accompanying notes to the required supplementary information



| 2015        | 2014        | 2013        | 2012        | 2011        | 2010        |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$1,166,859 | \$1,130,439 | \$944,826   | \$721,015   | \$701,720   | \$725,609   |
| (1,166,859) | (1,130,439) | (944,826)   | (721,015)   | (701,720)   | (725,609)   |
| \$0         | \$0         | \$0         | \$0         | \$0         | \$0         |
| \$5,497,478 | \$5,331,475 | \$5,231,361 | \$4,824,628 | \$4,705,906 | \$4,893,590 |
| 21.23%      | 21.20%      | 18.06%      | 14.94%      | 14.91%      | 14.83%      |
| \$27,487    | \$26,657    | \$189,201   | \$325,662   | \$317,648   | \$330,317   |
| (27,487)    | (26,657)    | (189,201)   | (325,662)   | (317,648)   | (330,317)   |
| \$0         | \$0         | \$0         | \$0         | \$0         | \$0         |
| 0.50%       | 0.50%       | 3.62%       | 6.75%       | 6.75%       | 6.75%       |
| 21.73%      | 21.70%      | 21.68%      | 21.69%      | 21.66%      | 21.58%      |

**City of Avon, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2019*

**Changes in Assumptions – OPERS Pension – Traditional Plan**

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and in 2016 and prior are presented as follows:

|                                              | 2019                                                      | 2018 and 2017                                             | 2016 and prior                                           |
|----------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------|
| Wage Inflation                               | 3.25 percent                                              | 3.25 percent                                              | 3.75 percent                                             |
| Future Salary Increases, including inflation | 3.25 to 10.75 percent including wage inflation            | 3.25 to 10.75 percent including wage inflation            | 4.25 to 10.05 percent including wage inflation           |
| COLA or Ad Hoc COLA:                         |                                                           |                                                           |                                                          |
| Pre-January 7, 2013 Retirees                 | 3 percent, simple                                         | 3 percent, simple                                         | 3 percent, simple                                        |
| Post-January 7, 2013 Retirees                | 3 percent, simple through 2018, then 2.15 percent, simple | 3 percent, simple through 2018, then 2.15 percent, simple | 3 percent, simple through 2018, then 2.8 percent, simple |
| Investment Rate of Return                    | 7.2 percent                                               | 7.5 percent                                               | 8 percent                                                |
| Actuarial Cost Method                        | Individual Entry Age                                      | Individual Entry Age                                      | Individual Entry Age                                     |

Amounts reported beginning in 2017 use mortality rates 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 previously described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

**Changes in Assumptions – OPERS Pension – Combined Plan**

For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

**Changes in Assumptions – OP&F Pension**

Amounts reported beginning in 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented as follows:

**City of Avon, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2019*

|                            | Beginning in 2018                                                                                              | 2017 and Prior                                                                                                 |
|----------------------------|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Valuation Date             | January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017                                | January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016                                |
| Actuarial Cost Method      | Entry Age Normal                                                                                               | Entry Age Normal                                                                                               |
| Investment Rate of Return  | 8.0 percent                                                                                                    | 8.25 percent                                                                                                   |
| Projected Salary Increases | 3.75 percent to 10.5 percent                                                                                   | 4.25 percent to 11 percent                                                                                     |
| Payroll Growth             | Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent                                  | Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent                                  |
| Cost of Living Adjustments | 3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent | 3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent |

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

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

Amounts reported beginning in 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

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

Amounts reported for 2017 and prior use valuation, rates of death were 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.

#### **Changes in Assumptions – OPERS OPEB**

For 2019, the single discount rate changed from 3.85 percent to 3.96 percent and the municipal bond rate changed from 3.31 percent to 3.71 percent. For 2019, the health care cost trend rate was 10 percent, initial; 3.25 ultimate in 2029. For 2018, the health care cost trend rate was 7.25 percent, initial; 3.25 percent ultimate in 2028.

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

**City of Avon, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2019*

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**Changes in Assumptions – OP&F OPEB**

For 2019, the single discount rate changed from 3.24 percent to 4.66 percent.

For 2018, the single discount rate changed from 3.79 percent to 3.24 percent.

**Changes in Benefit Terms – OP&F OPEB**

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

## **Combining Statements and Individual Fund Schedules**

## **Combining Statements and Individual Fund Schedules**

### **Fund Descriptions – Nonmajor Funds**

#### ***Nonmajor Special Revenue Funds***

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.

***Recycling Fund*** – This fund accounts for and reports grant proceeds and miscellaneous revenues restricted for costs related to the development of the City recycling program.

***ADA Parking Violations Fund*** – This fund accounts for and reports committed fines collected for unauthorized parking in handicapped spaces to be used for the maintenance of City parks. The fund did not have any budgetary activity in 2019; therefore, budgetary information is not provided.

***State Highway Fund*** – This fund accounts for and reports 7.5 percent of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of State highways within the City.

***Permissive Tax Fund*** – This fund accounts for and reports restricted resources received from County permissive license fees. The proceeds are used for street lighting and traffic signals.

***Mayor's Court Computer Fund*** – This fund accounts for and reports restricted fines collected to be used to maintain court computer systems.

***Recreation Fund*** – This fund accounts for and reports committed fees received from individuals participating in the recreation programs provided by the City.

***Park Operating Fund*** – This fund accounts for and reports restricted property taxes to pay for the costs associated with the operations and upkeep of the City parks.

***Park Development and Improvement Fund*** – This fund accounts for and reports committed fees assessed to anyone building within the City limits, proceeds from the sale of property or donations used to provide for the maintenance and enhancement of City parks.

***Donations Fund*** – This fund accounts for and reports committed donations received for the purchase of K-9 dog and training and the establishment of a living tree memorial.

***Economic Development and Tourism Fund*** – This fund accounts for and reports restricted lodging tax received for the promotion of economic development and tourism.

***Lorain Public Library Fund*** – This fund accounts for and reports a restricted 1.2 mill levy used to pay for the upkeep of the Lorain Public Library – Avon Branch.

#### ***Nonmajor Debt Service Fund***

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

***Tax Increment Financing Fund*** – This fund accounts for and reports all payments received in lieu of taxes related to the City TIF agreements. The restricted revenue will be used for City infrastructure debt service or improvements.

#### ***Nonmajor Capital Projects Funds***

Capital projects funds are used to account 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 for assets that will be held in trust.

(continued)

## **Fund Descriptions – Nonmajor Funds (continued)**

### ***Nonmajor Capital Projects Funds (continued)***

***Equipment Fund*** – This fund accounts for and reports restricted property taxes used for the purchase of equipment for the Police and Fire Departments.

***Storm Water Detention Fund*** – This fund accounts for and reports monies derived from fees generated from developers, when necessary, that are assigned to the maintenance of storm water detention.

***Land Purchases Fund*** – This fund accounts for and reports restricted monies from note proceeds for the costs associated with the purchase and development of land.

***French Creek Restoration Fund*** – This fund accounts for and reports assigned monies from transfers in for the costs associated with the improvements at this site.

***Sidewalk Programs Fund*** – This fund accounts for and reports assigned monies from transfers in for costs associated with the construction and improvement of City sidewalks.

***Storm Sewers Fund*** – This fund accounts for and reports assigned monies from transfers in for the cost of a storm sewer system isolated to a specific residential development.

***Municipal Buildings Fund*** – This fund accounts for and reports restricted monies from bond and note proceeds for the costs associated with the various City building projects.

***Recreation Complex Fund*** – This fund accounts for and reports municipal income tax revenue committed to the cost of constructing a recreation facility in conjunction with the Greater Cleveland YMCA.

***Stadium Marquee Fund*** – This fund accounts for and reports committed advertising revenue from the highway marquee next to the baseball stadium. The revenue will only be used for capital replacement or improvements to the baseball stadium.

***Capital Improvements Fund*** – This fund accounts for and reports assigned monies from transfers in for the costs related to various capital infrastructure improvements within the City.

***Every Child's Playground Fund*** – This fund accounts for and reports restricted monies for the development, maintenance, and growth of the Every Child's Playground project.

***Avon Veterans Memorial Construction Fund*** – This fund accounts for and reports restricted monies from grant proceeds and transfers in related to the design and architectural service for the construction of a memorial to honor veterans from Avon, as well as all veterans.

***City-Wide Bike Trail Fund*** – This fund accounts for and reports restricted monies from grant funding from the Northeast Ohio Areawide Coordinating Agency (NOACA) and other monies for the costs related to the development of a city-wide bike trail and master path plan.

### ***Nonmajor Enterprise Fund***

Enterprise funds are used to account for the financing of activity for which a fee is charged to external users for goods or services provided by the City. The intent is that the cost of providing goods or services to the general public be financed or recovered through user charges.

***Storm Water Fund*** This fund is used to account for revenues generated from utility fees charged to all citizens and businesses for the improvement and maintenance of infrastructure related to storm water and drainage operations.

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

|                                                                               | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Fund | Nonmajor<br>Capital<br>Projects<br>Funds | Total<br>Nonmajor<br>Governmental<br>Funds |
|-------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------|------------------------------------------|--------------------------------------------|
| <b>Assets</b>                                                                 |                                         |                                     |                                          |                                            |
| Equity in Pooled Cash and Cash Equivalents                                    | \$2,076,119                             | \$168,242                           | \$2,233,856                              | \$4,478,217                                |
| Materials and Supplies Inventory                                              | 7,939                                   | 0                                   | 0                                        | 7,939                                      |
| Intergovernmental Receivable                                                  | 163,022                                 | 0                                   | 52,527                                   | 215,549                                    |
| Accrued Interest Receivable                                                   | 96                                      | 0                                   | 0                                        | 96                                         |
| Municipal Income Taxes Receivable                                             | 374,024                                 | 0                                   | 374,024                                  | 748,048                                    |
| Property Taxes Receivable                                                     | 755,610                                 | 0                                   | 798,364                                  | 1,553,974                                  |
| Payments in Lieu of Taxes Receivable                                          | 0                                       | 2,855,893                           | 0                                        | 2,855,893                                  |
| <i>Total Assets</i>                                                           | <u>\$3,376,810</u>                      | <u>\$3,024,135</u>                  | <u>\$3,458,771</u>                       | <u>\$9,859,716</u>                         |
| <b>Liabilities</b>                                                            |                                         |                                     |                                          |                                            |
| Accounts Payable                                                              | \$7,645                                 | \$0                                 | \$21,666                                 | \$29,311                                   |
| Contracts Payable                                                             | 0                                       | 0                                   | 33,019                                   | 33,019                                     |
| Accrued Wages and Benefits                                                    | 21,950                                  | 0                                   | 828                                      | 22,778                                     |
| Interfund Payable                                                             | 660,000                                 | 0                                   | 132,000                                  | 792,000                                    |
| Intergovernmental Payable                                                     | 6,213                                   | 0                                   | 284                                      | 6,497                                      |
| Retainage Payable                                                             | 0                                       | 0                                   | 16,950                                   | 16,950                                     |
| Payroll Withholding Payable                                                   | 466                                     | 0                                   | 0                                        | 466                                        |
| Deposits Held Payable                                                         | 0                                       | 0                                   | 26,850                                   | 26,850                                     |
| Accrued Interest Payable                                                      | 19,470                                  | 0                                   | 36,213                                   | 55,683                                     |
| Notes Payable                                                                 | 500,000                                 | 0                                   | 2,150,000                                | 2,650,000                                  |
| <i>Total Liabilities</i>                                                      | <u>1,215,744</u>                        | <u>0</u>                            | <u>2,417,810</u>                         | <u>3,633,554</u>                           |
| <b>Deferred Inflows of Resources</b>                                          |                                         |                                     |                                          |                                            |
| Property Taxes                                                                | 748,773                                 | 0                                   | 791,493                                  | 1,540,266                                  |
| Payments in Lieu of Taxes                                                     | 0                                       | 2,847,368                           | 0                                        | 2,847,368                                  |
| Unavailable Revenue                                                           | 289,072                                 | 8,525                               | 188,874                                  | 486,471                                    |
| <i>Total Deferred Inflows of Resources</i>                                    | <u>1,037,845</u>                        | <u>2,855,893</u>                    | <u>980,367</u>                           | <u>4,874,105</u>                           |
| <b>Fund Balances</b>                                                          |                                         |                                     |                                          |                                            |
| Nonspendable                                                                  | 7,939                                   | 0                                   | 0                                        | 7,939                                      |
| Restricted                                                                    | 1,662,972                               | 168,242                             | 963,261                                  | 2,794,475                                  |
| Committed                                                                     | 62,046                                  | 0                                   | 416,294                                  | 478,340                                    |
| Assigned                                                                      | 0                                       | 0                                   | 636,221                                  | 636,221                                    |
| Unassigned (Deficit)                                                          | (609,736)                               | 0                                   | (1,955,182)                              | (2,564,918)                                |
| <i>Total Fund Balances</i>                                                    | <u>1,123,221</u>                        | <u>168,242</u>                      | <u>60,594</u>                            | <u>1,352,057</u>                           |
| <i>Total Liabilities, Deferred Inflows of<br/>Resources and Fund Balances</i> | <u>\$3,376,810</u>                      | <u>\$3,024,135</u>                  | <u>\$3,458,771</u>                       | <u>\$9,859,716</u>                         |



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

|                                                     | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Fund | Nonmajor<br>Capital<br>Projects<br>Funds | Total<br>Nonmajor<br>Governmental<br>Funds |
|-----------------------------------------------------|-----------------------------------------|-------------------------------------|------------------------------------------|--------------------------------------------|
| <b>Revenues</b>                                     |                                         |                                     |                                          |                                            |
| Property Taxes                                      | \$737,226                               | \$0                                 | \$781,269                                | \$1,518,495                                |
| Payments in Lieu of Taxes                           | 0                                       | 2,592,018                           | 0                                        | 2,592,018                                  |
| Municipal Income Taxes                              | 1,283,551                               | 0                                   | 1,283,549                                | 2,567,100                                  |
| Charges for Services                                | 202,065                                 | 0                                   | 398,663                                  | 600,728                                    |
| Licenses and Permits                                | 271,080                                 | 0                                   | 22,380                                   | 293,460                                    |
| Fines and Forfeitures                               | 7,236                                   | 0                                   | 0                                        | 7,236                                      |
| Intergovernmental                                   | 550,861                                 | 0                                   | 307,427                                  | 858,288                                    |
| Interest                                            | 1,771                                   | 0                                   | 177                                      | 1,948                                      |
| Contributions and Donations                         | 52,325                                  | 0                                   | 60,335                                   | 112,660                                    |
| Rentals                                             | 0                                       | 0                                   | 456,963                                  | 456,963                                    |
| Miscellaneous                                       | 1,807                                   | 0                                   | 12,130                                   | 13,937                                     |
| <i>Total Revenues</i>                               | <u>3,107,922</u>                        | <u>2,592,018</u>                    | <u>3,322,893</u>                         | <u>9,022,833</u>                           |
| <b>Expenditures</b>                                 |                                         |                                     |                                          |                                            |
| Current:                                            |                                         |                                     |                                          |                                            |
| Security of Persons and Property                    | 3,553                                   | 0                                   | 0                                        | 3,553                                      |
| Transportation                                      | 305,744                                 | 0                                   | 0                                        | 305,744                                    |
| Community Environment                               | 198,483                                 | 0                                   | 0                                        | 198,483                                    |
| Leisure Time Activities                             | 1,934,902                               | 0                                   | 0                                        | 1,934,902                                  |
| Intergovernmental                                   | 481,222                                 | 0                                   | 0                                        | 481,222                                    |
| Capital Outlay                                      | 0                                       | 0                                   | 2,228,415                                | 2,228,415                                  |
| Debt Service:                                       |                                         |                                     |                                          |                                            |
| Principal Retirement                                | 94,325                                  | 1,076,448                           | 1,660,750                                | 2,831,523                                  |
| Interest and Fiscal Charges                         | 19,470                                  | 1,389,367                           | 390,016                                  | 1,798,853                                  |
| <i>Total Expenditures</i>                           | <u>3,037,699</u>                        | <u>2,465,815</u>                    | <u>4,279,181</u>                         | <u>9,782,695</u>                           |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>70,223</u>                           | <u>126,203</u>                      | <u>(956,288)</u>                         | <u>(759,862)</u>                           |
| <b>Other Financing Sources (Uses)</b>               |                                         |                                     |                                          |                                            |
| Sale of Capital Assets                              | 5,080                                   | 0                                   | 14,032                                   | 19,112                                     |
| General Obligation Notes Issued                     | 0                                       | 0                                   | 750,000                                  | 750,000                                    |
| Transfers In                                        | 410,000                                 | 569                                 | 974,972                                  | 1,385,541                                  |
| Transfers Out                                       | (224,000)                               | (283,375)                           | (438,771)                                | (946,146)                                  |
| <i>Total Other Financing Sources (Uses)</i>         | <u>191,080</u>                          | <u>(282,806)</u>                    | <u>1,300,233</u>                         | <u>1,208,507</u>                           |
| <i>Net Change in Fund Balances</i>                  | <u>261,303</u>                          | <u>(156,603)</u>                    | <u>343,945</u>                           | <u>448,645</u>                             |
| <i>Fund Balances (Deficit) Beginning of Year</i>    | <u>861,918</u>                          | <u>324,845</u>                      | <u>(283,351)</u>                         | <u>903,412</u>                             |
| <i>Fund Balances End of Year</i>                    | <u><u>\$1,123,221</u></u>               | <u><u>\$168,242</u></u>             | <u><u>\$60,594</u></u>                   | <u><u>\$1,352,057</u></u>                  |

**City of Avon, Ohio**  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2019

|                                                                               | Recycling    | ADA Parking<br>Violations | State<br>Highway | Permissive<br>Tax | Mayor's Court<br>Computer |
|-------------------------------------------------------------------------------|--------------|---------------------------|------------------|-------------------|---------------------------|
| <b>Assets</b>                                                                 |              |                           |                  |                   |                           |
| Equity in Pooled Cash and Cash Equivalents                                    | \$129        | \$16                      | \$87,183         | \$81,084          | \$71,715                  |
| Materials and Supplies Inventory                                              | 0            | 0                         | 0                | 0                 | 0                         |
| Intergovernmental Receivable                                                  | 0            | 0                         | 54,915           | 63,835            | 0                         |
| Accrued Interest Receivable                                                   | 0            | 0                         | 96               | 0                 | 0                         |
| Municipal Income Taxes Receivable                                             | 0            | 0                         | 0                | 0                 | 0                         |
| Property Taxes Receivable                                                     | 0            | 0                         | 0                | 0                 | 0                         |
| <i>Total Assets</i>                                                           | <u>\$129</u> | <u>\$16</u>               | <u>\$142,194</u> | <u>\$144,919</u>  | <u>\$71,715</u>           |
| <b>Liabilities</b>                                                            |              |                           |                  |                   |                           |
| Accounts Payable                                                              | \$0          | \$0                       | \$313            | \$0               | \$0                       |
| Accrued Wages and Benefits                                                    | 0            | 0                         | 0                | 0                 | 0                         |
| Interfund Payable                                                             | 0            | 0                         | 0                | 0                 | 0                         |
| Intergovernmental Payable                                                     | 0            | 0                         | 0                | 0                 | 0                         |
| Payroll Withholding Payable                                                   | 0            | 0                         | 0                | 0                 | 0                         |
| Accrued Interest Payable                                                      | 0            | 0                         | 0                | 0                 | 0                         |
| Notes Payable                                                                 | 0            | 0                         | 0                | 0                 | 0                         |
| <i>Total Liabilities</i>                                                      | <u>0</u>     | <u>0</u>                  | <u>313</u>       | <u>0</u>          | <u>0</u>                  |
| <b>Deferred Inflows of Resources</b>                                          |              |                           |                  |                   |                           |
| Property Taxes                                                                | 0            | 0                         | 0                | 0                 | 0                         |
| Unavailable Revenue                                                           | 0            | 0                         | 36,610           | 42,557            | 0                         |
| <i>Total Deferred Inflows of Resources</i>                                    | <u>0</u>     | <u>0</u>                  | <u>36,610</u>    | <u>42,557</u>     | <u>0</u>                  |
| <b>Fund Balances</b>                                                          |              |                           |                  |                   |                           |
| Nonspendable                                                                  | 0            | 0                         | 0                | 0                 | 0                         |
| Restricted                                                                    | 129          | 0                         | 105,271          | 102,362           | 71,715                    |
| Committed                                                                     | 0            | 16                        | 0                | 0                 | 0                         |
| Unassigned (Deficit)                                                          | 0            | 0                         | 0                | 0                 | 0                         |
| <i>Total Fund Balances (Deficit)</i>                                          | <u>129</u>   | <u>16</u>                 | <u>105,271</u>   | <u>102,362</u>    | <u>71,715</u>             |
| <i>Total Liabilities, Deferred Inflows of<br/>Resources and Fund Balances</i> | <u>\$129</u> | <u>\$16</u>               | <u>\$142,194</u> | <u>\$144,919</u>  | <u>\$71,715</u>           |

| Recreation      | Park<br>Operating  | Park<br>Development<br>and Improvement | Donations      | Economic<br>Development<br>and Tourism | Lorain<br>Public Library | Total<br>Nonmajor<br>Special Revenue<br>Funds |
|-----------------|--------------------|----------------------------------------|----------------|----------------------------------------|--------------------------|-----------------------------------------------|
| \$66,114        | \$1,122,717        | \$538,859                              | \$2,712        | \$105,590                              | \$0                      | \$2,076,119                                   |
| 0               | 7,939              | 0                                      | 0              | 0                                      | 0                        | 7,939                                         |
| 0               | 18,772             | 0                                      | 0              | 0                                      | 25,500                   | 163,022                                       |
| 0               | 0                  | 0                                      | 0              | 0                                      | 0                        | 96                                            |
| 0               | 374,024            | 0                                      | 0              | 0                                      | 0                        | 374,024                                       |
| 0               | 313,912            | 0                                      | 0              | 0                                      | 441,698                  | 755,610                                       |
| <u>\$66,114</u> | <u>\$1,837,364</u> | <u>\$538,859</u>                       | <u>\$2,712</u> | <u>\$105,590</u>                       | <u>\$467,198</u>         | <u>\$3,376,810</u>                            |
| \$0             | \$707              | \$6,625                                | \$0            | \$0                                    | \$0                      | \$7,645                                       |
| 5,449           | 16,501             | 0                                      | 0              | 0                                      | 0                        | 21,950                                        |
| 0               | 0                  | 622,500                                | 0              | 37,500                                 | 0                        | 660,000                                       |
| 1,347           | 4,866              | 0                                      | 0              | 0                                      | 0                        | 6,213                                         |
| 0               | 466                | 0                                      | 0              | 0                                      | 0                        | 466                                           |
| 0               | 0                  | 19,470                                 | 0              | 0                                      | 0                        | 19,470                                        |
| 0               | 0                  | 500,000                                | 0              | 0                                      | 0                        | 500,000                                       |
| <u>6,796</u>    | <u>22,540</u>      | <u>1,148,595</u>                       | <u>0</u>       | <u>37,500</u>                          | <u>0</u>                 | <u>1,215,744</u>                              |
| 0               | 311,023            | 0                                      | 0              | 0                                      | 437,750                  | 748,773                                       |
| 0               | 180,457            | 0                                      | 0              | 0                                      | 29,448                   | 289,072                                       |
| <u>0</u>        | <u>491,480</u>     | <u>0</u>                               | <u>0</u>       | <u>0</u>                               | <u>467,198</u>           | <u>1,037,845</u>                              |
| 0               | 7,939              | 0                                      | 0              | 0                                      | 0                        | 7,939                                         |
| 0               | 1,315,405          | 0                                      | 0              | 68,090                                 | 0                        | 1,662,972                                     |
| 59,318          | 0                  | 0                                      | 2,712          | 0                                      | 0                        | 62,046                                        |
| 0               | 0                  | (609,736)                              | 0              | 0                                      | 0                        | (609,736)                                     |
| <u>59,318</u>   | <u>1,323,344</u>   | <u>(609,736)</u>                       | <u>2,712</u>   | <u>68,090</u>                          | <u>0</u>                 | <u>1,123,221</u>                              |
| <u>\$66,114</u> | <u>\$1,837,364</u> | <u>\$538,859</u>                       | <u>\$2,712</u> | <u>\$105,590</u>                       | <u>\$467,198</u>         | <u>\$3,376,810</u>                            |

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

|                                                     | Recycling       | ADA Parking<br>Violations | State<br>Highway | Permissive<br>Tax | Mayor's<br>Court<br>Computer |
|-----------------------------------------------------|-----------------|---------------------------|------------------|-------------------|------------------------------|
| <b>Revenues</b>                                     |                 |                           |                  |                   |                              |
| Property Taxes                                      | \$0             | \$0                       | \$0              | \$0               | \$0                          |
| Municipal Income Taxes                              | 0               | 0                         | 0                | 0                 | 0                            |
| Charges for Services                                | 0               | 0                         | 0                | 0                 | 0                            |
| Licenses and Permits                                | 0               | 0                         | 0                | 0                 | 0                            |
| Fines and Forfeitures                               | 0               | 0                         | 0                | 0                 | 7,236                        |
| Intergovernmental                                   | 0               | 0                         | 94,317           | 120,531           | 0                            |
| Interest                                            | 0               | 0                         | 1,771            | 0                 | 0                            |
| Contributions and Donations                         | 0               | 0                         | 0                | 0                 | 0                            |
| Miscellaneous                                       | 314             | 0                         | 0                | 0                 | 0                            |
| <i>Total Revenues</i>                               | <u>314</u>      | <u>0</u>                  | <u>96,088</u>    | <u>120,531</u>    | <u>7,236</u>                 |
| <b>Expenditures</b>                                 |                 |                           |                  |                   |                              |
| Current:                                            |                 |                           |                  |                   |                              |
| Security of Persons and Property                    | 0               | 0                         | 0                | 0                 | 0                            |
| Transportation                                      | 0               | 0                         | 115,463          | 190,281           | 0                            |
| Community Environment                               | 36,966          | 0                         | 0                | 0                 | 24,591                       |
| Leisure Time Activities                             | 0               | 0                         | 0                | 0                 | 0                            |
| Intergovernmental                                   | 0               | 0                         | 0                | 0                 | 0                            |
| Debt Service:                                       |                 |                           |                  |                   |                              |
| Principal Retirement                                | 0               | 0                         | 0                | 0                 | 0                            |
| Interest and Fiscal Charges                         | 0               | 0                         | 0                | 0                 | 0                            |
| <i>Total Expenditures</i>                           | <u>36,966</u>   | <u>0</u>                  | <u>115,463</u>   | <u>190,281</u>    | <u>24,591</u>                |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(36,652)</u> | <u>0</u>                  | <u>(19,375)</u>  | <u>(69,750)</u>   | <u>(17,355)</u>              |
| <b>Other Financing Sources (Uses)</b>               |                 |                           |                  |                   |                              |
| Sale of Capital Assets                              | 0               | 0                         | 0                | 0                 | 0                            |
| Transfers In                                        | 0               | 0                         | 0                | 50,000            | 0                            |
| Transfers Out                                       | 0               | 0                         | 0                | 0                 | 0                            |
| <i>Total Other Financing Sources (Uses)</i>         | <u>0</u>        | <u>0</u>                  | <u>0</u>         | <u>50,000</u>     | <u>0</u>                     |
| <i>Net Change in Fund Balances</i>                  | <u>(36,652)</u> | <u>0</u>                  | <u>(19,375)</u>  | <u>(19,750)</u>   | <u>(17,355)</u>              |
| <i>Fund Balances (Deficit) Beginning of Year</i>    | <u>36,781</u>   | <u>16</u>                 | <u>124,646</u>   | <u>122,112</u>    | <u>89,070</u>                |
| <i>Fund Balances (Deficit) End of Year</i>          | <u>\$129</u>    | <u>\$16</u>               | <u>\$105,271</u> | <u>\$102,362</u>  | <u>\$71,715</u>              |

| Recreation | Park<br>Operating | Park<br>Development<br>and Improvement | Donations | Economic<br>Development<br>and Tourism | Lorain<br>Public Library | Total<br>Nonmajor<br>Special Revenue<br>Funds |
|------------|-------------------|----------------------------------------|-----------|----------------------------------------|--------------------------|-----------------------------------------------|
| \$0        | \$307,005         | \$0                                    | \$0       | \$0                                    | \$430,221                | \$737,226                                     |
| 0          | 1,283,551         | 0                                      | 0         | 0                                      | 0                        | 1,283,551                                     |
| 202,065    | 0                 | 0                                      | 0         | 0                                      | 0                        | 202,065                                       |
| 0          | 22,642            | 248,438                                | 0         | 0                                      | 0                        | 271,080                                       |
| 0          | 0                 | 0                                      | 0         | 0                                      | 0                        | 7,236                                         |
| 0          | 67,568            | 0                                      | 0         | 217,444                                | 51,001                   | 550,861                                       |
| 0          | 0                 | 0                                      | 0         | 0                                      | 0                        | 1,771                                         |
| 0          | 52,325            | 0                                      | 0         | 0                                      | 0                        | 52,325                                        |
| 1,493      | 0                 | 0                                      | 0         | 0                                      | 0                        | 1,807                                         |
| 203,558    | 1,733,091         | 248,438                                | 0         | 217,444                                | 481,222                  | 3,107,922                                     |
| 0          | 0                 | 0                                      | 3,553     | 0                                      | 0                        | 3,553                                         |
| 0          | 0                 | 0                                      | 0         | 0                                      | 0                        | 305,744                                       |
| 0          | 0                 | 0                                      | 0         | 136,926                                | 0                        | 198,483                                       |
| 345,429    | 1,380,829         | 208,644                                | 0         | 0                                      | 0                        | 1,934,902                                     |
| 0          | 0                 | 0                                      | 0         | 0                                      | 481,222                  | 481,222                                       |
| 0          | 0                 | 94,325                                 | 0         | 0                                      | 0                        | 94,325                                        |
| 0          | 0                 | 19,470                                 | 0         | 0                                      | 0                        | 19,470                                        |
| 345,429    | 1,380,829         | 322,439                                | 3,553     | 136,926                                | 481,222                  | 3,037,699                                     |
| (141,871)  | 352,262           | (74,001)                               | (3,553)   | 80,518                                 | 0                        | 70,223                                        |
| 0          | 5,080             | 0                                      | 0         | 0                                      | 0                        | 5,080                                         |
| 150,000    | 0                 | 210,000                                | 0         | 0                                      | 0                        | 410,000                                       |
| 0          | (224,000)         | 0                                      | 0         | 0                                      | 0                        | (224,000)                                     |
| 150,000    | (218,920)         | 210,000                                | 0         | 0                                      | 0                        | 191,080                                       |
| 8,129      | 133,342           | 135,999                                | (3,553)   | 80,518                                 | 0                        | 261,303                                       |
| 51,189     | 1,190,002         | (745,735)                              | 6,265     | (12,428)                               | 0                        | 861,918                                       |
| \$59,318   | \$1,323,344       | (\$609,736)                            | \$2,712   | \$68,090                               | \$0                      | \$1,123,221                                   |

