

**CITY OF SHARONVILLE
HAMILTON COUNTY**



SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2020

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Honorable Mayor and City Council
City of Sharonville
10900 Reading Road
Sharonville, Ohio 45241

We have reviewed the *Independent Auditor's Report* of the City of Sharonville, Hamilton County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2020 through December 31, 2020. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Sharonville is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

October 05, 2021

This page intentionally left blank.

**CITY OF SHARONVILLE
HAMILTON COUNTY
FOR THE YEAR ENDED DECEMBER 31, 2020**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor’s Report.....	Under separate cover
Prepared by Management:	
Comprehensive Annual Financial Report	Under separate cover
Schedule of Expenditures of Federal Awards	1
Notes to the Schedule of Expenditures of Federal Awards	1
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	2
Independent Auditor’s Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance and Report on Schedule of Expenditures Of Federal Awards Required by Uniform Guidance	4
Schedule of Findings and Questioned Costs	6
Schedule of Prior Audit Findings and Questioned Costs	7

This page intentionally left blank.

City of Sharonville
Schedule of Expenditures of Federal Awards
For The Year Ended December 31, 2020

Federal Grantor/ Pass Through Grantor/ Program Grant Title	Pass Through Entity Number	CFDA Number	Federal Expenditures	Passed Through to Sub-recipients
UNITED STATES DEPARTMENT OF TRANSPORTATION				
<i>Passed through Ohio Department of Transportation</i>				
Highway Planning and Construction Cluster:				
Hauk Road Widening	PID 105181	20.205	\$ 154,735	\$ -
Sharon Road	PID 103423	20.205	119,641	-
Total Highway Planning and Construction Cluster			<u>274,376</u>	<u>-</u>
<i>Passed through City of Blue Ash, Ohio</i>				
Alcohol Impaired Driving Countermeasures Incentive Grants I	DUI	20.601	1,919	-
Total United States Department of Transportation			<u>276,295</u>	<u>-</u>
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Providers Relief Fund	N/A	93.498	11,978	-
Total United States Department of Health and Human Services			<u>11,978</u>	<u>-</u>
UNITED STATES DEPARTMENT OF THE TREASURY				
<i>Passed through Ohio Office of Budget and Management</i>				
Coronavirus Relief Fund	HB481 - CRF - Local	21.019	842,347	147,500
<i>Passed through Hamilton County, Ohio</i>				
Coronavirus Relief Fund	N/A	21.019	209,887	-
Total Coronavirus Relief Fund			<u>1,052,234</u>	<u>147,500</u>
Total United States Department of the Treasury			<u>1,052,234</u>	<u>147,500</u>
UNITED STATES DEPARTMENT OF HOMELAND SECURITY				
<i>Passed through Ohio Emergency Management Agency</i>				
Flood Mitigation Assistance	FMA-PJ-05-OH-217-015	97.029	132,460	-
Total United States Department of Homeland Security			<u>132,460</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 1,472,967</u>	<u>\$ 147,500</u>

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is a summary of the activity of the City's federal award programs. The schedule has been prepared using the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The City did not elect to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor and City Council
City of Sharonville

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Sharonville (the City), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Cincinnati, Ohio

June 30, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and City Council
City of Sharonville

Report on Compliance for Each Major Federal Program

We have audited the City of Sharonville's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2020. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements

that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 30, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures to the audited financial statements subsequent to June 30, 2021. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Cincinnati, Ohio

September 13, 2021

CITY OF SHARONVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2020

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

Coronavirus Relief Fund -CFDA# 21.019

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? No

Section II – Findings Related to the Financial Statements Required to be reported in Accordance with GAGAS

None

Section III – Federal Award Findings and Questioned Costs

None

CITY OF SHARONVILLE
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
December 31, 2020

The City of Sharonville had no prior audit findings or questioned costs.

CITY OF SHARONVILLE, OHIO

Hamilton County, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2020



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2020

Prepared by the Auditor's Office

Ed Cunningham
City Auditor

and

M. Scott McKeehan, CPA
Finance Director



TABLE OF CONTENTS

CITY OF SHARONVILLE
HAMILTON COUNTY, OHIO

I INTRODUCTORY SECTION

A Letter of Transmittalv
B Elected Officialsxii
C City Organizational Chartxiii
D Certificate of Achievement for Excellence in Financial Reportingxiv

II FINANCIAL SECTION

A Independent Auditor’s Report.....1
B Management’s Discussion and Analysis.....3
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net position14
 Statement of Activities16
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet18
 Reconciliation of Total Governmental Fund Balances to Net position of
 Governmental Activities.....20
 Statement of Revenues, Expenditures and Changes in Fund Balances22
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances to the Statement of Activities.....24
 Statement of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis):
 General Fund25
 Fire Department Fund.....26
 Proprietary Fund:
 Statement of Net position28
 Statement of Revenues, Expenses and Changes in Fund Net position31
 Statement of Cash Flows32
 Fiduciary Fund:
 Statement of Net position34
 Statement of Changes in Net position35
Notes to the Basic Financial Statements.....37

D Required Supplementary Information:

Schedule of City’s Proportionate Share of the Net Pension Liability	92
Schedule of City Pension Contributions	94
Schedule of City’s Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability.....	97
Schedule of City’s Other Postemployment Benefit (OPEB) Contributions	98
Notes to the Required Supplementary Information	100

E Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	108
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	109
Combining Balance Sheet – Nonmajor Special Revenue Funds	110
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	114
Combining Balance Sheet – Nonmajor Debt Service Funds	118
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds	119
Combining Balance Sheet – Nonmajor Capital Projects Funds	120
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	122

Individual Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):

Major Governmental Funds:

<i>General Fund</i>	124
<i>Special Revenue Fund:</i>	
Fire Department Fund	127
<i>Capital Projects Funds:</i>	
Capital Improvement Fund.....	128
Chester Road TIF Fund	129
Police Station Construction Fund.....	130

Nonmajor Governmental Funds:

<i>Special Revenue Funds:</i>	
Street Construction, Maintenance and Repair Fund	131
State Highway Fund	132
Permissive Motor Vehicle Tax Fund.....	133

Special Revenue Funds (Continued):

Federal Emergency Management Agency (FEMA) Fund.....	134
State Health Licenses Fund	135
Teen Fund.....	136
Law Enforcement Trust Fund.....	137
Drug Law Enforcement Fund	138
DUI Checkpoint Grant Fund	139
DUI Education and Enforcement Fund	140
Mayor’s Court Computer Fund	141
Clerk of Courts Computer Fund	142
Confinement Reimbursement Fund.....	143
Community Oriented Policing Services (COPS) Grant Fund	144
Drug Enforcement Agency (DEA) Federal Sharing Fund	145
Termination Benefits Fund.....	146
Police Grants Fund	147
CARES Act Fund	148

Debt Service Funds:

Note Debt Retirement Fund.....	149
Special Assessment Bond Retirement Fund.....	150
Convention Hotel Debt Fund.....	151
Zind Lane Sewer Fund	152

Capital Projects Funds:

Capital Improvement Issue II Fund.....	153
Capital Improvement Fund.....	154
Fire Capital Fund.....	155
Gateway 75 TIF Fund.....	156
Downtown TIF Fund	157
Facility Improvement Fund	158
Fire Equipment Fund.....	159
Storm Water Fund	160
FEMA Capital Grant Fund	161

Fiduciary Funds – Custodial Funds:

Statement of Net Position	163
Statement of Changes in Net Position	164

III

STATISTICAL SECTION

Net position by Component - Last Ten Years S 2
Changes in Net position - Last Ten Years S 4
Fund Balances, Governmental Funds - Last Ten Years S 8
Changes in Fund Balances, Governmental Funds - Last Ten Years S 10
Income Tax Revenues by Source, Governmental Funds - Last Ten Years S 14
Income Tax Collections - Current Year and Nine Years Ago S 17
Ratio of Outstanding Debt By Type - Last Ten Years S 18
Ratios of General Bonded Debt Outstanding - Last Ten Years S 20
Computation of Direct and Overlapping Debt Attributable to
Governmental Activities - Current Year S 23
Debt Limitations - Last Ten Years S 24
Pledged Revenue Coverage - Last Ten Years S 26
Demographic and Economic Statistics - Last Ten Years S 28
Principal Employers - Current Year and Nine Years Ago S 31
Full Time Equivalent Employees by Function - Last Ten Years S 32
Operating Indicators by Function - Last Ten Years S 34
Capital Asset Statistics by Function - Last Ten Years S 36

INTRODUCTORY SECTION





10900 Reading Road
Sharonville, Ohio 45241
PH (513) 563-1144
FX (513) 563-0617
www.sharonville.org

June 30, 2021

Honorable Mayor, Members of City Council
and Citizens of Sharonville, Ohio:

We are pleased to submit the eighteenth Comprehensive Annual Financial Report for the City of Sharonville for the fiscal year ended December 31, 2020. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Introduction

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Sharonville (the "City") to conform to nationally recognized standards of excellence in financial reporting and to provide significantly enhanced financial information and accountability to its citizens. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

This letter should be read in conjunction with the Management Discussion and Analysis (MD&A) that can be found immediately following the Independent Accountants' Report.

The Reporting Entity

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 61 *"The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34,"* in that the financial statements include all organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide financial benefit to or impose a financial burden on the City.

The City provides the following services to its residents and businesses: police and fire protection, emergency medical response, parks and recreational activities, planning, zoning, street maintenance, solid waste collection, income tax collection and other governmental services. In addition, the City owns and operates a convention center and a senior apartment complex, which are reported as enterprise funds.

The Community Improvement Corporation of Sharonville is reported as a discretely presented component unit in a separate column in the combined financial statements.

***Letter of Transmittal
For the Year Ended December 31, 2020***

The City of Sharonville

The City of Sharonville is located in Hamilton County in southwestern Ohio. The City is situated east of Interstate 75 and south of Interstate 275, approximately 15 miles north of downtown Cincinnati. Sharonville was originally settled in 1788 and was incorporated as a City in 1962. It is a Statutory City with a Mayor-Council form of government.

The legislative body of Sharonville consists of a seven-member Council whose members are elected to serve two-year terms. The chief executive and administrative officer of the City is the Mayor who is elected to a four-year term. The Law Director is elected to a four-year term and heads the Department of Law. The City Auditor, who is elected to a four-year term, supervises the Department of Finance and performs the powers, duties and functions of the fiscal officer of the City pursuant to the general laws of Ohio. In addition, the City Auditor is responsible for the administration, control, funding and payment of the City's debt. As the City's chief fiscal officer, the City Auditor maintains the City's accounting records. The City Treasurer is responsible for receiving and investing all funds of the City and is elected to a four-year term.

The Police Department consists of an authorized strength of 49 full-time officers and non-sworn administrative personnel (40 sworn and 9 support staff). The Department responds to approximately 2,000 service calls per month, and is made up of the Administrative Section, Patrol Division, Detective Division, and Clerical Section. In addition to preventive patrol, criminal investigations, and traffic safety, the Department is committed to offering a wide variety of crime prevention services while providing a community orientation program for all area businesses and residents. Other programs of the Department include D.A.R.E., Anti-Drug Prevention, Neighborhood Watch, and Crime Prevention. The Department also teaches safety programs in the City's schools.

The Fire Department is an ISO Class III department staffed 24 hours a day by 42 full-time fire personnel and officers complimented by part-time personnel. Services offered by the Department include fire suppression, paramedic level emergency medical services, fire prevention and public education for children in kindergarten through eighth grade. The Department operates from three stations, which are located in the City.

The Parks and Recreation Department offers a variety of facilities and a broad range of activities for all groups. The main community center is a 51,000 square foot facility that houses a fitness center, indoor running/walking track, a double gymnasium, a single gymnasium/multipurpose rental facility, locker rooms, pre-school nursery, aerobics and dance room, craft room, lounge and game area, and a family game area. The Parks Division maintains 4 active parks, one of which is a 5 acre Fossil Park which includes educational signage, fossil hunting, and a one mile looped hiking trail. These parks contain 35 acres of green space and provide facilities for hiking, and picnicking as well as athletic facilities for baseball, football, soccer, tennis, basketball, horseshoes and volleyball. The City also maintains an aquatic facility.

***Letter of Transmittal
For the Year Ended December 31, 2020***

Services provided by the Public Works Department include brush pick-up, landscaping, tree trimming, roadside and facility mowing, and street sweeping. The Department is also responsible for parking lot maintenance, pothole repair, snow removal, street name and directional signage, street painting, street, curb and sidewalk repairs, and storm sewer and catch basin repair. The City provides solid waste collection through contracted service which is managed by the Public Works Department. The Department also manages the City offered recycling drop off sites and participates in the Hamilton County Residential Recycling Incentive Program. The Department also oversees the operation of Golden View Acres, a City-owned and operated 52-unit apartment complex for senior citizens.

The Sharonville Convention Center provides a beautiful and contemporary location for meetings, conventions, banquets, trade shows and public events for in Northern Cincinnati. Conveniently located 15 miles north of downtown Cincinnati, just off I-75 and I-275, the Sharonville Convention Center is easily accessible via all of the region's highways.

Economic Conditions and Outlook

The City of Sharonville is ideally located just 15 miles north of downtown Cincinnati along Interstate Highways 275 and 75. With Interstate Highway 71 only one mile away from the City limits, there are four interstate exits which provide access to the City. The City's strategic location has encouraged development in leading regional industries like tourism, transportation, engineering, automotive, and logistics.

The City of Sharonville is one of the few cities in the State of Ohio that does not levy property taxes, thus the City primarily relies upon income tax revenue. There are approximately 1,200 businesses within City limits which increase the daily population to roughly 40,000. The Economic Development Office has been working hard to improve business opportunities through creation of various incentive, retention, and attraction programs.

The City's tax structure, location, and existing business foundation, have been catalysts for establishing and maintaining a diverse income tax base which allows the City to continue preferred level of services in a challenging economic environment. The diversity can be seen in the top ten employers who collectively represent approximately 27.4% of the total income tax collections.

The City plans to exercise sound investment procedures to maximize the rates of the return. The City will continue the policy to issue short term debt for construction projects when the rates of return on investments exceed the interest on borrowed funds.

Major Initiatives

Capital Improvements:

The year 2020 included completion of another large residential street program. Construction of a new Police Station and a major Renovation of our downtown Fire Station 87 were completed in early 2021 bringing much improved facility updates to for both departments. The City wrapped up the design phase most of the the right-of-way acquisition phase of the Hauck Road improvement project. The Hauck Road Project adds turn lane and a shared use path to improve congestion and safety along a major Industrial corridor. The City is in the design phase of a 42 Shared Use path connecting the downtown loop to Kemper road and a sidewalk on Kemper Road to the Northern Entrance to Sharon Woods. These path and sidewalk projects aim to improve safety of pedestrian traffic along a corridor bordering two parks and residential areas providing connectivity to multiple points of interest.

***Letter of Transmittal
For the Year Ended December 31, 2020***

Economic Development:

Despite the impact that COVID had in our community and across the state/country, as a result of our progressive leadership, fiscal management and strategic location, the City of Sharonville welcomed a noteworthy amount of new jobs and investments in 2020:

- Third Eye Brewing Company completed construction of a \$1.7 Microbrewery and Restaurant and opened in June 2020. The 6,000 square foot taproom features a modern décor, with large retractable windows, garage doors, glass, steel and reclaimed wood. It also includes approximately 3,600 square feet of pet friendly outdoor space with a covered porch, and offers a full lunch and dinner menu.
- Delta by Marriott opened during 2020. This \$9 million hotel and conference facility redevelopment project converted an aging property to an upscale design with Ohio's 1st Delta by Marriott hotel.
- York Street Fresh Foods decided to locate in Sharonville, which will bring approximately 128 new jobs to our community. This is a joint venture between Caruso Inc., a Sharonville company and New Jersey-based Lorenzo Food Group.
- Gorilla Glue started a significant capital improvement project at their existing Sharonville facility, which will lead to approximately 104 new jobs.
- BSI Engineering expanded their office space in Sharonville by approximately 9,000 square feet, which will allow for an additional 25 new jobs.
- Tulkoff Foods purchased a vacant building and opened a \$4 million, 63,000 square foot facility. An estimated 25 new full-time jobs will be coming to the City with this project.

Financial Information

Internal Control, Budgetary Control and the Accounting System

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. It is the belief of the City's administrative and financial management that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

The City utilizes a fully-automated accounting system. The system, coupled with the manual auditing of each voucher prior to payment by the Auditor's Office, ensure that the financial information generated is both accurate and reliable.

In addition, the City maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council.

***Letter of Transmittal
For the Year Ended December 31, 2020***

All funds other than the Community Improvement Corporation of Sharonville (CIC) and agency funds are included in the annual appropriated budget. The level of budgetary control (*i.e.*, the level at which expenditures cannot legally exceed the appropriated amount) is at the department level and within each department at the levels of personal services and other expenditures. Budgetary control is maintained by encumbering the estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders that result in overruns of budgeted balances are not released until additional appropriations are made available. Unencumbered amounts lapse at year-end. Appropriations, initial and supplemental, must be authorized by City Council.

As demonstrated by the statements and schedules included in the financial section of this Comprehensive Annual Financial Report, the City continues to meet its responsibility for sound fiscal management.

Other Information

Independent Audit

State statutes require an annual audit by independent certified public accountants. The basic financial statements of the City of Sharonville were audited by Plattenburg, Certified Public Accountants. Generally accepted auditing standards and the standards set forth in the General Accounting Office's Government Auditing Standards were used by the auditors in conducting the audit. The independent auditor's unmodified opinion has been included in the financial section of this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sharonville for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year only. We believe this current report continues to conform to the high standards set by the GFOA for a Certificate of Achievement for Excellence in Financial Reporting and we are submitting it to GFOA.

***Letter of Transmittal
For the Year Ended December 31, 2020***

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the finance and administration department. Sincere appreciation is extended to all members of the department who assisted and contributed to the preparation of this report.

Special acknowledgment is extended to the staff of Donald J. Schonhardt and Associates, Inc. for their guidance in the preparation of this report.

Finally, a special thanks to the Mayor and City Council for their interest and support in planning and conducting the government in a responsible and progressive manner.

Respectfully submitted,



M. Scott McKeehan
Finance Director



Ed Cunningham
City Auditor



CITY OF SHARONVILLE, OHIO

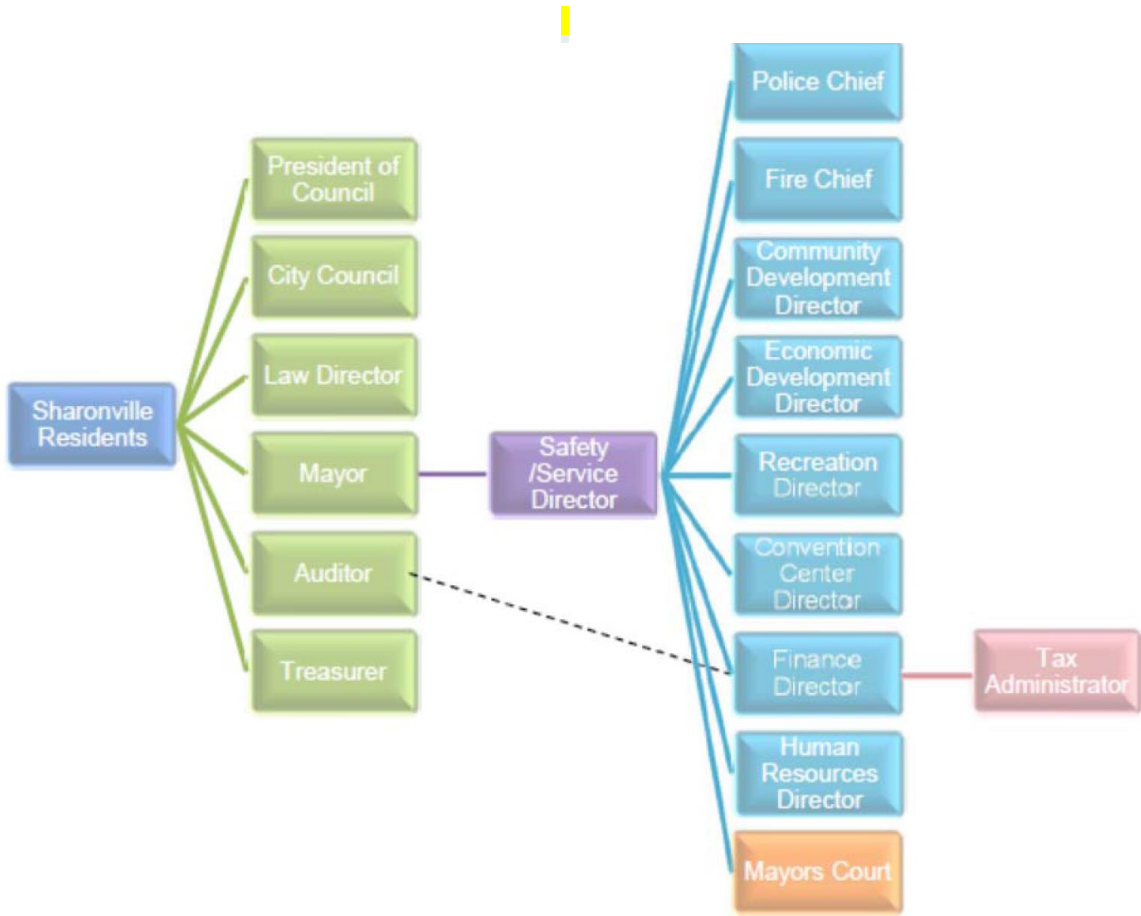
***Elected Officials
For the Year Ended December 31, 2020***

Office	Elected Official	Term Expires
Mayor	Kevin Hardman	12/31/2023
President of Council	Vicki Hoppe	12/31/2021
Council Ward 1	Shayok Dutta	12/31/2021
Council Ward 2	David Koch	12/31/2021
Council Ward 3	Paul Schmidt	12/31/2021
Council Ward 4	Robert Tankersley	12/31/2021
Council at Large	Mike Wilson	12/31/2021
Council at Large	Charles Lippert	12/31/2021
Council at Large	Sue Knight	12/31/2021
Treasurer	Kurt Irej	12/31/2021
Auditor	Ed Cunningham	12/31/2023
Law Director	Mark Piepmeier	12/31/2021

Office	Official
Safety/Service Director	Jim Lukas
Finance Director	Scott McKeehan
Tax Administrator	Linda Collins
Human Resources Director	Noah Powers
Police Chief	Steve Vanover
Fire Chief	Kirk Mousa
Building and Planning Director	John Creech
Public Works Director	Joe Kempe
Recreation Director	Michael Blomer
Convention Center Manager	Jim Downton
Safety/Service Director	Jim Lukas

City Address:
Sharonville City Hall
10900 Reading Road
Sharonville, Ohio 45241

**City Organizational Chart
For the Year Ended December 31, 2020**



***Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting***



Government Finance Officers Association

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

Presented to

**City of Sharonville
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Sharonville

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 discretely presented component unit and remaining fund information of the City of Sharonville (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 discretely presented component unit and remaining fund information of the City, as of December 31, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and Fire Department Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of pension information and postemployment information to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2021, 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion 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.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
June 30, 2021

The discussion and analysis of the City of Sharonville's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2020. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2020 are as follows:

- ❑ In total, net position increased by \$9,432,716. Net position of governmental activities increased by \$6,919,321, which represents a 12.7% increase from 2019. Net position of business-type activities increased by \$2,513,395, or 33.3% from 2019.
- ❑ General revenues accounted for \$33,602,362 in revenue, or 74.3% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$11,614,375, or 25.7% of total revenues of \$45,216,737.
- ❑ The City had \$31,509,404 in expenses related to governmental activities; only \$4,867,363 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily income taxes) of \$33,602,362 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$21,064,478 in revenues and other financing sources and \$18,746,214 in expenditures and other financing uses. The general fund's fund balance increased \$2,318,264.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplementary information* and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Government-Wide Financial Statements

The government-wide statements report information about the City as a whole using accepting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net-position (the difference between the City's assets and liabilities) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets

The government-wide financial statements of the City are divided into two categories:

- ***Governmental Activities*** – Most of the City's programs and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, basic utility services, transportation and general government.
- ***Business-Type Activities*** – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's convention center and senior citizen housing complex are reported as business activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government 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 to finance educational programs. 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.

