



# 2018 City of Mason Financial Review

Each year, the City of Mason prepares a Comprehensive Annual Financial Report in accordance with generally accepted accounting principles. This detailed report is about 188 pages long and presents a complete financial picture of the city. It is available on the City of Mason's website, [www.imagemason.org](http://www.imagemason.org).

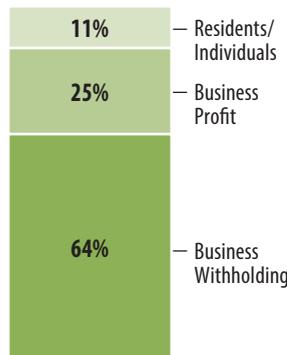
While this report is significant to the government and financial community, many residents do not have the time to study it in its entirety. As a result, the Government Finance Officers' Association encourages governments to produce a Popular Annual Financial Report (PAFR) that is a quick summary of information in the detailed report. The data included in the Popular Annual Financial Report below provides a summary of the city's governmental activities for the year ended December 31, 2018.

## Where the Money Comes From...

The City of Mason receives the funding it needs to provide services to the community from a variety of sources. The table below presents a summary of the city's revenues by primary type for 2018 and 2017. Tax revenue includes the charter amendment for safety services. Income taxes increased with the improved economy and economic development efforts. 2017 has higher property taxes from early payments. 2017 permits were higher than 2018 because of significant commercial development. Investment income increased due to rising rates and return on the investments. Mason continues to be a community with stable revenue sources for providing services to the community.

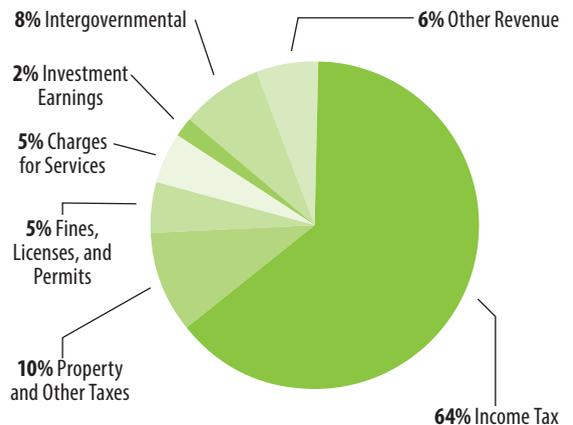
REVENUES (millions)	2018	2017
Income Tax	\$38.4	\$31.4
Property and Other Taxes	6.1	9.7
Fines, Licenses, and Permits	2.9	3.5
Charges for Services	3.3	2.8
Investment Earnings	1.3	0.5
Intergovernmental	4.7	4.9
Other Revenue	3.7	3.7
<b>TOTAL REVENUES</b>	<b>\$60.4</b>	<b>\$56.5</b>

### 2018 INCOME TAX BY SOURCE



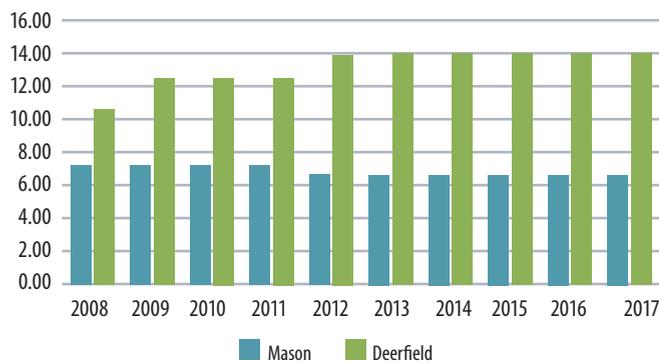
Income tax is the largest source of revenue. 64% of the total income tax revenue comes from business withholding, 25% from business profit and 11% from residents. 2018 was an extraordinary year due to large payments from business profit. This is expected to decrease in 2019.

### GOVERNMENTAL FUNDS 2018 REVENUE BY SOURCE



The pie chart above depicts the significance each source of revenue has to the city's overall financial health. Income tax is the largest sources of revenue for the governmental funds. The second largest source of revenue is property tax. Intergovernmental funds that are from the State of Ohio is third.

### PROPERTY TAX MILLAGE



This chart shows that the City of Mason property tax was lowered in 2013 and continues to stay low compared to Deerfield Township. A modest income tax has allowed the cost of services to be shared by businesses, residents, and those working in Mason without significant increases to property taxes.