**City of Avon, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2019*

|                                                                               | Equipment          | Storm Water<br>Detention | Land<br>Purchases | Sidewalk<br>Programs | Storm<br>Sewers  |
|-------------------------------------------------------------------------------|--------------------|--------------------------|-------------------|----------------------|------------------|
| <b>Assets</b>                                                                 |                    |                          |                   |                      |                  |
| Equity in Pooled Cash and Cash Equivalents                                    | \$887,438          | \$533,489                | \$53,761          | \$37,163             | \$135,882        |
| Intergovernmental Receivable                                                  | 23,207             | 0                        | 0                 | 0                    | 0                |
| Municipal Income Taxes Receivable                                             | 0                  | 0                        | 0                 | 0                    | 0                |
| Property Taxes Receivable                                                     | 798,364            | 0                        | 0                 | 0                    | 0                |
| <i>Total Assets</i>                                                           | <u>\$1,709,009</u> | <u>\$533,489</u>         | <u>\$53,761</u>   | <u>\$37,163</u>      | <u>\$135,882</u> |
| <b>Liabilities</b>                                                            |                    |                          |                   |                      |                  |
| Accounts Payable                                                              | \$2,028            | \$0                      | \$0               | \$0                  | \$12,590         |
| Contracts Payable                                                             | 23,419             | 0                        | 0                 | 0                    | 9,600            |
| Accrued Wages and Benefits                                                    | 0                  | 0                        | 0                 | 0                    | 0                |
| Interfund Payable                                                             | 0                  | 0                        | 0                 | 0                    | 132,000          |
| Intergovernmental Payable                                                     | 0                  | 0                        | 0                 | 0                    | 0                |
| Retainage Payable                                                             | 0                  | 0                        | 0                 | 0                    | 0                |
| Deposits Held Payable                                                         | 0                  | 0                        | 0                 | 0                    | 0                |
| Accrued Interest Payable                                                      | 0                  | 0                        | 11,433            | 0                    | 0                |
| Notes Payable                                                                 | 0                  | 0                        | 250,000           | 0                    | 0                |
| <i>Total Liabilities</i>                                                      | <u>25,447</u>      | <u>0</u>                 | <u>261,433</u>    | <u>0</u>             | <u>154,190</u>   |
| <b>Deferred Inflows of Resources</b>                                          |                    |                          |                   |                      |                  |
| Property Taxes                                                                | 791,493            | 0                        | 0                 | 0                    | 0                |
| Unavailable Revenue                                                           | 30,078             | 0                        | 0                 | 0                    | 0                |
| <i>Total Deferred Inflows of Resources</i>                                    | <u>821,571</u>     | <u>0</u>                 | <u>0</u>          | <u>0</u>             | <u>0</u>         |
| <b>Fund Balances</b>                                                          |                    |                          |                   |                      |                  |
| Restricted                                                                    | 861,991            | 0                        | 0                 | 0                    | 0                |
| Committed                                                                     | 0                  | 0                        | 0                 | 0                    | 0                |
| Assigned                                                                      | 0                  | 533,489                  | 0                 | 37,163               | 0                |
| Unassigned (Deficit)                                                          | 0                  | 0                        | (207,672)         | 0                    | (18,308)         |
| <i>Total Fund Balances (Deficit)</i>                                          | <u>861,991</u>     | <u>533,489</u>           | <u>(207,672)</u>  | <u>37,163</u>        | <u>(18,308)</u>  |
| <i>Total Liabilities, Deferred Inflows of<br/>Resources and Fund Balances</i> | <u>\$1,709,009</u> | <u>\$533,489</u>         | <u>\$53,761</u>   | <u>\$37,163</u>      | <u>\$135,882</u> |

| Municipal<br>Buildings | Recreation<br>Complex | Stadium<br>Marquee | Capital<br>Improvements | Every Child's<br>Playground | Avon Veterans<br>Memorial<br>Construction | City-Wide<br>Bike Trails | Total<br>Nonmajor<br>Capital Projects<br>Funds |
|------------------------|-----------------------|--------------------|-------------------------|-----------------------------|-------------------------------------------|--------------------------|------------------------------------------------|
| \$223,688              | \$151,195             | \$49,871           | \$65,569                | \$21,675                    | \$38,095                                  | \$36,030                 | \$2,233,856                                    |
| 0                      | 0                     | 0                  | 0                       | 0                           | 0                                         | 29,320                   | 52,527                                         |
| 0                      | 374,024               | 0                  | 0                       | 0                           | 0                                         | 0                        | 374,024                                        |
| 0                      | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 798,364                                        |
| <u>\$223,688</u>       | <u>\$525,219</u>      | <u>\$49,871</u>    | <u>\$65,569</u>         | <u>\$21,675</u>             | <u>\$38,095</u>                           | <u>\$65,350</u>          | <u>\$3,458,771</u>                             |
| \$148                  | \$0                   | \$0                | \$0                     | \$0                         | \$0                                       | \$6,900                  | \$21,666                                       |
| 0                      | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 33,019                                         |
| 828                    | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 828                                            |
| 0                      | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 132,000                                        |
| 284                    | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 284                                            |
| 0                      | 0                     | 0                  | 0                       | 0                           | 16,950                                    | 0                        | 16,950                                         |
| 26,850                 | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 26,850                                         |
| 24,780                 | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 36,213                                         |
| 1,900,000              | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 2,150,000                                      |
| <u>1,952,890</u>       | <u>0</u>              | <u>0</u>           | <u>0</u>                | <u>0</u>                    | <u>16,950</u>                             | <u>6,900</u>             | <u>2,417,810</u>                               |
| 0                      | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 791,493                                        |
| 0                      | 158,796               | 0                  | 0                       | 0                           | 0                                         | 0                        | 188,874                                        |
| <u>0</u>               | <u>158,796</u>        | <u>0</u>           | <u>0</u>                | <u>0</u>                    | <u>0</u>                                  | <u>0</u>                 | <u>980,367</u>                                 |
| 0                      | 0                     | 0                  | 0                       | 21,675                      | 21,145                                    | 58,450                   | 963,261                                        |
| 0                      | 366,423               | 49,871             | 0                       | 0                           | 0                                         | 0                        | 416,294                                        |
| 0                      | 0                     | 0                  | 65,569                  | 0                           | 0                                         | 0                        | 636,221                                        |
| (1,729,202)            | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | (1,955,182)                                    |
| <u>(1,729,202)</u>     | <u>366,423</u>        | <u>49,871</u>      | <u>65,569</u>           | <u>21,675</u>               | <u>21,145</u>                             | <u>58,450</u>            | <u>60,594</u>                                  |
| <u>\$223,688</u>       | <u>\$525,219</u>      | <u>\$49,871</u>    | <u>\$65,569</u>         | <u>\$21,675</u>             | <u>\$38,095</u>                           | <u>\$65,350</u>          | <u>\$3,458,771</u>                             |

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

|                                                     | Equipment               | Storm Water<br>Detention | Land<br>Purchases         | French<br>Creek<br>Restoration | Sidewalk<br>Programs   | Storm<br>Sewers          |
|-----------------------------------------------------|-------------------------|--------------------------|---------------------------|--------------------------------|------------------------|--------------------------|
| <b>Revenues</b>                                     |                         |                          |                           |                                |                        |                          |
| Property Taxes                                      | \$781,269               | \$0                      | \$0                       | \$0                            | \$0                    | \$0                      |
| Municipal Income Taxes                              | 0                       | 0                        | 0                         | 0                              | 0                      | 0                        |
| Charges for Services                                | 0                       | 49,696                   | 0                         | 0                              | 0                      | 0                        |
| Licenses and Permits                                | 0                       | 0                        | 0                         | 0                              | 0                      | 0                        |
| Intergovernmental                                   | 62,068                  | 0                        | 0                         | 0                              | 4,359                  | 0                        |
| Interest                                            | 0                       | 0                        | 0                         | 0                              | 0                      | 0                        |
| Contributions and Donations                         | 0                       | 0                        | 0                         | 0                              | 0                      | 0                        |
| Rentals                                             | 0                       | 0                        | 0                         | 0                              | 0                      | 0                        |
| Miscellaneous                                       | 3,873                   | 0                        | 0                         | 0                              | 0                      | 0                        |
| <i>Total Revenues</i>                               | <u>847,210</u>          | <u>49,696</u>            | <u>0</u>                  | <u>0</u>                       | <u>4,359</u>           | <u>0</u>                 |
| <b>Expenditures</b>                                 |                         |                          |                           |                                |                        |                          |
| Capital Outlay                                      | 1,059,621               | 769                      | 0                         | 0                              | 82,864                 | 98,745                   |
| Debt Service:                                       |                         |                          |                           |                                |                        |                          |
| Principal Retirement                                | 0                       | 0                        | 725,000                   | 0                              | 0                      | 0                        |
| Interest and Fiscal Charges                         | 0                       | 0                        | 4,100                     | 0                              | 0                      | 0                        |
| <i>Total Expenditures</i>                           | <u>1,059,621</u>        | <u>769</u>               | <u>729,100</u>            | <u>0</u>                       | <u>82,864</u>          | <u>98,745</u>            |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(212,411)</u>        | <u>48,927</u>            | <u>(729,100)</u>          | <u>0</u>                       | <u>(78,505)</u>        | <u>(98,745)</u>          |
| <b>Other Financing Sources (Uses)</b>               |                         |                          |                           |                                |                        |                          |
| Sale of Capital Assets                              | 14,032                  | 0                        | 0                         | 0                              | 0                      | 0                        |
| General Obligation Notes Issued                     | 0                       | 0                        | 750,000                   | 0                              | 0                      | 0                        |
| Transfers In                                        | 0                       | 0                        | 50,000                    | 0                              | 75,000                 | 0                        |
| Transfers Out                                       | 0                       | 0                        | 0                         | (4,120)                        | 0                      | 0                        |
| <i>Total Other Financing Sources (Uses)</i>         | <u>14,032</u>           | <u>0</u>                 | <u>800,000</u>            | <u>(4,120)</u>                 | <u>75,000</u>          | <u>0</u>                 |
| <i>Net Change in Fund Balances</i>                  | <u>(198,379)</u>        | <u>48,927</u>            | <u>70,900</u>             | <u>(4,120)</u>                 | <u>(3,505)</u>         | <u>(98,745)</u>          |
| <i>Fund Balances (Deficit) Beginning of Year</i>    | <u>1,060,370</u>        | <u>484,562</u>           | <u>(278,572)</u>          | <u>4,120</u>                   | <u>40,668</u>          | <u>80,437</u>            |
| <i>Fund Balances (Deficit) End of Year</i>          | <u><u>\$861,991</u></u> | <u><u>\$533,489</u></u>  | <u><u>(\$207,672)</u></u> | <u><u>\$0</u></u>              | <u><u>\$37,163</u></u> | <u><u>(\$18,308)</u></u> |



| Municipal<br>Buildings | Recreation<br>Complex | Stadium<br>Marquee | Capital<br>Improvements | Every Child's<br>Playground | Avon Veterans<br>Memorial<br>Construction | City-Wide<br>Bike Trails | Total<br>Nonmajor<br>Capital Projects<br>Funds |
|------------------------|-----------------------|--------------------|-------------------------|-----------------------------|-------------------------------------------|--------------------------|------------------------------------------------|
| \$0                    | \$0                   | \$0                | \$0                     | \$0                         | \$0                                       | \$0                      | \$781,269                                      |
| 0                      | 1,283,549             | 0                  | 0                       | 0                           | 0                                         | 0                        | 1,283,549                                      |
| 284,024                | 0                     | 64,943             | 0                       | 0                           | 0                                         | 0                        | 398,663                                        |
| 22,380                 | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 22,380                                         |
| 0                      | 0                     | 0                  | 0                       | 0                           | 196,000                                   | 45,000                   | 307,427                                        |
| 177                    | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 177                                            |
| 56,835                 | 0                     | 0                  | 0                       | 3,500                       | 0                                         | 0                        | 60,335                                         |
| 456,963                | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 456,963                                        |
| 3,257                  | 0                     | 0                  | 0                       | 0                           | 0                                         | 5,000                    | 12,130                                         |
| 823,636                | 1,283,549             | 64,943             | 0                       | 3,500                       | 196,000                                   | 50,000                   | 3,322,893                                      |
| 553,322                | 89,173                | 17,740             | 0                       | 943                         | 259,688                                   | 65,550                   | 2,228,415                                      |
| 349,000                | 586,750               | 0                  | 0                       | 0                           | 0                                         | 0                        | 1,660,750                                      |
| 24,780                 | 361,136               | 0                  | 0                       | 0                           | 0                                         | 0                        | 390,016                                        |
| 927,102                | 1,037,059             | 17,740             | 0                       | 943                         | 259,688                                   | 65,550                   | 4,279,181                                      |
| (103,466)              | 246,490               | 47,203             | 0                       | 2,557                       | (63,688)                                  | (15,550)                 | (956,288)                                      |
| 0                      | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 14,032                                         |
| 0                      | 0                     | 0                  | 0                       | 0                           | 0                                         | 0                        | 750,000                                        |
| 616,000                | 2,949                 | 0                  | 82,022                  | 0                           | 75,001                                    | 74,000                   | 974,972                                        |
| 0                      | (183,250)             | 0                  | (75,001)                | 0                           | (176,400)                                 | 0                        | (438,771)                                      |
| 616,000                | (180,301)             | 0                  | 7,021                   | 0                           | (101,399)                                 | 74,000                   | 1,300,233                                      |
| 512,534                | 66,189                | 47,203             | 7,021                   | 2,557                       | (165,087)                                 | 58,450                   | 343,945                                        |
| (2,241,736)            | 300,234               | 2,668              | 58,548                  | 19,118                      | 186,232                                   | 0                        | (283,351)                                      |
| (\$1,729,202)          | \$366,423             | \$49,871           | \$65,569                | \$21,675                    | \$21,145                                  | \$58,450                 | \$60,594                                       |

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**Individual Fund Schedules of Revenues,  
Expenditures/Expenses and Changes in Fund  
Balances/Equity – Budget (Non-GAAP Basis) and Actual**

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

|                              | Budgeted Amounts   |                   |                   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|------------------------------|--------------------|-------------------|-------------------|---------------------------------------------------------|
|                              | Original<br>Budget | Final<br>Budget   | Actual            |                                                         |
| <b>Revenues</b>              |                    |                   |                   |                                                         |
| Property Taxes               | \$1,772,400        | \$1,955,555       | \$1,955,555       | \$0                                                     |
| Municipal Income Taxes       | 9,581,146          | 10,571,238        | 10,571,238        | 0                                                       |
| Charges for Services         | 392,163            | 432,688           | 437,136           | 4,448                                                   |
| Licenses and Permits         | 975,016            | 1,075,772         | 2,451,343         | 1,375,571                                               |
| Fines and Forfeitures        | 184,984            | 204,100           | 205,150           | 1,050                                                   |
| Intergovernmental            | 955,399            | 1,054,128         | 1,084,414         | 30,286                                                  |
| Interest                     | 457,022            | 504,250           | 551,485           | 47,235                                                  |
| Contributions and Donations  | 2,132              | 2,215             | 2,215             | 0                                                       |
| Rentals                      | 34,479             | 37,085            | 37,875            | 790                                                     |
| Miscellaneous                | 414,101            | 451,769           | 505,125           | 53,356                                                  |
| <b>Total Revenues</b>        | <b>14,768,842</b>  | <b>16,288,800</b> | <b>17,801,536</b> | <b>1,512,736</b>                                        |
| <b>Expenditures</b>          |                    |                   |                   |                                                         |
| Current:                     |                    |                   |                   |                                                         |
| General Government:          |                    |                   |                   |                                                         |
| Council:                     |                    |                   |                   |                                                         |
| Personal Services            | 215,590            | 215,590           | 206,814           | 8,776                                                   |
| Materials and Supplies       | 13,502             | 13,502            | 5,018             | 8,484                                                   |
| Contractual Services         | 36,168             | 36,168            | 27,548            | 8,620                                                   |
| <b>Total Council</b>         | <b>265,260</b>     | <b>265,260</b>    | <b>239,380</b>    | <b>25,880</b>                                           |
| Mayor:                       |                    |                   |                   |                                                         |
| Personal Services            | 300,273            | 300,273           | 290,469           | 9,804                                                   |
| Materials and Supplies       | 12,733             | 12,576            | 5,838             | 6,738                                                   |
| Contractual Services         | 194,573            | 192,298           | 96,055            | 96,243                                                  |
| <b>Total Mayor</b>           | <b>507,579</b>     | <b>505,147</b>    | <b>392,362</b>    | <b>112,785</b>                                          |
| Finance:                     |                    |                   |                   |                                                         |
| Personal Services            | 623,007            | 637,907           | 563,306           | 74,601                                                  |
| Materials and Supplies       | 58,268             | 58,012            | 47,096            | 10,916                                                  |
| Contractual Services         | 262,201            | 315,776           | 287,096           | 28,680                                                  |
| Capital Outlay               | 29,740             | 29,740            | 25,931            | 3,809                                                   |
| <b>Total Finance</b>         | <b>973,216</b>     | <b>1,041,435</b>  | <b>923,429</b>    | <b>118,006</b>                                          |
| Human Resources:             |                    |                   |                   |                                                         |
| Personal Services            | 106,778            | 106,778           | 96,711            | 10,067                                                  |
| Materials and Supplies       | 2,325              | 2,325             | 1,241             | 1,084                                                   |
| Contractual Services         | 56,102             | 55,627            | 45,146            | 10,481                                                  |
| <b>Total Human Resources</b> | <b>\$165,205</b>   | <b>\$164,730</b>  | <b>\$143,098</b>  | <b>\$21,632</b>                                         |

(continued)

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

|                        | Budgeted Amounts   |                 |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|------------------------|--------------------|-----------------|-----------|---------------------------------------------------------|
|                        | Original<br>Budget | Final<br>Budget | Actual    |                                                         |
| Law Director:          |                    |                 |           |                                                         |
| Personal Services      | \$181,929          | \$181,929       | \$180,607 | \$1,322                                                 |
| Materials and Supplies | 4,000              | 4,000           | 2,039     | 1,961                                                   |
| Contractual Services   | 381,418            | 631,285         | 539,653   | 91,632                                                  |
| Total Law Director     | 567,347            | 817,214         | 722,299   | 94,915                                                  |
| Treasurer:             |                    |                 |           |                                                         |
| Personal Services      | 21,531             | 21,531          | 19,874    | 1,657                                                   |
| Materials and Supplies | 1,100              | 1,100           | 671       | 429                                                     |
| Contractual Services   | 300                | 300             | 100       | 200                                                     |
| Total Treasurer        | 22,931             | 22,931          | 20,645    | 2,286                                                   |
| City Hall:             |                    |                 |           |                                                         |
| Personal Services      | 26,600             | 14,200          | 12,482    | 1,718                                                   |
| Materials and Supplies | 124,602            | 114,555         | 63,641    | 50,914                                                  |
| Contractual Services   | 345,473            | 372,435         | 342,924   | 29,511                                                  |
| Capital Outlay         | 566,887            | 630,139         | 623,768   | 6,371                                                   |
| Other                  | 5,000              | 6,000           | 2,952     | 3,048                                                   |
| Total City Hall        | 1,068,562          | 1,137,329       | 1,045,767 | 91,562                                                  |
| Civil Service:         |                    |                 |           |                                                         |
| Personal Services      | 4,703              | 4,703           | 4,203     | 500                                                     |
| Contractual Services   | 7,500              | 7,500           | 1,150     | 6,350                                                   |
| Other                  | 500                | 500             | 0         | 500                                                     |
| Total Civil Service    | 12,703             | 12,703          | 5,353     | 7,350                                                   |
| Records:               |                    |                 |           |                                                         |
| Material and Supplies  | 1,000              | 1,000           | 0         | 1,000                                                   |
| Contractual Services   | 1,000              | 1,000           | 0         | 1,000                                                   |
| Total Records          | 2,000              | 2,000           | 0         | 2,000                                                   |
| Legal:                 |                    |                 |           |                                                         |
| Personal Services      | 3,377              | 5,727           | 5,383     | 344                                                     |
| Materials and Supplies | 500                | 500             | 0         | 500                                                     |
| Contractual Services   | 500                | 500             | 0         | 500                                                     |
| Total Legal            | \$4,377            | \$6,727         | \$5,383   | \$1,344                                                 |

(continued)

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

|                           | Budgeted Amounts   |                 |             | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------|--------------------|-----------------|-------------|---------------------------------------------------------|
|                           | Original<br>Budget | Final<br>Budget | Actual      |                                                         |
| Statutory Accounts:       |                    |                 |             |                                                         |
| Personal Services         | \$150,450          | \$150,450       | \$77,863    | \$72,587                                                |
| Contractual Services      | 240,979            | 325,979         | 297,582     | 28,397                                                  |
| Total Statutory Accounts  | 391,429            | 476,429         | 375,445     | 100,984                                                 |
| Engineer:                 |                    |                 |             |                                                         |
| Personal Services         | 63,902             | 63,902          | 61,289      | 2,613                                                   |
| Materials and Supplies    | 1,500              | 1,500           | 58          | 1,442                                                   |
| Contractual Services      | 871,351            | 1,073,983       | 1,003,837   | 70,146                                                  |
| Total Engineer            | 936,753            | 1,139,385       | 1,065,184   | 74,201                                                  |
| Income Tax Department:    |                    |                 |             |                                                         |
| Contractual Services      | 329,800            | 329,800         | 324,253     | 5,547                                                   |
| Total General Government  | 5,247,162          | 5,921,090       | 5,262,598   | 658,492                                                 |
| Community Environment:    |                    |                 |             |                                                         |
| Avon Seniors:             |                    |                 |             |                                                         |
| Personal Services         | 268,334            | 275,534         | 272,691     | 2,843                                                   |
| Materials and Supplies    | 26,358             | 26,349          | 15,952      | 10,397                                                  |
| Contractual Services      | 71,102             | 70,997          | 64,302      | 6,695                                                   |
| Capital Outlay            | 50,086             | 50,000          | 42,618      | 7,382                                                   |
| Other                     | 100                | 100             | 0           | 100                                                     |
| Total Avon Seniors        | 415,980            | 422,980         | 395,563     | 27,417                                                  |
| Planning Commission:      |                    |                 |             |                                                         |
| Personal Services         | 238,926            | 238,925         | 229,295     | 9,630                                                   |
| Materials and Supplies    | 6,000              | 7,500           | 3,212       | 4,288                                                   |
| Contractual Services      | 93,001             | 91,001          | 21,660      | 69,341                                                  |
| Other                     | 1,000              | 1,000           | 990         | 10                                                      |
| Total Planning Commission | 338,927            | 338,426         | 255,157     | 83,269                                                  |
| Building Inspector:       |                    |                 |             |                                                         |
| Personal Services         | 1,091,646          | 1,091,646       | 1,028,046   | 63,600                                                  |
| Materials and Supplies    | 40,732             | 40,218          | 23,531      | 16,687                                                  |
| Contractual Services      | 256,657            | 249,423         | 113,677     | 135,746                                                 |
| Capital Outlay            | 36,152             | 36,152          | 28,377      | 7,775                                                   |
| Other                     | 1,178,280          | 1,177,778       | 2,432,076   | (1,254,298)                                             |
| Total Building Inspector  | \$2,603,467        | \$2,595,217     | \$3,625,707 | (\$1,030,490)                                           |

(continued)

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

|                                       | Budgeted Amounts   |                 |              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|--------------------|-----------------|--------------|---------------------------------------------------------|
|                                       | Original<br>Budget | Final<br>Budget | Actual       |                                                         |
| Traffic/Signalization:                |                    |                 |              |                                                         |
| Personal Services                     | \$105,236          | \$108,236       | \$107,221    | \$1,015                                                 |
| Materials and Supplies                | 153,973            | 153,645         | 38,829       | 114,816                                                 |
| Contractual Services                  | 156,585            | 156,586         | 109,710      | 46,876                                                  |
| Total Traffic/Signalization           | 415,794            | 418,467         | 255,760      | 162,707                                                 |
| Safety Director/Zoning Officer:       |                    |                 |              |                                                         |
| Personal Services                     | 89,856             | 95,251          | 93,766       | 1,485                                                   |
| Materials and Supplies                | 250                | 250             | 50           | 200                                                     |
| Contractual Services                  | 1,600              | 1,600           | 938          | 662                                                     |
| Total Safety Director/Zoning Officer  | 91,706             | 97,101          | 94,754       | 2,347                                                   |
| Total Community Environment           | 3,865,874          | 3,872,191       | 4,626,941    | (754,750)                                               |
| Leisure Time Activities:              |                    |                 |              |                                                         |
| Community Center:                     |                    |                 |              |                                                         |
| Personal Services                     | 19,517             | 19,517          | 10,677       | 8,840                                                   |
| Materials and Supplies                | 1,515              | 1,515           | 0            | 1,515                                                   |
| Contractual Services                  | 25,681             | 28,719          | 11,511       | 17,208                                                  |
| Capital Outlay                        | 78,038             | 5,000           | 0            | 5,000                                                   |
| Other                                 | 500                | 500             | 3,710        | (3,210)                                                 |
| Total Leisure Time Activities         | 125,251            | 55,251          | 25,898       | 29,353                                                  |
| Debt Service:                         |                    |                 |              |                                                         |
| Principal Retirement                  | 23,990             | 23,990          | 23,990       | 0                                                       |
| Interest and Fiscal Charges           | 1,588              | 1,588           | 1,588        | 0                                                       |
| Total Debt Service                    | 25,578             | 25,578          | 25,578       | 0                                                       |
| Total Expenditures                    | 9,263,865          | 9,874,110       | 9,941,015    | (66,905)                                                |
| Excess of Revenues Over Expenditures  | 5,504,977          | 6,414,690       | 7,860,521    | 1,445,831                                               |
| <b>Other Financing Sources (Uses)</b> |                    |                 |              |                                                         |
| Sale of Capital Assets                | 3,500              | 3,500           | 3,430        | (70)                                                    |
| Advances In                           | 0                  | 50,000          | 50,000       | 0                                                       |
| Transfers In                          | 701,400            | 601,400         | 601,400      | 0                                                       |
| Transfers Out                         | (7,302,000)        | (8,528,000)     | (7,876,000)  | 652,000                                                 |
| Total Other Financing Sources (Uses)  | (6,597,100)        | (7,873,100)     | (7,221,170)  | 651,930                                                 |
| Net Change in Fund Balance            | (1,092,123)        | (1,458,410)     | 639,351      | 2,097,761                                               |
| Fund Balance Beginning of Year        | 8,416,760          | 8,416,760       | 8,416,760    | 0                                                       |
| Prior Year Encumbrances Appropriated  | 1,484,080          | 1,484,080       | 1,484,080    | 0                                                       |
| Fund Balance End of Year              | \$8,808,717        | \$8,442,430     | \$10,540,191 | \$2,097,761                                             |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Department Fund*  
*For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts   |                    |                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|--------------------|--------------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget    | Actual             |                                                         |
| <b>Revenues</b>                              |                    |                    |                    |                                                         |
| Municipal Income Taxes                       | \$3,426,819        | \$3,366,514        | \$3,366,514        | \$0                                                     |
| Charges for Services                         | 746,887            | 733,743            | 733,743            | 0                                                       |
| Licenses and Permits                         | 662                | 650                | 650                | 0                                                       |
| Intergovernmental                            | 19,042             | 18,707             | 18,707             | 0                                                       |
| Miscellaneous                                | 8,861              | 8,706              | 9,094              | 388                                                     |
| <i>Total Revenues</i>                        | <u>4,202,271</u>   | <u>4,128,320</u>   | <u>4,128,708</u>   | <u>388</u>                                              |
| <b>Expenditures</b>                          |                    |                    |                    |                                                         |
| Current:                                     |                    |                    |                    |                                                         |
| Security of Persons and Property:            |                    |                    |                    |                                                         |
| Fire Department:                             |                    |                    |                    |                                                         |
| Personal Services                            | 5,061,828          | 5,061,326          | 4,928,855          | 132,471                                                 |
| Materials and Supplies                       | 252,850            | 276,329            | 264,460            | 11,869                                                  |
| Contractual Services                         | 371,803            | 348,826            | 327,693            | 21,133                                                  |
| Other                                        | 4,000              | 14,000             | 10,676             | 3,324                                                   |
| <i>Total Expenditures</i>                    | <u>5,690,481</u>   | <u>5,700,481</u>   | <u>5,531,684</u>   | <u>168,797</u>                                          |
| <i>Excess of Revenues Under Expenditures</i> | <u>(1,488,210)</u> | <u>(1,572,161)</u> | <u>(1,402,976)</u> | <u>169,185</u>                                          |
| <b>Other Financing Sources</b>               |                    |                    |                    |                                                         |
| Transfers In                                 | 1,500,000          | 1,500,000          | 1,500,000          | 0                                                       |
| <i>Net Change in Fund Balance</i>            | <u>11,790</u>      | <u>(72,161)</u>    | <u>97,024</u>      | <u>169,185</u>                                          |
| <i>Fund Balance Beginning of Year</i>        | <u>363,098</u>     | <u>363,098</u>     | <u>363,098</u>     | <u>0</u>                                                |
| Prior Year Encumbrances Appropriated         | 21,698             | 21,698             | 21,698             | 0                                                       |
| <i>Fund Balance End of Year</i>              | <u>\$396,586</u>   | <u>\$312,635</u>   | <u>\$481,820</u>   | <u>\$169,185</u>                                        |