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

***Management’s Discussion and Analysis
For the Year Ended December 31, 2020***

Unaudited

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City’s own programs. All of the City’s fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table is a comparison of the City’s Net Position for the years ended December 31, 2020 and 2019:

	Governmental Activities		Business-type Activities		Total	
	Restated				Restated	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$50,364,367	\$50,323,189	\$7,751,960	\$5,933,693	\$58,116,327	\$56,256,882
Capital assets, Net	62,987,134	54,548,998	32,138,693	32,525,304	95,125,827	87,074,302
Total assets	113,351,501	104,872,187	39,890,653	38,458,997	153,242,154	143,331,184
Deferred Outflows of Resources	8,278,529	13,652,150	664,029	577,570	8,942,558	14,229,720
Net Pension Liability	29,267,182	37,498,752	995,935	1,766,224	30,263,117	39,264,976
Net OPEB Liability	7,746,848	7,522,607	692,336	844,107	8,439,184	8,366,714
Long-term debt outstanding	6,989,143	7,026,366	26,169,486	26,007,592	33,158,629	33,033,958
Other liabilities	6,775,442	7,897,678	2,241,472	2,834,647	9,016,914	10,732,325
Total liabilities	50,778,615	59,945,403	30,099,229	31,452,570	80,877,844	91,397,973
Deferred Inflows of Resources	9,409,191	4,056,031	395,757	37,696	9,804,948	4,093,727
Net position						
Net investment in capital assets	50,997,991	48,598,183	5,673,029	5,697,021	56,671,020	54,295,204
Restricted	13,560,874	13,723,304	2,946,508	0	16,507,382	13,723,304
Unrestricted	(3,116,641)	(7,798,584)	1,440,159	1,849,280	(1,676,482)	(5,949,304)
Total net position	\$61,442,224	\$54,522,903	\$10,059,696	\$7,546,301	\$71,501,920	\$62,069,204

The net pension liability (NPL) is reported by the City pursuant to GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.” The net OPEB liability (NOL) is reported by the City pursuant to GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,” which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan’s *net pension liability* or *net OPEB liability*.

***Management's Discussion and Analysis
For the Year Ended December 31, 2020***

Unaudited

GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows. As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting.

CITY OF SHARONVILLE, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2020**

Unaudited

Changes in Net Position – The following table shows the changes in net position for the fiscal years 2020 and 2019:

	Governmental		Business-type		Total	
	Activities		Activities			
	2020	Restated 2019	2020	2019	2020	Restated 2019
Revenues						
Program revenues:						
Charges for Services and Sales	\$1,452,266	\$1,962,999	\$1,411,506	\$2,559,019	\$2,863,772	\$4,522,018
Operating Grants and Contributions	2,613,371	2,213,555	2,335,506	3,447,247	4,948,877	5,660,802
Capital Grants and Contributions	801,726	196,617	3,000,000	0	3,801,726	196,617
Total Program revenues	4,867,363	4,373,171	6,747,012	6,006,266	11,614,375	10,379,437
General revenues:						
Income Taxes	28,890,671	27,575,296	0	0	28,890,671	27,575,296
Other Local Taxes	32,055	221,538	0	0	32,055	221,538
Payments in Lieu of Taxes	1,582,266	1,462,346	0	0	1,582,266	1,462,346
Grants and Entitlements not Restricted to Specific Programs	295,763	189,116	0	0	295,763	189,116
Investment Earnings	764,879	1,176,165	0	0	764,879	1,176,165
Miscellaneous	2,036,728	978,893	0	0	2,036,728	978,893
Total General revenues	33,602,362	31,603,354	0	0	33,602,362	31,603,354
Total revenues	38,469,725	35,976,525	6,747,012	6,006,266	45,216,737	41,982,791
Program Expenses						
Security of Persons and Property	16,590,008	2,373,015	0	0	16,590,008	2,373,015
Public Health and Welfare Services	111,808	102,433	0	0	111,808	102,433
Leisure Time Activities	2,932,806	3,470,074	0	0	2,932,806	3,470,074
Community Environment	617,295	599,260	0	0	617,295	599,260
Basic Utility Services	718,138	661,609	0	0	718,138	661,609
Transportation	4,351,780	4,232,070	0	0	4,351,780	4,232,070
General Government	5,955,133	6,503,895	0	0	5,955,133	6,503,895
Interest and Fiscal Charges	232,436	235,837	0	0	232,436	235,837
Convention Center	0	0	3,995,614	4,837,589	3,995,614	4,837,589
Senior Citizen Housing	0	0	279,003	333,082	279,003	333,082
Total expenses	31,509,404	18,178,193	4,274,617	5,170,671	35,784,021	23,348,864
Change in Net Assets before Transfers	6,960,321	17,798,332	2,472,395	835,595	9,432,716	18,633,927
Transfers	(41,000)	0	41,000	0	0	0
Total Change in Net Position	6,919,321	17,798,332	2,513,395	835,595	9,432,716	18,633,927
Restated Beginning Net Position	54,522,903	36,724,571	7,546,301	6,710,706	62,069,204	43,435,277
Ending Net Position	\$61,442,224	\$54,522,903	\$10,059,696	\$7,546,301	\$71,501,920	\$62,069,204

***Management’s Discussion and Analysis
For the Year Ended December 31, 2020***

Unaudited

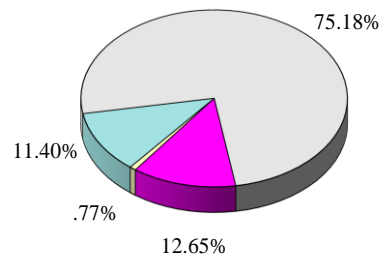
Governmental Activities

Net position of the City’s governmental activities increased by \$6,919,321. As with the past few years, this was a result of increased income taxes due to local job growth and a continued effort of maintaining lower operating expenses (2019 expenses were skewed by a large negative police and fire OPEB expense). We have also been able to meet and maintain fund balance goals for the General and Fire Funds respectively. During the past year we have also made significant set-asides to our Capital Improvement Fund towards achieving future capital investments and our Debt Retirement Fund to reduce outstanding liabilities.

The City receives an income tax based on 1.5% of all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on income of residents earned outside the City.

Taxes made up 75.18% of revenues for governmental activities for the City in fiscal year 2020. The City’s reliance upon tax revenues is demonstrated by the following graph:

Revenue Sources	2020	Percent of Total
Taxes	\$28,922,726	75.18%
Program Revenues	4,867,363	12.65%
Shared Revenues	295,763	0.77%
General Other	4,383,873	11.40%
Total Revenue	<u>\$38,469,725</u>	<u>100.00%</u>



Business-Type Activities

The net position of the business-type activities increased by \$2,513,395 during 2020. The Convention Center received a \$3,000,000 Capital Contribution from Hamilton County for the proposed expansion for the exhibit hall. The Convention Center Charges for Services and Sales revenue decreased due to COVID restrictions. The Convention Center participated in the State of Ohio Shared Work Program to avoid layoffs of full time staff. The Convention Center focused on reducing expenses across the operation to mitigate the loss of revenues.

CITY OF SHARONVILLE, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2020**

Unaudited

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$34,474,114, which is a decrease from last year's balance of \$35,589,175. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2020 and 2019:

	Fund Balance December 31, 2020	Restated Fund Balance December 31, 2019	Increase (Decrease)
General	\$17,109,565	\$14,791,301	\$2,318,264
Fire Department	6,228,730	5,393,407	835,323
Capital Improvement	7,578,828	9,007,717	(1,428,889)
Chester Road TIF	(1,078,035)	(1,802,483)	724,448
Police Station Construction	(5,504,685)	(3,019,923)	(2,484,762)
Other Governmental	10,139,711	11,219,156	(1,079,445)
Total	<u>\$34,474,114</u>	<u>\$35,589,175</u>	<u>(\$1,115,061)</u>

General Fund – The City's General Fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2020 Revenues	2019 Revenues	Increase (Decrease)
Municipal Income Taxes	\$18,408,138	\$19,223,403	(\$815,265)
Other Local Taxes	0	221,538	(221,538)
Intergovernmental Revenues	270,476	278,886	(8,410)
Charges for Services	142,680	444,755	(302,075)
Licenses and Permits	503,502	569,385	(65,883)
Investment Earnings	698,980	1,044,203	(345,223)
Fines and Forfeitures	54,487	181,626	(127,139)
All Other Revenue	978,890	499,220	479,670
Total	<u>\$21,057,153</u>	<u>\$22,463,016</u>	<u>(\$1,405,863)</u>

General Fund revenues in 2020 decreased by 6.3% compared to revenues in fiscal year 2019. The most significant factors contributing were decreases in income tax revenue and investment earnings due to the COVID 19 pandemic.

CITY OF SHARONVILLE, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2020***

Unaudited

	2020	2019	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Security of Persons and Property	\$6,175,721	\$6,644,019	(\$468,298)
Public Health and Welfare Services	105,049	87,827	17,222
Leisure Time Activities	2,103,013	2,335,104	(232,091)
Community Environment	558,331	505,276	53,055
Basic Utility Services	718,138	661,609	56,529
General Government	<u>3,837,683</u>	<u>4,413,949</u>	<u>(576,266)</u>
Total	<u><u>\$13,497,935</u></u>	<u><u>\$14,647,784</u></u>	<u><u>(\$1,149,849)</u></u>

The General Fund expenditures decreased by 7.8%. Operations across the board reflect the overall expenditure impact of the COVID 19 pandemic.

Fire Department Fund – The fund balance increased by \$835,323 during 2020. The positive change in fund balance was primarily related to revenue collections continuing to outpace expenditures.

Capital Improvement Fund – This fund balance decreased by \$1,428,889 during 2020. The decrease in fund balance was primarily related to significant progress on the new Police Station that was nearing completion at the end of 2020.

Chester Road TIF Fund – The fund balance increased by \$724,448 during the year due to decreasing capital outlays compared to recent years.

Police Station Construction Fund – This fund was brand new in 2019. Issuance of general obligation notes payable is paying for approximately 53% of the construction of the new Police station. The remaining portion is funded from previous set-asides in the Capital Improvement Fund.

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. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2020 the City amended its General Fund budget several times.

For the General Fund, final budget basis revenue of \$19.2 million was increased when compared to the original budget estimates by \$809,012 to account for changing revenue collection activity. The City increased appropriations by \$11.5 million to account for additional transfers and advances to other funds with the largest amounts being used for capital equipment purchases and set-aside funds for scheduled facility maintenance items. The General Fund's actual results varied \$6.8 million from the final budgeted amounts. Actual revenues exceeded final budgeted amounts by \$2.1 and actual expenditures were below final budgeted amounts by \$4.7 million.

***Management's Discussion and Analysis
For the Year Ended December 31, 2020***

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2020 the City had \$95,125,827 net of accumulated depreciation invested in land, construction in progress, land improvements, buildings and improvements, machinery and equipment, infrastructure and vehicles. Of this total, \$62,987,134 was related to governmental activities and \$32,138,693 to the business-type activities. The following table shows fiscal year 2020 and 2019 balances:

	Governmental Activities		Increase (Decrease)
	2020	2019	
Land	\$6,380,747	\$6,380,747	\$0
Construction in Progress	11,262,097	10,315,750	946,347
Land Improvements	9,701,399	9,220,451	480,948
Buildings and Improvements	21,634,801	18,562,393	3,072,408
Infrastructure	49,844,326	42,874,795	6,969,531
Machinery and Equipment	4,764,795	4,281,427	483,368
Vehicles	7,409,946	7,166,835	243,111
Less: Accumulated Depreciation	(48,010,977)	(44,153,400)	(3,857,577)
Totals	<u>\$62,987,134</u>	<u>\$54,648,998</u>	<u>\$8,338,136</u>

	Business-Type Activities		Increase (Decrease)
	2020	2019	
Land	\$5,067,188	\$5,067,188	\$0
Construction in Progress	940,245	459,142	481,103
Land Improvements	355,417	355,417	0
Buildings and Improvements	35,832,012	35,799,704	32,308
Infrastructure	89,136	89,136	0
Machinery and Equipment	1,428,582	1,428,582	0
Vehicles	70,846	70,846	0
Less: Accumulated Depreciation	(11,644,733)	(10,744,711)	(900,022)
Totals	<u>\$32,138,693</u>	<u>\$32,525,304</u>	<u>(\$386,611)</u>

The primary increases in governmental activities' capital assets occurred in infrastructure and buildings and improvements. During 2020 the City completed several large street and sidewalk projects. The construction of the new Police Station was near completion at the end of 2020. Additionally, the business type activities experienced an increase in construction in progress in 2020 from the design and planning of a proposed expansion to the Convention Center Exhibit Hall. Additional information on the City's capital assets can be found in Note 9.

***Management's Discussion and Analysis
For the Year Ended December 31, 2020***

Unaudited

Debt

At December 31, 2020, the City had \$845,000 in special assessment bonds outstanding, \$70,000 of which is due within one year. The following table summarizes the City's debt outstanding as of December 31, 2020 and 2019:

	2020	2019
Governmental Activities:		
Special Assessment Bonds	\$845,000	\$915,000
Compensated Absences	3,323,797	3,313,882
Ohio Public Works Commission Loan	2,820,346	2,797,484
Total Governmental Activities	<u>6,989,143</u>	<u>7,026,366</u>
Business-Type Activities:		
Revenue Bonds	25,868,621	25,728,283
Compensated Absences	300,865	279,309
Total Business-Type Activities	<u>26,169,486</u>	<u>26,007,592</u>
Totals	<u>\$33,158,629</u>	<u>\$33,033,958</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.50% of the total assessed value of real and personal property. At December 31, 2020, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 14.

ECONOMIC FACTORS

The Sharonville City Council and Administration has continued monitoring reserves, operational revenues and costs, and capital needs very closely. Controlling costs, defining priorities, forecasting, and encouraging economic development has been the continued focus. Sharonville remains committed to maintaining and improving its solid business base. The continuous establishment of new companies, as well as expansion of existing companies occurred creating new jobs in the community that will benefit the local economy in 2020 and beyond.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact Scott McKeehan, Finance Director of the City of Sharonville.



CITY OF SHARONVILLE, OHIO

**Statement of Net Position
December 31, 2020**

	Primary Government			Component Unit Community Improvement Corporation of Sharonville
	Governmental Activities	Business-Type Activities	Total	
Assets:				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 35,112,349	\$ 8,056,945	\$ 43,169,294	\$ 139,529
Receivables:				
Taxes	8,892,851	0	8,892,851	0
Accounts	1,123,245	146,788	1,270,033	0
Intergovernmental	1,174,456	0	1,174,456	0
Special Assessments	1,051,822	0	1,051,822	0
Loans	2,322,013	0	2,322,013	0
Internal Balances	500,000	(500,000)	0	0
Inventory of Supplies at Cost	158,697	0	158,697	0
Prepaid Items	28,934	569	29,503	0
Restricted Assets:				
Cash and Cash Equivalents	0	47,658	47,658	0
Capital Assets:				
Capital Assets Not Being Depreciated	17,642,844	6,007,433	23,650,277	98,259
Capital Assets Being Depreciated, Net	45,344,290	26,131,260	71,475,550	0
Total Assets	113,351,501	39,890,653	153,242,154	237,788
Deferred Outflows of Resources:				
Deferred Charge on Debt Refunding	0	402,957	402,957	0
Pension	4,892,641	151,465	5,044,106	0
OPEB	3,385,888	109,607	3,495,495	0
Total Deferred Outflows of Resources	8,278,529	664,029	8,942,558	0
Liabilities:				
Accounts Payable	553,172	29,585	582,757	55,900
Accrued Wages and Benefits	237,042	15,376	252,418	0
Intergovernmental Payable	477,644	33,114	510,758	3,843
Contracts Payable	173,324	0	173,324	0
Retainage Payable	305,667	0	305,667	0
Customer Deposits	0	47,658	47,658	700
Unearned Revenue	0	1,040,754	1,040,754	0
Accrued Interest Payable	28,593	74,985	103,578	0
General Obligation Notes Payable	5,000,000	1,000,000	6,000,000	0
Noncurrent liabilities:				
Due within one year	663,056	723,991	1,387,047	0
Due in more than one year:				
Net Pension Liability	29,267,182	995,935	30,263,117	0
Net OPEB Liability	7,746,848	692,336	8,439,184	0
Other Amounts Due in More Than One Year	6,326,087	25,445,495	31,771,582	0
Total Liabilities	50,778,615	30,099,229	80,877,844	60,443

CITY OF SHARONVILLE, OHIO

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Community Improvement Corporation of Sharonville
Deferred Inflows of Resources:				
Property Tax Levy for Next Fiscal Year	1,758,323	0	1,758,323	0
Pension	4,976,440	263,020	5,239,460	0
OPEB	2,674,428	132,737	2,807,165	0
Total Deferred Inflows of Resources	9,409,191	395,757	9,804,948	0
Net Position:				
Net Investment in Capital Assets	50,997,991	5,673,029	56,671,020	98,259
Restricted For:				
Capital Projects	1,362,619	2,946,508	4,309,127	0
Debt Service	1,081,150	0	1,081,150	0
Streets and Highways	3,616,420	0	3,616,420	0
Security of Persons and Property	7,500,685	0	7,500,685	0
Unrestricted (Deficit)	(3,116,641)	1,440,159	(1,676,482)	79,086
Total Net Position	\$ 61,442,224	\$ 10,059,696	\$ 71,501,920	\$ 177,345

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Activities
For the Year Ended December 31, 2020**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 16,590,008	\$ 990,596	\$ 33,282	\$ 0
Public Health and Welfare Services	111,808	0	0	0
Leisure Time Activities	2,932,806	128,127	0	0
Community Environment	617,295	293,039	0	0
Basic Utility Services	718,138	0	0	0
Transportation	4,351,780	40,504	1,512,876	669,266
General Government	5,955,133	0	1,067,213	132,460
Interest and Fiscal Charges	232,436	0	0	0
Total Governmental Activities	31,509,404	1,452,266	2,613,371	801,726
Business-Type Activities:				
Convention Center	3,995,614	1,075,344	2,335,506	3,000,000
Senior Citizen Housing	279,003	336,162	0	0
Total Business-Type Activities	4,274,617	1,411,506	2,335,506	3,000,000
Totals	\$ 35,784,021	\$ 2,863,772	\$ 4,948,877	\$ 3,801,726
Component Unit:				
Community Improvement Corporation of Sharonville	\$ 134,535	\$ 33,220	\$ 0	\$ 0

General Revenues

Municipal Income Taxes
 Other Local Taxes
 Payments in Lieu of Taxes
 Grants and Entitlements not Restricted to Specific Programs
 Investment Earnings
 Miscellaneous
 Transfers
 Total General Revenues and Transfers

 Change in Net Position

 Net Position Beginning of Year, Restated

 Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

Net (Expense) Revenue and Changes in Net Position			Component Unit
Governmental Activities	Business-Type Activities	Total	Community Improvement Corporation of Sharonville
\$ (15,566,130)	\$ 0	\$ (15,566,130)	
(111,808)	0	(111,808)	
(2,804,679)	0	(2,804,679)	
(324,256)	0	(324,256)	
(718,138)	0	(718,138)	
(2,129,134)	0	(2,129,134)	
(4,755,460)	0	(4,755,460)	
(232,436)	0	(232,436)	
<u>(26,642,041)</u>	<u>0</u>	<u>(26,642,041)</u>	
0	2,415,236	2,415,236	
0	57,159	57,159	
0	2,472,395	2,472,395	
<u>(26,642,041)</u>	<u>2,472,395</u>	<u>(24,169,646)</u>	
			\$ (101,315)
28,890,671	0	28,890,671	0
32,055	0	32,055	0
1,582,266	0	1,582,266	0
295,763	0	295,763	0
764,879	0	764,879	116
2,036,728	0	2,036,728	0
(41,000)	41,000	0	
<u>33,561,362</u>	<u>41,000</u>	<u>33,602,362</u>	<u>116</u>
6,919,321	2,513,395	9,432,716	(101,199)
54,522,903	7,546,301	62,069,204	278,544
<u>\$ 61,442,224</u>	<u>\$ 10,059,696</u>	<u>\$ 71,501,920</u>	<u>\$ 177,345</u>

CITY OF SHARONVILLE, OHIO

**Balance Sheet
Governmental Funds
December 31, 2020**

	General Fund	Fire Department Fund	Capital Improvement Fund
Assets:			
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 8,838,383	\$ 5,483,745	\$ 7,737,075
Receivables:			
Taxes	4,649,368	2,324,684	0
Accounts	61,528	1,056,874	0
Intergovernmental	106,180	16,427	119,641
Special Assessments	0	0	0
Loans	0	0	0
Interfund Loans Receivables	3,831,085	0	0
Inventory of Supplies, at Cost	0	0	0
Prepaid Items	23,993	3,174	0
Advance to Other Funds	3,105,000	0	0
Total Assets	\$ 20,615,537	\$ 8,884,904	\$ 7,856,716
Liabilities:			
Accounts Payable	\$ 219,595	\$ 106,182	\$ 158,247
Accrued Wages and Benefits Payable	138,766	83,889	0
Intergovernmental Payable	185,527	104,119	0
Contracts Payable	0	0	0
Retainage Payable	0	0	0
Interfund Loans Payable	0	0	0
Accrued Interest Payable	0	0	0
General Obligation Notes Payable	0	0	0
Advances from Other Funds	0	0	0
Compensated Absences Payable	97,275	44,342	0
Total Liabilities	641,163	338,532	158,247
Deferred Inflows of Resources:			
Unavailable Amounts	2,864,809	2,317,642	119,641
Property Tax Levy for Next Fiscal Year	0	0	0
Total Deferred Inflows of Resources	2,864,809	2,317,642	119,641
Fund Balances:			
Nonspendable	23,993	3,174	0
Restricted	0	6,225,556	0
Committed	746,872	0	7,578,828
Assigned	1,779,212	0	0
Unassigned	14,559,488	0	0
Total Fund Balances	17,109,565	6,228,730	7,578,828
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$ 20,615,537	\$ 8,884,904	\$ 7,856,716

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

Chester Road TIF Fund	Police Station Construction Fund	Other Governmental Funds	Total Governmental Funds
\$ 1,946,644	\$ 0	\$ 11,106,502	\$ 35,112,349
1,436,074	0	482,725	8,892,851
0	0	4,843	1,123,245
0	0	932,208	1,174,456
0	0	1,051,822	1,051,822
0	0	2,322,013	2,322,013
0	0	0	3,831,085
0	0	158,697	158,697
0	0	1,767	28,934
0	0	0	3,105,000
<u>\$ 3,382,718</u>	<u>\$ 0</u>	<u>\$ 16,060,577</u>	<u>\$ 56,800,452</u>
\$ 0	\$ 0	\$ 69,148	\$ 553,172
0	0	14,387	237,042
19,679	0	168,319	477,644
0	173,324	0	173,324
0	305,667	0	305,667
0	0	3,431,085	3,431,085
0	25,694	0	25,694
0	5,000,000	0	5,000,000
3,005,000	0	0	3,005,000
0	0	0	141,617
<u>3,024,679</u>	<u>5,504,685</u>	<u>3,682,939</u>	<u>13,350,245</u>
157,787	0	1,757,891	7,217,770
<u>1,278,287</u>	<u>0</u>	<u>480,036</u>	<u>1,758,323</u>
<u>1,436,074</u>	<u>0</u>	<u>2,237,927</u>	<u>8,976,093</u>
0	0	160,464	187,631
0	0	6,148,585	12,374,141
0	0	3,986,504	12,312,204
0	0	0	1,779,212
<u>(1,078,035)</u>	<u>(5,504,685)</u>	<u>(155,842)</u>	<u>7,820,926</u>
<u>(1,078,035)</u>	<u>(5,504,685)</u>	<u>10,139,711</u>	<u>34,474,114</u>
<u>\$ 3,382,718</u>	<u>\$ 0</u>	<u>\$ 16,060,577</u>	<u>\$ 56,800,452</u>

CITY OF SHARONVILLE, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2020***

Total Governmental Fund Balances	\$ 34,474,114
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	62,987,134
Other long-term assets are not available to pay for current- period expenditures and therefore are reported as deferred inflows of resources in the fund statements.	7,217,770
The net pension and OPEB liabilities are not due and payable in the current period; therefore, the liabilities and related deferred inflows/outflows are not reported in governmental funds:	
Deferred Outflows - Pension	4,892,641
Deferred Outflows - OPEB	3,385,888
Deferred Inflows - Pension	(4,976,440)
Deferred Inflows - OPEB	(2,674,428)
Net Pension Liability	(29,267,182)
Net OPEB Liability	(7,746,848)
Total	<u>(36,386,369)</u>
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Special Assessment Bonds Payable	(845,000)
OPWC Loan Payable	(2,820,346)
Compensated Absences Payable	(3,182,180)
Accrued Interest Payable	(2,899)
<i>Net Position of Governmental Activities</i>	<u>\$ 61,442,224</u>

See accompanying notes to the basic financial statements



CITY OF SHARONVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020**

	General Fund	Fire Department Fund	Capital Improvement Fund
Revenues:			
Municipal Income Taxes	\$ 18,408,138	\$ 8,789,714	\$ 0
Other Local Taxes	0	0	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental Revenues	270,476	16,427	826,675
Charges for Services	142,680	443,842	0
Licenses and Permits	503,502	0	0
Investment Earnings	698,980	0	0
Special Assessments	0	0	0
Fines and Forfeitures	54,487	0	0
All Other Revenue	978,890	149,522	28,846
Total Revenue	21,057,153	9,399,505	855,521
Expenditures:			
Current:			
Security of Persons and Property	6,175,721	7,653,279	0
Public Health and Welfare Services	105,049	0	0
Leisure Time Activities	2,103,013	0	0
Community Environment	558,331	0	0
Basic Utility Services	718,138	0	0
Transportation	0	0	0
General Government	3,837,683	0	0
Capital Outlay	0	110,903	5,942,978
Debt Service:			
Principal Retirement	0	0	0
Interest & Fiscal Charges	0	0	0
Total Expenditures	13,497,935	7,764,182	5,942,978
Excess (Deficiency) of Revenues Over Expenditures	7,559,218	1,635,323	(5,087,457)
Other Financing Sources (Uses):			
Sale of Capital Assets	7,325	0	4,720
Transfers In	0	0	3,653,848
Transfers Out	(5,248,279)	(800,000)	0
OPWC Loan Initiated	0	0	0
Total Other Financing Sources (Uses)	(5,240,954)	(800,000)	3,658,568
Net Change in Fund Balances	2,318,264	835,323	(1,428,889)
Fund Balances at Beginning of Year, Restated	14,791,301	5,393,407	9,007,717
Change in Inventory Reserve	0	0	0
Fund Balances End of Year	\$ 17,109,565	\$ 6,228,730	\$ 7,578,828

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

Chester Road TIF Fund	Police Station Construction Fund	Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 0	\$ 0	\$ 27,197,852
0	0	32,055	32,055
1,069,127	0	429,923	1,499,050
0	0	3,236,280	4,349,858
0	0	0	586,522
0	0	0	503,502
0	0	65,899	764,879
0	0	305,143	305,143
0	0	11,022	65,509
0	0	29,836	1,187,094
<u>1,069,127</u>	<u>0</u>	<u>4,110,158</u>	<u>36,491,464</u>
0	0	28,512	13,857,512
0	0	0	105,049
0	0	0	2,103,013
0	0	0	558,331
0	0	0	718,138
0	0	2,116,283	2,116,283
0	0	1,635,008	5,472,691
200,292	2,536,328	3,603,690	12,394,191
40,225	0	70,000	110,225
<u>104,162</u>	<u>91,141</u>	<u>37,380</u>	<u>232,683</u>
<u>344,679</u>	<u>2,627,469</u>	<u>7,490,873</u>	<u>37,668,116</u>
724,448	(2,627,469)	(3,380,715)	(1,176,652)
0	0	0	12,045
0	142,707	2,210,724	6,007,279
0	0	0	(6,048,279)
0	0	63,087	63,087
<u>0</u>	<u>142,707</u>	<u>2,273,811</u>	<u>34,132</u>
724,448	(2,484,762)	(1,106,904)	(1,142,520)
(1,802,483)	(3,019,923)	11,219,156	35,589,175
0	0	27,459	27,459
<u>\$ (1,078,035)</u>	<u>\$ (5,504,685)</u>	<u>\$ 10,139,711</u>	<u>\$ 34,474,114</u>

CITY OF SHARONVILLE, 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, 2020***

Net Change in Fund Balances - Total Governmental Funds \$ (1,142,520)

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

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

Capital Outlay	12,501,498	
Depreciation Expense	<u>(4,115,895)</u>	8,385,603

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. This is the amount of the loss on the disposal of capital assets net of proceeds received. (47,467)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 1,978,292

Contractually required contributions for pension/OPEB are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 2,370,576

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. (4,831,678)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position.
 OPWC Loan Initiated (63,087)

Repayment of bond and loan principal is an expenditure in the governmental funds, but the transactions, however, have no effect on net position. 110,225

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 216

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 the governmental funds.