## Where the Money Goes...

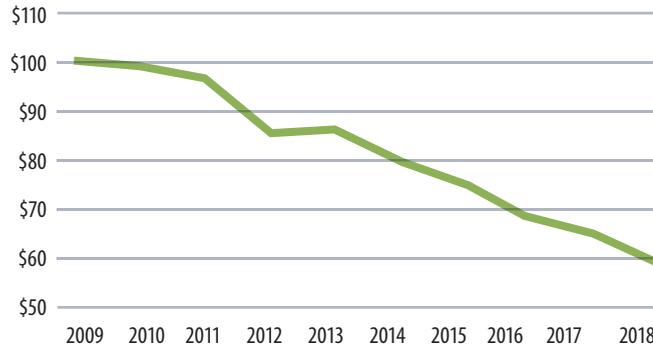
► The two-year comparison below for the city's governmental expenditures shows a 4% increase in operating expenditures (\$37.1 million for 2018 compared to \$35.6 million for 2017). The largest increase is from increased expenses for street maintenance and safety services. The City makes continuous efforts to provide services as cost effectively as possible. 2017 capital outlay was higher than 2018 due to a one-time property acquisition. 2018 Debt Service had a \$1 million, one-time early payoff of debt.

EXPENDITURES (millions)	2018	2017
Public Safety	\$16.0	\$15.4
General Government	7.6	8.0
Transportation and Streets	6.4	5.4
Leisure Time Activities	2.3	2.4
Community Development	4.5	4.1
Utility Service	0.3	0.3
Operating Expenditures	37.1	35.6
Capital Outlay	5.0	8.2
Debt Service	5.3	4.3
<b>TOTAL EXPENDITURES</b>	<b>\$47.4</b>	<b>\$48.1</b>

### EXPENDITURE TYPE DEFINITIONS

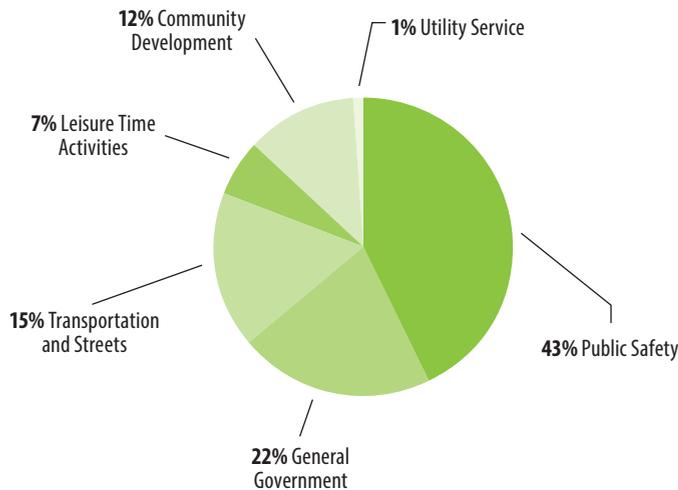
- **Public Safety** – Police, fire, EMS, disaster services, and street lights
- **General Government** – Functions serving the entire City including City Council, administration, finance, tax collection, court, and engineering
- **Transportation and Streets** – Public Works activities to clean, repair, and maintain public streets, traffic signals, traffic signs, and right-of-way. Engineering and project management for street improvements.
- **Leisure Time Activities** – Parks, park maintenance, recreational programs, and Lou Eves Municipal Pool
- **Community Development** – Community planning, building inspections, and economic development
- **Utility Service** – Expenditures for city utilities paid by governmental funds not included in enterprise utility funds.
- **Capital Outlay** – Investment for the city's capital improvements such as road improvements and equipment replacement

### OUTSTANDING DEBT December 31 (Millions)



The chart of outstanding debt shows the City's commitment to reduce its outstanding debt from \$100 million in 2009 to a level that is below what it was 10 years ago. The cost of the outstanding debt is lower than many cities because of Mason's high credit rating.

### GOVERNMENTAL FUNDS 2018 EXPENDITURES BY TYPE



The pie chart provides a view of operating expenditure types (excluding debt service and capital outlay). Public Safety (such as police and fire services) continues to be the largest share of the city's operating expenditures.

### CAPITAL PROJECTS

The following are major capital projects completed that are included in the 2017 capital investment:

- Bethany Road improvements
- Emergency Operation Center renovation and technology upgrade

Work continues for the following major projects:

- I-71 & Western Row Road Interchange completed in March 2019
- Traffic signal upgrades including fiber optics

Planning continues for the following major projects:

- State Route 741 improvements
- Snider Road improvements
- Master planning redevelopment of the City's parks and recreation facilities