**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Construction, Maintenance and Repair Fund  
For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts   |                    |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|--------------------|------------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget    | Actual           |                                                         |
| <b>Revenues</b>                              |                    |                    |                  |                                                         |
| Property Taxes                               | \$1,445,359        | \$1,296,245        | \$1,296,245      | \$0                                                     |
| Licenses and Permits                         | 5,739              | 5,147              | 5,147            | 0                                                       |
| Intergovernmental                            | 1,383,421          | 1,240,697          | 1,249,072        | 8,375                                                   |
| Interest                                     | 24,531             | 22,000             | 24,343           | 2,343                                                   |
| Miscellaneous                                | 5,957              | 5,084              | 5,120            | 36                                                      |
| <i>Total Revenues</i>                        | <u>2,865,007</u>   | <u>2,569,173</u>   | <u>2,579,927</u> | <u>10,754</u>                                           |
| <b>Expenditures</b>                          |                    |                    |                  |                                                         |
| Current:                                     |                    |                    |                  |                                                         |
| Transportation:                              |                    |                    |                  |                                                         |
| Street Department:                           |                    |                    |                  |                                                         |
| Personal Services                            | 1,495,778          | 1,495,779          | 1,366,043        | 129,736                                                 |
| Materials and Supplies                       | 1,040,785          | 1,028,756          | 821,659          | 207,097                                                 |
| Contractual Services                         | 343,178            | 355,765            | 272,798          | 82,967                                                  |
| Capital Outlay                               | 546,744            | 582,185            | 503,120          | 79,065                                                  |
| <i>Total Transportation</i>                  | <u>3,426,485</u>   | <u>3,462,485</u>   | <u>2,963,620</u> | <u>498,865</u>                                          |
| Debt Service:                                |                    |                    |                  |                                                         |
| Principal Retirement                         | 132,529            | 150,676            | 150,675          | 1                                                       |
| Interest and Fiscal Charges                  | 48,291             | 30,144             | 30,142           | 2                                                       |
| <i>Total Debt Service</i>                    | <u>180,820</u>     | <u>180,820</u>     | <u>180,817</u>   | <u>3</u>                                                |
| <i>Total Expenditures</i>                    | <u>3,607,305</u>   | <u>3,643,305</u>   | <u>3,144,437</u> | <u>498,868</u>                                          |
| <i>Excess of Revenues Under Expenditures</i> | <u>(742,298)</u>   | <u>(1,074,132)</u> | <u>(564,510)</u> | <u>509,622</u>                                          |
| <b>Other Financing Sources</b>               |                    |                    |                  |                                                         |
| Sale of Capital Assets                       | 2,500              | 2,500              | 2,499            | (1)                                                     |
| Transfers In                                 | 500,000            | 500,000            | 500,000          | 0                                                       |
| <i>Total Other Financing Sources</i>         | <u>502,500</u>     | <u>502,500</u>     | <u>502,499</u>   | <u>(1)</u>                                              |
| <i>Net Change in Fund Balance</i>            | <u>(239,798)</u>   | <u>(571,632)</u>   | <u>(62,011)</u>  | <u>509,621</u>                                          |
| <i>Fund Balance Beginning of Year</i>        | <u>406,746</u>     | <u>406,746</u>     | <u>406,746</u>   | <u>0</u>                                                |
| Prior Year Encumbrances Appropriated         | 282,133            | 282,133            | 282,133          | 0                                                       |
| <i>Fund Balance End of Year</i>              | <u>\$449,081</u>   | <u>\$117,247</u>   | <u>\$626,868</u> | <u>\$509,621</u>                                        |

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

|                                              | Budgeted Amounts        |                         |                         | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|-------------------------|-------------------------|-------------------------|---------------------------------------------------------|
|                                              | Original<br>Budget      | Final<br>Budget         | Actual                  |                                                         |
| <b>Revenues</b>                              |                         |                         |                         |                                                         |
| Property Taxes                               | \$724,725               | \$723,451               | \$723,451               | \$0                                                     |
| Municipal Income Taxes                       | 3,372,444               | 3,366,515               | 3,366,515               | 0                                                       |
| Licenses and Permits                         | 445                     | 444                     | 444                     | 0                                                       |
| Fines and Forfeitures                        | 23,998                  | 23,956                  | 24,004                  | 48                                                      |
| Intergovernmental                            | 96,924                  | 96,754                  | 96,754                  | 0                                                       |
| Contributions and Donations                  | 1,002                   | 1,000                   | 1,000                   | 0                                                       |
| Miscellaneous                                | 140,416                 | 140,169                 | 157,398                 | 17,229                                                  |
| <i>Total Revenues</i>                        | <u>4,359,954</u>        | <u>4,352,289</u>        | <u>4,369,566</u>        | <u>17,277</u>                                           |
| <b>Expenditures</b>                          |                         |                         |                         |                                                         |
| Current:                                     |                         |                         |                         |                                                         |
| Security of Persons and Property:            |                         |                         |                         |                                                         |
| Police Department:                           |                         |                         |                         |                                                         |
| Personal Services                            | 6,043,791               | 6,048,134               | 5,797,746               | 250,388                                                 |
| Materials and Supplies                       | 351,693                 | 319,345                 | 279,846                 | 39,499                                                  |
| Contractual Services                         | 698,854                 | 699,602                 | 622,627                 | 76,975                                                  |
| Other                                        | 0                       | 0                       | 15,481                  | (15,481)                                                |
| <i>Total Expenditures</i>                    | <u>7,094,338</u>        | <u>7,067,081</u>        | <u>6,715,700</u>        | <u>351,381</u>                                          |
| <i>Excess of Revenues Under Expenditures</i> | <u>(2,734,384)</u>      | <u>(2,714,792)</u>      | <u>(2,346,134)</u>      | <u>368,658</u>                                          |
| <b>Other Financing Sources</b>               |                         |                         |                         |                                                         |
| Transfers In                                 | 2,200,000               | 2,200,000               | 2,200,000               | 0                                                       |
| <i>Net Change in Fund Balance</i>            | <u>(534,384)</u>        | <u>(514,792)</u>        | <u>(146,134)</u>        | <u>368,658</u>                                          |
| <i>Fund Balance Beginning of Year</i>        | <u>568,963</u>          | <u>568,963</u>          | <u>568,963</u>          | <u>0</u>                                                |
| <i>Prior Year Encumbrances Appropriated</i>  | <u>126,105</u>          | <u>126,105</u>          | <u>126,105</u>          | <u>0</u>                                                |
| <i>Fund Balance End of Year</i>              | <u><u>\$160,684</u></u> | <u><u>\$180,276</u></u> | <u><u>\$548,934</u></u> | <u><u>\$368,658</u></u>                                 |

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

|                                              | Budgeted Amounts   |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|------------------|------------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget  | Actual           |                                                         |
| <b>Revenues</b>                              |                    |                  |                  |                                                         |
| Charges for Services                         | \$409,024          | \$591,028        | \$594,309        | \$3,281                                                 |
| <b>Expenditures</b>                          |                    |                  |                  |                                                         |
| Current:                                     |                    |                  |                  |                                                         |
| General Government:                          |                    |                  |                  |                                                         |
| Legislative and Executive:                   |                    |                  |                  |                                                         |
| Contractual Services                         | 1,500              | 2,187            | 687              | 1,500                                                   |
| Debt Service:                                |                    |                  |                  |                                                         |
| Principal Retirement                         | 643,679            | 643,756          | 643,752          | 4                                                       |
| Interest and Fiscal Charges                  | 363,035            | 363,035          | 363,029          | 6                                                       |
| Note Issuance Costs                          | 60,599             | 80,662           | 80,662           | 0                                                       |
| Total Debt Service                           | 1,067,313          | 1,087,453        | 1,087,443        | 10                                                      |
| <i>Total Expenditures</i>                    | <i>1,068,813</i>   | <i>1,089,640</i> | <i>1,088,130</i> | <i>1,510</i>                                            |
| <i>Excess of Revenues Under Expenditures</i> | <i>(659,789)</i>   | <i>(498,612)</i> | <i>(493,821)</i> | <i>4,791</i>                                            |
| <b>Other Financing Sources (Uses)</b>        |                    |                  |                  |                                                         |
| Premium on General Obligation Notes Issued   | 123,699            | 123,699          | 123,699          | 0                                                       |
| Transfers In                                 | 500,014            | 500,091          | 500,091          | 0                                                       |
| Transfers Out                                | (12,500)           | (295,875)        | (283,375)        | 12,500                                                  |
| <i>Total Other Financing Sources (Uses)</i>  | <i>611,213</i>     | <i>327,915</i>   | <i>340,415</i>   | <i>12,500</i>                                           |
| <i>Net Change in Fund Balance</i>            | <i>(48,576)</i>    | <i>(170,697)</i> | <i>(153,406)</i> | <i>17,291</i>                                           |
| <i>Fund Balance Beginning of Year</i>        | <i>289,310</i>     | <i>289,310</i>   | <i>289,310</i>   | <i>0</i>                                                |
| <i>Fund Balance End of Year</i>              | <i>\$240,734</i>   | <i>\$118,613</i> | <i>\$135,904</i> | <i>\$17,291</i>                                         |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Special Assessment Bond Retirement Fund  
For the Year Ended December 31, 2019*

|                                      | Budgeted Amounts   |                 |             | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|--------------------|-----------------|-------------|---------------------------------------------------------|
|                                      | Original<br>Budget | Final<br>Budget | Actual      |                                                         |
| <b>Revenues</b>                      |                    |                 |             |                                                         |
| Special Assessments                  | \$1,025,000        | \$1,301,607     | \$1,301,607 | \$0                                                     |
| <b>Expenditures</b>                  |                    |                 |             |                                                         |
| Current:                             |                    |                 |             |                                                         |
| General Government:                  |                    |                 |             |                                                         |
| Special Assessment Bond Retirement:  |                    |                 |             |                                                         |
| Other                                | 36,000             | 44,894          | 44,894      | 0                                                       |
| Debt Service:                        |                    |                 |             |                                                         |
| Principal Retirement                 | 431,353            | 431,353         | 431,351     | 2                                                       |
| Interest and Fiscal Charges          | 538,670            | 538,670         | 538,668     | 2                                                       |
| Total Debt Service                   | 970,023            | 970,023         | 970,019     | 4                                                       |
| Total Expenditures                   | 1,006,023          | 1,014,917       | 1,014,913   | 4                                                       |
| Excess of Revenues Over Expenditures | 18,977             | 286,690         | 286,694     | 4                                                       |
| <b>Other Financing Sources</b>       |                    |                 |             |                                                         |
| Transfers In                         | 58                 | 58              | 58          | 0                                                       |
| Net Change in Fund Balance           | 19,035             | 286,748         | 286,752     | 4                                                       |
| Fund Balance Beginning of Year       | 498,084            | 498,084         | 498,084     | 0                                                       |
| Fund Balance End of Year             | \$517,119          | \$784,832       | \$784,836   | \$4                                                     |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Swimming Pool Fund*  
*For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts         |                    |                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------------|--------------------|--------------------|---------------------------------------------------------|
|                                              | Original<br>Budget       | Final<br>Budget    | Actual             |                                                         |
| <b>Revenues</b>                              | \$0                      | \$0                | \$0                | \$0                                                     |
| <b>Expenditures</b>                          |                          |                    |                    |                                                         |
| Debt Service:                                |                          |                    |                    |                                                         |
| Principal Retirement                         | 4,600,000                | 4,600,000          | 4,600,000          | 0                                                       |
| <i>Excess of Revenues Under Expenditures</i> | <u>(4,600,000)</u>       | <u>(4,600,000)</u> | <u>(4,600,000)</u> | <u>0</u>                                                |
| <b>Other Financing Sources (Uses)</b>        |                          |                    |                    |                                                         |
| General Obligation Notes Issued              | 4,585,000                | 4,350,000          | 4,350,000          | 0                                                       |
| Transfers In                                 | 0                        | 250,000            | 250,000            | 0                                                       |
| Transfers Out                                | <u>(2,949)</u>           | <u>(2,949)</u>     | <u>(2,949)</u>     | <u>0</u>                                                |
| <i>Total Other Financing Sources (Uses)</i>  | <u>4,582,051</u>         | <u>4,597,051</u>   | <u>4,597,051</u>   | <u>0</u>                                                |
| <i>Net Change in Fund Balance</i>            | (17,949)                 | (2,949)            | (2,949)            | 0                                                       |
| <i>Fund Balance Beginning of Year</i>        | <u>2,949</u>             | <u>2,949</u>       | <u>2,949</u>       | <u>0</u>                                                |
| <i>Fund Balance (Deficit) End of Year</i>    | <u><u>(\$15,000)</u></u> | <u><u>\$0</u></u>  | <u><u>\$0</u></u>  | <u><u>\$0</u></u>                                       |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Road and Bridges Fund*  
*For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts   |                    |                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|--------------------|--------------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget    | Actual             |                                                         |
| <b>Revenues</b>                              |                    |                    |                    |                                                         |
| Intergovernmental                            | \$44,118           | \$250,000          | \$623,806          | \$373,806                                               |
| Miscellaneous                                | 5,239              | 29,689             | 0                  | (29,689)                                                |
| <i>Total Revenues</i>                        | <u>49,357</u>      | <u>279,689</u>     | <u>623,806</u>     | <u>344,117</u>                                          |
| <b>Expenditures</b>                          |                    |                    |                    |                                                         |
| Capital Outlay:                              |                    |                    |                    |                                                         |
| Road and Bridge Programs:                    |                    |                    |                    |                                                         |
| Capital Outlay                               | 2,617,352          | 3,592,245          | 3,236,470          | 355,775                                                 |
| Debt Service:                                |                    |                    |                    |                                                         |
| Principal Retirement                         | 3,075,000          | 3,075,000          | 3,075,000          | 0                                                       |
| <i>Total Expenditures</i>                    | <u>5,692,352</u>   | <u>6,667,245</u>   | <u>6,311,470</u>   | <u>355,775</u>                                          |
| <i>Excess of Revenues Under Expenditures</i> | <u>(5,642,995)</u> | <u>(6,387,556)</u> | <u>(5,687,664)</u> | <u>699,892</u>                                          |
| <b>Other Financing Sources (Uses)</b>        |                    |                    |                    |                                                         |
| General Obligation Notes Issued              | 2,500,000          | 2,900,000          | 2,900,000          | 0                                                       |
| OPWC Loans Issued                            | 250,000            | 250,000            | 141,371            | (108,629)                                               |
| Transfers In                                 | 2,500,000          | 2,550,000          | 2,550,000          | 0                                                       |
| Transfers Out                                | (77,902)           | (77,902)           | (77,902)           | 0                                                       |
| <i>Total Other Financing Sources (Uses)</i>  | <u>5,172,098</u>   | <u>5,622,098</u>   | <u>5,513,469</u>   | <u>(108,629)</u>                                        |
| <i>Net Change in Fund Balance</i>            | <u>(470,897)</u>   | <u>(765,458)</u>   | <u>(174,195)</u>   | <u>591,263</u>                                          |
| <i>Fund Balance Beginning of Year</i>        | <u>390,717</u>     | <u>390,717</u>     | <u>390,717</u>     | <u>0</u>                                                |
| <i>Prior Year Encumbrances Appropriated</i>  | <u>290,352</u>     | <u>290,352</u>     | <u>290,352</u>     | <u>0</u>                                                |
| <i>Fund Balance (Deficit) End of Year</i>    | <u>\$210,172</u>   | <u>(\$84,389)</u>  | <u>\$506,874</u>   | <u>\$591,263</u>                                        |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Water Fund*  
*For the Year Ended December 31, 2019*

|                                                               | Budgeted Amounts          |                           |                           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------------------------|
|                                                               | Original<br>Budget        | Final<br>Budget           | Actual                    |                                                         |
| <b>Revenues</b>                                               |                           |                           |                           |                                                         |
| Charges for Services                                          | \$5,576,292               | \$5,588,864               | \$4,600,881               | (\$987,983)                                             |
| Special Assessments                                           | 5,016                     | 5,016                     | 5,016                     | 0                                                       |
| Interest                                                      | 2,794                     | 2,800                     | 2,383                     | (417)                                                   |
| Other Operating Revenues                                      | 0                         | 0                         | 26,186                    | 26,186                                                  |
| Sale of Capital Assets                                        | 9,978                     | 10,000                    | 15,611                    | 5,611                                                   |
| General Obligation Notes Issued                               | 4,250,000                 | 4,250,000                 | 4,250,000                 | 0                                                       |
| <i>Total Revenues</i>                                         | <u>9,844,080</u>          | <u>9,856,680</u>          | <u>8,900,077</u>          | <u>(956,603)</u>                                        |
| <b>Expenses</b>                                               |                           |                           |                           |                                                         |
| Personal Services                                             | 788,732                   | 788,733                   | 606,702                   | 182,031                                                 |
| Materials and Supplies                                        | 2,348,469                 | 2,337,270                 | 1,363,979                 | 973,291                                                 |
| Contractual Services                                          | 563,217                   | 574,415                   | 408,410                   | 166,005                                                 |
| Other                                                         | 25,000                    | 25,000                    | 7,608                     | 17,392                                                  |
| Capital Outlay                                                | 547,708                   | 757,708                   | 672,437                   | 85,271                                                  |
| Debt Service:                                                 |                           |                           |                           |                                                         |
| Principal Retirement                                          | 6,292,853                 | 6,551,423                 | 6,301,407                 | 250,016                                                 |
| Interest and Fiscal Charges                                   | 223,638                   | 215,068                   | 214,579                   | 489                                                     |
| <i>Total Expenses</i>                                         | <u>10,789,617</u>         | <u>11,249,617</u>         | <u>9,575,122</u>          | <u>1,674,495</u>                                        |
| <i>Excess of Revenues Under<br/>Expenses Before Transfers</i> | <u>(945,537)</u>          | <u>(1,392,937)</u>        | <u>(675,045)</u>          | <u>717,892</u>                                          |
| Transfers Out                                                 | <u>(315,261)</u>          | <u>(315,261)</u>          | <u>(315,261)</u>          | <u>0</u>                                                |
| <i>Net Change in Fund Equity</i>                              | <u>(1,260,798)</u>        | <u>(1,708,198)</u>        | <u>(990,306)</u>          | <u>717,892</u>                                          |
| <i>Fund Equity Beginning of Year</i>                          | <u>3,891,421</u>          | <u>3,891,421</u>          | <u>3,891,421</u>          | <u>0</u>                                                |
| Prior Year Encumbrances Appropriated                          | <u>53,640</u>             | <u>53,640</u>             | <u>53,640</u>             | <u>0</u>                                                |
| <i>Fund Equity End of Year</i>                                | <u><u>\$2,684,263</u></u> | <u><u>\$2,236,863</u></u> | <u><u>\$2,954,755</u></u> | <u><u>\$717,892</u></u>                                 |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2019*

|                                                                   | Budgeted Amounts          |                           |                           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------------------------|
|                                                                   | Original<br>Budget        | Final<br>Budget           | Actual                    |                                                         |
| <b>Revenues</b>                                                   |                           |                           |                           |                                                         |
| Charges for Services                                              | \$6,519,532               | \$5,519,984               | \$4,504,260               | (\$1,015,724)                                           |
| Special Assessments                                               | 12,741                    | 12,741                    | 12,741                    | 0                                                       |
| Other Operating Revenues                                          | 0                         | 0                         | 3,472                     | 3,472                                                   |
| Sale of Capital Assets                                            | 2,952                     | 2,500                     | 15,611                    | 13,111                                                  |
| <i>Total Revenues</i>                                             | <u>6,535,225</u>          | <u>5,535,225</u>          | <u>4,536,084</u>          | <u>(999,141)</u>                                        |
| <b>Expenses</b>                                                   |                           |                           |                           |                                                         |
| Personal Services                                                 | 782,833                   | 782,834                   | 581,539                   | 201,295                                                 |
| Materials and Supplies                                            | 3,213,132                 | 3,200,617                 | 2,313,924                 | 886,693                                                 |
| Contractual Services                                              | 386,020                   | 386,535                   | 237,153                   | 149,382                                                 |
| Other                                                             | 10,000                    | 22,000                    | 19,030                    | 2,970                                                   |
| Capital Outlay                                                    | 1,361,046                 | 411,046                   | 369,037                   | 42,009                                                  |
| Debt Service:                                                     |                           |                           |                           |                                                         |
| Principal Retirement                                              | 1,185,133                 | 1,185,133                 | 1,185,130                 | 3                                                       |
| Interest and Fiscal Charges                                       | 106,100                   | 106,099                   | 106,093                   | 6                                                       |
| <i>Total Expenses</i>                                             | <u>7,044,264</u>          | <u>6,094,264</u>          | <u>4,811,906</u>          | <u>1,282,358</u>                                        |
| <i>Excess of Revenues Under<br/>    Expenses Before Transfers</i> | <u>(509,039)</u>          | <u>(559,039)</u>          | <u>(275,822)</u>          | <u>283,217</u>                                          |
| Transfers In                                                      | 14,543                    | 14,543                    | 14,543                    | 0                                                       |
| Transfers Out                                                     | 0                         | (132,000)                 | (132,000)                 | 0                                                       |
| <i>Net Change in Fund Equity</i>                                  | <u>(494,496)</u>          | <u>(676,496)</u>          | <u>(393,279)</u>          | <u>283,217</u>                                          |
| <i>Fund Equity Beginning of Year</i>                              | <u>3,663,945</u>          | <u>3,663,945</u>          | <u>3,663,945</u>          | <u>0</u>                                                |
| <i>Prior Year Encumbrances Appropriated</i>                       | <u>166,531</u>            | <u>166,531</u>            | <u>166,531</u>            | <u>0</u>                                                |
| <i>Fund Equity End of Year</i>                                    | <u><u>\$3,335,980</u></u> | <u><u>\$3,153,980</u></u> | <u><u>\$3,437,197</u></u> | <u><u>\$283,217</u></u>                                 |



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

|                                       | Budgeted Amounts   |                 | Actual   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|--------------------|-----------------|----------|---------------------------------------------------------|
|                                       | Original<br>Budget | Final<br>Budget |          |                                                         |
| <b>Revenues</b>                       |                    |                 |          |                                                         |
| Miscellaneous                         | \$100,000          | \$314           | \$314    | \$0                                                     |
| <b>Expenditures</b>                   |                    |                 |          |                                                         |
| Current:                              |                    |                 |          |                                                         |
| Community Environment:                |                    |                 |          |                                                         |
| Recycling:                            |                    |                 |          |                                                         |
| Material and Supplies                 | 6,000              | 1,332           | 1,332    | 0                                                       |
| Contractual Services                  | 125,730            | 44,924          | 44,924   | 0                                                       |
| <i>Total Expenditures</i>             | 131,730            | 46,256          | 46,256   | 0                                                       |
| <i>Net Change in Fund Balance</i>     | (31,730)           | (45,942)        | (45,942) | 0                                                       |
| <i>Fund Balance Beginning of Year</i> | 46,071             | 46,071          | 46,071   | 0                                                       |
| <i>Fund Balance End of Year</i>       | \$14,341           | \$129           | \$129    | \$0                                                     |

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

|                                       | Budgeted Amounts   |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|--------------------|-----------------|-----------------|---------------------------------------------------------|
|                                       | Original<br>Budget | Final<br>Budget | Actual          |                                                         |
| <b>Revenues</b>                       |                    |                 |                 |                                                         |
| Intergovernmental                     | \$72,218           | \$88,088        | \$88,353        | \$265                                                   |
| Interest                              | 1,640              | 2,000           | 2,027           | 27                                                      |
| <i>Total Revenues</i>                 | <u>73,858</u>      | <u>90,088</u>   | <u>90,380</u>   | <u>292</u>                                              |
| <b>Expenditures</b>                   |                    |                 |                 |                                                         |
| Current:                              |                    |                 |                 |                                                         |
| Transportation:                       |                    |                 |                 |                                                         |
| State Highway:                        |                    |                 |                 |                                                         |
| Material and Supplies                 | 126,425            | 118,446         | 115,150         | 3,296                                                   |
| Contractual Services                  | 9,450              | 17,429          | 0               | 17,429                                                  |
| <i>Total Expenditures</i>             | <u>135,875</u>     | <u>135,875</u>  | <u>115,150</u>  | <u>20,725</u>                                           |
| <i>Net Change in Fund Balance</i>     | (62,017)           | (45,787)        | (24,770)        | 21,017                                                  |
| <i>Fund Balance Beginning of Year</i> | 93,967             | 93,967          | 93,967          | 0                                                       |
| Prior Year Encumbrances Appropriated  | 17,875             | 17,875          | 17,875          | 0                                                       |
| <i>Fund Balance End of Year</i>       | <u>\$49,825</u>    | <u>\$66,055</u> | <u>\$87,072</u> | <u>\$21,017</u>                                         |

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

|                                              | Budgeted Amounts   |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|-----------------|-----------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget | Actual          |                                                         |
| <b>Revenues</b>                              |                    |                 |                 |                                                         |
| Intergovernmental                            | \$130,000          | \$120,559       | \$120,559       | \$0                                                     |
| <b>Expenditures</b>                          |                    |                 |                 |                                                         |
| Current:                                     |                    |                 |                 |                                                         |
| Transportation:                              |                    |                 |                 |                                                         |
| Permissive Tax:                              |                    |                 |                 |                                                         |
| Contractual Services                         | 225,000            | 225,000         | 197,337         | 27,663                                                  |
| <i>Excess of Revenues Under Expenditures</i> | (95,000)           | (104,441)       | (76,778)        | 27,663                                                  |
| <b>Other Financing Sources</b>               |                    |                 |                 |                                                         |
| Transfers In                                 | 50,000             | 50,000          | 50,000          | 0                                                       |
| <i>Net Change in Fund Balance</i>            | (45,000)           | (54,441)        | (26,778)        | 27,663                                                  |
| <i>Fund Balance Beginning of Year</i>        | 107,862            | 107,862         | 107,862         | 0                                                       |
| <i>Fund Balance End of Year</i>              | <u>\$62,862</u>    | <u>\$53,421</u> | <u>\$81,084</u> | <u>\$27,663</u>                                         |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Mayor's Court Computer Fund*  
*For the Year Ended December 31, 2019*

|                                       | Budgeted Amounts   |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|--------------------|-----------------|-----------------|---------------------------------------------------------|
|                                       | Original<br>Budget | Final<br>Budget | Actual          |                                                         |
| <b>Revenues</b>                       |                    |                 |                 |                                                         |
| Fines and Forfeitures                 | \$4,400            | \$6,546         | \$6,546         | \$0                                                     |
| <b>Expenditures</b>                   |                    |                 |                 |                                                         |
| Current:                              |                    |                 |                 |                                                         |
| Community Environment:                |                    |                 |                 |                                                         |
| Mayor's Court Computer:               |                    |                 |                 |                                                         |
| Capital Outlay                        | 2,000              | 32,000          | 27,162          | 4,838                                                   |
| <i>Net Change in Fund Balance</i>     | 2,400              | (25,454)        | (20,616)        | 4,838                                                   |
| <i>Fund Balance Beginning of Year</i> | 89,070             | 89,070          | 89,070          | 0                                                       |
| <i>Fund Balance End of Year</i>       | <u>\$91,470</u>    | <u>\$63,616</u> | <u>\$68,454</u> | <u>\$4,838</u>                                          |

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

|                             | Budgeted Amounts   |                 |                | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------|--------------------|-----------------|----------------|---------------------------------------------------------|
|                             | Original<br>Budget | Final<br>Budget | Actual         |                                                         |
| <b>Revenues</b>             |                    |                 |                |                                                         |
| Charges for Services        | \$182,142          | \$197,895       | \$202,065      | \$4,170                                                 |
| Miscellaneous               | 1,374              | 1,493           | 1,493          | 0                                                       |
| <i>Total Revenues</i>       | <u>183,516</u>     | <u>199,388</u>  | <u>203,558</u> | <u>4,170</u>                                            |
| <b>Expenditures</b>         |                    |                 |                |                                                         |
| Current:                    |                    |                 |                |                                                         |
| Leisure Time Activities:    |                    |                 |                |                                                         |
| Recreation Department:      |                    |                 |                |                                                         |
| Personal Services           | 157,764            | 157,764         | 145,958        | 11,806                                                  |
| Materials and Supplies      | 3,619              | 3,619           | 3,279          | 340                                                     |
| Contractual Services        | 29,385             | 29,385          | 25,649         | 3,736                                                   |
| Other                       | 1,000              | 1,000           | 55             | 945                                                     |
| Total Recreation Department | 191,768            | 191,768         | 174,941        | 16,827                                                  |
| Tennis Camp:                |                    |                 |                |                                                         |
| Materials and Supplies      | 15,000             | 10,500          | 8,745          | 1,755                                                   |
| Adult Volleyball:           |                    |                 |                |                                                         |
| Materials and Supplies      | 2,000              | 2,000           | 915            | 1,085                                                   |
| Men's Basketball:           |                    |                 |                |                                                         |
| Materials and Supplies      | 500                | 0               | 0              | 0                                                       |
| Youth Basketball:           |                    |                 |                |                                                         |
| Materials and Supplies      | 35,000             | 37,000          | 36,686         | 314                                                     |
| Adult Softball:             |                    |                 |                |                                                         |
| Materials and Supplies      | 3,500              | 701             | 701            | 0                                                       |
| Flag Football:              |                    |                 |                |                                                         |
| Materials and Supplies      | 10,000             | 6,500           | 5,539          | 961                                                     |
| Safety Town:                |                    |                 |                |                                                         |
| Materials and Supplies      | 7,845              | 6,345           | 6,097          | 248                                                     |
| Little Eagles:              |                    |                 |                |                                                         |
| Materials and Supplies      | 15,000             | 22,000          | 20,433         | 1,567                                                   |
| Fishing:                    |                    |                 |                |                                                         |
| Materials and Supplies      | \$1,500            | \$1,500         | \$1,500        | \$0                                                     |

(continued)