Compensated Absences	131,702	
Change in Inventory	<u>27,459</u>	<u>159,161</u>

Change in Net Position of Governmental Activities **\$ 6,919,321**

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 16,395,647	\$ 17,028,799	\$ 18,399,289	\$ 1,370,490
Other Local Taxes	150,000	0	0	0
Intergovernmental Revenue	226,215	256,505	270,050	13,545
Charges for Services	438,800	444,800	142,891	(301,909)
Licenses and Permits	428,790	495,850	499,520	3,670
Investment Earnings	300,000	400,000	556,823	156,823
Fines and Forfeitures	192,900	183,000	78,646	(104,354)
All Other Revenues	234,200	266,610	1,179,431	912,821
Total Revenues	<u>18,366,552</u>	<u>19,075,564</u>	<u>21,126,650</u>	<u>2,051,086</u>
Expenditures:				
Current:				
Security of Persons and Property	7,161,300	7,796,200	6,374,992	1,421,208
Public Health and Welfare Services	94,725	103,148	91,339	11,809
Leisure Time Activities	2,540,014	2,618,024	2,201,365	416,659
Community Environment	550,986	722,620	604,503	118,117
Basic Utility Services	600,000	822,170	822,170	0
General Government	4,643,701	6,199,127	5,301,634	897,493
Debt Service:				
Interest and Fiscal Charges	0	75,000	0	75,000
Total Expenditures	<u>15,590,726</u>	<u>18,336,289</u>	<u>15,396,003</u>	<u>2,940,286</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,775,826	739,275	5,730,647	4,991,372
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	7,325	7,325
Transfers Out	(2,775,000)	(6,715,583)	(5,423,279)	1,292,304
Advances In	0	100,000	107,111	7,111
Advances Out	0	(1,996,284)	(1,526,094)	470,190
Total Other Financing Sources (Uses):	<u>(2,775,000)</u>	<u>(8,611,867)</u>	<u>(6,834,937)</u>	<u>1,776,930</u>
Net Change in Fund Balance	826	(7,872,592)	(1,104,290)	6,768,302
Fund Balance at Beginning of Year	8,229,710	8,229,710	8,229,710	0
Prior Year Encumbrances	1,104,374	1,104,374	1,104,374	0
Fund Balance at End of Year	<u>\$ 9,334,910</u>	<u>\$ 1,461,492</u>	<u>\$ 8,229,794</u>	<u>\$ 6,768,302</u>

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Fire Department Fund
For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 7,814,353	\$ 8,131,201	\$ 8,784,668	\$ 653,467
Charges for Services	525,000	525,000	469,003	(55,997)
All Other Revenues	19,000	19,000	162,804	143,804
Total Revenues	<u>8,358,353</u>	<u>8,675,201</u>	<u>9,416,475</u>	<u>741,274</u>
Expenditures:				
Current:				
Security of Persons and Property	8,219,000	9,084,950	8,111,003	973,947
Capital Outlay	214,000	201,430	171,623	29,807
Total Expenditures	<u>8,433,000</u>	<u>9,286,380</u>	<u>8,282,626</u>	<u>1,003,754</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(74,647)	(611,179)	1,133,849	1,745,028
Other Financing Sources (Uses):				
Transfers In	0	0	100,000	100,000
Transfers Out	0	(959,505)	(900,000)	59,505
Total Other Financing Sources (Uses):	<u>0</u>	<u>(959,505)</u>	<u>(800,000)</u>	<u>159,505</u>
Net Change in Fund Balance	(74,647)	(1,570,684)	333,849	1,904,533
Fund Balance at Beginning of Year	4,171,316	4,171,316	4,171,316	0
Prior Year Encumbrances	279,955	279,955	279,955	0
Fund Balance at End of Year	<u>\$ 4,376,624</u>	<u>\$ 2,880,587</u>	<u>\$ 4,785,120</u>	<u>\$ 1,904,533</u>

See accompanying notes to the basic financial statements



CITY OF SHARONVILLE, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2020**

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
Assets:			
Current Assets:			
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 7,748,234	\$ 308,711	\$ 8,056,945
Receivables:			
Accounts Receivable	145,781	1,007	146,788
Prepaid Items	569	0	569
Total Current Assets	<u>7,894,584</u>	<u>309,718</u>	<u>8,204,302</u>
Noncurrent Assets:			
Restricted Assets:			
Cash and Cash Equivalents	0	47,658	47,658
Capital Assets:			
Capital Assets Not Being Depreciated	5,962,433	45,000	6,007,433
Capital Assets Being Depreciated, Net	25,565,121	566,139	26,131,260
Total Noncurrent Assets	<u>31,527,554</u>	<u>658,797</u>	<u>32,186,351</u>
Total Assets	<u>39,422,138</u>	<u>968,515</u>	<u>40,390,653</u>
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	402,957	0	402,957
Pension	137,095	14,370	151,465
OPEB	99,209	10,398	109,607
Total Deferred Outflows of Resources	<u>639,261</u>	<u>24,768</u>	<u>664,029</u>
Liabilities:			
Current Liabilities:			
Accounts Payable	24,107	5,478	29,585
Accrued Wages and Benefits	14,138	1,238	15,376
Intergovernmental Payable	10,375	22,739	33,114
Customer Deposits	0	47,658	47,658
Unearned Revenue	1,038,864	1,890	1,040,754
Interfund Loans Payable	400,000	0	400,000
Accrued Interest Payable	74,985	0	74,985
General Obligation Notes Payable	1,000,000	0	1,000,000
Revenue Bond Payable - Current	670,000	0	670,000
Compensated Absences - Current	53,488	503	53,991
Total Current Liabilities	<u>3,285,957</u>	<u>79,506</u>	<u>3,365,463</u>

CITY OF SHARONVILLE, OHIO

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
Noncurrent Liabilities:			
Revenue Bonds Payable	25,198,621	0	25,198,621
Advances from Other Funds	0	100,000	100,000
Compensated Absences Payable	222,334	24,540	246,874
Net Pension Liability	901,451	94,484	995,935
Net OPEB Liability	626,654	65,682	692,336
Total Noncurrent Liabilities	<u>26,949,060</u>	<u>284,706</u>	<u>27,233,766</u>
Total Liabilities	<u>30,235,017</u>	<u>364,212</u>	<u>30,599,229</u>
Deferred Inflows of Resources:			
Pension	238,086	24,934	263,020
OPEB	120,173	12,564	132,737
Total Deferred Inflows of Resources	<u>358,259</u>	<u>37,498</u>	<u>395,757</u>
Net Position:			
Net Investment in Capital Assets	5,061,890	611,139	5,673,029
Restricted for Capital Projects	2,946,508	0	2,946,508
Unrestricted	1,459,725	(19,566)	1,440,159
Total Net Position	<u>\$ 9,468,123</u>	<u>\$ 591,573</u>	<u>\$ 10,059,696</u>

See accompanying notes to the basic financial statements



CITY OF SHARONVILLE, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020**

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
Operating Revenues:			
Charges for Services	\$ 1,019,583	\$ 326,241	\$ 1,345,824
Other Operating Revenues	52,679	9,921	62,600
Total Operating Revenues	<u>1,072,262</u>	<u>336,162</u>	<u>1,408,424</u>
Operating Expenses:			
Personal Services	773,656	112,088	885,744
Materials and Supplies	31,315	49,922	81,237
Contractual Services	604,727	14,504	619,231
Utilities	189,782	32,384	222,166
Depreciation	829,917	70,105	900,022
Total Operating Expenses	<u>2,429,397</u>	<u>279,003</u>	<u>2,708,400</u>
Operating Income (Loss)	(1,357,135)	57,159	(1,299,976)
Non-Operating Revenue (Expenses):			
Interest Income	3,082	0	3,082
Interest and Fiscal Charges	(1,566,217)	0	(1,566,217)
Intergovernmental Revenues	2,335,506	0	2,335,506
Total Non-Operating Revenues (Expenses)	<u>772,371</u>	<u>0</u>	<u>772,371</u>
Income Before Transfers and Contributions	(584,764)	57,159	(527,605)
Transfers-In	41,000	0	41,000
Capital Contributions	3,000,000	0	3,000,000
Change in Net Position	2,456,236	57,159	2,513,395
Net Position Beginning of Year	7,011,887	534,414	7,546,301
Net Position End of Year	<u>\$ 9,468,123</u>	<u>\$ 591,573</u>	<u>\$ 10,059,696</u>

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020**

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$827,151	\$324,864	\$1,152,015
Cash Payments for Goods and Services	(829,250)	(97,358)	(926,608)
Cash Payments to Employees	(1,041,247)	(98,603)	(1,139,850)
Other Operating Revenues	54,199	9,921	64,120
Net Cash Provided (Used) by Operating Activities	(989,147)	138,824	(850,323)
<u>Cash Flows from Noncapital Financing Activities:</u>			
Payment on Advances from Other Funds	0	(20,000)	(20,000)
Advance In	400,000	0	400,000
Transfer In	41,000	0	41,000
Intergovernmental Revenue Received	2,486,385	0	2,486,385
Net Cash Provided (Used) by Noncapital Financing Activities	2,927,385	(20,000)	2,907,385
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(573,551)	(32,308)	(605,859)
Capital Grant Received	3,000,000	0	3,000,000
Sale of General Obligation Notes	1,000,000	0	1,000,000
Premium on Sale of General Obligation Notes	6,650	0	6,650
Payment on General Obligation Notes	(1,100,000)	0	(1,100,000)
Sale of Revenue Refunding Bonds	24,110,000	0	24,110,000
Premium on Sale of Refunding Revenue Bond	2,496,083	0	2,496,083
Payment to Refunded Bond Escrow Agent	(26,142,433)	0	(26,142,433)
Payment on Revenue Bonds	(670,000)	0	(670,000)
Interest Paid on All Debt	(1,703,257)	0	(1,703,257)
Net Cash Provided (Used) for Capital and Related Financing Activities	423,492	(32,308)	391,184
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	3,082	0	3,082
Net Cash Provided by Investing Activities	3,082	0	3,082
Net Increase in Equity in Pooled Cash, Cash Equivalents and Investments	2,364,812	86,516	2,451,328
Equity in Pooled Cash, Cash Equivalents and Investments at the Beginning of Year	5,383,422	269,853	5,653,275
Equity in Pooled Cash, Cash Equivalents and Investments at the End of Year	\$7,748,234	\$356,369	\$8,104,603
<u>Reconciliation of Equity in Pooled Cash, Cash Equivalents and Investments per the Statement of Net Position:</u>			
Equity in Pooled Cash, Cash Equivalents and Investments	\$7,748,234	\$308,711	\$8,056,945
Restricted Cash and Cash Equivalents	0	47,658	47,658
Equity in Pooled Cash, Cash Equivalents and Investments	\$7,748,234	\$356,369	\$8,104,603

CITY OF SHARONVILLE, OHIO

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	(\$1,357,135)	\$57,159	(\$1,299,976)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	829,917	70,105	900,022
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	100,534	(619)	99,915
Decrease in Prepaid Items	2,267	0	2,267
Decrease in Deferred Outflows - Pension	335,241	24,666	359,907
(Increase) in Deferred Outflows - OPEB	(38,064)	(5,345)	(43,409)
Increase (Decrease) in Accounts Payable	(4,288)	3,471	(817)
(Decrease) in Accrued Wages and Benefits	(29,171)	(2,242)	(31,413)
Increase in Intergovernmental Payable	1,469	2,741	4,210
(Decrease) in Customer Deposits Payable	0	(672)	(672)
(Decrease) in Unearned Revenue	(291,446)	(6,468)	(297,914)
Increase in Compensated Absences	21,073	483	21,556
(Decrease) in Net Pension Liability	(729,946)	(40,343)	(770,289)
Increase (Decrease) in Net OPEB Liability	(153,017)	1,246	(151,771)
Increase in Deferred Inflows - Pension	210,401	22,659	233,060
Increase in Deferred Inflows - OPEB	113,018	11,983	125,001
Total Adjustments	367,988	81,665	449,653
Net Cash Provided (Used) by Operating Activities	(\$989,147)	\$138,824	(\$850,323)

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Net Position
Fiduciary Fund
December 31, 2020**

	Private Purpose	
	Trust	
	Unclaimed Monies	Custodial Funds
	Fund	
Assets:		
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 601	\$ 29,439
Total Assets	<u>601</u>	<u>29,439</u>
Liabilities:		
Intergovernmental Payable	0	3,596
Due to Others	0	25,843
Total Liabilities	<u>0</u>	<u>29,439</u>
Other Purposes	0	0
Unrestricted	601	0
Total Net Position	<u>\$ 601</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2020**

	Private Purpose	
	Trust	
	Unclaimed	
	Monies Fund	Custodial Funds
Additions:		
Charges for Services	\$ 0	\$ 7,175
Special Assessments	0	36,602
Fines and Forfeitures	0	42,184
Miscellaneous	192	0
Total Additions	<u>192</u>	<u>85,961</u>
Deductions:		
Other Distributions	0	85,961
Total Deductions	<u>0</u>	<u>85,961</u>
Change in Net Position	0	0
Net Position at Beginning of Year	409	0
Net Position End of Year	<u>\$ 601</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements



***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Sharonville, Ohio (the "City") was incorporated in 1962 under the laws of the State of Ohio and operates under a Mayor-Council form of government.

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 61 *"The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34,"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning and general administrative services. The City also owns and operates senior citizen housing and a convention center which are reported as enterprise funds. In addition, the City has included the Community Improvement Corporation of Sharonville (CIC) as a discretely presented component unit.

Discretely Presented Component Unit – The component unit column in the entity-wide financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City. The component unit is being presented as a part of the City's reporting entity because the City appoints the voting majority of the component unit's board and the City can impose its' will on the component unit.

Community Improvement Corporation of Sharonville – The Community Improvement Corporation of Sharonville (CIC), a non-profit organization, is a six member board comprised of four City officials and two council members. The primary purpose of the CIC is the planning of the industrial, commercial, distribution and research development of the City, including the assurance that mortgage payments will be made to foster such development, the acquisition, construction, equipment and improvement of buildings, structures and other properties, the acquisition of sites for such development, the lease, sale and subdivision of such sites and incurring of debt in order to carry out such development, and to make loans to any individual or business entity in order to carry out such development purpose for the City. The City provides all subsidies to the CIC to finance its operations and activities, there were no subsidies provided to the CIC in 2020. Financial statements related to the CIC can be obtained from the City Auditor.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following fund types are used by the City:

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

General Fund - This fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are municipal income taxes and shared tax revenues. Primary expenditures are for police protection, community environment and general government.

Fire Department Fund - This fund is used to account for income tax revenues collected to fund Fire Department operations.

Capital Improvement Fund - This fund is used to account for the accumulation of funds for the acquisition of capital assets and/or the construction of major capital facilities.

Chester Road TIF Fund - This fund is used to account for the construction on the Chester Road Project.

Police Station Construction Fund - This fund is used to account for the construction of the City's new Police Station.

The other governmental funds of the City account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds - The proprietary funds are accounted for on an "economic resource" measurement focus. This measurement focus provides that all assets and liabilities associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following is the City's major enterprise fund:

Convention Center Fund - This fund is used to account for revenues and expenses associated with the operation of the city-owned convention center.

The other enterprise fund of the City, the Senior Citizen Housing Fund, is used to account for revenues and expenses associated with the operation of the city-owned Senior Housing Apartment Complex, as well as revenues from lease deposits and waiting list deposits.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's fiduciary funds are a private-purpose trust fund and custodial funds. The private purpose trust fund is used to account for unclaimed monies. The City's custodial funds account for funds from the Mayor's Court, fees for building standards and assessments collected on behalf of private companies related to energy improvements.

C. Basis of Presentation – Financial Statements

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 government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. 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 and grants and contributions that are restricted to meeting the operational or capital requirements of 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 business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. 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.

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

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

Revenue considered susceptible to accrual at year-end includes income taxes withheld by employers, interest on investments, and state levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance). Other revenue, including licenses, permits; certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues are recorded as revenue when received in cash because generally these revenues are not measurable until received.

Special assessments receivable, which are measurable, but not available at December 31, are recorded as deferred inflows of resources.

The accrual basis of accounting is utilized for reporting purposes by the governmental activities, proprietary funds, and the fiduciary funds. Revenues are recognized when they are earned and expenses recognized when incurred.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds other than custodial funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control is at the department level and within each department at the levels of personal services and other expenditures. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications may only be made by ordinance of the City Council.

1. Tax Budget

By July 15, the City Auditor submits an annual tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2020.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31.

The appropriation ordinance establishes spending controls at the fund level. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. During 2020, supplemental appropriations were necessary to budget for projects that were not originally appropriated. The budgetary figures, which appear on the budgetary statements, are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

5. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

6. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" for the general fund and the major special revenue fund:

	Net Change in Fund Balance	
	General Fund	Fire Department Fund
GAAP Basis (as reported)	\$2,318,264	\$835,323
Increase (Decrease):		
Accrued Revenues at December 31, 2020 received during 2021	(6,796,417)	(1,294,521)
Accrued Revenues at December 31, 2019 received during 2020	5,443,935	1,311,491
Accrued Expenditures at December 31, 2020 paid during 2021	641,163	338,532
Accrued Expenditures at December 31, 2019 paid during 2020	(692,307)	(388,481)
2019 Prepays for 2020	22,240	19,126
2020 Prepays for 2021	(23,993)	(3,174)
Perspective Difference:		
Activity of Funds Reclassified for GAAP Reporting Purposes	(63,523)	0
Outstanding Encumbrances	(1,953,652)	(484,447)
Budget Basis	<u>(\$1,104,290)</u>	<u>\$333,849</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and the State Treasurer's Asset Reserve (STAR Ohio). STAR Ohio is considered a cash equivalent because it is a highly liquid investment with an original maturity date of three months or less.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintains its own cash and investment account. For purposes of the statement of cash flows, the proprietary funds' share of equity in pooled cash and cash equivalents (both unrestricted and restricted) are considered to be cash equivalents. See Note 5 "Equity in Pooled Cash, Cash Equivalents and Investments."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" and GASB Statement No. 72, "Fair Value Measurement and Application," the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements.

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. See Note 5, "Equity in Pooled Cash, Cash Equivalents and Investments."

The City's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. For fiscal year 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and as expenses in the proprietary funds when used.

I. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life threshold of three or more years.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at acquisition value at the date received. Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined at December 31, 1987 by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at acquisition value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation (Continued)

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (Years)</u>
Land Improvements	20
Buildings	25 – 50
Building Improvements	20 – 30
Infrastructure	10 – 20
Machinery, Equipment, Furniture, Fixtures and Vehicles	3 – 30

J. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
Notes Payable	Police Station Construction Fund Convention Center Fund
Special Assessment Bonds	Crowne Point Drive Fund
Revenue Bonds	Convention Center Fund
OPWC Loans	Chester Road TIF Fund
Compensated Absences	General Fund
Net Pension/OPEB Liability	Street Construction, Maintenance and Repair Fund Fire Fund Permissive Motor Vehicle License Fund Senior Citizen Housing Fund Convention Center Fund

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Compensated Absences

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

For governmental funds, that portion of unpaid compensated absences that is due and payable is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account.

Compensated absences are expensed in the Senior Citizens Housing and Convention Center enterprise funds when earned. The related liability is reported within the fund.

L. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2020, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

M. Restricted Assets

Certain cash and cash equivalents are classified as restricted on the balance sheet and statement of net position because these funds are being held by a trustee, an agent or by the City for specified purposes.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Intergovernmental Revenues

In governmental funds, grants awarded on a non-reimbursement basis, entitlements and shared revenues are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

Grants received for proprietary fund operations are recognized as revenues when measurable and earned. Such resources restricted for the construction of capital assets are recorded as contributed capital.

O. Pension/OPEB

The provision for pension/OPEB cost is recorded when the related payroll is accrued and the obligation is incurred. For purposes of measuring the net pension/OPEB 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 systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB systems report investments at fair value.

P. Interfund Activity

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

The City generally eliminates the effect of interfund activity in the government-wide financial statements to remove indirect expenses, except where the elimination would distort the costs and program revenues reported for the various functions.

Q. Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Fund Balance (Continued)

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. 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 (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Ohio law authorizes the City Auditor to assign fund balance.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use unrestricted resources first (committed, assigned and unassigned), then restricted resources as they are needed.

R. Net position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for Other Purposes includes programs for street and highway improvements, federal grants for security of persons and property and mandatory fines for various court programs.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Interfund Assets/ Liabilities

The City reports cash overdrafts from pooled cash and cash equivalents as an interfund loan payable in the fund with the overdraft and as an interfund loan receivable in the fund(s) designated by management.

T. 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.

U. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City and that are either unusual in nature or infrequent in occurrence. Neither transaction occurred within the City during fiscal year 2020.

V. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. 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 from the convention center and the senior housing center. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

W. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports for deferred pension/OPEB amounts. Deferred outflows of resources are reported for pension/OPEB amounts on the government-wide and proprietary funds statement of net position. See Notes 10 and 11.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

W. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows.

In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide and proprietary funds statement of net position. See Notes 10 and 11.

This space intentionally left blank

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION

For 2020, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 83, “Certain Asset Retirement Obligations,” Statement No. 84, “Fiduciary Activities,” Statement No. 88, “Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements,” and Statement No. 90, “Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61.”

GASB Statement No. 83 establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations.

GASB Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments.

GASB Statement No. 88 revises the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements.

GASB Statement No. 90 establishes criteria for reporting a government’s majority equity interest in a legally separate organization.

The implementation of GASB 84 had the following effect on fund balance/net position as reported December 31, 2019:

	Governmental Activities	General Fund	Fire Department Fund
Fund Balance/Net Position at December 31, 2019	\$53,749,587	\$14,273,179	\$5,138,213
Adjustments:			
GASB Statement 84 Fund Reclassification	<u>773,316</u>	<u>518,122</u>	<u>255,194</u>
Restated Fund Balance/Net Position at December 31, 2019	<u>\$54,522,903</u>	<u>\$14,791,301</u>	<u>\$5,393,407</u>

CITY OF SHARONVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 3 – FUND BALANCE CLASSIFICATION

Fund balance is classified as nonspendable, restricted, committed, assigned and unassigned 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 constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Fire Department	Capital Improvement	Chester Road TIF	Police Station Construction	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepaid Items	\$23,993	\$3,174	\$0	\$0	\$0	\$1,767	\$28,934
Supplies Inventory	0	0	0	0	0	158,697	158,697
Total Nonspendable	23,993	3,174	0	0	0	160,464	187,631
Restricted:							
Transportation Projects	0	0	0	0	0	3,145,684	3,145,684
Court Projects	0	0	0	0	0	43,967	43,967
Law Enforcement	0	0	0	0	0	190,869	190,869
Debt Service	0	0	0	0	0	32,227	32,227
Fire Department	0	6,225,556	0	0	0	928	6,226,484
Capital Improvements	0	0	0	0	0	2,723,320	2,723,320
CARES Act	0	0	0	0	0	11,587	11,587
Health	0	0	0	0	0	3	3
Total Restricted	0	6,225,556	0	0	0	6,148,585	12,374,141
Committed:							
Termination Benefits	746,872	0	0	0	0	0	746,872
Teen Activities	0	0	0	0	0	4,790	4,790
Debt Service	0	0	0	0	0	3,981,714	3,981,714
Capital Improvements	0	0	7,578,828	0	0	0	7,578,828
Total Committed	746,872	0	7,578,828	0	0	3,986,504	12,312,204
Assigned:							
Goods and Services	1,779,212	0	0	0	0	0	1,779,212
Total Assigned	1,779,212	0	0	0	0	0	1,779,212
Unassigned (Deficit)	14,559,488	0	0	(1,078,035)	(5,504,685)	(155,842)	7,820,926
Total Fund Balances	\$17,109,565	\$6,228,730	\$7,578,828	(\$1,078,035)	(\$5,504,685)	\$10,139,711	\$34,474,114

NOTE 4 – FUND DEFICITS

The fund deficits at December 31, 2020 of \$1,078,035 in the Chester Road TIF Fund, of \$5,504,685 in the Police Station Construction Fund, of \$110,387 in the Capital Improvement Grant Fund and of \$45,455 in the FEMA Capital Grant Fund (capital projects funds), arise from the recognition of certain liabilities under the modified accrual basis of accounting. Under the budgetary basis of accounting the deficits do not exist. The General Fund provides transfers when cash is required, not when accruals occur.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 5 – EQUITY IN POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments.

Statutes require the classification of funds held by the City into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 5 - EQUITY IN POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS
(Continued)

Custodial credit risk is the risk that in the event of bank failure, the City’s deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute.

Ohio law requires that deposits be either 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.

A. Deposits

At year end the carrying amount of the City’s deposits was \$2,771,229 and the bank balance was \$3,446,697. Federal depository insurance covered \$489,109 of the bank balance and \$2,957,588 was uninsured and collateralized with securities held in the Ohio Pooled Collateral System.

B. Investments

The City's investments at December 31, 2020 were as follows:

	Fair Value	Credit Rating Moody's/S&P	Fair Value Hierarchy	Concentration of Credit Risk	Investment Maturities (in Years)		
					less than 1	1-3	3-5
Commercial Paper	\$3,082,728	P-1 / A-1	Level 2	7.62%	\$3,082,728	\$0	\$0
Negotiable C/D's	8,006,199	N/A	Level 2	19.78%	1,504,166	6,502,033	0
STAR Ohio	24,337,765	AAAm ¹	N/A *	60.13%	24,337,765	0	0
FHLM	2,587,533	Aaa / AA+	Level 2	6.39%	0	2,147,373	440,160
FFCB	2,461,538	Aaa / AA+	Level 2	6.08%	0	1,602,089	859,449
Total Investments	<u>\$40,475,763</u>			<u>100.00%</u>	<u>\$28,924,659</u>	<u>\$10,251,495</u>	<u>\$1,299,609</u>

* STAR Ohio is reported at its share price (Net Asset Value (NAV) per share).

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 5 - EQUITY IN POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS
(Continued)

B. Investments (Continued)

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

Investment Credit Risk – In accordance with the City investment policy its investment choices are limited similar to State statute for “interim” funds described previously.

Concentration of Credit Risk – The City places no limit on the amount the City may invest in one issuer.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

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. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Level 2 inputs are significant other observable inputs. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices. Level 3 inputs are significant unobservable inputs.

NOTE 6 - INCOME TAXES

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

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

NOTE 7 - RECEIVABLES

Receivables at December 31, 2020 consisted of income taxes, property taxes, accounts receivable, special assessments, loans and intergovernmental receivables arising from shared revenues.

CITY OF SHARONVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 8 – TRANSFERS AND INTERFUND BALANCES

Following is a summary of transfers in and out for all funds for 2020:

Fund	Transfers In	Transfers Out
General Fund	\$0	\$5,248,279
Fire Department Fund	0	800,000
Capital Improvement Fund	3,653,848	0
Police Station Construction Fund	142,707	0
Other Governmental Funds	2,210,724	0
Governmental Funds Total	6,007,279	6,048,279
Enterprise Fund:		
Convention Center Fund	41,000	0
Totals	\$6,048,279	\$6,048,279

Transfers are used to remove from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; to return money to the fund from which it was originally provided once a project is completed; and to transfer capital assets. The Fire Department made transfers out to retire debt in accordance with Ohio Revised Code.

Individual interfund balances at December 31, 2020 are as follows:

Fund	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$3,831,085	\$0
Other Governmental Funds	0	3,431,085
Governmental Funds Total	3,831,085	3,431,085
Enterprise Fund:		
Convention Center Fund	0	400,000
Totals	\$3,831,085	\$3,831,085

The interfund loans receivable/payable on the Governmental Balance Sheet are temporary loans to assist with cash flows until the receipt of certain grants.

Individual advance balances at December 31, 2020 are as follows:

Fund	Advances to Other Funds	Advances from Other Funds
General Fund	\$3,105,000	\$0
Chester Road TIF Fund	0	3,005,000
Governmental Funds Total	3,105,000	3,005,000
Enterprise Fund:		
Other Enterprise Fund	0	100,000
Totals	\$3,105,000	\$3,105,000

The advance between the General Fund and the Senior Housing Fund represents a long term loan that provided funds for capital improvements. The advance between the General Fund and the Chester Road TIF Fund represents a manuscript debt transaction. This transaction was accounted for utilizing the investment method on the budgetary basis and the advance method on a GAAP basis.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2020:

Historical Cost:

Class	December 31, 2019	Additions	Deletions	December 31, 2020
<i>Capital assets not being depreciated:</i>				
Land	\$6,380,747	\$0	\$0	\$6,380,747
Construction in Progress	10,315,750	6,981,974	(6,035,627)	11,262,097
<i>Capital assets not being depreciated</i>	16,696,497	6,981,974	(6,035,627)	17,642,844
<i>Capital assets being depreciated:</i>				
Land Improvements	9,220,451	526,237	(45,289)	9,701,399
Buildings and Improvements	18,562,393	3,104,472	(32,064)	21,634,801
Infrastructure	42,874,795	6,969,531	0	49,844,326
Machinery and Equipment	4,281,427	616,292	(132,924)	4,764,795
Vehicles	7,166,835	338,619	(95,508)	7,409,946
<i>Capital assets being depreciated</i>	82,105,901	11,555,151	(305,785)	93,355,267
Total Cost	\$98,802,398	\$18,537,125	(\$6,341,412)	\$110,998,111
 <i>Accumulated Depreciation:</i>				
Class	December 31, 2019	Additions	Deletions	December 31, 2020
Land Improvements	(\$6,755,154)	(\$443,195)	\$45,289	(\$7,153,060)
Buildings and Improvements	(8,548,059)	(591,019)	13,306	(9,125,772)
Infrastructure	(21,982,750)	(1,876,707)	0	(23,859,457)
Machinery and Equipment	(2,680,738)	(420,960)	114,795	(2,986,903)
Vehicles	(4,186,699)	(784,014)	84,928	(4,885,785)
Total Depreciation	(\$44,153,400)	(\$4,115,895) *	\$258,318	(\$48,010,977)
 <i>Net Value:</i>	 \$54,648,998			 \$62,987,134

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$1,057,563
Leisure Time Activities	664,504
Transportation	2,127,135
General Government	266,693
Total Depreciation Expense	\$4,115,895

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by category of changes in business-type activities capital assets at December 31, 2020:

Historical Cost:

Class	December 31, 2019	Additions	Deletions	December 31, 2020
<i>Capital assets not being depreciated:</i>				
Land	\$5,067,188	\$0	\$0	\$5,067,188
Construction In Progress	459,142	481,103	0	940,245
<i>Capital assets not being depreciated</i>	5,526,330	481,103	0	6,007,433
<i>Capital assets being depreciated:</i>				
Land Improvements	355,417	0	0	355,417
Buildings and Improvements	35,799,704	32,308	0	35,832,012
Infrastructure	89,136	0	0	89,136
Machinery and Equipment	1,428,582	0	0	1,428,582
Vehicles	70,846	0	0	70,846
<i>Capital assets being depreciated</i>	37,743,685	32,308	0	37,775,993
Total Cost	\$43,270,015	\$513,411	\$0	\$43,783,426

Accumulated Depreciation:

Class	December 31, 2019	Additions	Deletions	December 31, 2020
Land Improvements	(\$200,341)	(\$19,793)	\$0	(\$220,134)
Buildings and Improvements	(9,298,550)	(749,447)	0	(10,047,997)
Infrastructure	(87,269)	(1,867)	0	(89,136)
Machinery and Equipment	(1,128,776)	(113,924)	0	(1,242,700)
Vehicles	(29,775)	(14,991)	0	(44,766)
Total Depreciation	(\$10,744,711)	(\$900,022)	\$0	(\$11,644,733)

Net Value:

\$32,525,304	\$32,138,693
--------------	--------------

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 3.00% COLA adjustment on the defined benefit portion of their benefit.

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. For additional information, see the Plan Statement in the OPERS CAFR.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>State and Local</u>	<u>Law Enforcement</u>
2020 Statutory Maximum Contribution Rates		
Employer	14.0 %	18.1 %
Employee	10.0 %	*
2020 Actual Contribution Rates		
Employer:		
Pension	14.0 %	18.1 %
Post-employment Health Care Benefits	<u>0.0</u>	<u>0.0</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>13.0 %</u>

* This rate is determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$719,839 for 2020.

This Space Intentionally Left Blank

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3.00% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3.00% of their base pension or disability benefit.

CITY OF SHARONVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2020 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2020 through December 31, 2020	12.25 %	12.25 %
2020 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2020 through December 31, 2020	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$1,708,901 for 2020.

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

The net pension liability for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF’s total pension liability was measured as of December 31, 2019, and was determined by rolling forward the total pension liability as of January 1, 2019, to December 31, 2019. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$7,295,314	\$22,967,803	\$30,263,117
Proportion of the Net Pension Liability-2020	0.036909%	0.340944%	
Proportion of the Net Pension Liability-2019	<u>0.039728%</u>	<u>0.347734%</u>	
Percentage Change	<u>(0.002819%)</u>	<u>(0.006790%)</u>	
Pension Expense	\$915,973	\$3,001,322	\$3,917,295

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$389,654	\$563,798	\$953,452
Differences between expected and actual experience	0	869,409	869,409
Change in proportionate share	0	792,505	792,505
City contributions subsequent to the measurement date	719,839	1,708,901	2,428,740
Total Deferred Outflows of Resources	<u>\$1,109,493</u>	<u>\$3,934,613</u>	<u>\$5,044,106</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$1,455,251	\$1,109,522	\$2,564,773
Differences between expected and actual experience	92,239	1,184,546	1,276,785
Change in proportionate share	377,919	1,019,983	1,397,902
Total Deferred Inflows of Resources	<u>\$1,925,409</u>	<u>\$3,314,051</u>	<u>\$5,239,460</u>

\$2,428,740 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2021	(\$415,565)	(\$226,398)	(\$641,963)
2022	(602,623)	(84,341)	(686,964)
2023	60,261	420,909	481,170
2024	(577,828)	(1,065,262)	(1,643,090)
2025	0	(133,247)	(133,247)
Total	<u>(\$1,535,755)</u>	<u>(\$1,088,339)</u>	<u>(\$2,624,094)</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.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2019 and December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2019
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	1.4 percent simple through 2020. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2018
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2018. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

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

The most recent experience study was 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 2019, 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 17.2% for 2019.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.83 %
Domestic Equities	19.00	5.75
Real Estate	10.00	5.20
Private Equity	12.00	10.70
International Equities	21.00	7.66
Other investments	13.00	4.98
Total	<u>100.00 %</u>	<u>5.61 %</u>

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability	\$12,032,334	\$7,295,314	\$3,036,873

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF’s total pension liability as of December 31, 2019 is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. 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, 2019, compared with January 1, 2018, are presented below.

	<u>January 1, 2019</u>	<u>January 1, 2018</u>
Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
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	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

For the January 1, 2019 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 Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

For the January 1, 2019 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 Buck Modified 2016 Improvement Scale.

CITY OF SHARONVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2019 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	1.00 %
Domestic Equity	16.00	5.40
Non-US Equity	16.00	5.80
Private Markets	8.00	8.00
Core Fixed Income *	23.00	2.70
High Yield Fixed Income	7.00	4.70
Private Credit	5.00	5.50
U.S. Inflation Linked Bonds*	17.00	2.50
Master Limited Partnerships	8.00	6.60
Real Assets	8.00	7.40
Private Real Estate	12.00	6.40
Total	<u>120.00 %</u>	

* levered 2x

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2019, the total pension liability was calculated using the discount rate of 8.00 percent. The discount rate used for 2018 was 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 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 (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$31,832,575	\$22,967,803	\$15,553,298

This Space Intentionally Left Blank

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

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

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

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care is not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2020. 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 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2020.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment 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 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

OP&F maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contractually required contribution to OP&F was \$40,106 for 2020.

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, 2018, rolled forward to the measurement date of December 31, 2019, 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, 2019, and was determined by rolling forward the total OPEB liability as of January 1, 2019, to December 31, 2019. 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$5,071,432	\$3,367,752	\$8,439,184
Proportion of the Net OPEB Liability-2020	0.036716%	0.340944%	
Proportion of the Net OPEB Liability-2019	<u>0.039885%</u>	<u>0.347734%</u>	
Percentage Change	<u>(0.003169%)</u>	<u>(0.006790%)</u>	
OPEB Expense	\$399,219	\$365,933	\$765,152

CITY OF SHARONVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$802,752	\$1,968,918	\$2,771,670
Differences between expected and actual experience	136	0	136
Change in proportionate share	0	683,583	683,583
City contributions subsequent to the measurement date	0	40,106	40,106
Total Deferred Outflows of Resources	<u>\$802,888</u>	<u>\$2,692,607</u>	<u>\$3,495,495</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on OPEB plan investments	\$258,235	\$154,972	\$413,207
Differences between expected and actual experience	463,806	362,171	825,977
Changes in assumptions	0	717,718	717,718
Change in proportionate share	248,610	601,653	850,263
Total Deferred Inflows of Resources	<u>\$970,651</u>	<u>\$1,836,514</u>	<u>\$2,807,165</u>

\$40,106 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 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2021	(\$20,538)	\$153,686	\$133,148
2022	(37,084)	153,687	116,603
2023	207	185,475	185,682
2024	(110,348)	135,358	25,010
2025	0	131,788	131,788
2026	0	31,093	31,093
2027	0	24,900	24,900
Total	<u>(\$167,763)</u>	<u>\$815,987</u>	<u>\$648,224</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.16 percent
Prior Measurement date	3.96 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior Measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.75 percent
Prior Measurement date	3.71 percent
Health Care Cost Trend Rate:	
Current measurement date	10.5 percent initial, 3.5 percent ultimate in 2030
Prior Measurement date	10.0 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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 2019, 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 19.7 percent for 2019.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	36.00 %	1.53 %
Domestic Equities	21.00	5.75
Real Estate Investment Trust	6.00	5.69
International Equities	23.00	7.66
Other investments	14.00	4.90
Total	100.00 %	4.55 %

Discount Rate A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 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 (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
City's proportionate share of the net OPEB liability	\$6,636,784	\$5,071,432	\$3,818,097

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 2020 is 10.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$4,921,780	\$5,071,432	\$5,219,179

Changes between Measurement Date and Reporting Date

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OP&F

OP&F’s total OPEB liability as of December 31, 2019, is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Single discount rate	3.56 percent	4.66 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	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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 Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
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 Buck Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
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 prior experience study was completed December 31, 2011.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019, are summarized below:

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	1.00 %
Domestic Equity	16.00	5.40
Non-US Equity	16.00	5.80
Private Markets	8.00	8.00
Core Fixed Income *	23.00	2.70
High Yield Fixed Income	7.00	4.70
Private Credit	5.00	5.50
U.S. Inflation Linked Bonds*	17.00	2.50
Master Limited Partnerships	8.00	6.60
Real Assets	8.00	7.40
Private Real Estate	12.00	6.40
Total	120.00 %	

* 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 For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. For 2018, the total OPEB liability was calculated using the discount rate of 4.66 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, 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 2.75 percent at December 31, 2019 and 4.13 percent at December 31, 2018, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.56 percent for 2019 and 4.66 percent for 2018. 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 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2034, and the municipal bond rate was applied to all health care costs after that date.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.56 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.56 percent), or one percentage point higher (4.56 percent) than the current rate.

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
City's proportionate share of the net OPEB liability	\$4,175,795	\$3,367,752	\$2,696,324

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.

Changes between Measurement Date and Report Date There was a decrease in the discount rate from 4.66 percent at the prior measurement date to 3.56 percent at the current measurement date. There are no changes to benefit terms.

This Space Intentionally Left Blank

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 12 - OTHER EMPLOYEE BENEFITS

A. Dental Optical Plan

The City sponsors a Dental/Optical Plan for full-time employees of the City. Amounts not paid as dental or optical claims are remitted to employees upon termination or retirement. At December 31, 2020 the City had \$2,996 payable to employees for the Dental/Optical Plan.

B. Compensated Absences

At December 31, 2020, the City's accumulated, unpaid compensated absences amounted to \$3,624,662. Of this amount, \$3,323,797 is recorded as Governmental Activities on the Entity Wide Statement of Net position (\$448,016 is reported as due within one year), \$300,865 is recorded as Business-type activities (\$53,991 is reported as due within one year).

NOTE 13 - NOTES PAYABLE

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to, and payable no later than, those principal maturities that would have been required if the bonds had been issued at the expiration of the initial five year period.

Notes payable at December 31, 2020 were as follows:

	Balance December 31, 2019	Issued	(Retired)	Balance December 31, 2020
Capital Projects Fund:				
Police Station Construction Fund:				
1.00% Police Station Construction	\$5,000,000	\$5,000,000	(\$5,000,000)	\$5,000,000
Enterprise Fund:				
Convention Center Fund:				
1.00% Convention Center Imprv.	1,100,000	1,000,000	(1,100,000)	1,000,000
Total Notes Payable	<u>\$6,100,000</u>	<u>\$6,000,000</u>	<u>(\$6,100,000)</u>	<u>\$6,000,000</u>

CITY OF SHARONVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 14 - LONG-TERM OBLIGATIONS

Long-term obligations of the City at December 31, 2020 were as follows:

	Balance December 31, 2019	Issued	(Retired)	Balance December 31, 2020	Amount Due Within One Year
Business-Type Activities:					
Revenue Bonds:					
3.88 - 6.30%	\$25,960,000	\$0	(\$25,960,000)	\$0	\$0
	(231,717)	0	231,717	0	0
2.25 - 4.00%	0	24,110,000	(670,000)	23,440,000	670,000
	0	2,496,083	(67,462)	2,428,621	0
Total Revenue Bonds	<u>25,728,283</u>	<u>26,606,083</u>	<u>(26,465,745)</u>	<u>25,868,621</u>	<u>670,000</u>
Compensated Absences	279,309	161,211	(139,655)	300,865	53,991
Total Business-Type Activities	<u>\$26,007,592</u>	<u>\$26,767,294</u>	<u>(\$26,605,400)</u>	<u>\$26,169,486</u>	<u>\$723,991</u>
Governmental Activities:					
Special Assessment Bonds:					
1.75%-4.38%	\$915,000	\$0	(\$70,000)	\$845,000	\$70,000
Total Special Assessment Bonds (with Government Commitment)	<u>915,000</u>	<u>0</u>	<u>(70,000)</u>	<u>845,000</u>	<u>70,000</u>
Direct Borrowings:					
Ohio Public Works Commission Loans:					
Chester Rd. Phase 3	1,568,775	0	(40,225)	1,528,550	80,450
Fields Ertel Road Phase 2	1,228,709	63,087	0	1,291,796	64,590
Total Ohio Public Works Commission Loans	<u>2,797,484</u>	<u>63,087</u>	<u>(40,225)</u>	<u>2,820,346</u>	<u>145,040</u>
Compensated Absences	3,313,882	506,997	(497,082)	3,323,797	448,016
Total Governmental Activities	<u>\$7,026,366</u>	<u>\$570,084</u>	<u>(\$607,307)</u>	<u>\$6,989,143</u>	<u>\$663,056</u>

A. OPWC Loans

The City's direct borrowings from OPWC in the amount of \$2,820,346 contain a provision that in an event of default the amount of such default shall bear interest thereafter at the rate of 8 percent per annum until the date of payment and outstanding amounts become immediately due. Also, OPWC may direct the City Auditor to pay the outstanding amount from the portion of the local government fund that would otherwise be remitted to the City.

CITY OF SHARONVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

The principal amount of the City's special assessment debt outstanding at December 31, 2020, \$845,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners.

A. Principal and Interest Requirements

A summary of the City's future long-term debt funding requirements, including principal and interest payments as of December 31, 2020 follows:

Years	Business-Type Activities Revenue Bonds		Governmental Activities Special Assessment Bonds		Governmental Activities OPWC Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$670,000	\$838,150	\$70,000	\$34,790	\$145,040	\$0
2022	700,000	811,350	75,000	32,200	145,040	0
2023	725,000	783,350	75,000	29,425	145,040	0
2024	745,000	754,350	80,000	26,425	145,040	0
2025	905,000	724,550	80,000	23,225	145,040	0
2026-2030	6,095,000	3,022,726	465,000	62,244	725,200	0
2031-2035	8,095,000	1,676,837	0	0	725,200	0
2036-2040	5,505,000	321,962	0	0	644,746	0
Totals	<u>\$23,440,000</u>	<u>\$8,933,275</u>	<u>\$845,000</u>	<u>\$208,309</u>	<u>\$2,820,346</u>	<u>\$0</u>

B. Defeased Debt

In June 2020, the City defeased its Convention Center Revenue Bonds (\$25,960,000) through the issuance of \$24,110,000 of Special Obligation Refunding Revenue Bonds. The net proceeds of the 2020 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$25,265,000 at December 31, 2020 are not included in the City's outstanding debt since the County has in-substance satisfied its obligations through the advance refunding. The City reduced its aggregate debt service payments over the life of the refunded bonds by \$3,197,585 and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$2,556,540.

C. Convention Center Revenue Bond

A cooperative agreement was entered into on March 18, 2010 between the Convention Facilities Authority for Hamilton County, Ohio, the County of Hamilton and the City of Sharonville to provide for a funding agreement to pay for the debt of the 2010 Convention Center Expansion. The agreement provides for the County to contribute up to the lesser of the balance in the County Residual Account on each County Annual Contribution Calculation Date (February 28), or \$1,300,000. In the event that the balance in the residual account is less than \$1.3 million, the City of Sharonville is responsible for the first \$200,000 of the County Annual Contribution Deficit, the second \$200,000 is the responsibility of the County and any deficit above \$400,000 will be shared 50-50% between the City and the County.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 15 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 2007, the City joined the Ohio Government Risk Management Plan (OGRMP), a public entity risk plan formed under 2744.081 of the Ohio Revised Code that operates as a common risk management and insurance program for 550 member political subdivisions. The City pays an annual premium to OGRMP for its general insurance coverage. The agreement for formation of OGRMP provides that the organization will be self-sustaining through member premiums and will reinsure through commercial insurance and reinsurance companies.

Workers' Compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

The City also pays unemployment claims to the State of Ohio as incurred.

The City continues to carry commercial insurance for other risks of loss, including employee health and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

NOTE 16 – CONTRACTUAL COMMITMENTS

As of December 31, 2020 the City had contractual commitments with respect to capital projects in the amounts of \$305,667 for construction of a new police station. The commitments will be completed in 2021.

NOTE 17 - CONTINGENCIES

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

NOTE 18 - RELATED PARTY TRANSACTIONS

The Community Improvement Corporation of Sharonville (CIC), a discretely presented component unit of the City, did not receive transfers from the City for operations in 2020. Property located in the City and owned by the City at 11083 Reading Road and 3327 Creek Road is being managed by the CIC. In exchange for its services, the CIC has been assigned any rent to be earned from tenant use of the property. The City is paying maintenance, insurance and taxes on the property. The 3327 Creek Road property was vacated in late 2019.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 19 – CONVENTION HOTEL LOAN AGREEMENT

The City retired the one year taxable notes in the amount of \$2,350,000 on November 8, 2018. The City signed a development agreement with Rolling Hills Properties, LLC to loan the proceeds of the note originally issued in November 2015 to the developer to assist in the development of a hotel to be connected to the Sharonville Convention Center. The loan will be amortized over 16 years. Since the one year note was retired in November 2019, the loan balance began accruing interest equal to the 3-month Libor rate plus 1%. The loan will be repaid with quarterly cash payments from the developer and a 15 year tax credit for 100% of the City's 3% Hotel Taxes paid. Both the Developer payments and the Hotel Tax Credit began repaying the loan balance in 2019.