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Fund (continued)*  
*For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts   |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|-----------------|-----------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget | Actual          |                                                         |
| Theater:                                     |                    |                 |                 |                                                         |
| Materials and Supplies                       | \$14,000           | \$9,350         | \$4,411         | \$4,939                                                 |
| Youth Wrestling:                             |                    |                 |                 |                                                         |
| Materials and Supplies                       | 3,000              | 0               | 0               | 0                                                       |
| Youth Football:                              |                    |                 |                 |                                                         |
| Materials and Supplies                       | 21,501             | 21,501          | 21,501          | 0                                                       |
| Fitness Camp:                                |                    |                 |                 |                                                         |
| Materials and Supplies                       | 17,000             | 21,635          | 21,476          | 159                                                     |
| Educational:                                 |                    |                 |                 |                                                         |
| Materials and Supplies                       | 5,000              | 5,000           | 4,695           | 305                                                     |
| Youth Baseball:                              |                    |                 |                 |                                                         |
| Materials and Supplies                       | 6,000              | 11,412          | 11,412          | 0                                                       |
| Mini Cheer/Dance Camp:                       |                    |                 |                 |                                                         |
| Materials and Supplies                       | 15,000             | 26,689          | 26,581          | 108                                                     |
| Youth Soccer:                                |                    |                 |                 |                                                         |
| Materials and Supplies                       | 4,000              | 2,508           | 2,508           | 0                                                       |
| Lacrosse Camp:                               |                    |                 |                 |                                                         |
| Materials and Supplies                       | 5,000              | 2,638           | 2,638           | 0                                                       |
| Golf Program:                                |                    |                 |                 |                                                         |
| Materials and Supplies                       | 2,000              | 1,067           | 1,067           | 0                                                       |
| Playground Days:                             |                    |                 |                 |                                                         |
| Materials and Supplies                       | 2,500              | 2,500           | 2,455           | 45                                                      |
| <i>Total Expenditures</i>                    | <u>377,114</u>     | <u>382,614</u>  | <u>354,301</u>  | <u>28,313</u>                                           |
| <i>Excess of Revenues Under Expenditures</i> | (193,598)          | (183,226)       | (150,743)       | 32,483                                                  |
| <b>Other Financing Sources</b>               |                    |                 |                 |                                                         |
| Transfers In                                 | <u>150,000</u>     | <u>150,000</u>  | <u>150,000</u>  | <u>0</u>                                                |
| <i>Net Change in Fund Balance</i>            | (43,598)           | (33,226)        | (743)           | 32,483                                                  |
| <i>Fund Balance Beginning of Year</i>        | 52,282             | 52,282          | 52,282          | 0                                                       |
| Prior Year Encumbrances Appropriated         | <u>2,333</u>       | <u>2,333</u>    | <u>2,333</u>    | <u>0</u>                                                |
| <i>Fund Balance End of Year</i>              | <u>\$11,017</u>    | <u>\$21,389</u> | <u>\$53,872</u> | <u>\$32,483</u>                                         |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park Operating Fund*  
*For the Year Ended December 31, 2019*

|                                             | Budgeted Amounts   |                  |                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------------|--------------------|------------------|--------------------|---------------------------------------------------------|
|                                             | Original<br>Budget | Final<br>Budget  | Actual             |                                                         |
| <b>Revenues</b>                             |                    |                  |                    |                                                         |
| Property Taxes                              | \$303,994          | \$307,005        | \$307,005          | \$0                                                     |
| Municipal Income Taxes                      | 1,253,705          | 1,266,121        | 1,266,121          | 0                                                       |
| Licenses and Permits                        | 14,327             | 14,469           | 22,642             | 8,173                                                   |
| Intergovernmental                           | 37,175             | 37,543           | 67,568             | 30,025                                                  |
| Contributions and Donations                 | 41,910             | 42,325           | 52,325             | 10,000                                                  |
| <i>Total Revenues</i>                       | <u>1,651,111</u>   | <u>1,667,463</u> | <u>1,715,661</u>   | <u>48,198</u>                                           |
| <b>Expenditures</b>                         |                    |                  |                    |                                                         |
| Current:                                    |                    |                  |                    |                                                         |
| Leisure Time Activities:                    |                    |                  |                    |                                                         |
| Park Operating:                             |                    |                  |                    |                                                         |
| Personal Services                           | 693,068            | 695,067          | 609,008            | 86,059                                                  |
| Materials and Supplies                      | 116,383            | 125,796          | 110,705            | 15,091                                                  |
| Contractual Services                        | 324,985            | 497,642          | 453,938            | 43,704                                                  |
| Capital Outlay                              | 275,810            | 260,416          | 246,321            | 14,095                                                  |
| Other                                       | 1,000              | 1,000            | 50                 | 950                                                     |
| <i>Total Expenditures</i>                   | <u>1,411,246</u>   | <u>1,579,921</u> | <u>1,420,022</u>   | <u>159,899</u>                                          |
| <i>Excess of Revenues Over Expenditures</i> | <u>239,865</u>     | <u>87,542</u>    | <u>295,639</u>     | <u>208,097</u>                                          |
| <b>Other Financing Sources (Uses)</b>       |                    |                  |                    |                                                         |
| Sale of Capital Assets                      | 5,030              | 5,080            | 5,080              | 0                                                       |
| Transfers Out                               | (150,000)          | (219,000)        | (224,000)          | (5,000)                                                 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(144,970)</u>   | <u>(213,920)</u> | <u>(218,920)</u>   | <u>(5,000)</u>                                          |
| <i>Net Change in Fund Balance</i>           | <u>94,895</u>      | <u>(126,378)</u> | <u>76,719</u>      | <u>203,097</u>                                          |
| <i>Fund Balance Beginning of Year</i>       | <u>963,469</u>     | <u>963,469</u>   | <u>963,469</u>     | <u>0</u>                                                |
| <i>Prior Year Encumbrances Appropriated</i> | <u>64,536</u>      | <u>64,536</u>    | <u>64,536</u>      | <u>0</u>                                                |
| <i>Fund Balance End of Year</i>             | <u>\$1,122,900</u> | <u>\$901,627</u> | <u>\$1,104,724</u> | <u>\$203,097</u>                                        |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Park Development and Improvement Fund  
For the Year Ended December 31, 2019*

|                                       | Budgeted Amounts   |                 |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|--------------------|-----------------|-----------|---------------------------------------------------------|
|                                       | Original<br>Budget | Final<br>Budget | Actual    |                                                         |
| <b>Revenues</b>                       |                    |                 |           |                                                         |
| Licenses and Permits                  | \$630              | \$219,685       | \$248,438 | \$28,753                                                |
| <b>Expenditures</b>                   |                    |                 |           |                                                         |
| Current:                              |                    |                 |           |                                                         |
| Leisure Time Activities:              |                    |                 |           |                                                         |
| Park Development and Improvement:     |                    |                 |           |                                                         |
| Contractual Services                  | 25,000             | 25,351          | 0         | 25,351                                                  |
| Capital Outlay                        | 383,198            | 592,847         | 532,179   | 60,668                                                  |
| Other                                 | 5,000              | 5,000           | 3,890     | 1,110                                                   |
| Total Leisure Time Activities         | 413,198            | 623,198         | 536,069   | 87,129                                                  |
| Debt Service:                         |                    |                 |           |                                                         |
| Principal Retirement                  | 594,325            | 594,325         | 594,325   | 0                                                       |
| Interest and Fiscal Charges           | 32,000             | 32,000          | 32,000    | 0                                                       |
| Total Debt Service                    | 626,325            | 626,325         | 626,325   | 0                                                       |
| Total Expenditures                    | 1,039,523          | 1,249,523       | 1,162,394 | 87,129                                                  |
| Excess of Revenues Under Expenditures | (1,038,893)        | (1,029,838)     | (913,956) | 115,882                                                 |
| <b>Other Financing Sources</b>        |                    |                 |           |                                                         |
| General Obligation Notes Issued       | 500,000            | 500,000         | 500,000   | 0                                                       |
| Transfers In                          | 200,000            | 210,000         | 210,000   | 0                                                       |
| Total Other Financing Sources         | 700,000            | 710,000         | 710,000   | 0                                                       |
| Net Change in Fund Balance            | (338,893)          | (319,838)       | (203,956) | 115,882                                                 |
| Fund Balance Beginning of Year        | 75,567             | 75,567          | 75,567    | 0                                                       |
| Prior Year Encumbrances Appropriated  | 333,198            | 333,198         | 333,198   | 0                                                       |
| Fund Balance End of Year              | \$69,872           | \$88,927        | \$204,809 | \$115,882                                               |



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

|                                       | Budgeted Amounts   |                 |         | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|--------------------|-----------------|---------|---------------------------------------------------------|
|                                       | Original<br>Budget | Final<br>Budget | Actual  |                                                         |
| <b>Revenues</b>                       |                    |                 |         |                                                         |
| Contributions and Donations           | \$2,500            | \$0             | \$0     | \$0                                                     |
| <b>Expenditures</b>                   |                    |                 |         |                                                         |
| Current:                              |                    |                 |         |                                                         |
| Security of Persons and Property:     |                    |                 |         |                                                         |
| Donations:                            |                    |                 |         |                                                         |
| Materials and Supplies                | 4,112              | 5,112           | 4,733   | 379                                                     |
| Contractual Services                  | 6,000              | 6,000           | 4,905   | 1,095                                                   |
| <i>Total Expenditures</i>             | 10,112             | 11,112          | 9,638   | 1,474                                                   |
| <i>Net Change in Fund Balance</i>     | (7,612)            | (11,112)        | (9,638) | 1,474                                                   |
| <i>Fund Balance Beginning of Year</i> | 9,153              | 9,153           | 9,153   | 0                                                       |
| Prior Year Encumbrances Appropriated  | 3,112              | 3,112           | 3,112   | 0                                                       |
| <i>Fund Balance End of Year</i>       | \$4,653            | \$1,153         | \$2,627 | \$1,474                                                 |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Economic Development and Tourism Fund*  
*For the Year Ended December 31, 2019*

|                                                     | Budgeted Amounts   |                 |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------------------------------|--------------------|-----------------|------------------|---------------------------------------------------------|
|                                                     | Original<br>Budget | Final<br>Budget | Actual           |                                                         |
| <b>Revenues</b>                                     |                    |                 |                  |                                                         |
| Intergovernmental                                   | \$250,000          | \$250,000       | \$217,444        | (\$32,556)                                              |
| <b>Expenditures</b>                                 |                    |                 |                  |                                                         |
| Current:                                            |                    |                 |                  |                                                         |
| Community Environment:                              |                    |                 |                  |                                                         |
| Personal Services                                   | 7,200              | 7,200           | 18               | 7,182                                                   |
| Material and Supplies                               | 27,000             | 27,000          | 218              | 26,782                                                  |
| Contractual Services                                | 190,458            | 190,458         | 103,543          | 86,915                                                  |
| Capital Outlay                                      | 50,000             | 50,000          | 35,812           | 14,188                                                  |
| <i>Total Expenditures</i>                           | <u>274,658</u>     | <u>274,658</u>  | <u>139,591</u>   | <u>135,067</u>                                          |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (24,658)           | (24,658)        | 77,853           | 102,511                                                 |
| <b>Other Financing Uses</b>                         |                    |                 |                  |                                                         |
| Advances Out                                        | (50,000)           | (50,000)        | (50,000)         | 0                                                       |
| <i>Net Change in Fund Balance</i>                   | (74,658)           | (74,658)        | 27,853           | 102,511                                                 |
| <i>Fund Balance Beginning of Year</i>               | 69,814             | 69,814          | 69,814           | 0                                                       |
| Prior Year Encumbrances Appropriated                | 5,258              | 5,258           | 5,258            | 0                                                       |
| <i>Fund Balance End of Year</i>                     | <u>\$414</u>       | <u>\$414</u>    | <u>\$102,925</u> | <u>\$102,511</u>                                        |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Lorain Public Library Fund*  
*For the Year Ended December 31, 2019*

|                                       | Budgeted Amounts   |                 |            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|--------------------|-----------------|------------|---------------------------------------------------------|
|                                       | Original<br>Budget | Final<br>Budget | Actual     |                                                         |
| <b>Revenues</b>                       |                    |                 |            |                                                         |
| Property Taxes                        | \$430,040          | \$430,221       | \$430,221  | \$0                                                     |
| Intergovernmental                     | 50,980             | 51,001          | 51,001     | 0                                                       |
| <i>Total Revenues</i>                 | 481,020            | 481,222         | 481,222    | 0                                                       |
| <b>Expenditures</b>                   |                    |                 |            |                                                         |
| Intergovernmental                     | 471,574            | 481,222         | 481,222    | 0                                                       |
| <i>Net Change in Fund Balance</i>     | 9,446              | 0               | 0          | 0                                                       |
| <i>Fund Balance Beginning of Year</i> | 0                  | 0               | 0          | 0                                                       |
| <i>Fund Balance End of Year</i>       | <u>\$9,446</u>     | <u>\$0</u>      | <u>\$0</u> | <u>\$0</u>                                              |

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

|                                                     | Budgeted Amounts   |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------------------------------|--------------------|------------------|------------------|---------------------------------------------------------|
|                                                     | Original<br>Budget | Final<br>Budget  | Actual           |                                                         |
| <b>Revenues</b>                                     |                    |                  |                  |                                                         |
| Payments in Lieu of Taxes                           | \$6,055,143        | \$7,260,215      | \$7,260,215      | \$0                                                     |
| <b>Expenditures</b>                                 |                    |                  |                  |                                                         |
| Current:                                            |                    |                  |                  |                                                         |
| General Government:                                 |                    |                  |                  |                                                         |
| Contractual Services                                | 3,900,016          | 4,689,869        | 4,668,197        | 21,672                                                  |
| Debt Service:                                       |                    |                  |                  |                                                         |
| Principal Retirement                                | 918,198            | 1,076,448        | 1,076,448        | 0                                                       |
| Interest and Fiscal Charges                         | 1,267,769          | 1,389,369        | 1,389,367        | 2                                                       |
| Total Debt Service                                  | 2,185,967          | 2,465,817        | 2,465,815        | 2                                                       |
| <i>Total Expenditures</i>                           | <i>6,085,983</i>   | <i>7,155,686</i> | <i>7,134,012</i> | <i>21,674</i>                                           |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <i>(30,840)</i>    | <i>104,529</i>   | <i>126,203</i>   | <i>21,674</i>                                           |
| <b>Other Financing Sources (Uses)</b>               |                    |                  |                  |                                                         |
| Transfers In                                        | 569                | 569              | 569              | 0                                                       |
| Transfers Out                                       | 0                  | (283,375)        | (283,375)        | 0                                                       |
| <i>Total Other Financing Sources (Uses)</i>         | <i>569</i>         | <i>(282,806)</i> | <i>(282,806)</i> | <i>0</i>                                                |
| <i>Net Change in Fund Balance</i>                   | <i>(30,271)</i>    | <i>(178,277)</i> | <i>(156,603)</i> | <i>21,674</i>                                           |
| <i>Fund Balance Beginning of Year</i>               | <i>324,845</i>     | <i>324,845</i>   | <i>324,845</i>   | <i>0</i>                                                |
| <i>Fund Balance End of Year</i>                     | <i>\$294,574</i>   | <i>\$146,568</i> | <i>\$168,242</i> | <i>\$21,674</i>                                         |

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

|                                                     | Budgeted Amounts   |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------------------------------|--------------------|------------------|------------------|---------------------------------------------------------|
|                                                     | Original<br>Budget | Final<br>Budget  | Actual           |                                                         |
| <b>Revenues</b>                                     |                    |                  |                  |                                                         |
| Property Taxes                                      | \$760,821          | \$781,269        | \$781,269        | \$0                                                     |
| Intergovernmental                                   | 60,444             | 62,068           | 62,068           | 0                                                       |
| Miscellaneous                                       | 2,217              | 2,680            | 3,873            | 1,193                                                   |
| <i>Total Revenues</i>                               | <u>823,482</u>     | <u>846,017</u>   | <u>847,210</u>   | <u>1,193</u>                                            |
| <b>Expenditures</b>                                 |                    |                  |                  |                                                         |
| Capital Outlay:                                     |                    |                  |                  |                                                         |
| Equipment:                                          |                    |                  |                  |                                                         |
| Materials and Supplies                              | 16,500             | 20,696           | 11,434           | 9,262                                                   |
| Capital Outlay                                      | <u>701,351</u>     | <u>1,482,842</u> | <u>1,061,271</u> | <u>421,571</u>                                          |
| <i>Total Expenditures</i>                           | <u>717,851</u>     | <u>1,503,538</u> | <u>1,072,705</u> | <u>430,833</u>                                          |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 105,631            | (657,521)        | (225,495)        | 432,026                                                 |
| <b>Other Financing Sources</b>                      |                    |                  |                  |                                                         |
| Sale of Capital Assets                              | <u>15,000</u>      | <u>15,000</u>    | <u>14,032</u>    | <u>(968)</u>                                            |
| <i>Net Change in Fund Balance</i>                   | 120,631            | (642,521)        | (211,463)        | 431,058                                                 |
| <i>Fund Balance Beginning of Year</i>               | 1,054,019          | 1,054,019        | 1,054,019        | 0                                                       |
| Prior Year Encumbrances Appropriated                | <u>6,351</u>       | <u>6,351</u>     | <u>6,351</u>     | <u>0</u>                                                |
| <i>Fund Balance End of Year</i>                     | <u>\$1,181,001</u> | <u>\$417,849</u> | <u>\$848,907</u> | <u>\$431,058</u>                                        |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Storm Water Detention Fund*  
*For the Year Ended December 31, 2019*

|                                       | Budgeted Amounts   |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|--------------------|------------------|------------------|---------------------------------------------------------|
|                                       | Original<br>Budget | Final<br>Budget  | Actual           |                                                         |
| <b>Revenues</b>                       |                    |                  |                  |                                                         |
| Charges for Services                  | \$100,000          | \$38,834         | \$49,696         | \$10,862                                                |
| <b>Expenditures</b>                   |                    |                  |                  |                                                         |
| Capital Outlay:                       |                    |                  |                  |                                                         |
| Storm Water Detention:                |                    |                  |                  |                                                         |
| Contractual Services                  | 157,566            | 157,566          | 769              | 156,797                                                 |
| <i>Net Change in Fund Balance</i>     | (57,566)           | (118,732)        | 48,927           | 167,659                                                 |
| <i>Fund Balance Beginning of Year</i> | 476,996            | 476,996          | 476,996          | 0                                                       |
| Prior Year Encumbrances Appropriated  | 7,566              | 7,566            | 7,566            | 0                                                       |
| <i>Fund Balance End of Year</i>       | <u>\$426,996</u>   | <u>\$365,830</u> | <u>\$533,489</u> | <u>\$167,659</u>                                        |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Land Purchases Fund*  
*For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts      |                        |                        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|-----------------------|------------------------|------------------------|---------------------------------------------------------|
|                                              | Original<br>Budget    | Final<br>Budget        | Actual                 |                                                         |
| <b>Revenues</b>                              | <u>\$0</u>            | <u>\$0</u>             | <u>\$0</u>             | <u>\$0</u>                                              |
| <b>Expenditures</b>                          |                       |                        |                        |                                                         |
| Debt Service:                                |                       |                        |                        |                                                         |
| Principal Retirement                         | <u>1,100,000</u>      | <u>1,050,000</u>       | <u>1,050,000</u>       | <u>0</u>                                                |
| <i>Excess of Revenues Under Expenditures</i> | <u>(1,100,000)</u>    | <u>(1,050,000)</u>     | <u>(1,050,000)</u>     | <u>0</u>                                                |
| <b>Other Financing Sources</b>               |                       |                        |                        |                                                         |
| General Obligation Notes Issued              | <u>1,000,000</u>      | <u>1,000,000</u>       | <u>1,000,000</u>       | <u>0</u>                                                |
| Transfers In                                 | <u>50,000</u>         | <u>50,000</u>          | <u>50,000</u>          | <u>0</u>                                                |
| <i>Total Other Financing Sources</i>         | <u>1,050,000</u>      | <u>1,050,000</u>       | <u>1,050,000</u>       | <u>0</u>                                                |
| <i>Net Change in Fund Balance</i>            | <u>(50,000)</u>       | <u>0</u>               | <u>0</u>               | <u>0</u>                                                |
| <i>Fund Balance Beginning of Year</i>        | <u>53,761</u>         | <u>53,761</u>          | <u>53,761</u>          | <u>0</u>                                                |
| <i>Fund Balance End of Year</i>              | <u><u>\$3,761</u></u> | <u><u>\$53,761</u></u> | <u><u>\$53,761</u></u> | <u><u>\$0</u></u>                                       |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*French Creek Restoration Fund*  
*For the Year Ended December 31, 2019*

|                                             | Budgeted Amounts   |                 |            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------------|--------------------|-----------------|------------|---------------------------------------------------------|
|                                             | Original<br>Budget | Final<br>Budget | Actual     |                                                         |
| <b>Revenues</b>                             | \$0                | \$0             | \$0        | \$0                                                     |
| <b>Expenditures</b>                         | 0                  | 0               | 0          | 0                                                       |
| <i>Excess of Revenues Over Expenditures</i> | 0                  | 0               | 0          | 0                                                       |
| <b>Other Financing Uses</b>                 |                    |                 |            |                                                         |
| Transfers Out                               | (4,120)            | (4,120)         | (4,120)    | 0                                                       |
| <i>Total Other Financing Uses</i>           | (4,120)            | (4,120)         | (4,120)    | 0                                                       |
| <i>Net Change in Fund Balance</i>           | (4,120)            | (4,120)         | (4,120)    | 0                                                       |
| <i>Fund Balance Beginning of Year</i>       | 4,120              | 4,120           | 4,120      | 0                                                       |
| <i>Fund Balance End of Year</i>             | <u>\$0</u>         | <u>\$0</u>      | <u>\$0</u> | <u>\$0</u>                                              |



**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Sidewalk Programs Fund*  
*For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts   |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|-----------------|-----------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget | Actual          |                                                         |
| <b>Revenues</b>                              |                    |                 |                 |                                                         |
| Intergovernmental                            | \$0                | \$4,359         | \$4,359         | \$0                                                     |
| <b>Expenditures</b>                          |                    |                 |                 |                                                         |
| Capital Outlay:                              |                    |                 |                 |                                                         |
| Sidewalk Programs:                           |                    |                 |                 |                                                         |
| Capital Outlay                               | 76,370             | 95,366          | 87,716          | 7,650                                                   |
| <i>Excess of Revenues Under Expenditures</i> | (76,370)           | (91,007)        | (83,357)        | 7,650                                                   |
| <b>Other Financing Sources</b>               |                    |                 |                 |                                                         |
| Transfers In                                 | 75,000             | 75,000          | 75,000          | 0                                                       |
| <i>Net Change in Fund Balance</i>            | (1,370)            | (16,007)        | (8,357)         | 7,650                                                   |
| <i>Fund Balance Beginning of Year</i>        | 39,298             | 39,298          | 39,298          | 0                                                       |
| Prior Year Encumbrances Appropriated         | 1,370              | 1,370           | 1,370           | 0                                                       |
| <i>Fund Balance End of Year</i>              | <u>\$39,298</u>    | <u>\$24,661</u> | <u>\$32,311</u> | <u>\$7,650</u>                                          |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Storm Sewers Fund*  
*For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts   |                 |                | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|-----------------|----------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget | Actual         |                                                         |
| <b>Revenues</b>                              | \$0                | \$0             | \$0            | \$0                                                     |
| <b>Expenditures</b>                          |                    |                 |                |                                                         |
| Capital Outlay:                              |                    |                 |                |                                                         |
| Storm Sewers:                                |                    |                 |                |                                                         |
| Capital Outlay                               | 3,776,003          | 218,003         | 212,283        | 5,720                                                   |
| <i>Excess of Revenues Under Expenditures</i> | (3,776,003)        | (218,003)       | (212,283)      | 5,720                                                   |
| <b>Other Financing Sources</b>               |                    |                 |                |                                                         |
| Advances In                                  | 4,000,000          | 132,000         | 132,000        | 0                                                       |
| <i>Net Change in Fund Balance</i>            | 223,997            | (86,003)        | (80,283)       | 5,720                                                   |
| <i>Fund Balance Beginning of Year</i>        | 60,499             | 60,499          | 60,499         | 0                                                       |
| Prior Year Encumbrances Appropriated         | 26,003             | 26,003          | 26,003         | 0                                                       |
| <i>Fund Balance End of Year</i>              | <u>\$310,499</u>   | <u>\$499</u>    | <u>\$6,219</u> | <u>\$5,720</u>                                          |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Buildings Fund*  
*For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts   |                    |                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|--------------------|--------------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget    | Actual             |                                                         |
| <b>Revenues</b>                              |                    |                    |                    |                                                         |
| Charges for Services                         | \$450,534          | \$278,105          | \$284,024          | \$5,919                                                 |
| Licenses and Permits                         | 630                | 630                | 22,380             | 21,750                                                  |
| Interest                                     | 340                | 210                | 177                | (33)                                                    |
| Contributions and Donations                  | 121,501            | 75,000             | 56,835             | (18,165)                                                |
| Rentals                                      | 719,983            | 444,430            | 456,963            | 12,533                                                  |
| Miscellaneous                                | 5,392              | 3,328              | 3,333              | 5                                                       |
| <i>Total Revenues</i>                        | <u>1,298,380</u>   | <u>801,703</u>     | <u>823,712</u>     | <u>22,009</u>                                           |
| <b>Expenditures</b>                          |                    |                    |                    |                                                         |
| Capital Outlay:                              |                    |                    |                    |                                                         |
| Municipal Buildings:                         |                    |                    |                    |                                                         |
| Personal Services                            | 312,739            | 284,239            | 270,293            | 13,946                                                  |
| Materials and Supplies                       | 50,976             | 53,326             | 53,210             | 116                                                     |
| Contractual Services                         | 180,545            | 245,928            | 231,576            | 14,352                                                  |
| Capital Outlay                               | 14,100             | 34,067             | 33,929             | 138                                                     |
| Other                                        | 1,000              | 1,000              | 18,300             | (17,300)                                                |
| <i>Total Capital Outlay</i>                  | <u>559,360</u>     | <u>618,560</u>     | <u>607,308</u>     | <u>11,252</u>                                           |
| Debt Service:                                |                    |                    |                    |                                                         |
| Principal Retirement                         | 2,749,000          | 2,749,000          | 2,749,000          | 0                                                       |
| Interest and Fiscal Charges                  | 23,225             | 41,125             | 41,125             | 0                                                       |
| <i>Total Debt Service</i>                    | <u>2,772,225</u>   | <u>2,790,125</u>   | <u>2,790,125</u>   | <u>0</u>                                                |
| <i>Total Expenditures</i>                    | <u>3,331,585</u>   | <u>3,408,685</u>   | <u>3,397,433</u>   | <u>11,252</u>                                           |
| <i>Excess of Revenues Under Expenditures</i> | <u>(2,033,205)</u> | <u>(2,606,982)</u> | <u>(2,573,721)</u> | <u>33,261</u>                                           |
| <b>Other Financing Sources</b>               |                    |                    |                    |                                                         |
| General Obligation Notes Issued              | 1,900,000          | 1,900,000          | 1,900,000          | 0                                                       |
| Transfers In                                 | 116,000            | 616,000            | 616,000            | 0                                                       |
| <i>Total Other Financing Sources</i>         | <u>2,016,000</u>   | <u>2,516,000</u>   | <u>2,516,000</u>   | <u>0</u>                                                |
| <i>Net Change in Fund Balance</i>            | <u>(17,205)</u>    | <u>(90,982)</u>    | <u>(57,721)</u>    | <u>33,261</u>                                           |
| <i>Fund Balance Beginning of Year</i>        | <u>200,398</u>     | <u>200,398</u>     | <u>200,398</u>     | <u>0</u>                                                |
| <i>Prior Year Encumbrances Appropriated</i>  | <u>23,915</u>      | <u>23,915</u>      | <u>23,915</u>      | <u>0</u>                                                |
| <i>Fund Balance End of Year</i>              | <u>\$207,108</u>   | <u>\$133,331</u>   | <u>\$166,592</u>   | <u>\$33,261</u>                                         |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Complex Fund*  
*For the Year Ended December 31, 2019*

|                                             | Budgeted Amounts   |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------------|--------------------|------------------|------------------|---------------------------------------------------------|
|                                             | Original<br>Budget | Final<br>Budget  | Actual           |                                                         |
| <b>Revenues</b>                             |                    |                  |                  |                                                         |
| Municipal Income Taxes                      | \$1,295,080        | \$1,266,119      | \$1,266,119      | \$0                                                     |
| <b>Expenditures</b>                         |                    |                  |                  |                                                         |
| Capital Outlay:                             |                    |                  |                  |                                                         |
| Recreation Complex:                         |                    |                  |                  |                                                         |
| Contractual Services                        | 91,727             | 111,727          | 89,173           | 22,554                                                  |
| Debt Service:                               |                    |                  |                  |                                                         |
| Principal Retirement                        | 586,750            | 586,750          | 586,750          | 0                                                       |
| Interest and Fiscal Charges                 | 444,395            | 361,137          | 361,136          | 1                                                       |
| Total Debt Service                          | 1,031,145          | 947,887          | 947,886          | 1                                                       |
| <i>Total Expenditures</i>                   | <i>1,122,872</i>   | <i>1,059,614</i> | <i>1,037,059</i> | <i>22,555</i>                                           |
| <i>Excess of Revenues Over Expenditures</i> | <i>172,208</i>     | <i>206,505</i>   | <i>229,060</i>   | <i>22,555</i>                                           |
| <b>Other Financing Sources (Uses)</b>       |                    |                  |                  |                                                         |
| Transfers In                                | 2,949              | 2,949            | 2,949            | 0                                                       |
| Transfers Out                               | (183,250)          | (183,250)        | (183,250)        | 0                                                       |
| <i>Total Other Financing Sources (Uses)</i> | <i>(180,301)</i>   | <i>(180,301)</i> | <i>(180,301)</i> | <i>0</i>                                                |
| <i>Net Change in Fund Balance</i>           | <i>(8,093)</i>     | <i>26,204</i>    | <i>48,759</i>    | <i>22,555</i>                                           |
| <i>Fund Balance Beginning of Year</i>       | <i>99,561</i>      | <i>99,561</i>    | <i>99,561</i>    | <i>0</i>                                                |
| Prior Year Encumbrances Appropriated        | 2,875              | 2,875            | 2,875            | 0                                                       |
| <i>Fund Balance End of Year</i>             | <i>\$94,343</i>    | <i>\$128,640</i> | <i>\$151,195</i> | <i>\$22,555</i>                                         |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Stadium Marquee Fund*  
*For the Year Ended December 31, 2019*

|                                           | Budgeted Amounts   |                 |          | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-------------------------------------------|--------------------|-----------------|----------|---------------------------------------------------------|
|                                           | Original<br>Budget | Final<br>Budget | Actual   |                                                         |
| <b>Revenues</b>                           |                    |                 |          |                                                         |
| Charges for Services                      | \$35,000           | \$64,943        | \$64,943 | \$0                                                     |
| <b>Expenditures</b>                       |                    |                 |          |                                                         |
| Capital Outlay:                           |                    |                 |          |                                                         |
| Stadium Marquee:                          |                    |                 |          |                                                         |
| Capital Outlay                            | 50,000             | 50,000          | 25,744   | 24,256                                                  |
| <i>Net Change in Fund Balance</i>         | (15,000)           | 14,943          | 39,199   | 24,256                                                  |
| <i>Fund Balance Beginning of Year</i>     | 2,668              | 2,668           | 2,668    | 0                                                       |
| <i>Fund Balance (Deficit) End of Year</i> | (\$12,332)         | \$17,611        | \$41,867 | \$24,256                                                |