The travel and leisure industry was highly and swiftly impacted by the COVID public health emergency. In April, Council approved Ordinance 2020-13-E that provided a two quarter vacation of the loan to the developer of the Hyatt Place Hotel. Interest will not accrue and payments will not be due for the 2nd and 3rd quarters of 2020. The loan will be extended by two quarters. 2020 payments and Tax Credits amounted to \$82,055. The City has elected to provide two more quarters of vacation on the loan in 2021 as authorized by Ordinance 2020-13-E and extending the loan by two additional quarters.

NOTE 20 – TAX ABATEMENT DISCLOSURES

As of December 31, 2020, the City of Sharonville provides tax incentives under the Community Reinvestment Area (CRA) program and has a Tax Increment Financing Agreement (TIF) created under 5709.41 of the Ohio Revised Code. These incentives abate only property taxes. The City levies 0 mills of property tax millage therefore these abatements have zero impact on the tax revenues of the City.

NOTE 21 - HAMILTON COUNTY AGREEMENT

The City of Sharonville reached an agreement in November 2019 with Hamilton County and the Convention Facility Authority for Hamilton County that provided funding for an expansion of the exhibit hall at the Sharonville Convention Center. The agreement provided for the \$1,300,000 annual contribution from the County Residual Account to continue six additional years from 2039-2044. In February 2020 the County provided an additional \$3 million capital contribution to fund the construction of the project and reduce the amount of borrowing needed. The travel and leisure industry was impacted quickly and heavily by the COVID 19 pandemic and plans to bid the project and issue bonds were put on hold in 2020. On December 17, 2020 an Amended and Restated First Supplement to Cooperative Agreement was approved providing a one year extension for the City to provide legally-available funds in amounts sufficient to pay all Costs of the Expansion Project by December 31, 2021. The City continues to access the project. If funding is not in place for the project at the end of 2021 the City will need to request another extension of the agreement or return the \$2,946,508 in unused funds to Hamilton County.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SHARONVILLE, OHIO

***Schedule of City's Proportionate Share of the Net Pension Liability
Last Seven Years***

Ohio Public Employees Retirement System

Year	2014	2015	2016
City's proportion of the net pension liability	0.043971%	0.043971%	0.042363%
City's proportionate share of the net pension liability	\$5,183,608	\$5,303,393	\$7,337,848
City's covered payroll	\$5,820,692	\$5,480,633	\$5,272,533
City's proportionate share of the net pension liability as a percentage of its covered payroll	89.05%	96.77%	139.17%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2014	2015	2016
City's proportion of the net pension liability	0.3378560%	0.3378560%	0.3415938%
City's proportionate share of the net pension liability	\$16,454,647	\$17,502,349	\$21,794,969
City's covered payroll	\$6,821,253	\$6,930,565	\$6,934,966
City's proportionate share of the net pension liability as a percentage of its covered payroll	241.23%	252.54%	314.28%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability, which is the prior year end.

See accompanying notes to the required supplementary information

CITY OF SHARONVILLE, OHIO

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
0.040396%	0.039849%	0.039728%	0.036909%
\$9,173,265	\$6,251,491	\$10,880,692	\$7,295,314
\$5,222,025	\$5,282,146	\$5,274,429	\$5,183,993
175.66%	118.35%	206.29%	140.73%
77.25%	84.66%	74.70%	82.17%

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
0.339655%	0.362565%	0.347734%	0.340944%
\$21,513,396	\$22,252,271	\$28,384,284	\$22,967,803
\$7,193,710	\$7,517,200	\$7,853,403	\$8,257,257
299.06%	296.02%	361.43%	278.15%
68.36%	70.91%	63.07%	69.89%

CITY OF SHARONVILLE, OHIO

**Schedule of City Pension Contributions
Last Eight Years**

Ohio Public Employees Retirement System

Year	2013	2014	2015
Contractually required contribution	\$756,690	\$657,676	\$632,704
Contributions in relation to the contractually required contribution	<u>756,690</u>	<u>657,676</u>	<u>632,704</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$5,820,692	\$5,480,633	\$5,272,533
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2013	2014	2015
Contractually required contribution	\$1,165,070	\$1,411,063	\$1,473,147
Contributions in relation to the contractually required contribution	<u>1,165,070</u>	<u>1,411,063</u>	<u>1,473,147</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,821,253	\$6,930,565	\$6,934,966
Contributions as a percentage of covered payroll	17.08%	20.36%	21.24%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2013 is not available.

See accompanying notes to the required supplementary information

CITY OF SHARONVILLE, OHIO

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$626,643	\$686,679	\$738,420	\$725,759	\$719,839
<u>626,643</u>	<u>686,679</u>	<u>738,420</u>	<u>725,759</u>	<u>719,839</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,222,025	\$5,282,146	\$5,274,429	\$5,183,993	\$5,141,707
12.00%	13.00%	14.00%	14.00%	14.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$1,527,382	\$1,600,341	\$1,674,729	\$1,763,892	\$1,708,901
<u>1,527,382</u>	<u>1,600,341</u>	<u>1,674,729</u>	<u>1,763,892</u>	<u>1,708,901</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,193,710	\$7,517,200	\$7,853,403	\$8,257,257	\$8,021,119
21.23%	21.29%	21.32%	21.36%	21.31%



CITY OF SHARONVILLE, OHIO

***Schedule of City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability
Last Four Years***

Ohio Public Employees Retirement System

Year	2017	2018	2019	2020
City's proportion of the net OPEB liability	0.040626%	0.040078%	0.039885%	0.036716%
City's proportionate share of the net OPEB liability	\$4,103,403	\$4,352,178	\$5,200,062	\$5,071,432
City's covered payroll	\$5,222,025	\$5,282,146	\$5,274,429	\$5,183,993
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	78.58%	82.39%	98.59%	97.83%
Plan fiduciary net position as a percentage of the total OPEB liability	54.50%	54.14%	46.33%	47.80%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2017	2018	2019	2020
City's proportion of the net OPEB liability	0.339655%	0.362565%	0.347734%	0.340944%
City's proportionate share of the net OPEB liability	\$16,122,651	\$20,542,443	\$3,166,652	\$3,367,752
City's covered payroll	\$7,193,710	\$7,517,200	\$7,853,403	\$8,257,257
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	224.12%	273.27%	40.32%	40.79%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%	47.08%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability.

See accompanying notes to the required supplementary information

CITY OF SHARONVILLE, OHIO

***Schedule of City's Other Postemployment Benefit (OPEB) Contributions
Last Eight Years***

Ohio Public Employees Retirement System

Year	2013	2014	2015
Contractually required contribution	\$58,207	\$109,613	\$105,451
Contributions in relation to the contractually required contribution	58,207	109,613	105,451
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$5,820,692	\$5,480,633	\$5,272,533
Contributions as a percentage of covered payroll	1.00%	2.00%	2.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2013	2014	2015
Contractually required contribution	\$231,444	\$34,653	\$34,675
Contributions in relation to the contractually required contribution	231,444	34,653	34,675
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$6,821,253	\$6,930,565	\$6,934,966
Contributions as a percentage of covered payroll	3.39%	0.50%	0.50%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2013 is not available.

See accompanying notes to the required supplementary information

CITY OF SHARONVILLE, OHIO

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$104,441	\$52,821	\$0	\$0	\$0
<u>104,441</u>	<u>52,821</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,222,025	\$5,282,146	\$5,274,429	\$5,183,993	\$5,141,707
2.00%	1.00%	0.00%	0.00%	0.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$35,969	\$37,586	\$39,267	\$41,286	\$40,106
<u>35,969</u>	<u>37,586</u>	<u>39,267</u>	<u>41,286</u>	<u>40,106</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,193,710	\$7,517,200	\$7,853,403	\$8,257,257	\$8,021,119
0.50%	0.50%	0.50%	0.50%	0.50%

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2020***

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2020.

Changes in assumptions:

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality Table.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

2020: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2020.

Changes in assumptions:

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2020***

NET PENSION LIABILITY (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND (Continued)

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%
- For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006
- For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006

2019-2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

This Space Intentionally Left Blank

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2020***

NET OPEB LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the periods 2018-2020.

Changes in assumptions:

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

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

2019: The retiree health care model and the current self-insured health care plan were replaced with a stipend-based health care model.

2020: There were no changes in benefit terms.

Changes in assumptions:

2018: The single discount rate changed from 3.79% to 3.24%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.24% to 4.66%.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.66% to 3.56%.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, AND
FIDUCIARY FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Street Construction, Maintenance and Repair Fund

To account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

State Highway Fund

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for street maintenance and repair of state highways within the City.

Permissive Motor Vehicle Tax Fund

To account for county-levied motor vehicle registration fees designated for maintenance and repair of roads within the City.

Federal Emergency Management Agency (FEMA) Fund

To account for grant monies received from the Federal Emergency Management Agency for assistance with public or individual restoration of disaster-damaged projects.

State Health Licenses Fund

To account for the revenues and expenditures of the State-mandated Health Licensing programs such as Food Service, Temporary Food Service, Swimming Pools and Mobile Home Parks.

Teen Fund

To account for monies received from fund raising for the City's teen group.

Law Enforcement Trust Fund

To account for revenues received from local law enforcement grants from the US Department of Justice for Law Enforcement. Expenditures are restricted to law enforcement including restricted personnel costs and equipment as defined in the grants.

Drug Law Enforcement Fund

To account for mandatory fines collected for drug offenses.

DUI Checkpoint Grant Fund

To account for financial resources used enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

(Continued)

Special Revenue Funds (Continued)

DUI Education and Enforcement Fund

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

Mayor's Court Computer Fund

To account for revenues from fines to be used for computers and updating Mayor's Court computer functions.

Clerk of Courts Computer Fund

To account for revenues from fines to be used for computers and updating Clerk of Courts computer functions.

Confinement Reimbursement Fund

To account for revenues from fines imposed on individuals who are incarcerated in the Hamilton County Jail.

Community Oriented Policing Services (COPS) Grant Fund

To account for proceeds from federal and state grant monies. The grant funds must be used toward the salary and benefits of police officers.

Drug Enforcement Agency (DEA) Federal Sharing Fund

To account for funds received from the federal Drug Enforcement Agency.

Termination Benefits Fund

To account for the large sum payout of retirees for sick, vacation and compensatory time accrued through their employment with the City. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Police Grants Fund

To account for the grant monies for the Police Department.

Cares Act Fund

This fund is used to account for Coronavirus Relief funds received through passage of the CARES Act. These funds can be used for necessary expenditures incurred due to the Covid-19 public health emergency.

Debt Service Funds

Debt Service Funds are used to account for retirement of the City's general obligation and special assessment bonds.

Note Debt Retirement Fund

To account for payments of principal and interest on the City's General Obligation Notes Payable.

Special Assessment Bond Retirement Fund

To accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of special assessment bonds.

Convention Hotel Debt Fund

To account for a note issuance and subsequent loan to the hotel developer.

Zind Lane Sewer Fund

To account for payments of principal and interest on the City's Zind Lane Sewer special assessment bond. Revenues for this purpose include special assessment collections.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Capital Improvement Issue II Fund

To account for government and local portions of Issue II funds that will be expended as they are approved. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Capital Improvement Grant Fund

To account for grants associated with the Hauck Road improvement project.

Fire Capital Improvement Fund

To account for the accumulation of funds for the purchase of various Fire Department capital assets.

Gateway 75 TIF Fund

To account for receipts and expenditures related to the TIF created to make improvements along the I-75 exit for Sharonville.

Downtown TIF Fund

To account for receipts and expenditures related to the TIF created to make improvements to the downtown area of Sharonville.

Facility Improvement Fund

To account for the accumulation of funds for facility improvements and repairs including roofs, HVAC systems and other improvements for the continued and improved usage of City Facilities.

Fire Equipment Fund

To account for the accumulation of funds for the purchase of Fire Aerial and/or other Fire Department vehicles and equipment.

Storm Water Fund

To account for the collection of assessments for the construction of a storm water system within the City.

FEMA Capital Grant Fund

To account for a capital grant to convert a culvert at the north end of Wyscarver Road into a bridge along with other improvements at the City's dam site to reduce the impact of potential flooding.

CITY OF SHARONVILLE, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 3,273,194	\$ 4,021,975	\$ 3,811,333	\$ 11,106,502
Receivables:				
Taxes	0	0	482,725	482,725
Accounts	4,843	0	0	4,843
Intergovernmental	714,823	0	217,385	932,208
Special Assessments	0	1,051,822	0	1,051,822
Loans	0	2,322,013	0	2,322,013
Inventory of Supplies, at Cost	158,697	0	0	158,697
Prepaid Items	1,767	0	0	1,767
Total Assets	\$ 4,153,324	\$ 7,395,810	\$ 4,511,443	\$ 16,060,577
Liabilities:				
Accounts Payable	\$ 25,211	\$ 0	\$ 43,937	\$ 69,148
Accrued Wages and Benefits Payable	14,387	0	0	14,387
Intergovernmental Payable	69,439	0	98,880	168,319
Interfund Loans Payable	0	2,330,047	1,101,038	3,431,085
Total Liabilities	109,037	2,330,047	1,243,855	3,682,939
Deferred Inflows of Resources:				
Unavailable Amounts	485,995	1,051,822	220,074	1,757,891
Property Tax Levy for Next Fiscal Year	0	0	480,036	480,036
Total Deferred Inflows of Resources	485,995	1,051,822	700,110	2,237,927
Fund Balances:				
Nonspendable	160,464	0	0	160,464
Restricted	3,393,038	32,227	2,723,320	6,148,585
Committed	4,790	3,981,714	0	3,986,504
Unassigned	0	0	(155,842)	(155,842)
Total Fund Balances	3,558,292	4,013,941	2,567,478	10,139,711
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,153,324	\$ 7,395,810	\$ 4,511,443	\$ 16,060,577

CITY OF SHARONVILLE, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2020**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Other Taxes	\$ 0	\$ 32,055	\$ 0	\$ 32,055
Payment in Lieu of Taxes	0	0	429,923	429,923
Intergovernmental Revenues	2,765,475	0	470,805	3,236,280
Investment Earnings	41,389	24,510	0	65,899
Special Assessments	0	107,903	197,240	305,143
Fines and Forfeitures	11,022	0	0	11,022
All Other Revenue	29,836	0	0	29,836
Total Revenue	2,847,722	164,468	1,097,968	4,110,158
Expenditures:				
Current:				
Security of Persons and Property	28,512	0	0	28,512
Transportation	2,116,283	0	0	2,116,283
General Government	1,055,849	32,055	547,104	1,635,008
Capital Outlay	0	0	3,603,690	3,603,690
Debt Service:				
Principal Retirement	0	70,000	0	70,000
Interest & Fiscal Charges	0	37,380	0	37,380
Total Expenditures	3,200,644	139,435	4,150,794	7,490,873
Excess (Deficiency) of Revenues				
Over Expenditures	(352,922)	25,033	(3,052,826)	(3,380,715)
Other Financing Sources (Uses):				
Transfers In	0	1,360,724	850,000	2,210,724
OPWC Loan Initiated	0	0	63,087	63,087
Total Other Financing Sources (Uses)	0	1,360,724	913,087	2,273,811
Net Change in Fund Balance	(352,922)	1,385,757	(2,139,739)	(1,106,904)
Fund Balances at Beginning of Year	3,883,755	2,628,184	4,707,217	11,219,156
Change in Inventory Reserve	27,459	0	0	27,459
Fund Balances End of Year	\$ 3,558,292	\$ 4,013,941	\$ 2,567,478	\$ 10,139,711

CITY OF SHARONVILLE, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020**

	Street Construction, Maintenance & Repair Fund	State Highway Fund	Permissive Motor Vehicle Tax Fund	FEMA Fund
Assets:				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 2,277,433	\$ 460,700	\$ 272,978	\$ 928
Accounts	1,685	0	0	0
Intergovernmental	594,892	48,234	71,509	0
Inventory of Supplies, at Cost	106,327	52,370	0	0
Prepaid Items	87	0	0	0
Total Assets	<u>\$ 2,980,424</u>	<u>\$ 561,304</u>	<u>\$ 344,487</u>	<u>\$ 928</u>
Liabilities:				
Accounts Payable	\$ 14,528	\$ 7,002	\$ 20	\$ 0
Accrued Wages and Benefits Payable	13,055	0	1,279	0
Intergovernmental Payable	68,284	0	1,155	0
Total Liabilities	<u>95,867</u>	<u>7,002</u>	<u>2,454</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Amounts	396,595	32,156	47,673	0
Total Deferred Inflows of Resources	<u>396,595</u>	<u>32,156</u>	<u>47,673</u>	<u>0</u>
Fund Balances:				
Nonspendable	106,414	52,370	0	0
Restricted	2,381,548	469,776	294,360	928
Committed	0	0	0	0
Total Fund Balances	<u>2,487,962</u>	<u>522,146</u>	<u>294,360</u>	<u>928</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,980,424</u>	<u>\$ 561,304</u>	<u>\$ 344,487</u>	<u>\$ 928</u>

CITY OF SHARONVILLE, OHIO

State Health Licenses Fund	Teen Fund	Law Enforcement Trust Fund	Drug Law Enforcement Fund	DUI Checkpoint Grant Fund	DUI Education and Enforcement Fund
\$ 3	\$ 4,790	\$ 36,487	\$ 39,032	\$ 20,073	\$ 17,983
0	0	1,044	1,906	0	208
0	0	0	0	188	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 3</u>	<u>\$ 4,790</u>	<u>\$ 37,531</u>	<u>\$ 40,938</u>	<u>\$ 20,261</u>	<u>\$ 18,191</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	2,525	0	425
0	0	0	2,525	0	425
0	0	0	0	0	0
3	0	37,531	38,413	20,261	17,766
0	4,790	0	0	0	0
<u>3</u>	<u>4,790</u>	<u>37,531</u>	<u>38,413</u>	<u>20,261</u>	<u>17,766</u>
<u>\$ 3</u>	<u>\$ 4,790</u>	<u>\$ 37,531</u>	<u>\$ 40,938</u>	<u>\$ 20,261</u>	<u>\$ 18,191</u>

(Continued)

CITY OF SHARONVILLE, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020**

	Mayor's Court Computer Fund	Clerk of Courts Computer Fund	Confinement Reimbursement Fund	COPS Grant Fund
Assets:				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 11,578	\$ 38,229	\$ 3,167	\$ 5,752
Accounts	0	0	0	0
Intergovernmental	0	0	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	504	1,176	0	0
Total Assets	<u>\$ 12,082</u>	<u>\$ 39,405</u>	<u>\$ 3,167</u>	<u>\$ 5,752</u>
Liabilities:				
Accounts Payable	\$ 30	\$ 70	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Total Liabilities	<u>30</u>	<u>70</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Amounts	1,722	4,018	881	0
Total Deferred Inflows of Resources	<u>1,722</u>	<u>4,018</u>	<u>881</u>	<u>0</u>
Fund Balances:				
Nonspendable	504	1,176	0	0
Restricted	9,826	34,141	2,286	5,752
Committed	0	0	0	0
Total Fund Balances	<u>10,330</u>	<u>35,317</u>	<u>2,286</u>	<u>5,752</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 12,082</u>	<u>\$ 39,405</u>	<u>\$ 3,167</u>	<u>\$ 5,752</u>

CITY OF SHARONVILLE, OHIO

DEA Federal Sharing Fund	Police Grants Fund	CARES Act Fund	Total Nonmajor Special Revenue Funds
\$ 40,340	\$ 28,520	\$ 15,201	\$ 3,273,194
0	0	0	4,843
0	0	0	714,823
0	0	0	158,697
0	0	0	1,767
<u>\$ 40,340</u>	<u>\$ 28,520</u>	<u>\$ 15,201</u>	<u>\$ 4,153,324</u>
\$ 0	\$ 0	\$ 3,561	\$ 25,211
0	0	53	14,387
0	0	0	69,439
<u>0</u>	<u>0</u>	<u>3,614</u>	<u>109,037</u>
0	0	0	485,995
<u>0</u>	<u>0</u>	<u>0</u>	<u>485,995</u>
0	0	0	160,464
40,340	28,520	11,587	3,393,038
0	0	0	4,790
<u>40,340</u>	<u>28,520</u>	<u>11,587</u>	<u>3,558,292</u>
<u>\$ 40,340</u>	<u>\$ 28,520</u>	<u>\$ 15,201</u>	<u>\$ 4,153,324</u>

CITY OF SHARONVILLE, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020**

	Street Construction, Maintenance & Repair Fund	State Highway Fund	Permissive Motor Vehicle Tax Fund	FEMA Fund
Revenues:				
Intergovernmental Revenues	\$ 1,361,376	\$ 111,895	\$ 210,277	\$ 0
Investment Earnings	31,876	5,451	3,839	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	26,115	0	2,314	0
Total Revenue	1,419,367	117,346	216,430	0
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Transportation	1,849,536	68,808	197,939	0
General Government	0	0	0	0
Total Expenditures	1,849,536	68,808	197,939	0
Excess (Deficiency) of Revenues Over Expenditures	(430,169)	48,538	18,491	0
Fund Balances at Beginning of Year	2,899,733	464,547	275,869	928
Change in Inventory Reserve	18,398	9,061	0	0
Fund Balances End of Year	\$ 2,487,962	\$ 522,146	\$ 294,360	\$ 928

CITY OF SHARONVILLE, OHIO

State Health Licenses Fund	Teen Fund	Law Enforcement Trust Fund	Drug Law Enforcement Fund	DUI Checkpoint Grant Fund	DUI Education and Enforcement Fund
\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,736	\$ 0
0	0	0	0	0	0
0	0	2,420	4,259	0	0
0	0	0	200	0	1,207
<u>0</u>	<u>0</u>	<u>2,420</u>	<u>4,459</u>	<u>2,736</u>	<u>1,207</u>
0	0	0	0	1,919	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,919</u>	<u>0</u>
0	0	2,420	4,459	817	1,207
3	4,790	35,111	33,954	19,444	16,559
0	0	0	0	0	0
<u>\$ 3</u>	<u>\$ 4,790</u>	<u>\$ 37,531</u>	<u>\$ 38,413</u>	<u>\$ 20,261</u>	<u>\$ 17,766</u>

(Continued)

CITY OF SHARONVILLE, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020**

	Mayor's Court Computer Fund	Clerk of Courts Computer Fund	Confinement Reimbursement Fund	COPS Grant Fund
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Investment Earnings	0	0	0	0
Fines and Forfeitures	1,069	2,493	781	0
All Other Revenue	0	0	0	0
Total Revenue	<u>1,069</u>	<u>2,493</u>	<u>781</u>	<u>0</u>
Expenditures:				
Current:				
Security of Persons and Property	5,322	8,873	420	0
Transportation	0	0	0	0
General Government	0	0	0	0
Total Expenditures	<u>5,322</u>	<u>8,873</u>	<u>420</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,253)	(6,380)	361	0
Fund Balances at Beginning of Year	14,583	41,697	1,925	5,752
Change in Inventory Reserve	0	0	0	0
Fund Balances End of Year	<u>\$ 10,330</u>	<u>\$ 35,317</u>	<u>\$ 2,286</u>	<u>\$ 5,752</u>

CITY OF SHARONVILLE, OHIO

DEA Federal Sharing Fund	Police Grants Fund	CARES Act Fund	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 1,079,191	\$ 2,765,475
0	0	223	41,389
0	0	0	11,022
0	0	0	29,836
<u>0</u>	<u>0</u>	<u>1,079,414</u>	<u>2,847,722</u>
0	0	11,978	28,512
0	0	0	2,116,283
0	0	1,055,849	1,055,849
<u>0</u>	<u>0</u>	<u>1,067,827</u>	<u>3,200,644</u>
0	0	11,587	(352,922)
40,340	28,520	0	3,883,755
0	0	0	27,459
<u>\$ 40,340</u>	<u>\$ 28,520</u>	<u>\$ 11,587</u>	<u>\$ 3,558,292</u>

CITY OF SHARONVILLE, OHIO

**Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2020**

	Note Debt Retirement Fund	Special Assessment Bond Retirement Fund	Convention Hotel Debt Fund	Zind Lane Sewer Fund	Total Nonmajor Debt Service Funds
Assets:					
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 3,981,714	\$ 24,832	\$ 0	\$ 15,429	\$ 4,021,975
Receivables:					
Special Assessments	0	1,051,822	0	0	1,051,822
Loans	0	0	2,322,013	0	2,322,013
Total Assets	<u>\$ 3,981,714</u>	<u>\$ 1,076,654</u>	<u>\$ 2,322,013</u>	<u>\$ 15,429</u>	<u>\$ 7,395,810</u>
Liabilities:					
Interfund Loans Payable	\$ 0	\$ 23,345	\$ 2,306,702	\$ 0	\$ 2,330,047
Total Liabilities	<u>0</u>	<u>23,345</u>	<u>2,306,702</u>	<u>0</u>	<u>2,330,047</u>
Deferred Inflows of Resources:					
Unavailable Amounts	0	1,051,822	0	0	1,051,822
Total Deferred Inflows of Resources	<u>0</u>	<u>1,051,822</u>	<u>0</u>	<u>0</u>	<u>1,051,822</u>
Fund Balances:					
Restricted	0	1,487	15,311	15,429	32,227
Committed	3,981,714	0	0	0	3,981,714
Total Fund Balances	<u>3,981,714</u>	<u>1,487</u>	<u>15,311</u>	<u>15,429</u>	<u>4,013,941</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,981,714</u>	<u>\$ 1,076,654</u>	<u>\$ 2,322,013</u>	<u>\$ 15,429</u>	<u>\$ 7,395,810</u>

CITY OF SHARONVILLE, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended December 31, 2020**

	Note Debt Retirement Fund	Special Assessment Bond Retirement Fund	Convention Hotel Debt Fund	Zind Lane Sewer Fund	Total Nonmajor Debt Service Funds
Revenues:					
Other Taxes	\$ 0	\$ 0	\$ 32,055	\$ 0	\$ 32,055
Investment Earnings	0	0	24,510	0	24,510
Special Assessments	0	107,903	0	0	107,903
Total Revenue	0	107,903	56,565	0	164,468
Expenditures:					
General Government	0	0	32,055	0	32,055
Debt Service:					
Principal Retirement	0	70,000	0	0	70,000
Interest & Fiscal Charges	0	37,380	0	0	37,380
Total Expenditures	0	107,380	32,055	0	139,435
Excess (Deficiency) of Revenues Over Expenditures	0	523	24,510	0	25,033
Other Financing Sources (Uses):					
Transfers In	1,360,724	0	0	0	1,360,724
Total Other Financing Sources (Uses)	1,360,724	0	0	0	1,360,724
Net Change in Fund Balance	1,360,724	523	24,510	0	1,385,757
Fund Balances at Beginning of Year	2,620,990	964	(9,199)	15,429	2,628,184
Fund Balances End of Year	\$ 3,981,714	\$ 1,487	\$ 15,311	\$ 15,429	\$ 4,013,941

CITY OF SHARONVILLE, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2020**

	Capital Improvement Grant Fund	Fire Capital Fund	Gateway 75 TIF Fund	Downtown TIF Fund
Assets:				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 559,331	\$ 378,505	\$ 0	\$ 89,282
Receivables:				
Taxes	0	0	395,686	87,039
Intergovernmental	154,965	0	0	0
Total Assets	<u>\$ 714,296</u>	<u>\$ 378,505</u>	<u>\$ 395,686</u>	<u>\$ 176,321</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 43,937	\$ 0	\$ 0
Intergovernmental Payable	90,422	0	0	0
Interfund Loans Payable	579,296	0	0	0
Total Liabilities	<u>669,718</u>	<u>43,937</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Amounts	154,965	0	0	2,689
Property Tax Levy for Next Fiscal Year	0	0	395,686	84,350
Total Deferred Inflows of Resources	<u>154,965</u>	<u>0</u>	<u>395,686</u>	<u>87,039</u>
Fund Balances:				
Restricted	0	334,568	0	89,282
Unassigned	(110,387)	0	0	0
Total Fund Balances	<u>(110,387)</u>	<u>334,568</u>	<u>0</u>	<u>89,282</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 714,296</u>	<u>\$ 378,505</u>	<u>\$ 395,686</u>	<u>\$ 176,321</u>

CITY OF SHARONVILLE, OHIO

Facility Improvement Fund	Fire Equipment Fund	Storm Water Fund	FEMA Capital Grant Fund	Total Nonmajor Capital Projects Funds
\$ 566,208	\$ 1,348,384	\$ 393,336	\$ 476,287	\$ 3,811,333
0	0	0	0	482,725
0	0	0	62,420	217,385
<u>\$ 566,208</u>	<u>\$ 1,348,384</u>	<u>\$ 393,336</u>	<u>\$ 538,707</u>	<u>\$ 4,511,443</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 43,937
0	0	8,458	0	98,880
0	0	0	521,742	1,101,038
0	0	8,458	521,742	1,243,855
0	0	0	62,420	220,074
0	0	0	0	480,036
0	0	0	62,420	700,110
566,208	1,348,384	384,878	0	2,723,320
0	0	0	(45,455)	(155,842)
<u>566,208</u>	<u>1,348,384</u>	<u>384,878</u>	<u>(45,455)</u>	<u>2,567,478</u>
<u>\$ 566,208</u>	<u>\$ 1,348,384</u>	<u>\$ 393,336</u>	<u>\$ 538,707</u>	<u>\$ 4,511,443</u>

CITY OF SHARONVILLE, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020**

	Capital Improvement Issue II Fund	Capital Improvement Grant Fund	Fire Capital Fund	Gateway 75 TIF Fund
Revenues:				
Payment in Lieu of Taxes	\$ 0	\$ 0	\$ 0	\$ 386,645
Intergovernmental Revenues	198,218	135,000	0	0
Special Assessments	0	0	0	0
Total Revenue	198,218	135,000	0	386,645
Expenditures:				
Current:				
General Government	0	0	0	386,645
Capital Outlay	273,795	245,387	2,097,890	0
Total Expenditures	273,795	245,387	2,097,890	386,645
Excess (Deficiency) of Revenues Over Expenditures	(75,577)	(110,387)	(2,097,890)	0
Other Financing Sources (Uses):				
OPWC Loan Initiated	63,087	0	0	0
Transfers In	0	0	300,000	0
Total Other Financing Sources (Uses)	63,087	0	300,000	0
Net Change in Fund Balance	(12,490)	(110,387)	(1,797,890)	0
Fund Balances at Beginning of Year	12,490	0	2,132,458	0
Fund Balances End of Year	\$ 0	\$ (110,387)	\$ 334,568	\$ 0

CITY OF SHARONVILLE, OHIO

Downtown TIF Fund	Facility Improvement Fund	Fire Equipment Fund	Storm Water Fund	FEMA Capital Grant Fund	Total Nonmajor Capital Project Funds
\$ 43,278	\$ 0	\$ 0	\$ 0	\$ 0	\$ 429,923
0	0	0	5,127	132,460	470,805
0	0	0	197,240	0	197,240
<u>43,278</u>	<u>0</u>	<u>0</u>	<u>202,367</u>	<u>132,460</u>	<u>1,097,968</u>
13,741	0	0	146,718	0	547,104
0	80,832	727,871	0	177,915	3,603,690
<u>13,741</u>	<u>80,832</u>	<u>727,871</u>	<u>146,718</u>	<u>177,915</u>	<u>4,150,794</u>
29,537	(80,832)	(727,871)	55,649	(45,455)	(3,052,826)
0	0	0	0	0	63,087
0	50,000	500,000	0	0	850,000
<u>0</u>	<u>50,000</u>	<u>500,000</u>	<u>0</u>	<u>0</u>	<u>913,087</u>
29,537	(30,832)	(227,871)	55,649	(45,455)	(2,139,739)
59,745	597,040	1,576,255	329,229	0	4,707,217
<u>\$ 89,282</u>	<u>\$ 566,208</u>	<u>\$ 1,348,384</u>	<u>\$ 384,878</u>	<u>\$ (45,455)</u>	<u>\$ 2,567,478</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 16,395,647	\$ 17,028,799	\$ 18,399,289	\$ 1,370,490
Other Local Taxes	150,000	0	0	0
Intergovernmental Revenues	226,215	256,505	270,050	13,545
Charges for Services	438,800	444,800	142,891	(301,909)
Licenses and Permits	428,790	495,850	499,520	3,670
Investment Earnings	300,000	400,000	556,823	156,823
Fines and Forfeitures	192,900	183,000	78,646	(104,354)
All Other Revenues	234,200	266,610	1,179,431	912,821
Total Revenues	<u>18,366,552</u>	<u>19,075,564</u>	<u>21,126,650</u>	<u>2,051,086</u>
Expenditures:				
Security of Persons and Property:				
Police Department:				
Personal Services	6,485,100	7,001,906	5,876,474	1,125,432
Materials and Supplies	147,300	189,060	139,149	49,911
Contractual Services	528,900	605,234	359,369	245,865
Total Security of Persons and Property	<u>7,161,300</u>	<u>7,796,200</u>	<u>6,374,992</u>	<u>1,421,208</u>
Public Health and Welfare Services:				
Health Department:				
Personal Services	58,500	64,859	58,586	6,273
Materials and Supplies	850	2,469	981	1,488
Contractual Services	35,375	35,820	31,772	4,048
Total Public Health and Welfare Services	<u>94,725</u>	<u>103,148</u>	<u>91,339</u>	<u>11,809</u>
Leisure Time Activities:				
Recreation Parks:				
Personal Services	530,790	538,089	489,198	48,891
Materials and Supplies	54,315	69,408	62,240	7,168
Contractual Services	102,414	108,884	68,541	40,343
Total Recreation Parks	<u>687,519</u>	<u>716,381</u>	<u>619,979</u>	<u>96,402</u>
Recreation Community Center:				
Personal Services	1,066,700	1,133,498	975,294	158,204
Materials and Supplies	53,950	63,989	41,404	22,585
Contractual Services	366,255	383,979	284,738	99,241
Total Recreation Community Center	<u>1,486,905</u>	<u>1,581,466</u>	<u>1,301,436</u>	<u>280,030</u>
Recreation Pools:				
Personal Services	17,440	16,182	365	15,817
Materials and Supplies	18,400	15,500	12,675	2,825
Contractual Services	329,750	288,495	266,910	21,585
Total Recreation Pools	<u>365,590</u>	<u>320,177</u>	<u>279,950</u>	<u>40,227</u>
Total Leisure Time Activities	<u>2,540,014</u>	<u>2,618,024</u>	<u>2,201,365</u>	<u>416,659</u>

(Continued)

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Community Environment:				
Building and Planning:				
Personal Services	451,486	521,053	470,862	50,191
Materials and Supplies	8,800	16,465	8,127	8,338
Contractual Services	90,700	185,102	125,514	59,588
Total Community Environment	<u>550,986</u>	<u>722,620</u>	<u>604,503</u>	<u>118,117</u>
Basic Utility Services:				
Waste Collection:				
Contractual Services	600,000	822,170	822,170	0
Total Basic Utility Services	<u>600,000</u>	<u>822,170</u>	<u>822,170</u>	<u>0</u>
General Government:				
Mayor:				
Personal Services	71,500	79,084	67,510	11,574
Materials and Supplies	350	350	0	350
Contractual Services	8,600	9,668	600	9,068
Total Mayor	<u>80,450</u>	<u>89,102</u>	<u>68,110</u>	<u>20,992</u>
Council:				
Personal Services	132,200	153,443	150,994	2,449
Materials and Supplies	350	350	0	350
Contractual Services	8,700	14,069	4,939	9,130
Total Council	<u>141,250</u>	<u>167,862</u>	<u>155,933</u>	<u>11,929</u>
Auditor and Treasurer:				
Personal Services	40,800	47,375	46,461	914
Contractual Services	64,865	67,547	48,438	19,109
Total Auditor and Treasurer	<u>105,665</u>	<u>114,922</u>	<u>94,899</u>	<u>20,023</u>
Law Director:				
Personal Services	90,000	101,165	100,017	1,148
Contractual Services	68,000	78,665	63,193	15,472
Total Law Director	<u>158,000</u>	<u>179,830</u>	<u>163,210</u>	<u>16,620</u>
Civil Service:				
Personal Services	25,550	29,612	27,853	1,759
Materials and Supplies	200	200	0	200
Contractual Services	16,000	16,225	13,243	2,982
Total Civil Service	<u>41,750</u>	<u>46,037</u>	<u>41,096</u>	<u>4,941</u>
Safety/Service Director:				
Personal Services	1,180,750	1,180,396	994,546	185,850
Materials and Supplies	750	2,127	1,908	219
Contractual Services	97,080	133,255	97,237	36,018
Total Safety/Service Director	<u>1,278,580</u>	<u>1,315,778</u>	<u>1,093,691</u>	<u>222,087</u>

(Continued)

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Tax Department:				
Personal Services	607,820	650,502	613,959	36,543
Materials and Supplies	14,400	31,557	24,402	7,155
Contractual Services	94,720	104,472	73,734	30,738
Capital Outlay	50,000	0	0	0
Total Tax Department	766,940	786,531	712,095	74,436
Building and Lands:				
Personal Services	194,700	243,643	192,861	50,782
Materials and Supplies	49,823	60,086	50,256	9,830
Contractual Services	415,295	491,788	356,383	135,405
Total Buildings and Lands	659,818	795,517	599,500	196,017
Miscellaneous Government:				
Personal Services	38,100	35,000	0	35,000
Materials and Supplies	14,700	19,716	15,345	4,371
Contractual Services	675,642	1,407,523	1,193,836	213,687
Total Miscellaneous Government	728,442	1,462,239	1,209,181	253,058
Economic Development:				
Contractual Services	682,806	1,241,309	1,163,919	77,390
Total Economic Development	682,806	1,241,309	1,163,919	77,390
Total General Government	4,643,701	6,199,127	5,301,634	897,493
Debt Service:				
Interest and Fiscal Charges	0	75,000	0	75,000
Total Expenditures	15,590,726	18,336,289	15,396,003	2,940,286
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,775,826	739,275	5,730,647	4,991,372
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	7,325	7,325
Transfers Out	(2,775,000)	(6,715,583)	(5,423,279)	1,292,304
Advances In	0	100,000	107,111	7,111
Advances Out	0	(1,996,284)	(1,526,094)	470,190
Total Other Financing Sources (Uses)	(2,775,000)	(8,611,867)	(6,834,937)	1,776,930
Net Change in Fund Balance	826	(7,872,592)	(1,104,290)	6,768,302
Fund Balance at Beginning of Year	8,229,710	8,229,710	8,229,710	0
Prior Year Encumbrances	1,104,374	1,104,374	1,104,374	0
Fund Balance at End of Year	\$ 9,334,910	\$ 1,461,492	\$ 8,229,794	\$ 6,768,302

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund – Fire Department Fund
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive Negative
Revenues:				
Municipal Income Taxes	\$ 7,814,353	\$ 8,131,201	\$ 8,784,668	\$ 653,467
Charges for Services	525,000	525,000	469,003	(55,997)
All Other Revenues	19,000	19,000	162,804	143,804
Total Revenues	<u>8,358,353</u>	<u>8,675,201</u>	<u>9,416,475</u>	<u>741,274</u>
Expenditures:				
Security of Persons and Property:				
Fire Department:				
Personal Services	7,232,700	7,904,743	7,064,219	840,524
Materials and Supplies	217,500	267,414	231,812	35,602
Contractual Services	768,800	912,793	814,972	97,821
Total Security of Persons and Property	<u>8,219,000</u>	<u>9,084,950</u>	<u>8,111,003</u>	<u>973,947</u>
Capital Outlay	214,000	201,430	171,623	29,807
Total Expenditures	<u>8,433,000</u>	<u>9,286,380</u>	<u>8,282,626</u>	<u>1,003,754</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(74,647)	(611,179)	1,133,849	1,745,028
Other Financing Sources (Uses):				
Transfers In	0	0	100,000	100,000
Transfers Out	0	(959,505)	(900,000)	59,505
Total Other Financing Sources (Uses)	<u>0</u>	<u>(959,505)</u>	<u>(800,000)</u>	<u>159,505</u>
Net Change in Fund Balance	(74,647)	(1,570,684)	333,849	1,904,533
Fund Balance at Beginning of Year	4,171,316	4,171,316	4,171,316	0
Prior Year Encumbrances	279,955	279,955	279,955	0
Fund Balance at End of Year	<u>\$ 4,376,624</u>	<u>\$ 2,880,587</u>	<u>\$ 4,785,120</u>	<u>\$ 1,904,533</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Project Funds – Capital Improvement Fund
For the Year Ended December 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 0	\$ 826,675	\$ 826,675
All Other Revenues	0	28,846	28,846
Total Revenues	<u>0</u>	<u>855,521</u>	<u>855,521</u>
Expenditures:			
Capital Outlay	9,689,728	7,524,738	2,164,990
Total Expenditures	<u>9,689,728</u>	<u>7,524,738</u>	<u>2,164,990</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,689,728)	(6,669,217)	3,020,511
Other Financing Sources (Uses):			
Sale of Capital Assets	0	4,720	4,720
Transfers In	2,300,000	3,653,848	1,353,848
Total Other Financing Sources (Uses)	<u>2,300,000</u>	<u>3,658,568</u>	<u>1,358,568</u>
Net Change in Fund Balance	(7,389,728)	(3,010,649)	4,379,079
Fund Balance at Beginning of Year	5,811,646	5,811,646	0
Prior Year Encumbrances	3,712,917	3,712,917	0
Fund Balance at End of Year	<u>\$ 2,134,835</u>	<u>\$ 6,513,914</u>	<u>\$ 4,379,079</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Project Funds – Chester Road TIF Fund
For the Year Ended December 31, 2020***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Payments in Lieu of Taxes	\$ 650,000	\$ 1,069,127	\$ 419,127
Total Revenues	<u>650,000</u>	<u>1,069,127</u>	<u>419,127</u>
Expenditures:			
Capital Outlay	601,988	492,462	109,526
Debt Service:			
Principal Retirement	90,000	40,225	49,775
Interest Charges	104,162	104,162	0
Total Expenditures	<u>796,150</u>	<u>636,849</u>	<u>159,301</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(146,150)	432,278	578,428
Other Financing Sources (Uses):			
Advances Out	(200,000)	(200,000)	0
Total Other Financing Sources (Uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>0</u>
Net Change in Fund Balance	(346,150)	232,278	578,428
Fund Balance at Beginning of Year	1,605,878	1,605,878	0
Prior Year Encumbrances	108,488	108,488	0
Fund Balance at End of Year	<u>\$ 1,368,216</u>	<u>\$ 1,946,644</u>	<u>\$ 578,428</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Project Funds – Police Station Construction Fund
For the Year Ended December 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay	2,661,669	2,661,669	0
Total Expenditures	2,661,669	2,661,669	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,661,669)	(2,661,669)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	2,661,669	2,661,669	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020**

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental Revenues	\$ 1,286,000	\$ 1,515,479	\$ 229,479
Investment Earnings	15,000	31,876	16,876
All Other Revenues	4,000	24,430	20,430
Total Revenues	<u>1,305,000</u>	<u>1,571,785</u>	<u>266,785</u>
Expenditures:			
Transportation:			
Street Maintenance and Repair Department:			
Personal Services	1,103,555	1,000,591	102,964
Materials and Supplies	101,130	61,724	39,406
Contractual Services	166,829	124,752	42,077
Snow and Ice Removal Department:			
Personal Services	28,000	4,066	23,934
Materials and Supplies	43,853	11,329	32,524
Contractual Services	16,230	3,595	12,635
Traffic Signs and Signals Department:			
Materials and Supplies	1,000	540	460
Contractual Services	42,600	37,978	4,622
Total Transportation	<u>1,503,197</u>	<u>1,244,575</u>	<u>258,622</u>
Capital Outlay	<u>1,783,650</u>	<u>1,231,704</u>	<u>551,946</u>
Total Expenditures	<u>3,286,847</u>	<u>2,476,279</u>	<u>810,568</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,981,847)	(904,494)	1,077,353
Fund Balance at Beginning of Year	2,353,551	2,353,551	0
Prior Year Encumbrances	176,040	176,040	0
Fund Balance at End of Year	<u>\$ 547,744</u>	<u>\$ 1,625,097</u>	<u>\$ 1,077,353</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020**

STATE HIGHWAY FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 106,000	\$ 124,390	\$ 18,390
Investment Earnings	2,500	5,451	2,951
Total Revenues	<u>108,500</u>	<u>129,841</u>	<u>21,341</u>
Expenditures:			
Transportation:			
Street Maintenance and Repair Department:			
Contractual Services	30,868	30,076	792
Snow and Ice Removal Department:			
Materials and Supplies	35,000	9,366	25,634
Traffic Signs and Signals Department:			
Materials and Supplies	1,295	677	618
Contractual Services	30,447	21,288	9,159
Total Transportation	<u>97,610</u>	<u>61,407</u>	<u>36,203</u>
Capital Outlay	<u>17,000</u>	<u>16,998</u>	<u>2</u>
Total Expenditures	<u>114,610</u>	<u>78,405</u>	<u>36,205</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,110)	51,436	57,546
Fund Balance at Beginning of Year	389,646	389,646	0
Prior Year Encumbrances	9,710	9,710	0
Fund Balance at End of Year	<u>\$ 393,246</u>	<u>\$ 450,792</u>	<u>\$ 57,546</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

PERMISSIVE MOTOR VEHICLE TAX FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 120,000	\$ 206,352	\$ 86,352
Investment Earnings	2,000	3,839	1,839
All Other Revenues	0	2,314	2,314
Total Revenues	<u>122,000</u>	<u>212,505</u>	<u>90,505</u>
Expenditures:			
Transportation:			
Street Maintenance and Repair Department:			
Personal Services	104,621	97,958	6,663
Materials and Supplies	47,490	22,402	25,088
Contractual Services	22,790	16,373	6,417
Traffic Signs and Signals Department:			
Contractual Services	150	132	18
Total Transportation	<u>175,051</u>	<u>136,865</u>	<u>38,186</u>
Capital Outlay	<u>110,744</u>	<u>77,959</u>	<u>32,785</u>
Total Expenditures	<u>285,795</u>	<u>214,824</u>	<u>70,971</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(163,795)	(2,319)	161,476
Fund Balance at Beginning of Year	250,768	250,768	0
Prior Year Encumbrances	19,245	19,245	0
Fund Balance at End of Year	<u>\$ 106,218</u>	<u>\$ 267,694</u>	<u>\$ 161,476</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FUND			Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	928	928	0
Fund Balance at End of Year	<u>\$ 928</u>	<u>\$ 928</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020**

STATE HEALTH LICENSES FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Public Health and Welfare Services:			
Health Department:			
Materials and Supplies	<u>3</u>	<u>0</u>	<u>3</u>
Total Expenditures	<u>3</u>	<u>0</u>	<u>3</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3)	0	3
Fund Balance at Beginning of Year	<u>3</u>	<u>3</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 3</u>	<u>\$ 3</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	TEEN FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>4,790</u>	<u>4,790</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,790</u>	<u>\$ 4,790</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

LAW ENFORCEMENT TRUST FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 1,376	\$ 1,376
Total Revenues	<u>0</u>	<u>1,376</u>	<u>1,376</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	1,376	1,376
Fund Balance at Beginning of Year	35,111	35,111	0
Fund Balance at End of Year	<u>\$ 35,111</u>	<u>\$ 36,487</u>	<u>\$ 1,376</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 3,023	\$ 3,023
All Other Revenues	0	200	200
Total Revenues	<u>0</u>	<u>3,223</u>	<u>3,223</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	3,223	3,223
Fund Balance at Beginning of Year	33,284	33,284	0
Fund Balance at End of Year	<u>\$ 33,284</u>	<u>\$ 36,507</u>	<u>\$ 3,223</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020**

DUI CHECKPOINT GRANT FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 7,500	\$ 2,548	\$ (4,952)
Total Revenues	<u>7,500</u>	<u>2,548</u>	<u>(4,952)</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Personal Services	9,720	1,919	7,801
Total Expenditures	<u>9,720</u>	<u>1,919</u>	<u>7,801</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,220)	629	2,849
Fund Balance at Beginning of Year	19,444	19,444	0
Fund Balance at End of Year	<u>\$ 17,224</u>	<u>\$ 20,073</u>	<u>\$ 2,849</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 50	\$ 50
All Other Revenues	<u>0</u>	<u>1,074</u>	<u>1,074</u>
Total Revenues	<u>0</u>	<u>1,124</u>	<u>1,124</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	1,124	1,124
Fund Balance at Beginning of Year	<u>16,434</u>	<u>16,434</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 16,434</u>	<u>\$ 17,558</u>	<u>\$ 1,124</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

MAYOR'S COURT COMPUTER FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 1,648	\$ 1,648	\$ 0
Total Revenues	<u>1,648</u>	<u>1,648</u>	<u>0</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Contractual Services	9,890	5,289	4,601
Total Security of Persons and Property	<u>9,890</u>	<u>5,289</u>	<u>4,601</u>
Capital Outlay	3,000	0	3,000
Total Expenditures	<u>12,890</u>	<u>5,289</u>	<u>7,601</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,242)	(3,641)	7,601
Fund Balance at Beginning of Year	10,899	10,899	0
Prior Year Encumbrances	2,407	2,407	0
Fund Balance at End of Year	<u>\$ 2,064</u>	<u>\$ 9,665</u>	<u>\$ 7,601</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 3,844	\$ 3,844	\$ 0
Total Revenues	<u>3,844</u>	<u>3,844</u>	<u>0</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Contractual Services	20,489	8,350	12,139
Total Security of Persons and Property	<u>20,489</u>	<u>8,350</u>	<u>12,139</u>
Capital Outlay	17,000	0	17,000
Total Expenditures	<u>37,489</u>	<u>8,350</u>	<u>29,139</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,645)	(4,506)	29,139
Fund Balance at Beginning of Year	33,103	33,103	0
Prior Year Encumbrances	5,614	5,614	0
Fund Balance at End of Year	<u>\$ 5,072</u>	<u>\$ 34,211</u>	<u>\$ 29,139</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