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

|                                             | Budgeted Amounts   |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------------|--------------------|-----------------|-----------------|---------------------------------------------------------|
|                                             | Original<br>Budget | Final<br>Budget | Actual          |                                                         |
| <b>Revenues</b>                             | \$0                | \$0             | \$0             | \$0                                                     |
| <b>Expenditures</b>                         | 0                  | 0               | 0               | 0                                                       |
| <i>Excess of Revenues Over Expenditures</i> | 0                  | 0               | 0               | 0                                                       |
| <b>Other Financing Sources (Uses)</b>       |                    |                 |                 |                                                         |
| Transfers In                                | 82,020             | 82,020          | 82,022          | 2                                                       |
| Transfers Out                               | (75,001)           | (75,001)        | (75,001)        | 0                                                       |
| <i>Total Other Financing Sources (Uses)</i> | 7,019              | 7,019           | 7,021           | 2                                                       |
| <i>Net Change in Fund Balance</i>           | 7,019              | 7,019           | 7,021           | 2                                                       |
| <i>Fund Balance Beginning of Year</i>       | 58,548             | 58,548          | 58,548          | 0                                                       |
| <i>Fund Balance End of Year</i>             | <u>\$65,567</u>    | <u>\$65,567</u> | <u>\$65,569</u> | <u>\$2</u>                                              |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Every Child's Playground Fund*  
*For the Year Ended December 31, 2019*

|                                       | Budgeted Amounts   |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|--------------------|-----------------|-----------------|---------------------------------------------------------|
|                                       | Original<br>Budget | Final<br>Budget | Actual          |                                                         |
| <b>Revenues</b>                       |                    |                 |                 |                                                         |
| Contributions and Donations           | \$3,500            | \$3,500         | \$3,500         | \$0                                                     |
| <b>Expenditures</b>                   |                    |                 |                 |                                                         |
| Capital Outlay:                       |                    |                 |                 |                                                         |
| Playground:                           |                    |                 |                 |                                                         |
| Capital Outlay                        | 20,122             | 20,122          | 943             | 19,179                                                  |
| <i>Net Change in Fund Balance</i>     | (16,622)           | (16,622)        | 2,557           | 19,179                                                  |
| <i>Fund Balance Beginning of Year</i> | 18,996             | 18,996          | 18,996          | 0                                                       |
| Prior Year Encumbrances Appropriated  | 122                | 122             | 122             | 0                                                       |
| <i>Fund Balance End of Year</i>       | <u>\$2,496</u>     | <u>\$2,496</u>  | <u>\$21,675</u> | <u>\$19,179</u>                                         |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Avon Veterans Memorial Construction Fund*  
*For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts        |                       |                        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|-------------------------|-----------------------|------------------------|---------------------------------------------------------|
|                                              | Original<br>Budget      | Final<br>Budget       | Actual                 |                                                         |
| <b>Revenues</b>                              |                         |                       |                        |                                                         |
| Intergovernmental                            | \$325,000               | \$200,000             | \$196,000              | (\$4,000)                                               |
| <b>Expenditures</b>                          |                         |                       |                        |                                                         |
| Capital Outlay:                              |                         |                       |                        |                                                         |
| Avon Veterans Memorial Construction:         |                         |                       |                        |                                                         |
| Capital Outlay                               | 412,590                 | 262,590               | 261,861                | 729                                                     |
| <i>Excess of Revenues Under Expenditures</i> | <u>(87,590)</u>         | <u>(62,590)</u>       | <u>(65,861)</u>        | <u>(3,271)</u>                                          |
| <b>Other Financing Sources (Uses)</b>        |                         |                       |                        |                                                         |
| Transfers In                                 | 75,000                  | 75,000                | 75,001                 | 1                                                       |
| Transfers Out                                | <u>0</u>                | <u>(196,000)</u>      | <u>(176,400)</u>       | <u>19,600</u>                                           |
| <i>Total Other Financing Sources (Uses)</i>  | <u>75,000</u>           | <u>(121,000)</u>      | <u>(101,399)</u>       | <u>19,601</u>                                           |
| <i>Net Change in Fund Balance</i>            | (12,590)                | (183,590)             | (167,260)              | 16,330                                                  |
| <i>Fund Balance Beginning of Year</i>        | 174,504                 | 174,504               | 174,504                | 0                                                       |
| Prior Year Encumbrances Appropriated         | <u>12,590</u>           | <u>12,590</u>         | <u>12,590</u>          | <u>0</u>                                                |
| <i>Fund Balance End of Year</i>              | <u><u>\$174,504</u></u> | <u><u>\$3,504</u></u> | <u><u>\$19,834</u></u> | <u><u>\$16,330</u></u>                                  |



**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*City-Wide Bike Trails Fund*  
*For the Year Ended December 31, 2019*

|                                              | Budgeted Amounts   |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------------------|--------------------|-----------------|-----------------|---------------------------------------------------------|
|                                              | Original<br>Budget | Final<br>Budget | Actual          |                                                         |
| <b>Revenues</b>                              |                    |                 |                 |                                                         |
| Intergovernmental                            | \$0                | \$15,680        | \$15,680        | \$0                                                     |
| Miscellaneous                                | 0                  | 0               | 5,000           | 5,000                                                   |
| <i>Total Revenues</i>                        | 0                  | 15,680          | 20,680          | 5,000                                                   |
| <b>Expenditures</b>                          |                    |                 |                 |                                                         |
| Capital Outlay:                              |                    |                 |                 |                                                         |
| City-Wide Bike Trails:                       |                    |                 |                 |                                                         |
| Capital Outlay                               | 49,000             | 69,000          | 58,650          | 10,350                                                  |
| <i>Excess of Revenues Under Expenditures</i> | (49,000)           | (53,320)        | (37,970)        | 15,350                                                  |
| <b>Other Financing Sources</b>               |                    |                 |                 |                                                         |
| Transfers In                                 | 49,000             | 69,000          | 74,000          | 5,000                                                   |
| <i>Net Change in Fund Balance</i>            | 0                  | 15,680          | 36,030          | 20,350                                                  |
| <i>Fund Balance Beginning of Year</i>        | 0                  | 0               | 0               | 0                                                       |
| <i>Fund Balance End of Year</i>              | <u>\$0</u>         | <u>\$15,680</u> | <u>\$36,030</u> | <u>\$20,350</u>                                         |

**City of Avon, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Storm Water Fund*  
*For the Year Ended December 31, 2019*

|                                      | Budgeted Amounts   |                 |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|--------------------|-----------------|------------------|---------------------------------------------------------|
|                                      | Original<br>Budget | Final<br>Budget | Actual           |                                                         |
| <b>Revenues</b>                      |                    |                 |                  |                                                         |
| Charges for Services                 | \$418,920          | \$418,920       | \$399,708        | (\$19,212)                                              |
| <b>Expenses</b>                      |                    |                 |                  |                                                         |
| Personal Services                    | 137,037            | 137,037         | 116,431          | 20,606                                                  |
| Materials and Supplies               | 197,136            | 197,136         | 185,068          | 12,068                                                  |
| Contractual Services                 | 69,803             | 69,803          | 62,906           | 6,897                                                   |
| Other                                | 5,000              | 5,000           | 20               | 4,980                                                   |
| Capital Outlay                       | 8,620              | 131,360         | 122,740          | 8,620                                                   |
| <i>Total Expenses</i>                | <u>417,596</u>     | <u>540,336</u>  | <u>487,165</u>   | <u>53,171</u>                                           |
| <i>Net Change in Fund Equity</i>     | 1,324              | (121,416)       | (87,457)         | 33,959                                                  |
| <i>Fund Equity Beginning of Year</i> | 199,094            | 199,094         | 199,094          | 0                                                       |
| Prior Year Encumbrances Appropriated | <u>4,790</u>       | <u>4,790</u>    | <u>4,790</u>     | <u>0</u>                                                |
| <i>Fund Equity End of Year</i>       | <u>\$205,208</u>   | <u>\$82,468</u> | <u>\$116,427</u> | <u>\$33,959</u>                                         |



# STATISTICAL







# Statistical Section

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

| <b><u>Contents</u></b>                                                                                                                                                                                                                             | <b><u>Page(s)</u></b> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>Financial Trends</b><br>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.                                                                     | <b>S2-S13</b>         |
| <b>Revenue Capacity</b><br>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax and the municipal income tax.                                                          | <b>S14-S25</b>        |
| <b>Debt Capacity</b><br>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.                            | <b>S26-S30</b>        |
| <b>Economic and Demographic Information</b><br>These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.                                    | <b>S31-S35</b>        |
| <b>Operating Information</b><br>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | <b>S36-S41</b>        |

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

**City of Avon, Ohio**  
*Net Position By Component*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

|                                                    | 2019                | 2018                | 2017 (1)            | 2016                |
|----------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities:                           |                     |                     |                     |                     |
| Net Investment in Capital Assets                   | \$44,244,473        | \$40,705,398        | \$36,346,679        | \$36,167,606        |
| Restricted:                                        |                     |                     |                     |                     |
| Capital Projects                                   | 939,036             | 1,414,965           | 673,086             | 0                   |
| Debt Service                                       | 11,900,099          | 12,350,278          | 12,259,293          | 6,845,284           |
| Fire Department                                    | 635,889             | 516,991             | 457,789             | 1,819,386           |
| Street Construction, Maintenance and Repair        | 1,653,925           | 1,305,160           | 936,227             | 797,185             |
| Other Purposes                                     | 2,445,593           | 2,363,384           | 2,653,685           | 1,388,994           |
| Unrestricted (Deficit)                             | <u>(13,212,611)</u> | <u>(25,390,793)</u> | <u>(24,458,137)</u> | <u>(7,739,091)</u>  |
| <i>Total Governmental Activities Net Position</i>  | <u>48,606,404</u>   | <u>33,265,383</u>   | <u>28,868,622</u>   | <u>39,279,364</u>   |
| Business-Type Activities:                          |                     |                     |                     |                     |
| Net Investment in Capital Assets                   | 31,342,561          | 29,208,283          | 27,540,894          | 27,325,569          |
| Unrestricted (Deficit)                             | <u>6,020,879</u>    | <u>7,119,691</u>    | <u>7,002,552</u>    | <u>7,627,901</u>    |
| <i>Total Business-Type Activities Net Position</i> | <u>37,363,440</u>   | <u>36,327,974</u>   | <u>34,543,446</u>   | <u>34,953,470</u>   |
| Primary Government:                                |                     |                     |                     |                     |
| Net Investment in Capital Assets                   | 75,587,034          | 69,913,681          | 63,887,573          | 63,493,175          |
| Restricted                                         | 17,574,542          | 17,950,778          | 16,980,080          | 10,850,849          |
| Unrestricted (Deficit)                             | <u>(7,191,732)</u>  | <u>(18,271,102)</u> | <u>(17,455,585)</u> | <u>(111,190)</u>    |
| <i>Total Primary Government Net Position</i>       | <u>\$85,969,844</u> | <u>\$69,593,357</u> | <u>\$63,412,068</u> | <u>\$74,232,834</u> |

(1) The City reported the impacts of GASB Statement No. 68 and 75 beginning in 2014 and 2017, respectively.

| 2015         | 2014 (1)     | 2013         | 2012         | 2011         | 2010         |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$35,118,979 | \$29,363,504 | \$35,478,485 | \$42,052,213 | \$48,907,059 | \$54,276,654 |
| 0            | 0            | 0            | 2,865,172    | 1,890,372    | 0            |
| 6,970,159    | 7,274,056    | 7,431,775    | 5,139,122    | 2,015,083    | 1,347,716    |
| 1,566,828    | 1,763,116    | 1,487,099    | 1,035,146    | 710,228      | 376,263      |
| 877,451      | 758,676      | 1,294,404    | 1,471,867    | 1,440,649    | 1,760,913    |
| 844,041      | 709,230      | 478,438      | 665,960      | 44,024       | 488,915      |
| (7,953,442)  | (7,407,222)  | 894,802      | (7,415,865)  | (8,747,905)  | (1,799,650)  |
| 37,424,016   | 32,461,360   | 47,065,003   | 45,813,615   | 46,259,510   | 56,450,811   |
| 25,107,622   | 24,624,861   | 25,528,673   | 25,871,513   | 29,636,176   | 26,368,440   |
| 6,581,243    | 5,817,722    | 5,358,825    | 5,481,758    | (182,452)    | 3,170,654    |
| 31,688,865   | 30,442,583   | 30,887,498   | 31,353,271   | 29,453,724   | 29,539,094   |
| 60,226,601   | 53,988,365   | 61,007,158   | 67,923,726   | 78,543,235   | 80,645,094   |
| 10,258,479   | 10,505,078   | 10,691,716   | 11,177,267   | 6,100,356    | 3,973,807    |
| (1,372,199)  | (1,589,500)  | 6,253,627    | (1,934,107)  | (8,930,357)  | 1,371,004    |
| \$69,112,881 | \$62,903,943 | \$77,952,501 | \$77,166,886 | \$75,713,234 | \$85,989,905 |

**City of Avon, Ohio**  
*Changes in Net Position*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

|                                                        | 2019         | 2018 (1)     | 2017         | 2016         |
|--------------------------------------------------------|--------------|--------------|--------------|--------------|
| <b>Program Revenues</b>                                |              |              |              |              |
| Governmental Activities:                               |              |              |              |              |
| Charges for Services and Operating Assessments         |              |              |              |              |
| General Government                                     | \$3,293,553  | \$2,401,683  | \$8,114,096  | \$2,030,361  |
| Security of Persons and Property                       | 771,395      | 724,024      | 672,185      | 546,672      |
| Transportation                                         | 5,147        | 447          | 5,810        | 0            |
| Community Environment                                  | 2,065,815    | 1,426,275    | 1,282,241    | 1,332,972    |
| Basic Utility Services                                 | 49,696       | 146,909      | 165,369      | 226,175      |
| Leisure Time Activities                                | 547,361      | 449,303      | 373,357      | 499,486      |
| Subtotal - Charges for Services                        | 6,732,967    | 5,148,641    | 10,613,058   | 4,635,666    |
| Operating Grants and Contributions:                    |              |              |              |              |
| General Government                                     | 0            | 0            | 0            | 0            |
| Security of Persons and Property                       | 117,989      | 108,765      | 91,377       | 92,698       |
| Transportation                                         | 1,696,424    | 1,289,739    | 1,257,588    | 1,265,019    |
| Community Environment                                  | 217,444      | 218,047      | 312,305      | 0            |
| Leisure Time Activities                                | 119,885      | 58,810       | 62,251       | 64,361       |
| Subtotal - Operating Grants and Contributions          | 2,151,742    | 1,675,361    | 1,723,521    | 1,422,078    |
| Capital Grants and Contributions:                      |              |              |              |              |
| General Government                                     | 0            | 36,483       | 139,194      | 74,008       |
| Security of Persons and Property                       | 61,719       | 0            | 0            | 0            |
| Transportation                                         | 1,253,803    | 1,605,739    | 613,588      | 2,273,112    |
| Community Environment                                  | 61,194       | 366,738      | 228,861      | 261,457      |
| Basic Utility Services                                 | 916,005      | 2,589,937    | 761,643      | 1,543,907    |
| Leisure Time Activities                                | 48,500       | 17,500       | 58,100       | 33,333       |
| Subtotal - Capital Grants and Contributions            | 2,341,221    | 4,616,397    | 1,801,386    | 4,185,817    |
| <i>Total Governmental Activities Program Revenues</i>  | 11,225,930   | 11,440,399   | 14,137,965   | 10,243,561   |
| Business-Type Activities:                              |              |              |              |              |
| Charges for Services:                                  |              |              |              |              |
| Water                                                  | 4,622,337    | 4,557,586    | 4,406,393    | 4,721,224    |
| Sewer                                                  | 4,535,296    | 4,293,225    | 4,073,106    | 4,160,768    |
| Storm Water                                            | 402,000      | 393,601      | 0            | 0            |
| Subtotal - Charges for Services                        | 9,559,633    | 9,244,412    | 8,479,499    | 8,881,992    |
| Capital Grants and Contributions                       |              |              |              |              |
| Water                                                  | 0            | 0            | 99,375       | 0            |
| Sewer                                                  | 290,378      | 760,388      | 401,656      | 590,677      |
| Subtotal - Capital Grants and Contributions            | 290,378      | 760,388      | 501,031      | 590,677      |
| <i>Total Business-Type Activities Program Revenues</i> | 9,850,011    | 10,004,800   | 8,980,530    | 9,472,669    |
| <i>Total Primary Government Program Revenues</i>       | \$21,075,941 | \$21,445,199 | \$23,118,495 | \$19,716,230 |



| 2015 (1)     | 2014         | 2013         | 2012         | 2011        | 2010        |
|--------------|--------------|--------------|--------------|-------------|-------------|
| \$2,290,540  | \$2,016,543  | \$6,309,922  | \$6,766,870  | \$1,628,202 | \$1,122,652 |
| 488,084      | 435,775      | 440,527      | 488,240      | 1,816       | 2,340       |
| 0            | 0            | 1,251,613    | 95,000       | 0           | 0           |
| 1,463,186    | 1,092,889    | 779,557      | 885,991      | 394,643     | 457,238     |
| 139,941      | 87,182       | 34,791       | 18,911       | 0           | 0           |
| 330,063      | 336,570      | 277,233      | 234,889      | 221,838     | 272,808     |
| 4,711,814    | 3,968,959    | 9,093,643    | 8,489,901    | 2,246,499   | 1,855,038   |
| 0            | 7,778        | 5,168        | 7,851        | 9,033       | 150,827     |
| 99,565       | 108,650      | 89,373       | 75,479       | 10,448      | 230,744     |
| 1,210,312    | 1,239,055    | 1,178,946    | 1,177,492    | 1,112,132   | 1,239,397   |
| 0            | 0            | 0            | 0            | 11,955      | 87,280      |
| 72,308       | 64,625       | 70,213       | 24,594       | 21,675      | 65,314      |
| 1,382,185    | 1,420,108    | 1,343,700    | 1,285,416    | 1,165,243   | 1,773,562   |
| 72,453       | 75,239       | 108,822      | 74,772       | 325,251     | 0           |
| 0            | 0            | 0            | 0            | 0           | 0           |
| 3,689,916    | 699,636      | 628,713      | 110,124      | 246,075     | 0           |
| 40,663       | 420,710      | 364,393      | 0            | 0           | 0           |
| 1,421,007    | 0            | 0            | 0            | 0           | 0           |
| 0            | 0            | 0            | 0            | 0           | 0           |
| 5,224,039    | 1,195,585    | 1,101,928    | 184,896      | 571,326     | 0           |
| 11,318,038   | 6,584,652    | 11,539,271   | 9,960,213    | 3,983,068   | 3,628,600   |
| 3,545,630    | 3,250,484    | 2,561,315    | 3,170,442    | 2,105,969   | 2,613,627   |
| 3,604,548    | 3,330,982    | 1,788,695    | 2,738,682    | 1,644,692   | 1,356,918   |
| 0            | 0            | 0            | 0            | 0           | 0           |
| 7,150,178    | 6,581,466    | 4,350,010    | 5,909,124    | 3,750,661   | 3,970,545   |
| 0            | 0            | 318,715      | 87,805       | 77,010      | 0           |
| 2,003,839    | 111,193      | 230,520      | 185,721      | 63,408      | 310,925     |
| 2,003,839    | 111,193      | 549,235      | 273,526      | 140,418     | 310,925     |
| 9,154,017    | 6,692,659    | 4,899,245    | 6,182,650    | 3,891,079   | 4,281,470   |
| \$20,472,055 | \$13,277,311 | \$16,438,516 | \$16,142,863 | \$7,874,147 | \$7,910,070 |

(continued)

**City of Avon, Ohio**  
*Changes in Net Position (continued)*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

|                                                  | 2019                  | 2018 (1)              | 2017                  | 2016                  |
|--------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Expenses</b>                                  |                       |                       |                       |                       |
| Governmental Activities:                         |                       |                       |                       |                       |
| General Government                               | \$6,434,578           | \$4,582,465           | \$4,552,425           | \$4,632,151           |
| General Government - Intergovernmenta            | 481,222               | 486,023               | 0                     | 0                     |
| Security of Persons and Property                 | 2,189,332             | 14,263,912            | 12,455,701            | 11,960,179            |
| Transportation                                   | 7,147,202             | 6,587,258             | 6,356,119             | 6,463,824             |
| Community Environment                            | 4,248,527             | 3,035,192             | 2,348,421             | 4,068,001             |
| Basic Utility Services                           | 1,310,333             | 904,786               | 840,382               | 911,121               |
| Leisure Time Activities                          | 2,584,382             | 2,071,772             | 2,200,268             | 1,629,373             |
| Interest and Fiscal Charges                      | 2,669,789             | 2,681,243             | 2,802,582             | 2,565,722             |
| <i>Total Governmental Activities Expenses</i>    | <u>27,065,365</u>     | <u>34,612,651</u>     | <u>31,555,898</u>     | <u>32,230,371</u>     |
| Business-Type Activities                         |                       |                       |                       |                       |
| Water                                            | 3,660,184             | 3,635,564             | 4,098,831             | 2,999,014             |
| Sewer                                            | 4,443,700             | 4,311,528             | 4,133,510             | 3,390,641             |
| Storm Water                                      | 471,214               | 243,607               | 0                     | 0                     |
| <i>Total Business-Type Activities Expenses</i>   | <u>8,575,098</u>      | <u>8,190,699</u>      | <u>8,232,341</u>      | <u>6,389,655</u>      |
| <i>Total Primary Government Program Expenses</i> | <u>35,640,463</u>     | <u>42,803,350</u>     | <u>39,788,239</u>     | <u>38,620,026</u>     |
| <b>Net (Expense)/Revenue</b>                     |                       |                       |                       |                       |
| Governmental Activities                          | (15,839,435)          | (23,172,252)          | (17,417,933)          | (21,986,810)          |
| Business-Type Activities                         | <u>1,274,913</u>      | <u>1,814,101</u>      | <u>748,189</u>        | <u>3,083,014</u>      |
| <i>Total Primary Government Net Expense</i>      | <u>(\$14,564,522)</u> | <u>(\$21,358,151)</u> | <u>(\$16,669,744)</u> | <u>(\$18,903,796)</u> |

| 2015 (1)       | 2014           | 2013           | 2012           | 2011           | 2010           |
|----------------|----------------|----------------|----------------|----------------|----------------|
| \$4,340,391    | \$5,326,980    | \$6,098,761    | \$5,244,263    | \$4,525,898    | \$4,349,901    |
| 0              | 0              | 0              | 0              | 0              | 0              |
| 10,611,997     | 10,094,196     | 10,444,993     | 9,315,052      | 8,769,685      | 8,611,264      |
| 5,453,943      | 5,862,901      | 6,538,774      | 6,284,978      | 4,150,279      | 6,025,615      |
| 2,147,727      | 1,728,765      | 1,544,542      | 1,521,616      | 1,320,973      | 1,236,395      |
| 814,317        | 688,440        | 996,170        | 618,381        | 682,667        | 862,479        |
| 1,377,791      | 1,302,661      | 1,888,391      | 1,432,240      | 1,464,779      | 1,104,319      |
| 3,032,601      | 2,976,565      | 2,822,762      | 2,688,373      | 2,300,130      | 2,211,663      |
| 27,778,767     | 27,980,508     | 30,334,393     | 27,104,903     | 23,214,411     | 24,401,636     |
| 4,509,372      | 3,102,338      | 3,063,812      | 3,239,898      | 2,338,775      | 3,924,685      |
| 3,466,945      | 3,555,325      | 2,311,111      | 1,142,172      | 1,662,416      | 1,871,978      |
| 0              | 0              | 0              | 0              | 0              | 0              |
| 7,976,317      | 6,657,663      | 5,374,923      | 4,382,070      | 4,001,191      | 5,796,663      |
| 35,755,084     | 34,638,171     | 35,709,316     | 31,486,973     | 27,215,602     | 30,198,299     |
| (16,460,729)   | (21,395,856)   | (18,795,122)   | (17,144,690)   | (19,231,343)   | (20,773,036)   |
| 1,177,700      | 34,996         | (475,678)      | 1,800,580      | (110,112)      | (1,515,193)    |
| (\$15,283,029) | (\$21,360,860) | (\$19,270,800) | (\$15,344,110) | (\$19,341,455) | (\$22,288,229) |

(continued)

**City of Avon, Ohio**  
*Changes in Net Position (continued)*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

|                                                                                    | 2019                | 2018 (1)           | 2017               | 2016               |
|------------------------------------------------------------------------------------|---------------------|--------------------|--------------------|--------------------|
| <b>General Revenues and Other Changes in Net Position</b>                          |                     |                    |                    |                    |
| Governmental Activities                                                            |                     |                    |                    |                    |
| Taxes:                                                                             |                     |                    |                    |                    |
| Property Taxes Levied For:                                                         |                     |                    |                    |                    |
| General Purposes                                                                   | \$1,951,655         | \$1,805,289        | \$1,724,850        | \$1,661,026        |
| Streets                                                                            | 1,293,845           | 1,309,030          | 1,219,882          | 1,212,333          |
| Police                                                                             | 722,005             | 706,811            | 653,997            | 650,063            |
| Park Operating                                                                     | 306,437             | 310,032            | 288,920            | 287,132            |
| Lorain Public Library                                                              | 434,169             | 0                  | 0                  | 0                  |
| Library Bond Retirement                                                            | 0                   | 0                  | 0                  | 0                  |
| Equipment                                                                          | 779,858             | 790,383            | 579,088            | 572,212            |
| Municipal Income Taxes levied for:                                                 |                     |                    |                    |                    |
| General Purposes                                                                   | 10,960,373          | 9,687,503          | 9,582,138          | 9,135,298          |
| Fire Department                                                                    | 3,384,756           | 3,357,920          | 2,729,053          | 4,415,368          |
| Police                                                                             | 3,384,757           | 3,357,920          | 3,095,920          | 1,806,394          |
| Park Operating                                                                     | 1,284,559           | 1,224,588          | 1,197,897          | 796,208            |
| Recreation Complex                                                                 | 1,284,557           | 1,224,588          | 1,197,897          | 1,670,331          |
| Grants and Entitlements not Restricted to                                          |                     |                    |                    |                    |
| Specific Programs                                                                  | 1,250,922           | 961,286            | 613,496            | 907,160            |
| Unrestricted Contributions                                                         | 2,215               | 240                | 1,825              | 3,521              |
| Investment Earnings                                                                | 618,049             | 392,997            | 188,035            | 135,853            |
| Payments in Lieu of Taxes                                                          | 2,580,907           | 1,954,892          | 1,481,646          | 1,149,003          |
| Gain on Sale of Capital Assets                                                     | 0                   | 16,717             | 0                  | 0                  |
| Miscellaneous                                                                      | 640,674             | 388,076            | 532,736            | 166,277            |
| <i>Total Governmental Activities</i>                                               | <u>30,879,738</u>   | <u>27,488,272</u>  | <u>25,087,380</u>  | <u>24,568,179</u>  |
| Business-Type Activities                                                           |                     |                    |                    |                    |
| Investment Earnings                                                                | 391                 | 7,198              | 0                  | 9,974              |
| Gain on Sale of Capital Assets                                                     | 31,222              | 4,000              | 0                  | 0                  |
| Miscellaneous                                                                      | 29,658              | 39,970             | 24,610             | 171,617            |
| <i>Total Business-Type Activities</i>                                              | <u>61,271</u>       | <u>51,168</u>      | <u>24,610</u>      | <u>181,591</u>     |
| <i>Total Primary Government General Revenues and Other Changes in Net Position</i> | <u>30,941,009</u>   | <u>27,539,440</u>  | <u>25,111,990</u>  | <u>24,749,770</u>  |
| <b>Transfers</b>                                                                   |                     |                    |                    |                    |
| Governmental Activities                                                            | 300,718             | 80,741             | 65,424             | 0                  |
| Business-Type Activities                                                           | <u>(300,718)</u>    | <u>(80,741)</u>    | <u>(65,424)</u>    | <u>0</u>           |
| <b>Special Item</b>                                                                |                     |                    |                    |                    |
| I-90 Interchange Project                                                           | <u>0</u>            | <u>0</u>           | <u>0</u>           | <u>0</u>           |
| <b>Change in Net Position</b>                                                      |                     |                    |                    |                    |
| Governmental Activities                                                            | 15,341,021          | 4,396,761          | 7,734,871          | 2,581,369          |
| Business-Type Activities                                                           | <u>1,035,466</u>    | <u>1,784,528</u>   | <u>707,375</u>     | <u>3,264,605</u>   |
| <i>Total Primary Government Change in Net Position</i>                             | <u>\$16,376,487</u> | <u>\$6,181,289</u> | <u>\$8,442,246</u> | <u>\$5,845,974</u> |

(1) Expenses are first impacted by the implementation of GASB Statement No. 68 and 75 beginning in 2015 and 2018, respectively

| 2015 (1)    | 2014        | 2013        | 2012        | 2011           | 2010          |
|-------------|-------------|-------------|-------------|----------------|---------------|
| \$1,536,192 | \$1,532,142 | \$1,455,757 | \$1,612,249 | \$1,566,237    | \$1,496,579   |
| 1,180,355   | 1,188,229   | 1,136,911   | 1,268,453   | 1,228,341      | 1,223,635     |
| 629,286     | 625,571     | 593,648     | 637,761     | 629,793        | 613,253       |
| 279,556     | 281,422     | 269,269     | 300,430     | 293,924        | 289,808       |
| 0           | 0           | 0           | 0           | 0              | 0             |
| 0           | 61,569      | 50,171      | 69,927      | 74,421         | 78,640        |
| 552,147     | 560,244     | 540,442     | 580,310     | 568,618        | 559,583       |
| 7,902,348   | 7,018,713   | 7,177,133   | 6,336,213   | 5,478,107      | 4,692,358     |
| 3,911,656   | 4,229,098   | 4,406,655   | 3,839,955   | 4,164,144      | 3,386,770     |
| 1,378,008   | 983,874     | 660,266     | 564,936     | 143,118        | 0             |
| 493,731     | 617,848     | 0           | 0           | 0              | 0             |
| 1,481,191   | 1,225,308   | 1,907,862   | 1,613,687   | 1,413,615      | 1,179,680     |
| 803,671     | 588,601     | 983,110     | 1,537,673   | 1,223,337      | 1,837,467     |
| 225         | 150         | 0           | 0           | 0              | 0             |
| 70,407      | 124,974     | (17,879)    | 154,534     | 64,712         | 293,374       |
| 647,795     | 2,580,037   | 2,373,141   | 2,150,075   | 1,701,068      | 1,319,031     |
| 0           | 0           | 0           | 0           | 0              | 0             |
| 556,817     | 562,343     | 258,370     | 302,223     | 453,527        | 607,322       |
| 21,423,385  | 22,180,123  | 21,794,856  | 20,968,426  | 19,002,962     | 17,577,500    |
| 11,791      | 19,561      | 0           | 1,714       | 3,818          | 8,309         |
| 0           | 0           | 0           | 0           | 0              | 0             |
| 56,791      | 88,492      | 34,879      | 123,264     | 2,696          | 34,455        |
| 68,582      | 108,053     | 34,879      | 124,978     | 6,514          | 42,764        |
| 21,491,967  | 22,288,176  | 21,829,735  | 21,093,404  | 19,009,476     | 17,620,264    |
| 0           | (4,622)     | 24,974      | 26,011      | (18,228)       | 164,191       |
| 0           | 4,622       | (24,974)    | (26,011)    | 18,228         | (164,191)     |
| 0           | 0           | (1,773,320) | (4,295,642) | (9,944,692)    | 0             |
| 4,962,656   | 779,645     | 1,251,388   | (445,895)   | (10,191,301)   | (3,031,345)   |
| 1,246,282   | 147,671     | (465,773)   | 1,899,547   | (85,370)       | (1,636,620)   |
| \$6,208,938 | \$927,316   | \$785,615   | \$1,453,652 | (\$10,276,671) | (\$4,667,965) |

**City of Avon, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

|                                              | 2019                | 2018               | 2017               | 2016               |
|----------------------------------------------|---------------------|--------------------|--------------------|--------------------|
| <b>General Fund</b>                          |                     |                    |                    |                    |
| Nonspendable                                 | \$421,129           | \$526,415          | \$583,871          | \$190,961          |
| Restricted                                   | 0                   | 0                  | 0                  | 0                  |
| Assigned                                     | 1,942,930           | 204,368            | 770,604            | 112,088            |
| Unassigned                                   | 9,363,127           | 8,851,170          | 6,922,744          | 5,970,523          |
| Total General Fund                           | 11,727,186          | 9,581,953          | 8,277,219          | 6,273,572          |
| <b>All Other Governmental Funds</b>          |                     |                    |                    |                    |
| Nonspendable                                 | 312,487             | 417,293            | 394,414            | 345,794            |
| Restricted                                   | 6,348,878           | 6,180,481          | 5,511,082          | 5,003,524          |
| Committed                                    | 478,340             | 360,372            | 605,342            | 914,525            |
| Assigned                                     | 919,311             | 1,061,126          | 711,663            | 630,353            |
| Unassigned (Deficit)                         | (6,914,918)         | (7,875,772)        | (8,249,154)        | (13,835,549)       |
| Total All Other Governmental Funds (Deficit) | 1,144,098           | 143,500            | (1,026,653)        | (6,941,353)        |
| <b>Total Governmental Funds (Deficit)</b>    | <b>\$12,871,284</b> | <b>\$9,725,453</b> | <b>\$7,250,566</b> | <b>(\$667,781)</b> |

| 2015        | 2014        | 2013        | 2012          | 2011          | 2010         |
|-------------|-------------|-------------|---------------|---------------|--------------|
| \$189,085   | \$202,048   | \$1,168,421 | \$1,170,558   | \$1,250,272   | \$25,615     |
| 0           | 0           | 0           | 0             | 0             | 974,616      |
| 1,199,671   | 863,715     | 341,665     | 1,742,480     | 107,024       | 83,948       |
| 3,629,253   | 4,290,707   | 4,569,321   | 6,058,076     | 7,509,648     | 8,632,072    |
| 5,018,009   | 5,356,470   | 6,079,407   | 8,971,114     | 8,866,944     | 9,716,251    |
| 284,776     | 228,638     | 242,741     | 201,058       | 178,349       | 166,340      |
| 4,375,547   | 5,927,793   | 6,055,705   | 6,180,850     | 4,539,257     | 8,171,553    |
| 721,199     | 594,804     | 417,020     | 497,513       | 565,102       | 186,029      |
| 362,947     | 244,226     | 307,741     | 683,639       | 39,389        | 86,605       |
| (8,098,171) | (2,575,669) | (6,832,098) | (18,792,013)  | (18,668,420)  | (10,782,800) |
| (2,353,702) | 4,419,792   | 191,109     | (11,228,953)  | (13,346,323)  | (2,172,273)  |
| \$2,664,307 | \$9,776,262 | \$6,270,516 | (\$2,257,839) | (\$4,479,379) | \$7,543,978  |

**City of Avon, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

|                                                         | 2019               | 2018               | 2017               | 2016                 |
|---------------------------------------------------------|--------------------|--------------------|--------------------|----------------------|
| <b>Revenues</b>                                         |                    |                    |                    |                      |
| Property Taxes                                          | \$5,493,746        | \$4,941,026        | \$4,507,570        | \$4,412,562          |
| Payments in Lieu of Taxes                               | 2,592,018          | 1,946,184          | 1,490,985          | 1,156,913            |
| Municipal Income Taxes                                  | 20,134,539         | 18,661,469         | 17,816,561         | 17,848,810           |
| Charges for Services                                    | 2,378,470          | 2,243,007          | 2,076,575          | 2,168,666            |
| Licenses and Permits                                    | 2,751,044          | 1,542,150          | 1,127,049          | 1,434,048            |
| Fines and Forfeitures                                   | 256,941            | 213,004            | 153,008            | 145,250              |
| Intergovernmental                                       | 4,030,664          | 2,787,589          | 2,923,261          | 2,773,270            |
| Special Assessments                                     | 1,301,607          | 1,066,893          | 744,363            | 798,590              |
| Interest                                                | 618,049            | 392,997            | 188,035            | 135,853              |
| Contributions and Donations                             | 115,875            | 73,377             | 93,230             | 36,850               |
| Rentals                                                 | 494,838            | 499,573            | 464,615            | 448,955              |
| Miscellaneous                                           | 640,674            | 388,076            | 532,736            | 166,277              |
| <i>Total Revenues</i>                                   | <u>40,808,465</u>  | <u>34,755,345</u>  | <u>32,117,988</u>  | <u>31,526,044</u>    |
| <b>Expenditures</b>                                     |                    |                    |                    |                      |
| Current:                                                |                    |                    |                    |                      |
| General Government                                      | 5,067,537          | 3,686,590          | 3,514,261          | 3,780,366            |
| Security of Persons and Property                        | 12,163,716         | 11,403,635         | 10,699,681         | 10,015,974           |
| Transportation                                          | 3,090,430          | 2,910,520          | 2,586,021          | 2,960,063            |
| Community Environment                                   | 3,746,416          | 2,806,655          | 2,059,964          | 2,155,968            |
| Basic Utility Services                                  | 0                  | 0                  | 0                  | 0                    |
| Leisure Time Activities                                 | 1,960,248          | 1,636,582          | 1,832,622          | 1,302,536            |
| Intergovernmental                                       | 481,222            | 486,023            | 0                  | 0                    |
| Capital Outlay                                          | 5,196,463          | 3,360,689          | 4,450,283          | 15,364,564           |
| Debt Service:                                           |                    |                    |                    |                      |
| Principal Retirement                                    | 6,981,291          | 7,242,175          | 7,756,574          | 2,912,141            |
| Interest and Fiscal Charges                             | 2,735,478          | 2,837,360          | 2,766,714          | 2,553,703            |
| Issuance Costs                                          | 80,662             | 0                  | 215,598            | 295,316              |
| <i>Total Expenditures</i>                               | <u>41,503,463</u>  | <u>36,370,229</u>  | <u>35,881,718</u>  | <u>41,340,631</u>    |
| <i>Excess of Revenues Under Expenditures</i>            | <u>(694,998)</u>   | <u>(1,614,884)</u> | <u>(3,763,730)</u> | <u>(9,814,587)</u>   |
| <b>Other Financing Sources (Uses)</b>                   |                    |                    |                    |                      |
| Sale of Capital Assets                                  | 25,041             | 20,717             | 25,022             | 835,925              |
| Inception of Capital Lease                              | 0                  | 0                  | 0                  | 117,535              |
| Refunding Bonds Issued                                  | 0                  | 0                  | 1,975,000          | 26,834,600           |
| General Obligation Bonds Issued                         | 0                  | 0                  | 6,330,000          | 0                    |
| Special Assessment Bonds Issued                         | 0                  | 0                  | 0                  | 0                    |
| Premium on Bonds Issued                                 | 0                  | 0                  | 781,055            | 1,575,047            |
| Notes Issued                                            | 3,250,000          | 3,900,000          | 4,400,000          | 5,075,000            |
| Premium on Notes Issued                                 | 123,699            | 47,951             | 36,033             | 93,692               |
| Loans Issued                                            | 141,371            | 0                  | 0                  | 57,414               |
| Payment to Refunded Bond Escrow Agent                   | 0                  | 0                  | (1,930,457)        | (28,106,714)         |
| Transfers In                                            | 9,062,090          | 8,776,955          | 7,760,326          | 8,237,262            |
| Transfers Out                                           | (8,761,372)        | (8,655,852)        | (7,694,902)        | (8,237,262)          |
| <i>Total Other Financing Sources (Uses)</i>             | <u>3,840,829</u>   | <u>4,089,771</u>   | <u>11,682,077</u>  | <u>6,482,499</u>     |
| Special Item                                            | <u>0</u>           | <u>0</u>           | <u>0</u>           | <u>0</u>             |
| <i>Net Change in Fund Balances</i>                      | <u>\$3,145,831</u> | <u>\$2,474,887</u> | <u>\$7,918,347</u> | <u>(\$3,332,088)</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 26.3%              | 30.3%              | 33.7%              | 20.6%                |



| 2015          | 2014        | 2013         | 2012        | 2011           | 2010          |
|---------------|-------------|--------------|-------------|----------------|---------------|
| \$4,197,012   | \$4,234,545 | \$4,043,296  | \$4,388,175 | \$4,506,378    | \$4,248,951   |
| 663,744       | 2,535,911   | 2,373,141    | 2,150,075   | 1,701,068      | 1,319,031     |
| 15,451,834    | 14,129,864  | 13,227,628   | 12,036,712  | 10,555,273     | 9,710,548     |
| 1,710,546     | 1,383,468   | 2,563,870    | 3,018,040   | 811,160        | 617,297       |
| 1,973,368     | 1,472,885   | 1,110,765    | 770,884     | 742,571        | 1,090,059     |
| 281,221       | 262,517     | 188,494      | 399,610     | 203,505        | 147,987       |
| 4,791,149     | 2,247,864   | 2,612,270    | 2,953,599   | 3,286,920      | 3,296,064     |
| 744,494       | 837,217     | 2,026,513    | 481,394     | 410,752        | 249,816       |
| 70,407        | 124,974     | (17,879)     | 154,534     | 64,712         | 293,374       |
| 39,475        | 4,606       | 1,803        | 0           | 625            | 5,000         |
| 424,554       | 422,160     | 411,833      | 391,088     | 380,000        | 380,000       |
| 556,817       | 562,343     | 258,330      | 302,223     | 453,527        | 227,322       |
| 30,904,621    | 28,218,354  | 28,800,064   | 27,046,334  | 23,116,491     | 21,585,449    |
| 3,625,119     | 4,585,168   | 4,795,581    | 4,528,308   | 3,644,554      | 3,451,160     |
| 9,827,877     | 9,752,745   | 9,457,216    | 8,751,701   | 8,403,805      | 7,834,770     |
| 2,546,580     | 2,809,212   | 2,382,597    | 2,235,594   | 2,474,040      | 2,035,160     |
| 2,139,948     | 1,742,815   | 1,510,405    | 1,439,019   | 1,268,823      | 1,204,080     |
| 0             | 0           | 0            | 8,587       | 46,497         | 15,286        |
| 1,123,760     | 1,119,428   | 1,614,582    | 1,272,269   | 1,350,087      | 840,942       |
| 0             | 0           | 0            | 0           | 0              | 0             |
| 13,047,443    | 4,350,175   | 5,836,420    | 10,969,183  | 3,816,253      | 11,799,587    |
| 2,621,565     | 2,602,713   | 2,443,614    | 2,051,057   | 7,530,941      | 7,326,169     |
| 3,088,258     | 3,226,688   | 2,740,512    | 2,380,527   | 2,363,849      | 2,191,887     |
| 0             | 106,786     | 176,031      | 206,242     | 178,073        | 0             |
| 38,020,550    | 30,295,730  | 30,956,958   | 33,842,487  | 31,076,922     | 36,699,041    |
| (7,115,929)   | (2,077,376) | (2,156,894)  | (6,796,153) | (7,960,431)    | (15,113,592)  |
| 3,974         | 22,322      | 25,141       | 0           | 0              | 0             |
| 0             | 0           | 0            | 0           | 0              | 0             |
| 0             | 0           | 0            | 0           | 2,620,000      | 0             |
| 0             | 5,235,000   | 8,735,028    | 11,575,392  | 5,760,000      | 0             |
| 0             | 0           | 3,084,972    | 3,734,608   | 0              | 0             |
| 0             | 211,786     | 556,031      | 536,863     | 133,036        | 0             |
| 0             | 0           | 0            | 0           | 0              | 5,675,000     |
| 0             | 0           | 0            | 0           | 0              | 51,870        |
| 0             | 114,014     | 32,423       | 97,167      | 0              | 0             |
| 0             | 0           | 0            | (2,656,706) | (2,613,042)    | 0             |
| 8,710,298     | 8,700,814   | 11,872,993   | 8,410,863   | 9,652,720      | 11,341,838    |
| (8,710,298)   | (8,700,814) | (11,848,019) | (8,384,852) | (9,670,948)    | (11,177,647)  |
| 3,974         | 5,583,122   | 12,458,569   | 13,313,335  | 5,881,766      | 5,891,061     |
| 0             | 0           | (1,773,320)  | (4,295,642) | (9,944,692)    | 0             |
| (\$7,111,955) | \$3,505,746 | \$8,528,355  | \$2,221,540 | (\$12,023,357) | (\$9,222,531) |
| 22.7%         | 22.3%       | 18.7%        | 17.9%       | 37.1%          | 33.4%         |

**City of Avon, Ohio**  
*Assessed Valuation and Estimated Actual Values of Taxable Property*  
*Last Ten Years*

| Collection<br>Year | Real Property                |                             |                              | Tangible Personal Property |                              |
|--------------------|------------------------------|-----------------------------|------------------------------|----------------------------|------------------------------|
|                    | Assessed Value               |                             | Estimated<br>Actual<br>Value | Public Utility             |                              |
|                    | Residential/<br>Agricultural | Commercial<br>Industrial/PU |                              | Assessed<br>Value          | Estimated<br>Actual<br>Value |
| 2019               | \$752,294,870                | \$180,438,460               | \$2,664,952,371              | \$18,574,930               | \$21,107,875                 |
| 2018               | 664,126,710                  | 170,230,710                 | 2,383,878,343                | 16,527,770                 | 18,781,557                   |
| 2017               | 647,599,910                  | 168,351,740                 | 2,331,290,429                | 15,573,110                 | 17,696,716                   |
| 2016               | 633,809,990                  | 168,060,590                 | 2,291,058,800                | 14,083,250                 | 16,003,693                   |
| 2015               | 573,754,960                  | 168,064,920                 | 2,119,485,371                | 13,371,550                 | 15,194,943                   |
| 2014               | 559,668,300                  | 170,425,410                 | 2,085,982,029                | 12,652,910                 | 14,378,307                   |
| 2013               | 550,176,210                  | 169,038,370                 | 2,054,898,800                | 11,582,520                 | 13,161,955                   |
| 2012               | 591,340,020                  | 170,542,580                 | 2,176,807,429                | 10,591,870                 | 12,036,216                   |
| 2011               | 577,927,270                  | 191,542,460                 | 2,198,484,943                | 10,293,520                 | 11,697,182                   |
| 2010               | 567,702,900                  | 176,422,410                 | 2,126,072,314                | 9,888,710                  | 11,237,170                   |

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies, at 5 percent for 2010. The last year telephone companies paid tangible personal property tax was 2010.

The tangible personal property values associated with each year were the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Source: Lorain County, Ohio; County Auditor

| Tangible Personal Property |                              |                   |                              |         |                              |                                |  |
|----------------------------|------------------------------|-------------------|------------------------------|---------|------------------------------|--------------------------------|--|
| General Business           |                              | Total             |                              | Ratio   | Total<br>Tax Rate<br>(mills) | Weighted<br>Average<br>(mills) |  |
| Assessed<br>Value          | Estimated<br>Actual<br>Value | Assessed<br>Value | Estimated<br>Actual<br>Value |         |                              |                                |  |
| \$0                        | \$0                          | \$951,308,260     | \$2,686,060,246              | 35.42 % | \$9.15                       | \$6.39962                      |  |
| 0                          | 0                            | 850,885,190       | 2,402,659,900                | 35.41   | 9.15                         | 6.39411                        |  |
| 0                          | 0                            | 831,524,760       | 2,348,987,144                | 35.40   | 9.15                         | 6.76476                        |  |
| 0                          | 0                            | 815,953,830       | 2,307,062,493                | 35.37   | 9.15                         | 6.62286                        |  |
| 0                          | 0                            | 755,191,430       | 2,134,680,315                | 35.38   | 9.15                         | 6.62119                        |  |
| 0                          | 0                            | 742,746,620       | 2,100,360,335                | 35.36   | 9.15                         | 6.86823                        |  |
| 0                          | 0                            | 730,797,100       | 2,068,060,755                | 35.34   | 9.24                         | 6.98198                        |  |
| 0                          | 0                            | 772,474,470       | 2,188,843,645                | 35.29   | 9.23                         | 6.99379                        |  |
| 0                          | 0                            | 779,763,250       | 2,210,182,125                | 35.28   | 9.25                         | 6.92930                        |  |
| 388,577                    | 3,108,616                    | 754,402,597       | 2,140,418,101                | 35.25   | 9.27                         | 7.12247                        |  |

**City of Avon, Ohio**  
*Property Tax Rates - Direct and Overlapping Governments*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*

|                                                | 2019             | 2018             | 2017             | 2016             |
|------------------------------------------------|------------------|------------------|------------------|------------------|
| <b>Unvoted Millage</b>                         |                  |                  |                  |                  |
| Operating                                      | \$2.30000        | \$2.30000        | \$2.30000        | \$2.30000        |
| Police Pension                                 | 0.30000          | 0.30000          | 0.30000          | 0.30000          |
| <i>Total Unvoted Millage</i>                   | <u>2.60000</u>   | <u>2.60000</u>   | <u>2.60000</u>   | <u>2.60000</u>   |
| <b>Voted Millage - by levy</b>                 |                  |                  |                  |                  |
| 1984 Police                                    |                  |                  |                  |                  |
| General Business and Public Utility Personal   | 2.00000          | 2.00000          | 2.00000          | 2.00000          |
| Residential/Agricultural Real                  | 0.49495          | 0.49651          | 0.55284          | 0.55445          |
| Commercial/Industrial and Public Utility Real  | 0.60972          | 0.59922          | 0.63098          | 0.63243          |
| 1994 Bond                                      | 0.00000          | 0.00000          | 0.00000          | 0.00000          |
| 1996 Library                                   |                  |                  |                  |                  |
| General Business and Public Utility Personal   | 1.20000          | 1.20000          | 1.20000          | 1.20000          |
| Residential/Agricultural Real                  | 0.50247          | 0.50405          | 0.56123          | 0.56287          |
| Commercial/Industrial and Public Utility Real  | 0.44852          | 0.44080          | 0.46416          | 0.46523          |
| 2002 Fire - 5 years (2)                        |                  |                  |                  |                  |
| General Business and Public Utility Personal   | 0.00000          | 0.00000          | 0.00000          | 0.50000          |
| Residential/Agricultural Real                  | 0.00000          | 0.00000          | 0.00000          | 0.37738          |
| Commercial/Industrial and Public Utility Real  | 0.00000          | 0.00000          | 0.00000          | 0.24401          |
| 2017 Fire - 5 years                            |                  |                  |                  |                  |
| General Business and Public Utility Personal   | 0.50000          | 0.50000          | 0.50000          | 0.00000          |
| Residential/Agricultural Real                  | 0.44634          | 0.44775          | 0.49854          | 0.00000          |
| Commercial/Industrial and Public Utility Real  | 0.48204          | 0.47374          | 0.49885          | 0.00000          |
| 2007 Police - 10 years (4)                     |                  |                  |                  |                  |
| General Business and Public Utility Personal   | 0.50000          | 0.50000          | 0.50000          | 0.50000          |
| Residential/Agricultural Real                  | 0.41098          | 0.41227          | 0.45904          | 0.46038          |
| Commercial/Industrial and Public Utility Real  | 0.35642          | 0.35029          | 0.36885          | 0.36970          |
| 2008 Park & Recreation - 5 years (3)           |                  |                  |                  |                  |
| General Business and Public Utility Personal   | 0.45000          | 0.45000          | 0.45000          | 0.45000          |
| Residential/Agricultural Real                  | 0.36988          | 0.37104          | 0.41314          | 0.41434          |
| Commercial/Industrial and Public Utility Real  | 0.32078          | 0.31526          | 0.33196          | 0.33273          |
| 2008 Street Improvement - 10 years (5)         |                  |                  |                  |                  |
| General Business and Public Utility Personal   | 1.90000          | 1.90000          | 1.90000          | 1.90000          |
| Residential/Agricultural Real                  | 1.56171          | 1.56663          | 1.74436          | 1.74945          |
| Commercial/Industrial and Public Utility Real  | <u>1.35441</u>   | <u>1.33109</u>   | <u>1.40163</u>   | <u>1.40487</u>   |
| <i>Total Voted Millage by Type of Property</i> |                  |                  |                  |                  |
| General Business and Public Utility Personal   | 6.55000          | 6.55000          | 6.55000          | 6.55000          |
| Residential/Agricultural Real                  | 3.78633          | 3.79825          | 4.22915          | 4.11888          |
| Commercial/Industrial and Public Utility Real  | 3.57189          | 3.51040          | 3.69643          | 3.44898          |
| <i>Total Millage by Type of Property</i>       |                  |                  |                  |                  |
| General Business and Public Utility Personal   | \$9.15000        | \$9.15000        | \$9.15000        | \$9.15000        |
| Residential/Agricultural Real                  | 6.38633          | 6.39825          | 6.82915          | 6.71888          |
| Commercial/Industrial and Public Utility Real  | 6.17189          | 6.11040          | 6.29643          | 6.04898          |
| <i>Total Weighted Average Tax Rate</i>         | <u>\$6.39962</u> | <u>\$6.39411</u> | <u>\$6.76476</u> | <u>\$6.62286</u> |

| 2015      | 2014      | 2013      | 2012      | 2011      | 2010      |
|-----------|-----------|-----------|-----------|-----------|-----------|
| \$2.30000 | \$2.30000 | \$2.30000 | \$2.30000 | \$2.30000 | \$2.30000 |
| 0.30000   | 0.30000   | 0.30000   | 0.30000   | 0.30000   | 0.30000   |
| 2.60000   | 2.60000   | 2.60000   | 2.60000   | 2.60000   | 2.60000   |
| 2.00000   | 2.00000   | 2.00000   | 2.00000   | 2.00000   | 2.00000   |
| 0.55535   | 0.59993   | 0.60160   | 0.60220   | 0.55225   | 0.55410   |
| 0.63513   | 0.63809   | 0.65150   | 0.66340   | 0.69723   | 0.81900   |
| 0.00000   | 0.00000   | 0.09200   | 0.08000   | 0.10000   | 0.12000   |
| 1.20000   | 1.20000   | 1.20000   | 1.20000   | 1.20000   | 1.20000   |
| 0.56378   | 0.60904   | 0.61070   | 0.61130   | 0.56064   | 0.56250   |
| 0.46721   | 0.46939   | 0.47920   | 0.48800   | 0.51289   | 0.60250   |
| 0.50000   | 0.50000   | 0.50000   | 0.50000   | 0.50000   | 0.50000   |
| 0.37799   | 0.40833   | 0.40940   | 0.40980   | 0.37588   | 0.37710   |
| 0.24505   | 0.24620   | 0.25140   | 0.26000   | 0.26901   | 0.31600   |
| 0.00000   | 0.00000   | 0.00000   | 0.00000   | 0.00000   | 0.00000   |
| 0.00000   | 0.00000   | 0.00000   | 0.00000   | 0.00000   | 0.00000   |
| 0.00000   | 0.00000   | 0.00000   | 0.00000   | 0.00000   | 0.00000   |
| 0.50000   | 0.50000   | 0.50000   | 0.50000   | 0.50000   | 0.50000   |
| 0.46113   | 0.49815   | 0.49950   | 0.50000   | 0.49837   | 0.50000   |
| 0.37128   | 0.37301   | 0.38090   | 0.38780   | 0.40758   | 0.47880   |
| 0.45000   | 0.45000   | 0.45000   | 0.45000   | 0.45000   | 0.45000   |
| 0.41502   | 0.44833   | 0.44950   | 0.45000   | 0.44853   | 0.45000   |
| 0.33415   | 0.33571   | 0.34280   | 0.34900   | 0.36682   | 0.43090   |
| 1.90000   | 1.90000   | 1.90000   | 1.90000   | 1.90000   | 1.90000   |
| 1.75229   | 1.89296   | 1.89810   | 1.90000   | 1.89380   | 1.90000   |
| 1.41086   | 1.41743   | 1.44730   | 1.47360   | 1.54880   | 1.81930   |
| 6.55000   | 6.55000   | 6.64200   | 6.63000   | 6.65000   | 6.67000   |
| 4.12556   | 4.45673   | 4.56080   | 4.55330   | 4.42947   | 4.46370   |
| 3.46369   | 3.47981   | 3.64510   | 3.70180   | 3.90234   | 4.58650   |
| \$9.15000 | \$9.15000 | \$9.24200 | \$9.23000 | \$9.25000 | \$9.27000 |
| 6.72556   | 7.05673   | 7.16080   | 7.15330   | 7.02947   | 7.06370   |
| 6.06369   | 6.07981   | 6.24510   | 6.30180   | 6.50234   | 7.18650   |
| \$6.62119 | \$6.86823 | \$6.98198 | \$6.99379 | \$6.92930 | \$7.12247 |

(continued)

**City of Avon, Ohio**  
*Property Tax Rates - Direct and Overlapping Governments (continued)*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*

|                                               | 2019       | 2018       | 2017       | 2016       |
|-----------------------------------------------|------------|------------|------------|------------|
| <b>Overlapping Rates by Taxing District:</b>  |            |            |            |            |
| Avon Local School District                    |            |            |            |            |
| General Business and Public Utility Personal  | \$59.65000 | \$55.35200 | \$57.45000 | \$57.93000 |
| Residential/Agricultural Real                 | 42.26833   | 37.97338   | 40.73049   | 41.25673   |
| Commercial/Industrial and Public Utility Real | 42.26035   | 37.70134   | 39.83640   | 40.31810   |
| Lorain County Voted Millage                   |            |            |            |            |
| General Business and Public Utility Personal  | 15.08200   | 15.08200   | 15.08200   | 15.08200   |
| Residential/Agricultural Real                 | 13.16440   | 13.18814   | 14.18175   | 14.20059   |
| Commercial/Industrial and Public Utility Real | 13.23437   | 13.06375   | 14.48742   | 14.41649   |
| Special Taxing Districts (1)                  |            |            |            |            |
| General Business and Public Utility Personal  | 2.95000    | 2.95000    | 2.95000    | 3.45000    |
| Residential/Agricultural Real                 | 2.49331    | 2.49885    | 2.71516    | 3.17286    |
| Commercial/Industrial and Public Utility Real | 2.47849    | 2.44513    | 2.59437    | 3.02708    |

Source: Lorain County Auditor

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

The real property tax rates for the voted levies are reduced so that inflationary increases in value do not generate additional revenue.

Overlapping rates are those of local and county governments that apply to property owners within the City.

Rate: Debt Service levies are designed to raise a fixed amount of revenue each year. A rate is set each year so that when it is applied to the total assessed value, the fixed amount is generated

- (1) Health District, Joint Vocational School
- (2) The 1997 Fire levy was renewed in 2002, and then replaced in 2017
- (3) The 1998 Parks & Recreation levy was renewed in 2003 and 2008.
- (4) The 1997 Police levy was renewed in 2007.
- (5) The 1998 Street Improvement levy was renewed in 2008

| 2015       | 2014       | 2013       | 2012       | 2011       | 2010       |
|------------|------------|------------|------------|------------|------------|
| \$58.53000 | \$56.83000 | \$57.03000 | \$57.28000 | \$56.57000 | \$50.49000 |
| 41.88248   | 41.45910   | 41.70590   | 41.97290   | 39.83377   | 33.80550   |
| 40.92124   | 39.22470   | 39.44030   | 39.70420   | 39.03372   | 33.09590   |
| 15.08200   | 14.48200   | 14.48200   | 13.65500   | 13.69000   | 13.39000   |
| 14.20966   | 14.08570   | 14.09270   | 12.85340   | 12.22255   | 11.53460   |
| 14.37154   | 13.77480   | 13.71860   | 12.51930   | 12.48408   | 11.97180   |
| 3.45000    | 3.45000    | 3.45000    | 3.45000    | 3.45000    | 3.45000    |
| 3.17538    | 3.31090    | 3.31370    | 3.31610    | 3.11836    | 3.11540    |
| 3.01105    | 3.01670    | 2.98580    | 2.98470    | 2.97790    | 3.01200    |

**City of Avon, Ohio**  
*Property Tax Levies And Collections*  
*Last Ten Years*

| <u>Tax<br/>Year</u> | <u>Current<br/>Tax<br/>Levy</u> | <u>Current<br/>Tax<br/>Collections</u> | <u>Percent of<br/>Current Tax<br/>Collection<br/>to Current<br/>Tax Levy</u> | <u>Delinquent<br/>Tax<br/>Collections</u> | <u>Total<br/>Tax<br/>Collections (1)</u> |
|---------------------|---------------------------------|----------------------------------------|------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| 2018                | \$5,604,859                     | \$5,545,916                            | 98.95%                                                                       | \$73,887                                  | \$5,619,803                              |
| 2017                | 5,286,919                       | 5,210,028                              | 98.55                                                                        | 260,962                                   | 5,470,990                                |
| 2016                | 5,050,472                       | 4,918,505                              | 97.39                                                                        | 79,460                                    | 4,997,965                                |
| 2015                | 5,066,557                       | 4,863,588                              | 95.99                                                                        | 83,497                                    | 4,947,085                                |
| 2014                | 4,748,618                       | 4,547,681                              | 95.77                                                                        | 36,904                                    | 4,584,585                                |
| 2013                | 4,750,344                       | 4,694,267                              | 98.82                                                                        | 54,351                                    | 4,748,618                                |
| 2012                | 4,674,336                       | 4,489,505                              | 96.05                                                                        | 76,128                                    | 4,565,633                                |
| 2011                | 4,931,999                       | 4,858,738                              | 98.51                                                                        | 93,250                                    | 4,951,988                                |
| 2010                | 5,208,709                       | 5,509,845                              | 105.78                                                                       | 35,867                                    | 5,545,712                                |
| 2009                | 4,935,250                       | 4,573,721                              | 92.67                                                                        | 94,251                                    | 4,667,972                                |

Source: Lorain County, Ohio; County Auditor

Note: We are aware of the requirement to report delinquent tax collections by levy year rather than by collection year. However, the County's current computer system tracks levy amounts by current levy and delinquent levy. Once amounts become part of the delinquent levy, the ability to track information by levy year is lost. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. We are looking at options to improve the presentation.

(1) State reimbursement of rollback and homestead exemptions are included.



| Percent of<br>Total Tax<br>Collection<br>to Current<br>Tax Levy | Accumulated<br>Outstanding<br>Delinquent<br>Taxes | Percent of<br>Delinquent<br>Taxes<br>to Total<br>Tax Levy |
|-----------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------|
| 100.27%                                                         | \$51,047                                          | 0.91%                                                     |
| 103.48                                                          | 61,558                                            | 1.16                                                      |
| 98.96                                                           | 82,782                                            | 1.64                                                      |
| 97.64                                                           | 127,240                                           | 2.51                                                      |
| 96.55                                                           | 159,993                                           | 3.37                                                      |
| 99.96                                                           | 181,775                                           | 3.83                                                      |
| 97.67                                                           | 165,855                                           | 3.55                                                      |
| 100.41                                                          | 148,792                                           | 3.02                                                      |
| 106.47                                                          | 73,805                                            | 1.42                                                      |
| 94.58                                                           | 231,539                                           | 4.69                                                      |

**City of Avon, Ohio**  
*Principal Real Property Taxpayers*  
*Current and Nine Years Ago*

| <b>2019</b>                                   |                                                 |                   |
|-----------------------------------------------|-------------------------------------------------|-------------------|
| <b>Taxpayer</b>                               | <b>Real Property<br/>Assessed Valuation (1)</b> | <b>Percentage</b> |
| First Interstate Avon, LTD                    | \$21,061,970                                    | 2.26 %            |
| Avon Senior Living                            | 11,255,710                                      | 1.21              |
| Cleveland Electric Illuminating Company       | 9,120,700                                       | 0.98              |
| AERC Avon, LLC                                | 7,943,230                                       | 0.85              |
| ILPT Avon, LLC                                | 7,350,000                                       | 0.79              |
| HTA Avon Hospital, LLC                        | 7,029,710                                       | 0.75              |
| Orion Properties                              | 6,878,790                                       | 0.74              |
| JG Avon LLC                                   | 6,442,800                                       | 0.69              |
| Meijer Stores Limited Partnership             | 6,233,540                                       | 0.67              |
| Menards, Incorporated                         | 5,999,690                                       | 0.64              |
| <b>Total</b>                                  | <b>\$89,316,140</b>                             | <b>9.58 %</b>     |
| <b>Total Real Property Assessed Valuation</b> | <b>\$932,733,330</b>                            |                   |

| <b>2010</b>                                   |                                                 |                   |
|-----------------------------------------------|-------------------------------------------------|-------------------|
| <b>Taxpayer</b>                               | <b>Real Property<br/>Assessed Valuation (1)</b> | <b>Percentage</b> |
| First Interstate Avon, LTD                    | \$17,776,050                                    | 2.39 %            |
| Henkel Consumer                               | 10,279,970                                      | 1.38              |
| AERC Avon, LLC                                | 7,123,310                                       | 0.96              |
| Cleveland Electric Illuminating Company       | 6,876,700                                       | 0.92              |
| Chester 83, LLC                               | 6,859,320                                       | 0.92              |
| Timberlake Apartments                         | 5,695,910                                       | 0.77              |
| Lowe's Home Centers, Incorporated             | 4,782,260                                       | 0.64              |
| Comprehensive Healthcare of Ohio              | 4,701,630                                       | 0.63              |
| Chester Properties, LTD                       | 4,565,100                                       | 0.61              |
| First Interstate Avon, LTD                    | 4,194,480                                       | 0.57              |
| <b>Total</b>                                  | <b>\$72,854,730</b>                             | <b>9.79 %</b>     |
| <b>Total Real Property Assessed Valuation</b> | <b>\$744,125,310</b>                            |                   |

Source: Lorain County, Ohio; County Auditor

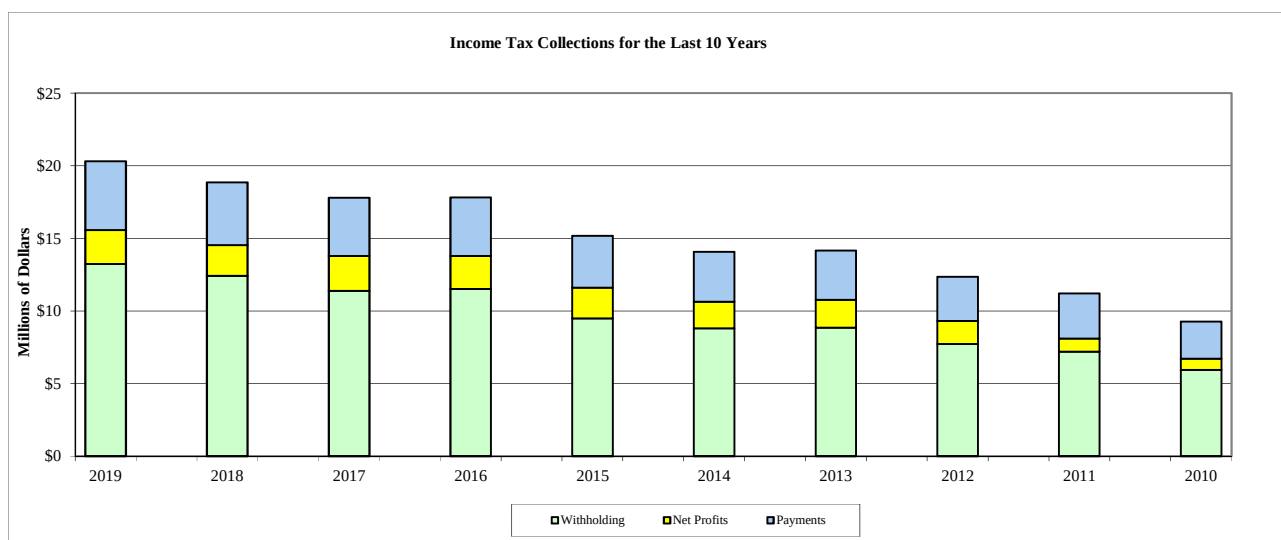
(1) The amounts presented represent the assessed values upon which 2019 and 2010 collections were based.

**City of Avon, Ohio**  
*Income Tax Revenue Base and Collections*  
*Last Ten Years*

| Collection Year | Tax Rate | Total Tax Collected (1) | Taxes from Withholding | Percentage of Taxes from Withholding | Taxes From Net Profits | Percentage of Taxes from Net Profits | Taxes From Individual Payments | Percentage of Taxes from Individual Payments |
|-----------------|----------|-------------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|--------------------------------|----------------------------------------------|
| 2019            | 1.75%    | \$20,299,002            | \$13,239,010           | 65.22%                               | \$2,330,325            | 11.48%                               | \$4,729,667                    | 23.30%                                       |
| 2018            | 1.75     | 18,852,519              | 12,408,728             | 65.82                                | 2,120,908              | 11.25                                | 4,322,883                      | 22.93                                        |
| 2017            | 1.75     | 17,802,905              | 11,386,738             | 63.96                                | 2,392,710              | 13.44                                | 4,023,457                      | 22.60                                        |
| 2016            | 1.75     | 17,823,599              | 11,505,133             | 64.55                                | 2,276,074              | 12.77                                | 4,042,392                      | 22.68                                        |
| 2015            | 1.75     | 15,166,934              | 9,485,401              | 62.54                                | 2,112,754              | 13.93                                | 3,568,780                      | 23.53                                        |
| 2014            | 1.75     | 14,074,841              | 8,803,813              | 62.55                                | 1,833,952              | 13.03                                | 3,437,076                      | 24.42                                        |
| 2013            | 1.75     | 14,151,916              | 8,844,948              | 62.50                                | 1,916,169              | 13.54                                | 3,390,799                      | 23.96                                        |
| 2012            | 1.75     | 12,354,791              | 7,731,628              | 62.58                                | 1,581,413              | 12.80                                | 3,041,750                      | 24.62                                        |
| 2011            | 1.75     | 11,198,984              | 7,184,484              | 64.15                                | 916,189                | 8.18                                 | 3,098,311                      | 27.67                                        |
| 2010            | 1.75     | 9,258,808               | 5,932,674              | 64.08                                | 784,221                | 8.47                                 | 2,541,913                      | 27.45                                        |

Source: Regional Income Tax Agency data - certain amounts may be estimates - years are tax years. Number of filers does not equal total taxpayers due to taxpayers paying City taxes through employer withholding only without filing requirement.

(1) Accrual Basis



**City of Avon, Ohio**

*Income Tax Statistics*

*Last Ten Years*

| Tax Year | Income Range    | Number of Filers | Percent of Filers | Taxable Income | Percent of Taxable Income |
|----------|-----------------|------------------|-------------------|----------------|---------------------------|
| 2018     | \$0 - 24,999    | 2,084            | 25.24 %           | \$18,803,324   | 1.89 %                    |
| 2018     | 25,000 - 49,999 | 968              | 11.72             | 35,895,952     | 3.61                      |
| 2018     | 50,000 - 74,999 | 869              | 10.52             | 54,089,321     | 5.44                      |
| 2018     | 75,000 - 99,999 | 717              | 8.68              | 62,781,545     | 6.32                      |
| 2018     | Over 100,000    | 3,620            | 43.84             | 822,375,220    | 82.74                     |
|          | Total           | 8,258            |                   | \$993,945,362  |                           |
| 2017     | \$0 - 24,999    | 2,023            | 25.25 %           | \$18,339,331   | 1.91 %                    |
| 2017     | 25,000 - 49,999 | 972              | 12.13             | 35,818,580     | 3.74                      |
| 2017     | 50,000 - 74,999 | 817              | 10.20             | 50,648,328     | 5.28                      |
| 2017     | 75,000 - 99,999 | 713              | 8.90              | 62,269,673     | 6.49                      |
| 2017     | Over 100,000    | 3,487            | 43.52             | 791,755,772    | 82.58                     |
|          | Total           | 8,012            |                   | \$958,831,684  |                           |
| 2016     | \$0 - 24,999    | 2,041            | 26.08 %           | \$18,922,573   | 2.14 %                    |
| 2016     | 25,000 - 49,999 | 942              | 12.04             | 35,065,354     | 3.97                      |
| 2016     | 50,000 - 74,999 | 773              | 9.88              | 48,113,426     | 5.45                      |
| 2016     | 75,000 - 99,999 | 748              | 9.56              | 64,842,877     | 7.34                      |
| 2016     | Over 100,000    | 3,323            | 42.44             | 715,940,744    | 81.10                     |
|          | Total           | 7,827            |                   | \$882,884,974  |                           |
| 2015     | \$0 - 24,999    | 1,921            | 25.13 %           | \$17,654,809   | 2.03 %                    |
| 2015     | 25,000 - 49,999 | 952              | 12.46             | 35,379,461     | 4.07                      |
| 2015     | 50,000 - 74,999 | 785              | 10.27             | 49,049,486     | 5.65                      |
| 2015     | 75,000 - 99,999 | 735              | 9.62              | 64,018,859     | 7.37                      |
| 2015     | Over 100,000    | 3,250            | 42.52             | 702,750,502    | 80.88                     |
|          | Total           | 7,643            |                   | \$868,853,117  |                           |
| 2014     | \$0 - 24,999    | 1,838            | 24.81 %           | \$17,061,544   | 2.14 %                    |
| 2014     | 25,000 - 49,999 | 919              | 12.41             | 34,214,734     | 4.30                      |
| 2014     | 50,000 - 74,999 | 812              | 10.96             | 50,502,423     | 6.34                      |
| 2014     | 75,000 - 99,999 | 791              | 10.68             | 68,780,514     | 8.63                      |
| 2014     | Over 100,000    | 3,048            | 41.14             | 626,035,615    | 78.59                     |
|          | Total           | 7,408            |                   | \$796,594,830  |                           |

(continued)

**City of Avon, Ohio**  
*Income Tax Statistics (continued)*  
*Last Ten Years*

| Tax Year | Income Range    | Number of Filers | Percent of Filers | Taxable Income | Percent of Taxable Income |
|----------|-----------------|------------------|-------------------|----------------|---------------------------|
| 2013     | \$0 - 24,999    | 1,824            | 24.94 %           | \$17,314,080   | 2.27 %                    |
| 2013     | 25,000 - 49,999 | 967              | 13.22             | 36,038,652     | 4.73                      |
| 2013     | 50,000 - 74,999 | 842              | 11.51             | 52,691,022     | 6.91                      |
| 2013     | 75,000 - 99,999 | 776              | 10.61             | 67,801,465     | 8.89                      |
| 2013     | Over 100,000    | 2,906            | 39.73             | 588,594,129    | 77.20                     |
|          | Total           | 7,315            |                   | \$762,439,348  |                           |
| 2012     | \$0 - 24,999    | 1,759            | 25.02 %           | \$16,842,101   | 2.33 %                    |
| 2012     | 25,000 - 49,999 | 924              | 13.14             | 34,254,980     | 4.74                      |
| 2012     | 50,000 - 74,999 | 844              | 12.01             | 53,186,130     | 7.36                      |
| 2012     | 75,000 - 99,999 | 784              | 11.15             | 68,562,392     | 9.49                      |
| 2012     | Over 100,000    | 2,719            | 38.68             | 549,889,680    | 76.08                     |
|          | Total           | 7,030            |                   | \$722,735,283  |                           |
| 2011     | \$0 - 24,999    | 1,700            | 24.85 %           | \$16,127,434   | 2.42 %                    |
| 2011     | 25,000 - 49,999 | 917              | 13.41             | 33,904,856     | 5.09                      |
| 2011     | 50,000 - 74,999 | 840              | 12.28             | 52,554,531     | 7.89                      |
| 2011     | 75,000 - 99,999 | 787              | 11.51             | 68,587,179     | 10.30                     |
| 2011     | Over 100,000    | 2,596            | 37.95             | 494,819,519    | 74.30                     |
|          | Total           | 6,840            |                   | \$665,993,519  |                           |
| 2010     | \$0 - 24,999    | 1,722            | 25.59 %           | \$16,658,792   | 2.69 %                    |
| 2010     | 25,000 - 49,999 | 912              | 13.55             | 33,707,542     | 5.45                      |
| 2010     | 50,000 - 74,999 | 932              | 13.85             | 58,240,162     | 9.41                      |
| 2010     | 75,000 - 99,999 | 794              | 11.80             | 69,330,417     | 11.20                     |
| 2010     | Over 100,000    | 2,370            | 35.21             | 440,989,347    | 71.25                     |
|          | Total           | 6,730            |                   | \$618,926,260  |                           |
| 2009     | \$0 - 24,999    | 1,727            | 25.88 %           | \$16,838,135   | 2.90 %                    |
| 2009     | 25,000 - 49,999 | 973              | 14.58             | 36,223,361     | 6.23                      |
| 2009     | 50,000 - 74,999 | 897              | 13.44             | 56,187,628     | 9.67                      |
| 2009     | 75,000 - 99,999 | 826              | 12.38             | 71,685,920     | 12.34                     |
| 2009     | Over 100,000    | 2,251            | 33.72             | 400,195,682    | 68.86                     |
|          | Total           | 6,674            |                   | \$581,130,726  |                           |

Source: Regional Income Tax Agency data - certain amounts may be estimates - years are tax years. Number of filers does not equal total taxpayers due to taxpayers paying City taxes through employer withholding only without filing requirement.

As of December 31, 2019, year 2019 information has not been compiled.

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

| Year | General<br>Obligation<br>Bonds | Percentage<br>of Estimated<br>Actual<br>Taxable Value<br>of Property (1) | Per<br>Capita (2) | Governmental Activities Debt   |                                |                               |               |                  |
|------|--------------------------------|--------------------------------------------------------------------------|-------------------|--------------------------------|--------------------------------|-------------------------------|---------------|------------------|
|      |                                |                                                                          |                   | General<br>Obligation<br>Bonds | Special<br>Assessment<br>Bonds | Bond<br>Anticipation<br>Notes | OPWC<br>Loans | Capital<br>Lease |
| 2019 | \$59,417,785                   | 2.21 %                                                                   | \$2,804           | \$55,998,473                   | \$13,688,196                   | \$3,373,699                   | \$451,735     | \$24,771         |
| 2018 | 62,209,618                     | 2.59                                                                     | 2,935             | 58,731,077                     | 14,169,142                     | 3,947,951                     | 331,167       | 48,761           |
| 2017 | 64,771,523                     | 2.76                                                                     | 3,056             | 61,238,935                     | 14,651,144                     | 4,436,033                     | 349,860       | 71,994           |
| 2016 | 67,136,120                     | 2.91                                                                     | 3,168             | 63,550,401                     | 7,835,346                      | 5,168,692                     | 377,768       | 94,495           |
| 2015 | 66,875,295                     | 3.13                                                                     | 3,156             | 63,273,427                     | 8,205,732                      | 0                             | 345,137       | 0                |
| 2014 | 69,197,678                     | 3.29                                                                     | 3,265             | 65,557,853                     | 8,603,358                      | 0                             | 366,796       | 0                |
| 2013 | 66,059,675                     | 3.19                                                                     | 3,117             | 62,382,911                     | 8,989,810                      | 0                             | 274,441       | 0                |
| 2012 | 59,049,585                     | 2.70                                                                     | 2,786             | 55,348,374                     | 6,125,921                      | 0                             | 263,028       | 0                |
| 2011 | 47,759,093                     | 2.16                                                                     | 2,254             | 47,407,470                     | 2,720,771                      | 0                             | 182,336       | 0                |
| 2010 | 43,406,999                     | 2.03                                                                     | 2,048             | 42,987,841                     | 2,959,042                      | 5,726,870                     | 198,811       | 0                |

| Year | Business-Type Activities Debt  |                                |                   | Business-Type Activities Debt |               |                  | Total<br>Debt (3) | Percentage<br>of Personal<br>Income (2) | Per<br>Capita (2) |
|------|--------------------------------|--------------------------------|-------------------|-------------------------------|---------------|------------------|-------------------|-----------------------------------------|-------------------|
|      | General<br>Obligation<br>Bonds | Special<br>Assessment<br>Bonds | Avon Lake<br>Debt | Bond<br>Anticipation<br>Notes | OWDA<br>Loans | Capital<br>Lease |                   |                                         |                   |
| 2019 | \$3,419,312                    | \$1,114,851                    | \$251,918         | \$3,275,000                   | \$0           | \$155,950        | \$81,753,905      | 11.17 %                                 | \$3,858           |
| 2018 | 3,478,541                      | 1,129,124                      | 281,488           | 4,250,000                     | 0             | 289,415          | 86,656,666        | 11.84                                   | 4,089             |
| 2017 | 3,532,588                      | 1,139,828                      | 309,471           | 7,250,000                     | 0             | 411,903          | 93,391,756        | 12.76                                   | 4,407             |
| 2016 | 3,585,719                      | 1,150,532                      | 335,952           | 9,250,000                     | 0             | 156,080          | 91,504,985        | 12.50                                   | 4,318             |
| 2015 | 3,601,868                      | 1,157,669                      | 361,012           | 10,950,000                    | 0             | 202,848          | 88,097,693        | 12.04                                   | 4,157             |
| 2014 | 3,639,825                      | 1,164,806                      | 385,452           | 9,300,000                     | 0             | 248,320          | 89,266,410        | 12.20                                   | 4,212             |
| 2013 | 3,676,764                      | 1,171,813                      | 539,171           | 0                             | 0             | 0                | 77,034,910        | 10.52                                   | 3,635             |
| 2012 | 3,701,211                      | 1,174,762                      | 684,008           | 0                             | 38,610        | 0                | 67,335,914        | 9.20                                    | 3,177             |
| 2011 | 351,623                        | 0                              | 821,698           | 0                             | 173,081       | 0                | 51,656,979        | 7.06                                    | 2,437             |
| 2010 | 419,158                        | 0                              | 952,191           | 0                             | 301,923       | 0                | 53,545,836        | 7.32                                    | 2,527             |

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source:

(1) See S14-15 for taxable property value data.

(2) See S32 for population and personal income data.

(3) Includes general bonded debt, other governmental debt and business-type activities debt.

(4) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

**City of Avon, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2019*

| Jurisdiction                  | Governmental<br>Activities Debt<br>Outstanding | Percentage<br>Applicable<br>to City (1) | Amount<br>Applicable<br>to the City<br>of Avon |
|-------------------------------|------------------------------------------------|-----------------------------------------|------------------------------------------------|
| <b>Direct - City of Avon:</b> |                                                |                                         |                                                |
| General Obligation Bonds      | \$55,998,473                                   | 100.00%                                 | \$55,998,473                                   |
| Special Assessment Bonds      | 13,688,196                                     | 100.00%                                 | 13,688,196                                     |
| General Obligation Notes      | 3,373,699                                      | 100.00%                                 | 3,373,699                                      |
| OPWC Loans                    | 451,735                                        | 100.00%                                 | 451,735                                        |
| Capital Lease                 | 24,771                                         | 100.00%                                 | 24,771                                         |
| <i>Total Direct Debt</i>      | <u>73,536,874</u>                              |                                         | <u>73,536,874</u>                              |
| <b>Overlapping:</b>           |                                                |                                         |                                                |
| Avon Local School District    |                                                |                                         |                                                |
| General Obligation Bonds      | 59,697,422                                     | 100.00%                                 | 59,697,422                                     |
| Capital Leases                | 465,536                                        | 100.00%                                 | 465,536                                        |
| Lorain County                 |                                                |                                         |                                                |
| General Obligation Bonds      | <u>20,420,000</u>                              | 11.99%                                  | <u>2,448,358</u>                               |
| <i>Total Overlapping Debt</i> | <u>80,582,958</u>                              |                                         | <u>62,611,316</u>                              |
| <b>Total</b>                  | <u><u>\$154,119,832</u></u>                    |                                         | <u><u>\$136,148,190</u></u>                    |

Source: Lorain County, Ohio; County Auditor

- (1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

The basic security for the Bonds is the pledge of the City's ability to levy, and its pledge to levy, pursuant to constitutional and statutory requirements, and ad valorem tax on all taxable property in the City, within the ten-mill limitation imposed by Ohio law. In addition, the City has covenanted in the Bond Legislation to appropriate annually, to the extent required, sufficient amounts from municipal income tax revenues to pay principal and interest on the Bonds when due, and to continue to levy and collected the municipal income tax in an amount necessary to meet debt charges on the Bonds.

**City of Avon, Ohio**  
*Legal Debt Margin*  
*Last Ten Years*

|                                                                          | 2019                 | 2018                 | 2017                 | 2016                 |
|--------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Total Assessed Property Value                                            | <u>\$951,308,260</u> | <u>\$850,885,190</u> | <u>\$831,524,760</u> | <u>\$815,953,830</u> |
| General Bonded Debt Outstanding:                                         |                      |                      |                      |                      |
| General Obligation Notes/Bonds                                           | \$59,417,785         | \$62,209,618         | \$74,092,780         | \$78,892,362         |
| General Obligation Revenue Notes/Bonds                                   | 0                    | 0                    | 0                    | 0                    |
| Special Assessment Bonds                                                 | 14,803,047           | 15,298,266           | 14,872,220           | 8,837,638            |
| Bond Anticipation Notes                                                  | 10,773,699           | 11,929,172           | 8,175,000            | 15,180,000           |
| Bond Anticipation Notes Enterprise                                       | 4,250,000            | 7,250,000            | 1,900,000            | 1,700,000            |
| OPWC Loans                                                               | 451,735              | 331,167              | 349,860              | 377,768              |
| OWDA Loans                                                               | 0                    | 0                    | 0                    | 0                    |
| Contractual Debt Obligation                                              | <u>251,918</u>       | <u>281,488</u>       | <u>309,471</u>       | <u>335,952</u>       |
| Total Gross Indebtedness                                                 | 89,948,184           | 97,299,711           | 99,699,331           | 105,323,720          |
| Less Exempt Outstanding:                                                 |                      |                      |                      |                      |
| General Obligation Bonds                                                 | (57,189,665)         | (59,826,092)         | (66,265,760)         | (68,711,211)         |
| General Obligation Revenue Notes/Bonds                                   | 0                    | 0                    | (7,350,000)          | (9,250,000)          |
| Special Assessment Bonds                                                 | (14,803,047)         | (15,298,266)         | (14,872,220)         | (8,837,638)          |
| Bond Anticipation Notes                                                  | (10,773,699)         | (11,929,172)         | (8,175,000)          | (15,180,000)         |
| Bond Anticipation Notes Enterprise                                       | (4,250,000)          | (7,250,000)          | (1,900,000)          | (1,700,000)          |
| OPWC Loans                                                               | (451,735)            | (331,167)            | (349,860)            | (377,768)            |
| OWDA Loans                                                               | 0                    | 0                    | 0                    | 0                    |
| Contractual Debt Obligation                                              | (251,918)            | (281,488)            | (309,471)            | (335,952)            |
| General Obligation Bond Retirement Fund Balance                          | <u>(135,904)</u>     | <u>(289,310)</u>     | <u>(195,853)</u>     | <u>(182,973)</u>     |
| Total Net Debt Applicable to Debt Limit                                  | <u>2,092,216</u>     | <u>2,094,216</u>     | <u>281,167</u>       | <u>748,178</u>       |
| Overall Legal Debt Limit (10 ½ % of Assessed Valuation)                  | <u>99,887,367</u>    | <u>89,342,945</u>    | <u>87,310,100</u>    | <u>85,675,152</u>    |
| Legal Debt Margin Within 10 ½ % Limitations                              | <u>\$97,795,151</u>  | <u>\$87,248,729</u>  | <u>\$87,028,933</u>  | <u>\$84,926,974</u>  |
| Legal Debt Margin as a Percentage of the Debt Limit                      | 97.91%               | 97.66%               | 99.68%               | 99.13%               |
| Unvoted Debt Limitation (5 ½ % of Assessed Valuation)                    | <u>\$52,321,954</u>  | <u>\$46,798,685</u>  | <u>\$45,733,862</u>  | <u>\$44,877,461</u>  |
| Total Gross Indebtedness                                                 | 89,948,184           | 97,299,711           | 99,699,331           | 105,323,720          |
| Less Exempt Outstanding:                                                 |                      |                      |                      |                      |
| General Obligation Bonds                                                 | (57,189,665)         | (59,826,092)         | (66,265,760)         | (68,711,211)         |
| General Obligation Revenue Notes/Bonds                                   | 0                    | 0                    | (7,350,000)          | (9,250,000)          |
| Special Assessment Bonds                                                 | (14,803,047)         | (15,298,266)         | (14,872,220)         | (8,837,638)          |
| Bond Anticipation Notes                                                  | (10,773,699)         | (11,929,172)         | (8,175,000)          | (15,180,000)         |
| Bond Anticipation Notes Enterprise                                       | (4,250,000)          | (7,250,000)          | (1,900,000)          | (1,700,000)          |
| OPWC Loans                                                               | (451,735)            | (331,167)            | (349,860)            | (377,768)            |
| OWDA Loans                                                               | 0                    | 0                    | 0                    | 0                    |
| Contractual Debt Obligation                                              | (251,918)            | (281,488)            | (309,471)            | (335,952)            |
| General Obligation Bond Retirement Fund Balance                          | <u>(135,904)</u>     | <u>(289,310)</u>     | <u>(195,853)</u>     | <u>(182,973)</u>     |
| Net Debt Within 5 ½ % Limitations                                        | <u>2,092,216</u>     | <u>2,094,216</u>     | <u>281,167</u>       | <u>748,178</u>       |
| Unvoted Legal Debt Margin Within 5 ½ % Limitations                       | <u>\$50,229,738</u>  | <u>\$44,704,469</u>  | <u>\$45,452,695</u>  | <u>\$44,129,283</u>  |
| Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation | 96.00%               | 95.53%               | 99.39%               | 98.33%               |

Source: City Financial Records and Prior Year CAFRs.



| 2015                 | 2014                 | 2013                 | 2012                 | 2011                 | 2010                 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>\$755,191,430</u> | <u>\$742,746,620</u> | <u>\$730,797,100</u> | <u>\$772,474,470</u> | <u>\$779,763,250</u> | <u>\$754,402,597</u> |
| \$76,440,382         | \$77,041,162         | \$72,928,246         | \$58,098,800         | \$47,348,171         | \$42,987,841         |
| 0                    | 0                    | 0                    | 0                    | 67,200               | 130,200              |
| 9,204,618            | 9,598,838            | 9,981,754            | 7,261,200            | 2,657,553            | 2,959,042            |
| 8,500,000            | 7,500,000            | 8,180,000            | 19,490,000           | 28,945,000           | 5,675,000            |
| 1,350,000            | 500,000              | 0                    | 0                    | 0                    | 0                    |
| 345,137              | 366,796              | 274,441              | 263,028              | 182,336              | 198,811              |
| 0                    | 0                    | 0                    | 38,610               | 173,081              | 301,923              |
| 361,012              | 385,452              | 539,171              | 684,008              | 821,698              | 952,191              |
| 96,201,149           | 95,392,248           | 91,903,612           | 85,835,646           | 80,195,039           | 53,205,008           |
| (65,011,270)         | (50,416,381)         | (54,490,082)         | (40,484,768)         | (30,865,000)         | (31,675,000)         |
| 0                    | 0                    | 0                    | 0                    | (67,200)             | (130,200)            |
| (9,204,618)          | (9,598,838)          | (9,981,754)          | (7,261,200)          | (2,657,553)          | (2,959,042)          |
| (8,500,000)          | (7,500,000)          | (8,180,000)          | (19,490,000)         | (28,945,000)         | (5,675,000)          |
| (1,350,000)          | (500,000)            | 0                    | 0                    | 0                    | 0                    |
| (345,137)            | (366,796)            | (274,441)            | (263,028)            | (182,336)            | (198,811)            |
| 0                    | 0                    | 0                    | (38,610)             | (173,081)            | (301,923)            |
| (361,012)            | (385,452)            | (539,171)            | (684,008)            | (821,698)            | (952,191)            |
| (153,061)            | (96,577)             | (63,560)             | (102,117)            | (44,968)             | (64,469)             |
| 11,276,051           | 26,528,204           | 18,374,604           | 17,511,915           | 16,438,203           | 11,248,372           |
| 79,295,100           | 77,988,395           | 76,733,696           | 81,109,819           | 81,875,141           | 79,212,273           |
| <u>\$68,019,049</u>  | <u>\$51,460,191</u>  | <u>\$58,359,092</u>  | <u>\$63,597,904</u>  | <u>\$65,436,938</u>  | <u>\$67,963,901</u>  |
| 85.78%               | 65.98%               | 76.05%               | 78.41%               | 79.92%               | 85.80%               |
| <u>\$41,535,529</u>  | <u>\$40,851,064</u>  | <u>\$40,193,841</u>  | <u>\$42,486,096</u>  | <u>\$42,886,979</u>  | <u>\$41,492,143</u>  |
| 96,201,149           | 95,392,248           | 91,903,612           | 85,835,646           | 80,195,039           | 53,205,008           |
| (65,011,270)         | (50,416,381)         | (54,490,082)         | (40,484,768)         | (30,865,000)         | (31,675,000)         |
| 0                    | 0                    | 0                    | 0                    | (67,200)             | (130,200)            |
| (9,204,618)          | (9,598,838)          | (9,981,754)          | (7,261,200)          | (2,657,553)          | (2,959,042)          |
| (8,500,000)          | (7,500,000)          | (8,180,000)          | (19,490,000)         | (28,945,000)         | (5,675,000)          |
| (1,350,000)          | (500,000)            | 0                    | 0                    | 0                    | 0                    |
| (345,137)            | (366,796)            | (274,441)            | (263,028)            | (182,336)            | (198,811)            |
| 0                    | 0                    | 0                    | (38,610)             | (173,081)            | (301,923)            |
| (361,012)            | (385,452)            | (539,171)            | (684,008)            | (821,698)            | (952,191)            |
| (153,061)            | (96,577)             | (63,560)             | (102,117)            | (44,968)             | (64,469)             |
| 11,276,051           | 26,528,204           | 18,374,604           | 17,511,915           | 16,438,203           | 11,248,372           |
| <u>\$30,259,478</u>  | <u>\$14,322,860</u>  | <u>\$21,819,237</u>  | <u>\$24,974,181</u>  | <u>\$26,448,776</u>  | <u>\$30,243,771</u>  |
| 72.85%               | 35.06%               | 54.29%               | 58.78%               | 61.67%               | 72.89%               |

**City of Avon, Ohio**  
*Pledged Revenue Coverage - Sewer Fund*  
*Last Ten Years*

| Year | Sewer<br>Operating<br>Revenues (1) | Less:<br>Operating<br>Expenses (2) | Net Available<br>Revenue | Debt Service |          | Coverage |
|------|------------------------------------|------------------------------------|--------------------------|--------------|----------|----------|
|      |                                    |                                    |                          | Principal    | Interest |          |
| 2019 | \$0                                | \$0                                | \$0                      | \$0          | \$0      | 0.00     |
| 2018 | 0                                  | 0                                  | 0                        | 0            | 0        | 0.00     |
| 2017 | 0                                  | 0                                  | 0                        | 0            | 0        | 0.00     |
| 2016 | 0                                  | 0                                  | 0                        | 0            | 0        | 0.00     |
| 2015 | 0                                  | 0                                  | 0                        | 0            | 0        | 0.00     |
| 2014 | 0                                  | 0                                  | 0                        | 0            | 0        | 0.00     |
| 2013 | 1,794,967                          | 1,526,056                          | 268,911                  | 38,610       | 752      | 6.83     |
| 2012 | 1,865,750                          | 956,508                            | 909,242                  | 134,471      | 13,692   | 6.14     |
| 2011 | 1,646,944                          | 1,028,665                          | 618,279                  | 128,842      | 16,612   | 4.25     |
| 2010 | 1,360,364                          | 1,240,708                          | 119,656                  | 123,541      | 16,612   | 0.85     |

Note: During 2013, the City paid down the outstanding OWDA debt in the sewer fund; therefore, the City has no pledged revenue in 2019.

(1) Revenues include interest and operating grants.

(2) Operating expenses do not include depreciation/amortization.

Source: City Financial Records

**City of Avon, Ohio**  
*Principal Employers*  
*Current and Nine Years Ago*

| <b>2019</b>                                |           |                                           |   |
|--------------------------------------------|-----------|-------------------------------------------|---|
| Employer                                   | Employees | Percentage of<br>Total City<br>Employment |   |
| Cleveland Clinic Foundation                | 800       | 3.98                                      | % |
| Avon Local School District                 | 740       | 3.68                                      |   |
| Wal-Mart                                   | 689       | 3.43                                      |   |
| University Hospitals                       | 478       | 2.38                                      |   |
| ShurTech Brands, LLC                       | 390       | 1.94                                      |   |
| Technifab                                  | 359       | 1.79                                      |   |
| A.J. Rose Manufacturing Company            | 357       | 1.78                                      |   |
| City of Avon                               | 334       | 1.66                                      |   |
| Costco Wholesale                           | 292       | 1.45                                      |   |
| Jenne Distributors, Incorporated           | 210       | 1.04                                      |   |
| Total                                      | 4,649     | 23.13                                     | % |
| Total Estimated Employment within the City | 20,100    |                                           |   |

| <b>2010</b>                                |           |                                           |   |
|--------------------------------------------|-----------|-------------------------------------------|---|
| Employer                                   | Employees | Percentage of<br>Total City<br>Employment |   |
| Avon Local School District                 | 363       | 2.89                                      | % |
| Our Lady of the Wayside Nursing Home       | 362       | 2.88                                      |   |
| ShurTech Brands, LLC                       | 341       | 2.72                                      |   |
| Wal-Mart                                   | 214       | 1.71                                      |   |
| A.J. Rose Manufacturing Company            | 185       | 1.47                                      |   |
| Good Samaritan Nursing Home                | 179       | 1.43                                      |   |
| City of Avon                               | 174       | 1.39                                      |   |
| EMH Regional Medical Center                | 150       | 1.20                                      |   |
| Avon Oaks Nursing Home                     | 141       | 1.12                                      |   |
| Cutting Dynamics, Incorporated             | 125       | 0.99                                      |   |
| Total                                      | 2,234     | 17.80                                     | % |
| Total Estimated Employment within the City | 12,551    |                                           |   |

Source: Number of employees obtained from the W2's filed for the year with the Regional Income Tax Agency

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

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| <u>Year</u> | <u>Population (1)</u> | <u>Total Personal<br/>Income (5)</u> | <u>Personal<br/>Income<br/>Per Capita</u> | <u>Median<br/>Household<br/>Income (1)</u> | <u>Median<br/>Age (1)</u> |
|-------------|-----------------------|--------------------------------------|-------------------------------------------|--------------------------------------------|---------------------------|
| 2019        | 21,193                | \$731,963,834                        | \$34,538                                  | \$75,951                                   | 38                        |
| 2018        | 21,193                | 731,963,834                          | 34,538                                    | 75,951                                     | 38                        |
| 2017        | 21,193                | 731,963,834                          | 34,538                                    | 75,951                                     | 38                        |
| 2016        | 21,193                | 731,963,834                          | 34,538                                    | 75,951                                     | 38                        |
| 2015        | 21,193                | 731,963,834                          | 34,538                                    | 75,951                                     | 38                        |
| 2014        | 21,193                | 731,963,834                          | 34,538                                    | 75,951                                     | 38                        |
| 2013        | 21,193                | 731,963,834                          | 34,538                                    | 75,951                                     | 38                        |
| 2012        | 21,193                | 731,963,834                          | 34,538                                    | 75,951                                     | 38                        |
| 2011        | 21,193                | 731,963,834                          | 34,538                                    | 75,951                                     | 38                        |
| 2010        | 21,193                | 731,963,834                          | 34,538                                    | 75,951                                     | 38                        |

(1) Source: U. S. Federal Census

(2) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/data/>"

(3) Ohio Department of Job and Family Services

(4) Source: Lorain County Auditor

(5) Computation of per capita personal income multiplied by population

| Educational<br>Attainment:<br>Bachelor's<br>Degree<br>or Higher (1) | School<br>Enrollment (2) | Lorain<br>County<br>Unemployment<br>Rate (3) | Average<br>Sales<br>Price of<br>Residential<br>Property (4) | Total<br>Assessed<br>Property<br>Value (4) |
|---------------------------------------------------------------------|--------------------------|----------------------------------------------|-------------------------------------------------------------|--------------------------------------------|
| 32.3%                                                               | 4,332                    | 4.5%                                         | \$260,000                                                   | \$951,308,260                              |
| 32.3                                                                | 4,303                    | 5.4                                          | 260,000                                                     | 850,885,190                                |
| 32.3                                                                | 4,277                    | 4.5                                          | 260,000                                                     | 831,524,760                                |
| 32.3                                                                | 4,277                    | 4.5                                          | 260,000                                                     | 815,953,830                                |
| 32.3                                                                | 4,246                    | 4.5                                          | 260,000                                                     | 755,191,430                                |
| 32.3                                                                | 4,102                    | 5.7                                          | 260,000                                                     | 742,746,620                                |
| 32.3                                                                | 4,153                    | 9.3                                          | 260,000                                                     | 730,797,100                                |
| 32.3                                                                | 4,076                    | 7.0                                          | 260,000                                                     | 772,474,470                                |
| 32.3                                                                | 4,078                    | 7.7                                          | 260,000                                                     | 779,763,250                                |
| 32.3                                                                | 3,976                    | 8.8                                          | 260,000                                                     | 754,402,597                                |

**City of Avon, Ohio**  
*Full-Time Equivalent City Government Employees by Function/Program*  
*Last Ten Years*

| Function/Program                  | 2019          | 2018          | 2017          | 2016          |
|-----------------------------------|---------------|---------------|---------------|---------------|
| General Government                |               |               |               |               |
| Council                           | 5.50          | 5.50          | 5.50          | 5.50          |
| Finance                           | 4.00          | 3.50          | 4.50          | 4.00          |
| Finance Director                  | 1.00          | 1.00          | 1.00          | 1.00          |
| Law                               | 1.00          | 1.00          | 1.00          | 1.00          |
| Mayor's Office                    | 2.00          | 2.00          | 2.00          | 2.00          |
| Human Resources                   | 1.00          | 1.00          | 0.50          | 0.50          |
| Planning                          | 4.00          | 3.50          | 3.50          | 3.50          |
| Civil Service                     | 1.50          | 1.50          | 1.50          | 1.50          |
| Court                             | 1.50          | 1.50          | 1.50          | 1.50          |
| Zoning                            | 3.50          | 3.50          | 3.50          | 3.50          |
| Information Technology            | 1.50          | 1.50          | 1.00          | 1.00          |
| Senior Center                     | 6.50          | 0.00          | 5.00          | 5.00          |
| Engineering                       | 0.50          | 0.50          | 0.50          | 0.50          |
| Project Manager                   | 0.00          | 0.00          | 0.00          | 0.00          |
| Security of Persons and Property  |               |               |               |               |
| Police                            | 40.00         | 37.00         | 37.50         | 36.00         |
| Police - Dispatchers/Office/Other | 11.00         | 10.50         | 9.00          | 8.50          |
| Fire                              | 40.00         | 35.00         | 33.00         | 33.00         |
| Fire - Dispatchers/Office/Other   | 1.00          | 1.00          | 1.00          | 1.00          |
| Leisure Time Activities           |               |               |               |               |
| Recreation and Parks              | 12.00         | 9.50          | 8.00          | 11.00         |
| Landmarks Preservation            | 2.00          | 2.00          | 2.00          | 2.00          |
| Community Development             |               |               |               |               |
| Building                          | 10.00         | 10.00         | 9.00          | 9.50          |
| Transportation                    |               |               |               |               |
| Service/Street M&R                | 15.00         | 14.50         | 15.00         | 15.00         |
| Basic Utility Services            |               |               |               |               |
| Water and Sewer                   | 13.00         | 11.50         | 14.50         | 14.00         |
| Totals:                           | <u>177.50</u> | <u>157.00</u> | <u>160.00</u> | <u>160.50</u> |

Source: City of Avon, Ohio Payroll Department W2 Audit Listing

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee on staff as of December 31st.

Note: Some employees work in two different departments.

| 2015   | 2014   | 2013   | 2012   | 2011   | 2010   |
|--------|--------|--------|--------|--------|--------|
| 5.50   | 5.50   | 5.50   | 5.50   | 5.50   | 5.50   |
| 4.00   | 4.00   | 4.00   | 4.00   | 4.00   | 4.00   |
| 1.00   | 1.00   | 1.00   | 1.00   | 1.00   | 1.00   |
| 1.00   | 1.00   | 1.00   | 1.00   | 1.00   | 1.00   |
| 2.00   | 2.00   | 2.00   | 2.00   | 2.00   | 2.00   |
| 0.50   | 0.50   | 0.50   | 0.00   | 0.00   | 0.00   |
| 3.50   | 3.50   | 3.50   | 3.50   | 3.50   | 3.50   |
| 1.50   | 1.50   | 1.50   | 1.50   | 1.50   | 1.50   |
| 1.50   | 1.50   | 1.50   | 1.50   | 1.50   | 1.50   |
| 3.50   | 3.50   | 3.50   | 3.50   | 3.50   | 3.50   |
| 1.00   | 0.00   | 1.00   | 1.00   | 1.00   | 0.00   |
| 4.50   | 4.00   | 3.50   | 3.50   | 3.50   | 3.00   |
| 0.50   | 1.00   | 1.00   | 1.00   | 1.00   | 0.00   |
| 0.00   | 1.00   | 1.00   | 1.00   | 1.00   | 0.00   |
| 35.00  | 32.50  | 31.00  | 32.00  | 31.00  | 34.00  |
| 8.50   | 10.50  | 10.50  | 10.50  | 9.00   | 10.50  |
| 34.00  | 32.50  | 32.00  | 32.00  | 33.00  | 32.00  |
| 1.00   | 1.00   | 1.00   | 1.00   | 1.00   | 1.00   |
| 10.50  | 12.00  | 12.50  | 12.50  | 14.00  | 14.50  |
| 2.00   | 2.00   | 2.00   | 2.00   | 2.00   | 2.00   |
| 9.50   | 7.00   | 7.00   | 7.00   | 7.50   | 7.50   |
| 14.50  | 15.50  | 18.00  | 16.00  | 15.00  | 15.50  |
| 13.50  | 12.00  | 11.00  | 12.00  | 10.50  | 9.50   |
| 158.50 | 155.00 | 155.50 | 155.00 | 153.00 | 153.00 |

**City of Avon, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years (1)*

| Function/Program                                               | 2019          | 2018          | 2017         | 2016         |
|----------------------------------------------------------------|---------------|---------------|--------------|--------------|
| Date of Incorporation as a Village 1917                        |               |               |              |              |
| Date of Incorporation as a City 1961                           |               |               |              |              |
| <b>General Government</b>                                      |               |               |              |              |
| <i><b>Council and Clerk</b></i>                                |               |               |              |              |
| Number of Ordinances Passed                                    | 125           | 106           | 110          | 129          |
| Number of Resolutions Passed                                   | 35            | 28            | 28           | 31           |
| <i><b>Planning Commission/Zoning Board of Appeals</b></i>      |               |               |              |              |
| Number of Planning Commission docket items                     | 75            | 63            | 78           | 104          |
| Zoning Board of Appeals docket items                           | 47            | 32            | 50           | 44           |
| <i><b>Finance Department</b></i>                               |               |               |              |              |
| Amount of checks written                                       | \$53,773,600  | \$65,263,801  | \$69,985,588 | \$75,766,185 |
| Interest earnings for fiscal year (cash basis)                 | \$580,415     | \$367,802     | \$177,631    | \$115,913    |
| Number of Receipts issued                                      | 4,612         | 4,434         | 4,689        | 4,724        |
| Number of Budget Adjustments issued                            | 22            | 20            | 21           | 21           |
| Agency Ratings - Moody's Financial Services                    | Aa2           | Aa2           | Aa2          | Aa1          |
| General Fund Receipts (cash basis in thousands)                | \$16,594      | \$15,485      | \$13,642     | \$12,994     |
| General Fund Expenditures (cash basis in thousands)            | \$14,560      | \$13,184      | \$11,793     | \$12,704     |
| General Fund Cash Balances including Income Tax (in thousands) | \$8,691       | \$6,657       | \$4,356      | \$2,508      |
| <i><b>Income Tax Department</b></i>                            |               |               |              |              |
| Number of Annual withholding forms processed                   | 27,419        | 27,988        | 26,872       | 24,849       |
| Number of Business net profit forms processed                  | 5,215         | 3,569         | 4,683        | 4,037        |
| Number of Individual forms processed                           | 20,184        | 18,777        | 20,034       | 19,389       |
| Amount of Penalties and Interest Collected                     | N/A           | N/A           | N/A          | N/A          |
| Annual number of balance due/estimated payment forms processed | N/A           | N/A           | N/A          | N/A          |
| <i><b>Engineer Contracted Services</b></i>                     |               |               |              |              |
| Dollar amount of Construction overseen by Engineer             | \$2,093,449   | \$1,353,520   | \$3,406,934  | \$12,287,508 |
| <i><b>Mayor's Court</b></i>                                    |               |               |              |              |
| Number of Traffic cases                                        | 1,587         | 1,335         | 1,014        | 924          |
| Number of Criminal cases                                       | 52            | 83            | 41           | 38           |
| <i><b>Civil Service</b></i>                                    |               |               |              |              |
| Number of police entry tests administered                      | 0             | 1             | 0            | 1            |
| Number of fire entry tests administered                        | 0             | 1             | 0            | 0            |
| Number of police promotional tests administered                | 1             | 0             | 1            | 0            |
| Number of fire promotional tests administered                  | 0             | 0             | 0            | 0            |
| Number of hires of Police Officers from certified lists        | 7             | 3             | 0            | 0            |
| Number of hires of Fire/Medics from certified lists            | 2             | 2             | 0            | 0            |
| Number of promotions from police certified lists               | 2             | 0             | 1            | 0            |
| Number of promotions from fire certified lists                 | 0             | 0             | 0            | 0            |
| <i><b>Building Department Indicators</b></i>                   |               |               |              |              |
| Single Family Permits issued                                   | 95            | 97            | 93           | 114          |
| Commercial Permits issued                                      | 285           | 364           | 313          | 324          |
| Estimated Value of Construction                                | \$109,827,484 | \$146,173,751 | \$86,499,932 | \$93,180,158 |
| Number of permits issued (all types)                           | 1,317         | 1,302         | 1,261        | 1,886        |
| Amount of Revenue generated from permits                       | \$3,173,307   | \$3,138,639   | \$2,388,517  | \$3,128,862  |
| Number of contractor registrations issued                      | 1,189         | 1,155         | 1,146        | 979          |



| 2015          | 2014          | 2013         | 2012         | 2011         | 2010          |
|---------------|---------------|--------------|--------------|--------------|---------------|
| 152           | 142           | 137          | 134          | 116          | 113           |
| 17            | 23            | 35           | 33           | 22           | 39            |
| 91            | 111           | 131          | 78           | 76           | 60            |
| 31            | 23            | 26           | 14           | 17           | 17            |
| \$68,238,526  | \$49,976,640  | \$59,114,557 | \$79,149,951 | \$53,594,606 | \$42,389,310  |
| \$91,796      | \$73,481      | \$71,310     | \$80,715     | \$95,029     | \$112,699     |
| 4,903         | 4,684         | 4,306        | 3,584        | 3,687        | 4,018         |
| 23            | 22            | 29           | 22           | 35           | 32            |
| Aa1           | Aa1           | Aa1          | Aa1          | Aa1          | Aa1           |
| \$13,000      | \$12,542      | \$12,554     | \$11,224     | \$12,821     | \$13,284      |
| \$13,494      | \$12,885      | \$13,269     | \$10,739     | \$15,015     | \$11,466      |
| \$2,275       | \$2,769       | \$3,113      | \$3,828      | \$3,343      | \$5,570       |
| 22,758        | 20,184        | 19,814       | 18,616       | 16,323       | 13,275        |
| 3,930         | 4,077         | 3,466        | 3,279        | 2,893        | 2,075         |
| 20,378        | 19,000        | 18,887       | 17,504       | 17,619       | 8,883         |
| N/A           | N/A           | N/A          | N/A          | N/A          | \$125,422     |
| N/A           | N/A           | N/A          | N/A          | 8,874        | 10,195        |
| \$12,707,077  | \$5,415,017   | \$2,107,283  | \$4,022,623  | \$9,550,735  | \$1,899,519   |
| 2,088         | 2,260         | 1,233        | 784          | 1,103        | 982           |
| 51            | 59            | 40           | 41           | 40           | 62            |
| 1             | 0             | 0            | 2            | 0            | 0             |
| 1             | 0             | 0            | 1            | 0            | 0             |
| 0             | 0             | 0            | 2            | 1            | 0             |
| 3             | 0             | 0            | 1            | 0            | 0             |
| 3             | 1             | 1            | 4            | 0            | 1             |
| 1             | 0             | 1            | 2            | 0            | 1             |
| 0             | 0             | 1            | 3            | 1            | 0             |
| 3             | 0             | 0            | 0            | 0            | 5             |
| 120           | 128           | 122          | 96           | 113          | 146           |
| 283           | 270           | 217          | 131          | 228          | 137           |
| \$135,229,296 | \$190,769,916 | \$88,664,341 | \$72,114,502 | \$40,702,895 | \$113,771,043 |
| 1,590         | 1,540         | 1,142        | 1,112        | 1,199        | 1,112         |
| \$2,280,180   | \$2,451,429   | \$1,199,584  | \$847,201    | \$972,849    | \$1,464,343   |
| 865           | 788           | 862          | 810          | 769          | 932           |

(continued)

**City of Avon, Ohio**  
*Operating Indicators by Function/Program (continued)*  
*Last Ten Years (1)*

| Function/Program                                                     | 2019      | 2018      | 2017      | 2016        |
|----------------------------------------------------------------------|-----------|-----------|-----------|-------------|
| <b>Security of Persons and Property</b>                              |           |           |           |             |
| <b>Fire</b>                                                          |           |           |           |             |
| EMS Calls                                                            | 2,763     | 2,699     | 2,448     | 2,097       |
| Ambulance Billing Collections (net)                                  | \$667,398 | \$651,641 | \$603,625 | \$494,141   |
| Fire Calls                                                           | 600       | 713       | 686       | 639         |
| Fires with Loss                                                      | 73        | 58        | 53        | 35          |
| Fires with Losses exceeding \$10K                                    | 3         | 3         | 3         | 13          |
| Fire Losses                                                          | \$366,000 | \$240,300 | \$263,600 | \$1,257,700 |
| Fire Safety Inspections                                              | 1,613     | 1,491     | 1,222     | 1,215       |
| Number of times Mutual Aid given to Fire and EMS and Auto Aid        | 84        | 130       | 90        | 89          |
| Number of times Mutual Aid received for Fire and EMS and Auto Aid    | 86        | 85        | 94        | 57          |
| <b>Police</b>                                                        |           |           |           |             |
| Total Calls for Services                                             | 20,631    | 19,159    | 19,941    | 21,425      |
| Number of traffic citations issued                                   | 2,254     | 1,127     | 1,786     | 1,368       |
| Number of parking citations issued                                   | 75        | 126       | 54        | 42          |
| Number of criminal arrests                                           | 556       | 607       | 707       | 364         |
| Number of accident reports completed                                 | 663       | 646       | 601       | 669         |
| Part 1 Offenses (major offenses)                                     | 377       | 330       | 289       | 350         |
| DUI Arrests                                                          | 70        | 84        | 78        | 39          |
| Prisoners                                                            | 325       | 344       | 414       | 312         |
| Prisoner meal costs                                                  | \$0       | \$0       | \$0       | \$0         |
| Motor Vehicle Accidents                                              | 926       | 1,279     | 1,229     | 1,246       |
| Fatalities from Motor Vehicle Accidents                              | 0         | 0         | 0         | 1           |
| Gasoline costs of fleet                                              | \$91,159  | \$111,217 | \$84,524  | \$60,373    |
| <b>Leisure Time Activities</b>                                       |           |           |           |             |
| Recreation Men's and Women's Leagues receipts                        | \$1,982   | \$3,325   | \$4,425   | \$7,966     |
| Recreation Youth Activities receipts                                 | \$200,083 | \$168,080 | \$153,937 | \$104,370   |
| <b>Transportation</b>                                                |           |           |           |             |
| Street Improvements - asphalt overlay (linear feet)                  | N/A       | N/A       | N/A       | N/A         |
| Crackseal Coating Program (Miles)                                    | N/A       | N/A       | N/A       | N/A         |
| Street Repair (Curbs, aprons, berms, asphalt) (hours)                | N/A       | N/A       | N/A       | N/A         |
| Guardrail Repair (hours)                                             | N/A       | N/A       | N/A       | N/A         |
| Paint Striping (hours)                                               | N/A       | N/A       | N/A       | N/A         |
| Cold Patch (hours)                                                   | N/A       | N/A       | N/A       | N/A         |
| Snow and Ice Removal overtime hours                                  | N/A       | N/A       | N/A       | N/A         |
| Street Improvements Cost                                             | \$265,182 | \$261,342 | \$228,642 | \$144,807   |
| Street Improvements Cost per mile                                    | \$1,780   | \$1,778   | \$1,669   | \$1,047     |
| Miles of City Streets                                                | 149       | 147       | 137       | 138         |
| Tons of snow melting salt purchased (November - May - winter season) | 3,301     | 5,193     | 4,094     | 3,936       |
| Cost of salt purchased                                               | \$236,510 | \$114,250 | \$131,959 | \$218,088   |
| <b>Water Department</b>                                              |           |           |           |             |
| Water Rates per 1st 6,000 gallons of water used (per thousand)       | \$5.00    | \$4.74    | \$4.51    | \$4.26      |
| Average gallons of water billed monthly (in thousands)               | 65,665    | 65,643    | 69,766    | 86,988      |
| Total Water Collections Annually (Including P&I) (in thousands)      | \$3,976   | \$3,817   | \$3,766   | \$3,848     |
| <b>Wastewater Department</b>                                         |           |           |           |             |
| Sewer Rates per 1,000 gallons of water used                          | \$7.38    | \$7.03    | \$6.70    | \$6.38      |
| Average gallons of sewer billed monthly (in thousands)               | 46,360    | 45,754    | 46,747    | 60,359      |
| Total Sewer Collections Annually (Including P&I) (in thousands)      | \$4,156   | \$3,954   | \$3,795   | \$3,734     |

(1) Information for some years is not available.

Source: City of Avon Records

| 2015      | 2014      | 2013      | 2012      | 2011      | 2010        |
|-----------|-----------|-----------|-----------|-----------|-------------|
| 1,810     | 1,657     | 1,737     | 1,666     | 1,530     | 1,511       |
| \$417,407 | \$398,467 | \$418,414 | \$458,386 | \$372,867 | \$346,078   |
| 673       | 635       | 623       | 589       | 567       | 536         |
| 31        | 10        | 14        | 16        | 17        | 18          |
| 8         | 3         | 1         | 4         | 3         | 6           |
| \$448,405 | \$258,052 | \$186,450 | \$240,550 | \$220,700 | \$1,107,750 |
| 1,215     | 832       | 727       | 682       | 640       | 859         |
| 113       | 99        | 73        | 67        | 143       | 54          |
| 58        | 85        | 54        | 86        | 75        | 29          |
| 21,101    | 20,204    | 17,748    | 18,789    | 16,208    | 15,817      |
| 2,399     | 2,178     | 1,770     | 1,495     | 2,018     | 1,733       |
| 458       | 513       | 384       | 475       | 306       | 294         |
| 529       | 369       | 466       | 579       | 565       | 677         |
| 731       | 653       | 598       | 569       | 581       | 507         |
| 508       | 389       | 494       | 481       | 313       | 303         |
| 66        | 72        | 85        | 100       | 82        | 90          |
| 306       | 375       | 461       | 358       | 363       | 399         |
| \$0       | \$0       | \$0       | \$0       | \$5       | \$0         |
| 1,165     | 1,123     | 1,073     | 911       | 705       | 780         |
| 1         | 1         | 0         | 2         | 0         | 0           |
| \$73,531  | \$114,883 | \$105,400 | \$99,212  | \$102,384 | \$84,013    |
| \$3,923   | \$4,993   | \$5,056   | \$4,041   | \$3,381   | \$6,375     |
| \$118,652 | \$113,981 | \$94,373  | \$87,527  | \$81,460  | \$83,125    |
| N/A       | N/A       | N/A       | N/A       | N/A       | 10,685      |
| N/A       | N/A       | N/A       | N/A       | N/A       | 40          |
| N/A       | N/A       | N/A       | N/A       | N/A       | 200         |
| N/A       | N/A       | N/A       | N/A       | N/A       | 20          |
| N/A       | N/A       | N/A       | N/A       | N/A       | 900         |
| N/A       | N/A       | N/A       | N/A       | N/A       | 550         |
| N/A       | N/A       | N/A       | N/A       | N/A       | 850         |
| \$112,196 | \$137,092 | \$186,735 | \$139,421 | \$138,295 | \$129,301   |
| \$853     | \$1,063   | \$1,503   | \$1,134   | \$1,143   | \$1,078     |
| 132       | 129       | 124       | 123       | 121       | 120         |
| 4,951     | 5,961     | 3,850     | 4,083     | 5,135     | 5,291       |
| \$271,643 | \$205,480 | \$177,714 | \$188,538 | \$239,792 | \$240,733   |
| \$3.98    | \$3.51    | \$3.05    | \$2.94    | \$2.63    | \$2.33      |
| 62,048    | 66,366    | 63,206    | 71,913    | 69,692    | 65,571      |
| \$2,985   | \$2,594   | \$2,183   | \$2,316   | \$1,822   | \$1,809     |
| \$6.08    | \$5.79    | \$5.79    | \$5.79    | \$5.59    | \$4.98      |
| 44,349    | 43,065    | 41,409    | 42,831    | 40,103    | 40,145      |
| \$3,233   | \$2,979   | \$1,630   | \$1,630   | \$1,445   | \$1,327     |

**City of Avon, Ohio**  
*Capital Assets Statistics by Function/Program*  
*Last Ten Years*

| Function/Program                        | 2019   | 2018   | 2017   | 2016   |
|-----------------------------------------|--------|--------|--------|--------|
| <b>General Government</b>               |        |        |        |        |
| Inspection Vehicles                     | 9      | 9      | 9      | 9      |
| <b>Security of Persons and Property</b> |        |        |        |        |
| <b>Police</b>                           |        |        |        |        |
| Stations                                | 1      | 1      | 1      | 1      |
| Vehicles                                | 40     | 39     | 37     | 38     |
| <b>Fire</b>                             |        |        |        |        |
| Stations                                | 1      | 1      | 1      | 1      |
| Vehicles                                | 13     | 13     | 13     | 15     |
| <b>Leisure Time Activities</b>          |        |        |        |        |
| <b>Recreation</b>                       |        |        |        |        |
| Number of Parks                         | 8      | 8      | 8      | 7      |
| Number of Ice Rinks                     | 1      | 1      | 1      | 1      |
| Number of Skateboarding Areas           | 1      | 1      | 1      | 1      |
| Number of Baseball Diamonds             | 12     | 12     | 12     | 12     |
| Number of Tot Lots                      | 4      | 4      | 4      | 4      |
| Number of Soccer Fields                 | 16     | 16     | 16     | 16     |
| Number of Swimming Pools                | 1      | 1      | 1      | 1      |
| Vehicles                                | 13     | 13     | 12     | 12     |
| <b>Transportation</b>                   |        |        |        |        |
| <b>Service</b>                          |        |        |        |        |
| Buildings                               | 1      | 1      | 1      | 1      |
| Service Vehicles                        | 23     | 22     | 24     | 22     |
| Streets (miles)                         | 149.16 | 147.25 | 143.51 | 138.37 |
| <b>Water and Sewer</b>                  |        |        |        |        |
| Buildings                               | 11     | 11     | 11     | 10     |
| Water Lines (miles)                     | 126.05 | 125.04 | 122.49 | 121.40 |
| Sanitary Sewers (miles)                 | 102.84 | 102.03 | 100.36 | 99.60  |
| Vehicles                                | 12     | 16     | 14     | 12     |

Source: City of Avon Records

| 2015   | 2014   | 2013   | 2012   | 2011   | 2010   |
|--------|--------|--------|--------|--------|--------|
| 9      | 8      | 8      | 8      | 8      | 7      |
| 1      | 1      | 1      | 1      | 1      | 1      |
| 36     | 34     | 34     | 35     | 33     | 37     |
| 1      | 1      | 1      | 1      | 1      | 1      |
| 15     | 15     | 15     | 15     | 15     | 14     |
| 7      | 7      | 7      | 7      | 7      | 7      |
| 1      | 1      | 1      | 1      | 1      | 1      |
| 1      | 1      | 1      | 1      | 1      | 1      |
| 12     | 12     | 12     | 12     | 12     | 12     |
| 4      | 4      | 4      | 4      | 4      | 4      |
| 16     | 16     | 16     | 16     | 14     | 14     |
| 1      | 0      | 0      | 0      | 0      | 0      |
| 10     | 9      | 8      | 8      | 8      | 9      |
| 1      | 1      | 1      | 1      | 1      | 1      |
| 22     | 20     | 20     | 23     | 22     | 21     |
| 131.58 | 128.91 | 123.00 | 123.00 | 121.00 | 120.00 |
| 10     | 10     | 10     | 10     | 9      | 9      |
| 122.43 | 118.70 | 117.80 | 117.30 | 115.80 | 114.10 |
| 100.75 | 97.10  | 96.70  | 96.30  | 95.20  | 93.30  |
| 13     | 14     | 9      | 7      | 7      | 10     |

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CITY OF AVON  
EST 1814

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