CONFINEMENT REIMBURSEMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 1,042	\$ 1,042	\$ 0
Total Revenues	<u>1,042</u>	<u>1,042</u>	<u>0</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Contractual Services	<u>3,680</u>	<u>1,470</u>	<u>2,210</u>
Total Expenditures	<u>3,680</u>	<u>1,470</u>	<u>2,210</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,638)	(428)	2,210
Fund Balance at Beginning of Year	1,034	1,034	0
Prior Year Encumbrances	<u>1,680</u>	<u>1,680</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 76</u>	<u>\$ 2,286</u>	<u>\$ 2,210</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	COPS GRANT FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>5,752</u>	<u>5,752</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,752</u>	<u>\$ 5,752</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

DEA FEDERAL SHARING FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>40,340</u>	<u>40,340</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 40,340</u>	<u>\$ 40,340</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
General Government:			
Miscellaneous Financing Department:			
Personal Services	<u>500,000</u>	<u>111,477</u>	<u>388,523</u>
Total Expenditures	<u>500,000</u>	<u>111,477</u>	<u>388,523</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(500,000)	(111,477)	388,523
Other Financing Sources (Uses):			
Transfers In	<u>175,000</u>	<u>175,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>175,000</u>	<u>175,000</u>	<u>0</u>
Net Change in Fund Balance	(325,000)	63,523	388,523
Fund Balance at Beginning of Year	<u>683,349</u>	<u>683,349</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 358,349</u>	<u>\$ 746,872</u>	<u>\$ 388,523</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

POLICE GRANTS FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>28,520</u>	<u>28,520</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 28,520</u>	<u>\$ 28,520</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020**

	CARES ACT FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Revenues:			
Intergovernmental Revenues	\$ 1,182,611	\$ 1,079,191	\$ (103,420)
Investment Earnings	223	223	0
Total Revenues	<u>1,182,834</u>	<u>1,079,414</u>	<u>(103,420)</u>
Expenditures:			
Security of Persons and Property:			
Materials and Supplies	11,978	11,978	0
Total Security of Persons and Property	<u>11,978</u>	<u>11,978</u>	<u>0</u>
General Government:			
Personal Services	811,070	707,650	103,420
Materials and Supplies	185,851	185,851	0
Contractual Services	162,730	162,730	0
Total General Government	<u>1,159,651</u>	<u>1,056,231</u>	<u>103,420</u>
Total Expenditures	<u>1,171,629</u>	<u>1,068,209</u>	<u>103,420</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,205	11,205	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 11,205</u>	<u>\$ 11,205</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2020***

NOTE DEBT RETIREMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Debt Service:			
Principal Retirement	5,000,000	5,000,000	0
Interest Charges	175,956	175,956	0
Total Expenditures	5,175,956	5,175,956	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,175,956)	(5,175,956)	0
Other Financing Sources (Uses):			
General Obligation Notes Issued	5,000,000	5,000,000	0
Premiums on General Obligation Notes	17,000	33,249	16,249
Transfers In	149,583	1,503,431	1,353,848
Total Other Financing Sources (Uses)	5,166,583	6,536,680	1,370,097
Net Change in Fund Balance	(9,373)	1,360,724	1,370,097
Fund Balance at Beginning of Year	2,620,990	2,620,990	0
Fund Balance at End of Year	\$ 2,611,617	\$ 3,981,714	\$ 1,370,097

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2020***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	<u>\$ 107,380</u>	<u>\$ 107,903</u>	<u>\$ 523</u>
Total Revenues	<u>107,380</u>	<u>107,903</u>	<u>523</u>
Expenditures:			
Debt Service:			
Principal Retirement	<u>70,000</u>	<u>70,000</u>	<u>0</u>
Interest Charges	<u>37,380</u>	<u>37,380</u>	<u>0</u>
Total Expenditures	<u>107,380</u>	<u>107,380</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>0</u>	<u>523</u>	<u>523</u>
Fund Balance at Beginning of Year	<u>24,309</u>	<u>24,309</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 24,309</u>	<u>\$ 24,832</u>	<u>\$ 523</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2020**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other Taxes	\$ 32,055	\$ 32,055	\$ 0
All Other Revenues	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Revenues	<u>82,055</u>	<u>82,055</u>	<u>0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	82,055	82,055	0
Other Financing Sources (Uses):			
Advances Out	<u>(82,055)</u>	<u>(82,055)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(82,055)</u>	<u>(82,055)</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2020***

ZIND LANE SEWER FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	15,429	15,429	0
Fund Balance at End of Year	<u>\$ 15,429</u>	<u>\$ 15,429</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 300,000	\$ 198,218	\$ (101,782)
Total Revenues	<u>300,000</u>	<u>198,218</u>	<u>(101,782)</u>
Expenditures:			
Capital Outlay	375,577	273,795	101,782
Total Expenditures	<u>375,577</u>	<u>273,795</u>	<u>101,782</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(75,577)	(75,577)	0
Other Financing Sources (Uses):			
OPWC Loan Initiated	75,577	75,577	0
Total Other Financing Sources (Uses)	<u>75,577</u>	<u>75,577</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

CAPITAL IMPROVEMENT GRANT FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 946,284	\$ 135,000	\$ (811,284)
Total Revenues	<u>946,284</u>	<u>135,000</u>	<u>(811,284)</u>
Expenditures:			
Capital Outlay	946,284	579,296	366,988
Total Expenditures	<u>946,284</u>	<u>579,296</u>	<u>366,988</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(444,296)	(444,296)
Other Financing Sources (Uses):			
Advances In	25,056	604,352	579,296
Advances Out	(25,056)	(25,056)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>579,296</u>	<u>579,296</u>
Net Change in Fund Balance	0	135,000	135,000
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 135,000</u>	<u>\$ 135,000</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020**

FIRE CAPITAL FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay	2,310,476	2,202,978	107,498
Total Expenditures	2,310,476	2,202,978	107,498
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,310,476)	(2,202,978)	107,498
Other Financing Sources (Uses):			
Transfers In	109,505	300,000	190,495
Total Other Financing Sources (Uses)	109,505	300,000	190,495
Net Change in Fund Balance	(2,200,971)	(1,902,978)	297,993
Fund Balance at Beginning of Year	2,090,495	2,090,495	0
Prior Year Encumbrances	110,476	110,476	0
Fund Balance at End of Year	\$ 0	\$ 297,993	\$ 297,993

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Payments in Lieu of Taxes	\$ 386,645	\$ 386,645	\$ 0
Total Revenues	<u>386,645</u>	<u>386,645</u>	<u>0</u>
Expenditures:			
General Government:			
Contractual Services	<u>386,645</u>	<u>386,645</u>	<u>0</u>
Total Expenditures	<u>386,645</u>	<u>386,645</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Payments on Lieu of Taxes	\$ 20,000	\$ 43,278	\$ 23,278
Total Revenues	<u>20,000</u>	<u>43,278</u>	<u>23,278</u>
Expenditures:			
General Government:			
Contractual Services	18,700	13,741	4,959
Total Expenditures	<u>18,700</u>	<u>13,741</u>	<u>4,959</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,300	29,537	28,237
Fund Balance at Beginning of Year	59,745	59,745	0
Fund Balance at End of Year	<u>\$ 61,045</u>	<u>\$ 89,282</u>	<u>\$ 28,237</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

FACILITY IMPROVEMENT FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay	333,394	137,839	195,555
Total Expenditures	<u>333,394</u>	<u>137,839</u>	<u>195,555</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(333,394)	(137,839)	195,555
Other Financing Sources (Uses):			
Transfers In	50,000	50,000	0
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Net Change in Fund Balance	(283,394)	(87,839)	195,555
Fund Balance at Beginning of Year	543,224	543,224	0
Prior Year Encumbrances	110,494	110,494	0
Fund Balance at End of Year	<u>\$ 370,324</u>	<u>\$ 565,879</u>	<u>\$ 195,555</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

FIRE EQUIPMENT FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay	818,412	727,871	90,541
Total Expenditures	818,412	727,871	90,541
Excess (Deficiency) of Revenues Over (Under) Expenditures	(818,412)	(727,871)	90,541
Other Financing Sources (Uses):			
Transfers In	0	500,000	500,000
Total Other Financing Sources (Uses)	0	500,000	500,000
Net Change in Fund Balance	(818,412)	(227,871)	590,541
Fund Balance at Beginning of Year	1,565,483	1,565,483	0
Prior Year Encumbrances	10,772	10,772	0
Fund Balance at End of Year	<u>\$ 757,843</u>	<u>\$ 1,348,384</u>	<u>\$ 590,541</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 0	\$ 5,127	\$ 5,127
Special Assessments	190,000	197,240	7,240
Total Revenues	<u>190,000</u>	<u>202,367</u>	<u>12,367</u>
Expenditures:			
General Government:			
Personal Services	19,320	6,045	13,275
Contractual Services	383,000	221,574	161,426
Total Expenditures	<u>402,320</u>	<u>227,619</u>	<u>174,701</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(212,320)	(25,252)	187,068
Fund Balance at Beginning of Year	333,088	333,088	0
Prior Year Encumbrances	80,000	80,000	0
Fund Balance at End of Year	<u>\$ 200,768</u>	<u>\$ 387,836</u>	<u>\$ 187,068</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 0	\$ 132,460	\$ 132,460
Total Revenues	0	132,460	132,460
Expenditures:			
Capital Outlay	650,000	521,743	128,257
Total Expenditures	650,000	521,743	128,257
Excess (Deficiency) of Revenues Over (Under) Expenditures	(650,000)	(389,283)	260,717
Other Financing Sources (Uses):			
Advances In	650,000	521,742	(128,258)
Total Other Financing Sources (Uses)	650,000	521,742	(128,258)
Net Change in Fund Balance	0	132,459	132,459
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 0	\$ 132,459	\$ 132,459

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Custodial Funds

Ohio Board of Building Standards Fund

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

Mayor's Court Fund

To account for funds that flow through the Mayor's Court.

PACE Energy Assessment Fund

To account for funds collected by the City as assessments and remitted to the finance companies holding the loans for the financing of the energy savings improvements of private businesses.

CITY OF SHARONVILLE, OHIO

**Statement of Net Position
Custodial Funds
December 31, 2020**

	Ohio Board of Building Standards	Mayor's Court	PACE Energy Assessment	Total Custodial Funds
Assets:				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 3,596	\$ 25,699	\$ 144	\$ 29,439
Total Assets	<u>3,596</u>	<u>25,699</u>	<u>144</u>	<u>29,439</u>
Liabilities:				
Intergovernmental Payable	3,596	0	0	3,596
Due to Others	0	25,699	144	25,843
Total Liabilities	<u>3,596</u>	<u>25,699</u>	<u>144</u>	<u>29,439</u>
Net Position:				
Total Net Position	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

**Statement of Changes in Net Position
Custodial Funds
For the Year Ended December 31, 2020**

	Ohio Board of Building Standards	Mayor's Court	PACE Energy Assessment	Total Custodial Funds
Additions:				
Charges for Services	\$ 7,175	\$ 0	\$ 0	\$ 7,175
Special Assessments	0	0	36,602	36,602
Fines and Forfeitures	0	42,184	0	42,184
Total Additions	<u>7,175</u>	<u>42,184</u>	<u>36,602</u>	<u>85,961</u>
Deductions:				
Other Distributions	<u>7,175</u>	<u>42,184</u>	<u>36,602</u>	<u>85,961</u>
Total Deductions	<u>7,175</u>	<u>42,184</u>	<u>36,602</u>	<u>85,961</u>
Change in Net Position	0	0	0	0
Net Position at Beginning of Year	0	0	0	0
Net Position End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

STATISTICAL SECTION



This page intentionally left blank.

STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue sources, the property tax and the income tax.	
Debt Capacity	S 18 – S 27
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.	
Economic and Demographic Information	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 32 – S 37
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.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

City of Sharonville, Ohio

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2011	2012	2013	2014
Governmental Activities:				
Net Investment in Capital Assets	\$20,570,792	\$23,538,956	\$34,248,573	\$37,768,260
Restricted	10,797,191	11,720,978	6,858,105	5,833,900
Unrestricted	6,124,529	5,986,344	7,032,960	(11,203,790)
Total Governmental Activities Net Position	<u>\$37,492,512</u>	<u>\$41,246,278</u>	<u>\$48,139,638</u>	<u>\$32,398,370</u>
Business-type Activities:				
Net Investment in Capital Assets	\$9,817,339	\$2,132,289	\$4,047,435	\$4,838,436
Restricted	0	0	0	0
Unrestricted	(2,539,416)	3,984,237	2,215,847	1,305,642
Total Business-type Activities Net Position	<u>\$7,277,923</u>	<u>\$6,116,526</u>	<u>\$6,263,282</u>	<u>\$6,144,078</u>
Primary Government:				
Net Investment in Capital Assets	\$30,388,131	\$25,671,245	\$38,296,008	\$42,606,696
Restricted	10,797,191	11,720,978	6,858,105	5,833,900
Unrestricted	3,585,113	9,970,581	9,248,807	(9,898,148)
Total Primary Government Net Position	<u>\$44,770,435</u>	<u>\$47,362,804</u>	<u>\$54,402,920</u>	<u>\$38,542,448</u>

Source: City Finance Office

* Restated

City of Sharonville, Ohio

*		*			
2015	2016	2017	2018	2019	2020
\$40,026,910	\$43,788,718	\$44,668,633	\$47,017,467	\$48,598,183	\$50,997,991
9,320,501	12,944,368	10,758,994	10,461,209	13,468,110	13,560,874
(8,934,710)	(11,860,815)	(23,047,041)	(21,527,421)	(8,316,706)	(3,116,641)
<u>\$40,412,701</u>	<u>\$44,872,271</u>	<u>\$32,380,586</u>	<u>\$35,951,255</u>	<u>\$53,749,587</u>	<u>\$61,442,224</u>
\$4,417,067	\$4,535,259	\$4,849,324	\$5,072,959	\$5,697,021	\$5,673,029
0	0	0	0	0	2,946,508
2,087,174	2,239,785	1,287,447	1,637,747	1,849,280	1,440,159
<u>\$6,504,241</u>	<u>\$6,775,044</u>	<u>\$6,136,771</u>	<u>\$6,710,706</u>	<u>\$7,546,301</u>	<u>\$10,059,696</u>
\$44,443,977	\$48,323,977	\$49,517,957	\$52,090,426	\$54,295,204	\$56,671,020
9,320,501	12,944,368	10,758,994	10,461,209	13,468,110	16,507,382
(6,847,536)	(9,621,030)	(21,759,594)	(19,889,674)	(6,467,426)	(1,676,482)
<u>\$46,916,942</u>	<u>\$51,647,315</u>	<u>\$38,517,357</u>	<u>\$42,661,961</u>	<u>\$61,295,888</u>	<u>\$71,501,920</u>

City of Sharonville, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2011	2012	2013	2014
Expenses				
Governmental Activities:				
Security of Persons and Property	\$12,287,143	\$12,311,523	\$12,866,090	\$13,331,572
Public Health and Welfare Services	374,700	372,910	391,627	363,600
Leisure Time Activities	3,087,936	3,141,715	3,235,379	3,203,395
Community Environment	586,111	490,488	453,644	504,322
Basic Utility Services	527,483	511,018	518,709	611,860
Transportation	2,721,535	2,847,491	2,630,047	3,455,866
General Government	4,033,393	3,401,228	4,351,283	4,299,338
Interest and Fiscal Charges	536,851	248,444	364,632	354,957
<i>Total Governmental Activities Expenses</i>	<u>24,155,152</u>	<u>23,324,817</u>	<u>24,811,411</u>	<u>26,124,910</u>
Business-type Activities:				
Convention Center	3,480,293	4,306,004	4,376,503	4,349,039
Senior Citizen Housing	317,767	219,144	244,868	224,506
<i>Total Business-type Activities Expenses</i>	<u>3,798,060</u>	<u>4,525,148</u>	<u>4,621,371</u>	<u>4,573,545</u>
<i>Total Primary Government Expenses</i>	<u><u>\$27,953,212</u></u>	<u><u>\$27,849,965</u></u>	<u><u>\$29,432,782</u></u>	<u><u>\$30,698,455</u></u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Security of Persons and Property	\$950,816	\$910,580	\$1,044,925	\$919,592
Public Health and Welfare Services	87,806	91,685	87,679	93,602
Leisure Time Activities	318,241	355,784	351,727	327,732
Community Environment	242,856	249,090	169,417	370,082
Transportation	6,032	8,375	25,758	28,640
General Government	0	0	0	0
Operating Grants and Contributions	2,627,355	2,127,023	2,010,617	2,036,397
Capital Grants and Contributions	209,596	577,073	2,511,272	189,339
<i>Total Governmental Activities</i>	<u>4,442,702</u>	<u>4,319,610</u>	<u>6,201,395</u>	<u>3,965,384</u>
<i>Program Revenues</i>	<u>4,442,702</u>	<u>4,319,610</u>	<u>6,201,395</u>	<u>3,965,384</u>

City of Sharonville, Ohio

2015	2016	2017	2018	2019	2020
\$13,547,078	\$15,015,104	\$15,210,738	\$17,303,411	\$2,373,015	\$16,590,008
127,317	81,100	86,266	88,628	102,433	111,808
3,055,940	2,983,583	3,212,295	3,134,019	3,470,074	2,932,806
521,513	448,558	491,244	517,239	599,260	617,295
532,248	622,051	540,293	597,812	661,609	718,138
2,989,107	3,689,504	3,740,463	3,916,027	4,232,070	4,351,780
4,249,319	4,391,854	4,940,874	5,371,022	6,503,895	5,955,133
312,927	262,293	210,978	174,523	235,837	232,436
<u>25,335,449</u>	<u>27,494,047</u>	<u>28,433,151</u>	<u>31,102,681</u>	<u>18,178,193</u>	<u>31,509,404</u>
4,351,164	4,456,786	4,675,308	4,592,945	4,837,589	3,995,614
274,671	248,991	216,838	243,272	333,082	279,003
<u>4,625,835</u>	<u>4,705,777</u>	<u>4,892,146</u>	<u>4,836,217</u>	<u>5,170,671</u>	<u>4,274,617</u>
<u>\$29,961,284</u>	<u>\$32,199,824</u>	<u>\$33,325,297</u>	<u>\$35,938,898</u>	<u>\$23,348,864</u>	<u>\$35,784,021</u>
\$1,163,344	\$907,237	\$1,009,980	\$941,915	\$1,130,139	\$990,596
205	0	0	0	0	0
325,317	384,008	420,692	424,420	419,263	128,127
334,187	287,923	499,094	368,463	356,398	293,039
25,889	19,532	37,335	30,337	57,199	40,504
0	0	134	0	0	0
2,262,061	2,612,933	2,434,600	2,006,057	2,213,555	2,613,371
<u>2,112,686</u>	<u>195,493</u>	<u>436,952</u>	<u>206,160</u>	<u>196,617</u>	<u>801,726</u>
<u>6,223,689</u>	<u>4,407,126</u>	<u>4,838,787</u>	<u>3,977,352</u>	<u>4,373,171</u>	<u>4,867,363</u>

(continued)

City of Sharonville, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2011	2012	2013	2014
Business-type Activities:				
Charges for Services				
Convention Center	869,989	1,201,706	1,613,198	1,643,178
Senior Citizen Housing	264,277	287,648	283,775	298,235
Operating Grants and Contributions	2,982,402	3,103,120	2,871,154	3,146,799
Capital Grants and Contributions	0	0	0	0
<i>Total Business-type Activities</i>				
<i>Program Revenues</i>	4,116,668	4,592,474	4,768,127	5,088,212
<i>Total Primary Government</i>				
<i>Program Revenues</i>	8,559,370	8,912,084	10,969,522	9,053,596
Net (Expense)/Revenue				
Governmental Activities	(19,712,450)	(19,005,207)	(18,610,016)	(22,159,526)
Business-type Activities	318,608	67,326	146,756	514,667
<i>Total Primary Government</i>				
<i>Net (Expense)/Revenue</i>	(\$19,393,842)	(\$18,937,881)	(\$18,463,260)	(\$21,644,859)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Income Taxes	\$19,970,964	\$20,413,196	\$22,211,407	\$22,289,746
Other Local Taxes	89,592	115,628	189,934	197,499
Payments in Lieu of Taxes	788,376	0	547,938	490,620
Grants and Entitlements not Restricted to Specific Programs	1,326,156	887,933	1,917,434	1,139,430
Investment Earnings	15,512	309,911	85,082	155,836
Miscellaneous	978,878	459,307	551,581	1,080,772
Transfers	0	0	0	0
<i>Total Governmental Activities</i>	23,169,478	22,185,975	25,503,376	25,353,903
Business-type Activities:				
Transfers	0	0	0	0
<i>Total Business-type Activities</i>	0	0	0	0
<i>Total Primary Government</i>	\$23,169,478	\$22,185,975	\$25,503,376	\$25,353,903
Change in Net Position				
Governmental Activities	\$3,457,028	\$3,180,768	\$6,893,360	\$3,194,377
Business-type Activities	318,608	67,326	146,756	514,667
<i>Total Primary Government</i>				
<i>Change in Net Position</i>	\$3,775,636	\$3,248,094	\$7,040,116	\$3,709,044

Source: City Finance Office

City of Sharonville, Ohio

2015	2016	2017	2018	2019	2020
1,798,019	1,808,225	1,729,671	1,999,917	2,226,697	1,075,344
304,892	306,113	322,999	323,819	332,322	336,162
2,883,087	2,862,242	2,856,529	3,086,416	3,447,247	2,335,506
0	0	0	0	0	3,000,000
4,985,998	4,976,580	4,909,199	5,410,152	6,006,266	6,747,012
11,209,687	9,383,706	9,747,986	9,387,504	10,379,437	11,614,375
(19,111,760)	(23,086,921)	(23,594,364)	(27,125,329)	(13,805,022)	(26,642,041)
360,163	270,803	17,053	573,935	835,595	2,472,395
<u>(\$18,751,597)</u>	<u>(\$22,816,118)</u>	<u>(\$23,577,311)</u>	<u>(\$26,551,394)</u>	<u>(\$12,969,427)</u>	<u>(\$24,169,646)</u>
\$23,841,272	\$25,160,352	\$26,857,313	\$27,236,740	\$27,575,296	\$28,890,671
206,227	172,743	206,332	216,798	221,538	32,055
648,277	1,035,282	1,415,045	1,409,264	1,462,346	1,582,266
337,929	283,204	300,060	187,285	189,116	295,763
154,296	233,537	395,515	653,011	1,176,165	764,879
457,597	661,373	1,408,735	992,900	978,893	2,036,728
0	0	0	0	0	(41,000)
25,645,598	27,546,491	30,583,000	30,695,998	31,603,354	33,561,362
0	0	0	0	0	41,000
0	0	0	0	0	41,000
<u>\$25,645,598</u>	<u>\$27,546,491</u>	<u>\$30,583,000</u>	<u>\$30,695,998</u>	<u>\$31,603,354</u>	<u>\$33,602,362</u>
\$6,533,838	\$4,459,570	\$6,988,636	\$3,570,669	\$17,798,332	\$6,919,321
360,163	270,803	17,053	573,935	835,595	2,513,395
<u>\$6,894,001</u>	<u>\$4,730,373</u>	<u>\$7,005,689</u>	<u>\$4,144,604</u>	<u>\$18,633,927</u>	<u>\$9,432,716</u>

City of Sharonville, Ohio

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

	2011	2012	2013	2014
General Fund				
Nonspendable	\$44,636	\$43,071	\$35,267	\$51,398
Committed	90,050	160,085	171,476	72,426
Assigned	286,206	405,917	491,033	267,365
Unassigned	6,569,528	6,782,041	7,629,295	9,472,808
<i>Total General Fund</i>	<u>6,990,420</u>	<u>7,391,114</u>	<u>8,327,071</u>	<u>9,863,997</u>
All Other Governmental Funds				
Nonspendable	146,170	128,360	126,496	296,732
Restricted	5,184,934	5,696,440	5,618,202	5,772,932
Committed	220,130	1,093,355	1,111,908	518,140
Unassigned	(1,730,479)	(1,764,639)	(2,105,941)	(3,164,619)
Total All Other Governmental Funds	<u>3,820,755</u>	<u>5,153,516</u>	<u>4,750,665</u>	<u>3,423,185</u>
<i>Total Governmental Funds</i>	<u>\$10,811,175</u>	<u>\$12,544,630</u>	<u>\$13,077,736</u>	<u>\$13,287,182</u>

Source: City Finance Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

City of Sharonville, Ohio

2015	2016	2017	2018	2019	2020
\$50,618	\$53,466	\$55,007	\$61,733	\$22,240	\$23,993
402,833	601,947	706,968	625,512	683,349	746,872
741,664	783,774	989,350	1,133,656	918,923	1,779,212
<u>9,538,592</u>	<u>9,418,906</u>	<u>9,216,156</u>	<u>12,609,934</u>	<u>12,648,667</u>	<u>14,559,488</u>
<u>10,733,707</u>	<u>10,858,093</u>	<u>10,967,481</u>	<u>14,430,835</u>	<u>14,273,179</u>	<u>17,109,565</u>
335,509	197,539	165,149	132,870	155,146	163,638
7,717,489	7,750,357	9,439,614	11,712,416	13,586,702	12,374,141
1,804,497	3,943,203	7,807,121	7,213,647	11,632,437	11,565,332
<u>(2,894,642)</u>	<u>(2,396,660)</u>	<u>(2,464,341)</u>	<u>(2,001,509)</u>	<u>(4,831,605)</u>	<u>(6,738,562)</u>
<u>6,962,853</u>	<u>9,494,439</u>	<u>14,947,543</u>	<u>17,057,424</u>	<u>20,542,680</u>	<u>17,364,549</u>
<u>\$17,696,560</u>	<u>\$20,352,532</u>	<u>\$25,915,024</u>	<u>\$31,488,259</u>	<u>\$34,815,859</u>	<u>\$34,474,114</u>

City of Sharonville, Ohio

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

	2011	2012	2013	2014
Revenues:				
Taxes	\$20,441,385	\$21,073,012	\$22,643,497	\$23,268,446
Intergovernmental Revenues	3,919,570	3,459,320	4,043,194	3,512,276
Charges for Services	846,721	841,214	830,509	912,351
Licenses and Permits	525,503	533,099	474,164	658,217
Investment Earnings	15,512	18,599	85,082	155,836
Special Assessments	236,426	298,704	296,203	297,894
Fines and Forfeitures	427,874	446,816	385,746	366,993
All Other Revenue	770,398	310,193	387,599	672,156
Total Revenue	<u>27,183,389</u>	<u>26,980,957</u>	<u>29,145,994</u>	<u>29,844,169</u>
Expenditures:				
Current:				
Security of Persons and Property	11,643,831	11,723,745	12,030,985	12,241,157
Public Health and Welfare Services	374,322	369,086	387,357	368,868
Leisure Time Activities	2,481,596	2,587,134	2,625,215	2,597,876
Community Environment	584,908	482,632	467,141	499,794
Basic Utility Services	527,483	511,018	518,709	611,860
Transportation	2,113,934	2,265,281	1,786,230	2,166,899
General Government	3,400,002	3,193,038	4,021,247	4,079,195
Capital Outlay	2,286,976	2,285,638	4,996,877	5,506,072
Debt Service:				
Principal Retirement	1,783,777	1,426,471	1,411,529	1,375,000
Interest and Fiscal Charges	538,968	476,693	368,322	355,268
Advance Refunding to Escrow	0	854,584	0	0
Total Expenditures	<u>25,735,797</u>	<u>26,175,320</u>	<u>28,613,612</u>	<u>29,801,989</u>
Excess (Deficiency) of Revenues Over Expenditures	1,447,592	805,637	532,382	42,180

City of Sharonville, Ohio

2015	2016	2017	2018	2019	2020
\$24,531,434	\$26,022,842	\$27,881,958	\$28,931,872	\$30,064,291	\$28,728,957
4,552,180	3,065,887	3,570,382	2,959,993	2,440,907	4,349,858
925,983	929,165	1,027,395	1,018,777	988,421	586,522
546,038	492,497	708,908	584,614	569,385	503,502
154,296	233,537	395,515	653,011	1,176,165	764,879
304,279	292,594	301,436	312,960	302,169	305,143
437,446	294,165	202,789	213,603	200,261	65,509
264,374	249,742	452,321	388,239	737,709	1,187,094
<u>31,716,030</u>	<u>31,580,429</u>	<u>34,540,704</u>	<u>35,063,069</u>	<u>36,479,308</u>	<u>36,491,464</u>
12,386,571	12,834,365	13,266,013	13,666,889	14,284,582	13,857,512
131,092	75,032	78,047	82,656	87,827	105,049
2,486,569	2,417,275	2,454,530	2,346,050	2,335,104	2,103,013
513,219	482,053	480,135	460,705	505,276	558,331
532,248	622,051	540,293	597,812	661,609	718,138
1,793,813	2,060,580	1,931,875	2,038,696	2,022,315	2,116,283
3,896,980	4,309,051	4,586,871	4,714,390	5,038,068	5,472,691
3,925,065	5,161,445	4,720,564	6,648,391	8,508,790	12,394,191
1,425,000	1,460,000	1,535,000	65,000	105,225	110,225
313,515	264,221	213,422	174,690	236,038	232,683
0	0	0	0	0	0
<u>27,404,072</u>	<u>29,686,073</u>	<u>29,806,750</u>	<u>30,795,279</u>	<u>33,784,834</u>	<u>37,668,116</u>
4,311,958	1,894,356	4,733,954	4,267,790	2,694,474	(1,176,652)

(Continued)

City of Sharonville, Ohio

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

	2011	2012	2013	2014
Other Financing Sources (Uses):				
Sale of Capital Assets	285,304	21,791	17,293	18
Issuance of Capital Leases	0	108,000	0	0
General Obligation Refunding Bonds Issued	0	3,935,000	0	0
OPWC Loan Initiated	0	0	0	0
Premiums on Debt Issuances	0	291,312	0	0
Payment to Refunded Bond Escrow Agent	0	(4,144,334)	0	0
Transfers In	2,999,168	5,104,206	4,274,825	3,900,372
Transfers Out	(2,999,168)	(5,104,206)	(4,274,825)	(3,900,372)
Total Other Financing Sources (Uses)	<u>285,304</u>	<u>211,769</u>	<u>17,293</u>	<u>18</u>
Net Change in Fund Balance	<u>\$1,732,896</u>	<u>\$1,017,406</u>	<u>\$549,675</u>	<u>\$42,198</u>
Debt Service as a Percentage of Noncapital Expenditures	7.40%	11.73%	8.23%	6.90%

Source: City Finance Office

City of Sharonville, Ohio

2015	2016	2017	2018	2019	2020
0	861,893	0	3,611	54,339	12,045
0	0	0	0	0	0
0	0	0	0	0	0
58,065	41,845	852,239	1,339,758	545,802	63,087
0	0	0	0	0	0
0	0	0	0	0	0
4,955,949	6,104,792	8,075,878	5,193,481	8,904,782	6,007,279
(4,955,949)	(6,104,792)	(8,075,878)	(5,193,481)	(8,904,782)	(6,048,279)
<u>58,065</u>	<u>903,738</u>	<u>852,239</u>	<u>1,343,369</u>	<u>600,141</u>	<u>34,132</u>
<u>\$4,370,023</u>	<u>\$2,798,094</u>	<u>\$5,586,193</u>	<u>\$5,611,159</u>	<u>\$3,294,615</u>	<u>(\$1,142,520)</u>
7.24%	7.16%	7.05%	1.00%	1.32%	1.36%

City of Sharonville, Ohio

*Income Tax Revenues by Source, Governmental Funds
Last Ten Years*

Tax year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Income Tax Rate	1.50%	1.50%	1.50%	1.50%
Estimated Personal Income (in thousands)	\$621,753	\$635,706	\$681,187	\$668,630
Total Tax Collected	\$20,365,647	\$21,541,108	\$22,597,127	\$23,124,833
Income Tax Receipts				
Withholding	16,494,415	17,292,457	17,761,741	18,529,411
Percentage	80.99%	80.28%	78.60%	80.12%
Corporate	2,431,248	2,764,329	3,311,307	3,162,648
Percentage	11.94%	12.83%	14.65%	13.68%
Individuals	1,326,586	1,345,664	1,445,247	1,336,170
Percentage	6.51%	6.25%	6.40%	5.78%
Penalty and Interest	113,398	138,658	78,832	96,604
Percentage	0.56%	0.64%	0.35%	0.42%

Source: City Income Tax Department

City of Sharonville, Ohio

2015	2016	2017	2018	2019	2020
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
\$716,307	\$745,366	\$770,140	\$810,617	\$837,086	\$837,086
\$23,971,156	\$25,940,714	\$27,214,599	\$27,759,384	\$29,439,516	\$28,039,157
18,996,322	20,395,902	21,421,474	21,986,255	23,309,272	22,650,224
79.24%	78.63%	78.71%	79.21%	79.18%	80.78%
3,321,539	3,971,610	4,125,632	4,252,488	4,403,320	3,751,357
13.86%	15.31%	15.16%	15.32%	14.96%	13.38%
1,512,284	1,461,112	1,491,283	1,341,760	1,463,787	1,407,803
6.31%	5.63%	5.48%	4.83%	4.97%	5.02%
141,011	112,090	176,210	178,881	263,137	229,773
0.59%	0.43%	0.65%	0.64%	0.89%	0.82%



City of Sharonville, Ohio

*Income Tax Collections
Current Year and Nine Years Ago*

Calendar Year 2020						
<u>Income Tax Filers</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	10	0.10%	\$512,226,264	27.40%	\$7,683,394	27.40%
All Others	10,349	99.90%	1,357,050,936	72.60%	20,355,764	72.60%
Total	<u>10,359</u>	<u>100.00%</u>	<u>\$1,869,277,200</u>	<u>100.00%</u>	<u>\$28,039,158</u>	<u>100.00%</u>
Calendar Year 2011						
<u>Income Tax Filers</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	10	0.08%	\$401,925,911	29.60%	\$6,028,889	29.60%
All Others	13,000	99.92%	955,783,893	70.40%	14,336,758	70.40%
Total	<u>13,010</u>	<u>100.00%</u>	<u>\$1,357,709,804</u>	<u>100.00%</u>	<u>\$20,365,647</u>	<u>100.00%</u>

Source: City Income Tax Department

City of Sharonville, Ohio

Ratio of Outstanding Debt By Type Last Ten Years

	2011	2012	2013	2014
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$9,224,233	\$6,876,852	\$5,590,329	\$4,263,806
Special Assessment Bonds Payable	1,400,000	1,345,000	1,290,000	1,230,000
Ohio Public Works Commission Loan (OPWC)	0	0	0	0
Capital Leases	0	81,529	0	0
Business-type Activities ⁽¹⁾				
General Obligation Bonds Payable	\$3,205,537	\$2,556,812	\$1,878,087	\$660,000
Revenue Bonds Payable	27,728,083	27,740,608	27,753,133	27,765,658
Total Primary Government	<u>\$41,557,853</u>	<u>\$38,600,801</u>	<u>\$36,511,549</u>	<u>\$33,919,464</u>
Population ⁽²⁾				
City of Sharonville	13,560	13,560	13,560	13,560
Outstanding Debt Per Capita	\$3,065	\$2,847	\$2,693	\$2,501
Income ⁽³⁾				
Personal (in thousands)	621,753	635,706	681,187	668,630
Percentage of Personal Income	6.68%	6.07%	5.36%	5.07%

Sources:

- (1) City Finance Office
- (2) US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Sharonville, Ohio

2015	2016	2017	2018	2019	2020
\$2,887,283	\$1,475,760	\$0	\$0	\$0	\$0
1,170,000	1,110,000	1,045,000	980,000	915,000	845,000
58,065	99,910	952,149	2,291,907	2,797,484	2,820,346
0	0	0	0	0	0
\$450,000	\$230,000	\$0	\$0	\$0	\$0
<u>27,778,183</u>	<u>27,405,708</u>	<u>27,023,233</u>	<u>26,385,758</u>	<u>25,728,283</u>	<u>25,868,621</u>
<u>\$32,343,531</u>	<u>\$30,321,378</u>	<u>\$29,020,382</u>	<u>\$29,657,665</u>	<u>\$29,440,767</u>	<u>\$29,533,967</u>
13,560	13,560	13,560	13,560	13,560	13,560
\$2,385	\$2,236	\$2,140	\$2,187	\$2,171	\$2,178
716,307	745,366	770,140	810,617	837,086	837,086
4.52%	4.07%	3.77%	3.66%	3.52%	3.53%

City of Sharonville, Ohio

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2011	2012	2013	2014
Population ⁽¹⁾	13,560	13,560	13,560	13,560
Personal Income (in thousands) ⁽²⁾	\$621,753	\$635,706	\$681,187	\$668,630
General Bonded Debt ⁽³⁾				
General Obligation Bonds	\$12,429,770	\$9,433,664	\$7,468,416	\$4,923,806
Resources Available to Pay Principal ⁽⁴⁾	\$188,240	\$188,240	\$650	\$0
Net General Bonded Debt	\$12,241,530	\$9,245,424	\$7,467,766	\$4,923,806
Ratio of Net Bonded Debt to Estimated Personal Income	1.97%	1.45%	1.10%	0.74%
Net Bonded Debt per Capita	\$902.77	\$681.82	\$550.72	\$363.11

Source:

(1) U.S. Bureau of Census of Population

(2) Hamilton County Auditor

(3) Includes general obligation bonded debt of governmental and business-type activities.

(4) Includes only Debt Service funds available for general obligation bonded debt supported by income taxes.

City of Sharonville, Ohio

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
13,560	13,560	13,560	13,560	13,560	13,560
\$716,307	\$745,366	\$770,140	\$810,617	\$837,086	\$837,086
\$3,337,283	\$1,705,760	\$0	\$0	\$0	\$0
\$380,625	\$380,625	\$0	\$0	\$0	\$0
\$2,956,658	\$1,325,135	\$0	\$0	\$0	\$0
0.41%	0.18%	0.00%	0.00%	0.00%	0.00%
\$218.04	\$97.72	\$0.00	\$0.00	\$0.00	\$0.00



City of Sharonville, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2020*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Sharonville</u>	<u>Amount Applicable to the City of Sharonville</u>
Direct:			
City of Sharonville	\$3,665,346	100.00%	\$3,665,346
Overlapping:			
Princeton City School District	155,885,000	33.21%	51,769,409
Sycamore City School District	142,005,189	0.01%	14,201
Hamilton County	149,855,000	2.36%	3,536,578
Butler County	18,282,870	0.59%	107,869
		Subtotal	<u>55,428,057</u>
		Total	<u><u>\$59,093,403</u></u>

Source: Ohio Municipal Advisory Council

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

City of Sharonville, Ohio

*Debt Limitations
Last Ten Years*

Collection Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Total Debt				
Net Assessed Valuation	\$449,119,680	\$447,683,050	\$444,119,190	\$438,387,390
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	47,157,566	47,006,720	46,632,515	46,030,676
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Overall Legal Debt Margin	<u>\$47,157,566</u>	<u>\$47,006,720</u>	<u>\$46,632,515</u>	<u>\$46,030,676</u>
Unvoted Debt				
Net Assessed Valuation	\$449,119,680	\$447,683,050	\$444,119,190	\$438,387,390
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	24,701,582	24,622,568	24,426,555	24,111,306
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Overall Legal Debt Margin	<u>\$24,701,582</u>	<u>\$24,622,568</u>	<u>\$24,426,555</u>	<u>\$24,111,306</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding does not include General Obligation Bonds and Notes supported by income taxes. Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: City Finance Office

City of Sharonville, Ohio

2015	2016	2017	2018	2019	2020
\$442,092,870	\$447,113,160	\$460,768,290	\$463,922,960	\$465,077,070	\$526,400,260
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
46,419,751	46,946,882	48,380,670	48,711,911	48,833,092	55,272,027
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$46,419,751</u>	<u>\$46,946,882</u>	<u>\$48,380,670</u>	<u>\$48,711,911</u>	<u>\$48,833,092</u>	<u>\$55,272,027</u>
\$442,092,870	\$447,113,160	\$460,768,290	\$463,922,960	\$465,077,070	\$526,400,260
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
24,315,108	24,591,224	25,342,256	25,515,763	25,579,239	28,952,014
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$24,315,108</u>	<u>\$24,591,224</u>	<u>\$25,342,256</u>	<u>\$25,515,763</u>	<u>\$25,579,239</u>	<u>\$28,952,014</u>

City of Sharonville, Ohio

*Pledged Revenue Coverage
Last Ten Years*

	2011	2012	2013	2014	2015
Special Assessment Bonds (1)					
Special Assessment Collections	\$236,426	\$298,704	\$296,203	\$297,894	\$304,279
Debt Service					
Principal	0	55,000	55,000	60,000	60,000
Interest	50,425	50,425	49,490	48,555	47,535
Coverage	4.69	2.83	2.83	2.74	2.83
Convention Center Revenue Bonds (2) (3)					
Intergovernmental Revenues	\$0	\$0	\$0	\$0	\$0
Debt Service					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Coverage	0.00	0.00	0.00	0.00	0.00

(1) The GSA Property Road Special Assessment Bonds were issued in 2010, in the amount of \$1,400,000

(2) The Convention Center Revenue Bonds began debt service in 2016.

(3) Although not included above; General Fund Income Taxes are used as a pledge for credit purposes.

Intergovernmental Revenues of the Convention Center Fund have and are forecasted to be adequate resources.

Source: City Finance Office

City of Sharonville, Ohio

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$292,594	\$301,436	\$312,960	\$302,169	\$305,143
60,000	65,000	65,000	65,000	70,000
45,675	43,815	41,800	39,785	37,380
2.77	2.77	2.93	2.88	2.84
\$2,862,242	\$2,856,529	\$3,086,416	\$3,447,247	\$2,335,506
385,000	395,000	650,000	670,000	670,000
1,677,882	1,662,963	1,646,373	1,616,798	1,585,308
1.39	1.39	1.34	1.51	1.04

City of Sharonville, Ohio

Demographic and Economic Statistics Last Ten Years

Calendar Year	2011	2012	2013	2014
Population (1)				
City of Sharonville	13,560	13,560	13,560	13,560
Hamilton County	802,374	802,374	802,374	802,374
Income (2) (a)				
Total Personal (in thousands)	621,753	635,706	681,187	668,630
Per Capita	45,852	46,881	50,235	49,309
Unemployment Rate (3)				
Federal	8.9%	8.1%	7.4%	6.2%
State	8.6%	7.2%	7.4%	5.7%
Hamilton County	8.6%	7.0%	7.1%	5.3%
Civilian Work Force Estimates (3)				
State	5,806,000	5,474,900	5,765,700	5,719,500
Hamilton County	406,900	400,000	403,300	404,100

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation
- (3) State Department of Labor Statistics

City of Sharonville, Ohio

2015	2016	2017	2018	2019	2020
13,560	13,560	13,560	13,560	13,560	13,560
802,374	802,374	802,374	802,374	802,374	802,374
716,307	745,366	770,140	810,617	837,086	837,086
52,825	54,968	56,795	59,780	61,732	61,732
5.3%	4.9%	4.4%	3.9%	3.7%	81.1%
4.9%	4.9%	5.0%	4.6%	4.1%	8.1%
4.5%	4.3%	4.4%	4.1%	3.8%	7.8%
5,700,300	5,713,100	5,780,000	5,754,900	5,802,300	5,754,300
402,700	404,200	411,300	412,200	416,100	415,900



City of Sharonville, Ohio

*Principal Employers
Current Year and Nine Years Ago*

Employer	Nature of Business	2020	
		Rank	Number of Employees
Ford Motor Company	Auto Parts Manufacturing	1	N/A
United Parcel Service	Bulk Mail Processing	2	N/A
TSS Aviation	Manufacturing	3	N/A
US Postal Service	Bulk Mail Processing	4	N/A
General Mills	Cereal Manufacturing	5	N/A
Gorilla Glue	Manufacturing & Distribution	6	N/A
Princeton City School District	Public Education	7	N/A
Xtek Inc	Steel Fabrication	8	N/A
Jacobs Entineering Group Inc.	Engineering Consultants	9	N/A
Valley Asphalt / John R Jurgensen	Asphalt Mfg & Construction	10	N/A
Total			N/A

Employer	Nature of Business	2011	
		Rank	Number of Employees
Ford Motor Company	Auto Parts Manufacturing	1	N/A
US Postal Service	Bulk Mail Processing	2	N/A
United Parcel Service	Bulk Mail Processing	3	N/A
Princeton School District	Public Education	4	N/A
General Mills	Cereal Manufacturing	5	N/A
Xtek Inc	Steel Fabrication	6	N/A
TSS Aviation	Manufacturing	7	N/A
Valley Asphalt / John R Jurgensen	Asphalt Mfg & Construction	8	N/A
Hobsons Inc	Publishing & Technology	9	N/A
Champion	Manufacturing & Supply	10	N/A
Total			N/A

Sources:

City Income Tax Department

The City's Income Tax Department will not disclose number of employees due to privacy concerns.

City of Sharonville, Ohio

*Full Time Equivalent Employees by Function
Last Ten Years*

	2011	2012	2013	2014	2015
Governmental Activities					
General Government					
Finance	11.00	12.00	12.00	12.00	11.50
Legal/Court	2.00	2.00	2.00	2.00	2.00
Administration	6.00	6.00	6.00	6.00	6.00
Maintenance	5.00	6.00	6.00	6.00	5.50
Security of Persons and Property					
Police	43.00	46.00	46.00	46.00	48.00
Fire	48.00	55.50	56.50	56.50	50.50
Transportation					
Street	13.00	12.00	12.00	12.00	12.00
Leisure Time Activities					
Recreation	45.00	40.00	40.00	40.00	39.00
Parks and Grounds	7.00	9.00	9.00	9.00	9.00
Public Health and Welfare Services					
Health	5.00	5.00	5.00	4.00	0.50
Community Environment					
Building and Planning	8.00	7.00	5.00	5.00	5.00
Business-Type Activities					
Senior Citizen Housing	1.00	1.00	1.00	1.00	1.00
Convention Center	12.00	12.00	14.50	14.50	14.50
<i>Total Employees</i>	<u>206.00</u>	<u>213.50</u>	<u>215.00</u>	<u>214.00</u>	<u>204.50</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee.
An hour limit of 900 was used to differentiate between part time and seasonal.

Source: City Finance Office

City of Sharonville, Ohio

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
11.50	11.50	11.50	11.50	11.50
2.00	2.00	2.00	2.00	2.00
6.00	6.00	6.00	6.00	6.00
5.50	5.50	5.50	5.50	5.50
49.00	49.00	49.00	49.00	49.00
51.50	50.00	50.00	50.00	50.00
12.00	12.00	12.00	12.00	12.00
38.50	37.00	31.00	31.00	31.00
8.00	8.00	6.00	6.00	6.00
0.50	0.50	0.50	0.50	1.00
5.00	5.50	5.50	5.50	5.50
1.00	1.00	1.00	1.00	1.00
14.50	15.50	15.50	15.50	11.00
<u>205.00</u>	<u>203.50</u>	<u>195.50</u>	<u>195.50</u>	<u>191.50</u>

City of Sharonville, Ohio

*Operating Indicators by Function
Last Ten Years*

	2011	2012	2013	2014	2015
Governmental Activities					
General Government					
Court					
Number of Traffic Cases	4,552	3,709	3,296	2,800	2,948
Number of Open Cases	135	136	128	85	73
Licenses and Permits					
Number of Building Permits	630	613	492	500	572
Number of Building Inspections	1,587	1,690	1,323	923	1,693
Security of Persons and Property					
Police					
Number of Citations Issued	3,775	3,505	3,565	2,860	4,629
Number of Arrests	940	876	1,025	1,102	778
Number of Accidents	845	810	852	957	1,461
Fire					
Number of Fire Calls	1,340	1,422	1,471	1,676	1,340
Number of EMS Runs	2,242	2,557	2,139	2,264	2,282
Number of Inspections	1,085	1,016	1,012	1,195	1,055
Transportation					
Street					
Number of Streets Resurfaced	12	6	10	2	5
Number of Potholes Repaired	200	300	300	275	225
Leisure Time Activities					
Recreation					
Number of Programs Offered	120	150	175	200	225
Number of Pool Passes Issued	1,952	3,565	3,434	3,295	3,160

Source: City Finance Office

City of Sharonville, Ohio

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
2,148	1,078	1,503	1,748	1,242
44	72	104	138	107
523	620	460	572	720
1,025	1,067	1,319	877	861
3,015	2,661	2,233	1,931	1,984
626	522	569	708	430
1,443	1,511	1,475	1,438	1,007
1,424	1,644	1,781	2,228	1,840
2,375	2,785	2,722	2,952	2,693
1,366	1,030	1,094	1,048	1,079
10	12	20	14	8
150	165	160	175	170
250	250	250	250	175
3,050	2,730	2,704	3,632	359

City of Sharonville, Ohio

*Capital Asset Statistics by Function
Last Ten Years*

	2011	2012	2013	2014	2015
Governmental Activities					
General Government					
Public Land and Buildings					
Land (acres)	6,848	6,848	6,848	6,848	6,848
Buildings	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	23	23	23	23	23
Fire					
Stations	3	3	3	3	3
Vehicles	20	17	17	18	18
Transportation					
Street					
Streets (lane miles)	135	135	135	135	135
Street Lights	936	936	936	936	936
Vehicles	17	17	17	17	17
Leisure Time Activities					
Recreation					
Land (acres)	35	46	46	46	46
Buildings	2	2	2	2	2
Parks	4	4	4	4	4
Playgrounds	4	4	4	4	4
Swimming Pools	2	2	2	2	2
Tennis Courts	5	5	5	5	5
Baseball/Softball Diamonds	14	14	14	14	14
Soccer Fields	11	13	13	13	13
Business-Type Activities					
Senior Citizen Housing					
Buildings	3	3	3	3	3
Convention Center					
Buildings	1	1	1	1	1

Source: City Finance Office

City of Sharonville, Ohio

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
6,848	6,851	6,851	6,850	6,850
1	1	1	1	1
1	1	1	1	1
23	23	23	23	23
3	3	3	3	3
18	18	19	20	20
135	135	135	135	135
936	936	936	936	936
17	18	19	19	20
46	46	46	46	46
2	2	2	2	2
4	4	4	4	4
4	4	4	4	4
2	2	2	2	1
5	5	5	5	5
14	14	14	14	14
13	13	13	13	13
3	3	3	3	3
1	1	1	1	1



OHIO AUDITOR OF STATE KEITH FABER



CITY OF SHARONVILLE

HAMILTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 10/19/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov