

# City of Sidney Ohio



## Annual Comprehensive Financial Report

For the Year Ended  
December 31, 2021

**City of Sidney, Ohio**  
**Annual Comprehensive Financial Report**  
**Year Ended December 31, 2021**



**Prepared by:**  
**Finance Department**  
**Renee DuLaney, CPA, Finance Officer**

OHIO AUDITOR OF STATE  
KEITH FABER



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Members of City Council and Mayor  
City of Sidney  
201 West Poplar Street  
Sidney, Ohio 45365

We have reviewed the *Independent Auditor's Report* of the City of Sidney, Shelby County, prepared by Julian & Grube, Inc., for the audit period January 1, 2021 through December 31, 2021. 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 Sidney 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

August 01, 2022

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**City of Sidney**  
**Annual Comprehensive Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2021**

**Page**

**I. INTRODUCTORY SECTION**

A.	LIST OF PRINCIPAL OFFICIALS	i
B.	LETTER OF TRANSMITTAL	ii – x
C.	CITY ORGANIZATIONAL CHART	xi
D.	CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	xii

**II. FINANCIAL SECTION**

A.	INDEPENDENT AUDITORS' REPORT	1-3
B.	MANAGEMENT'S DISCUSSION AND ANALYSIS	4-16
C.	BASIC FINANCIAL STATEMENTS	

**Government-wide Financial Statements**

	Statement of Net Position	17
	Statement of Activities	18

**Fund Statements**

	Balance Sheet – Governmental Funds	19
	Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	20
	Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	21
	Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
	Statement of Net Position – Proprietary Funds	23
	Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	24
	Statement of Cash Flows – Proprietary Funds	25
	Statement of Fiduciary Net Position – Fiduciary Funds	26
	Statement of Changes in Fiduciary Net Position – Fiduciary Funds	27

**City of Sidney**  
**Annual Comprehensive Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2021**

**Page**

	<u><i>Notes to the Basic Financial Statements</i></u>	28-68
D.	REQUIRED SUPPLEMENTARY INFORMATION	
	Proportionate Share of the Net Pension Liability – Ohio Public Employees Retirement System	69
	Proportionate Share of the Net Pension Liability – Ohio Police & Fire Pension Fund	70
	Schedule of Ohio Public Employees Retirement System Pension Payments– Last Ten Years	71
	Schedule of Ohio Police and Fire Pension Fund Payments – Last Ten Years	72
	Proportionate Share of the Net OPEB Liability(Asset) – Ohio Public Employees Retirement System	73
	Proportionate Share of the Net OPEB Liability – Ohio Police & Fire Pension Fund	74
	Schedule of Ohio Public Employees Retirement System OPEB Payments– Last Ten Years	75
	Schedule of Ohio Police and Fire OPEB Fund Payments – Last Ten Years	76
	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – General Fund	77
	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – Street Repair & Maintenance Fund	78
	Notes to the Required Supplementary Information	79-80
E.	SUPPLEMENTAL SECTION	
	<u><i>Fund Descriptions - Non-major Governmental Funds</i></u>	82-84
	<u><i>Combining Statements – Non-Major Governmental Funds:</i></u>	
	Combining Balance Sheet – Non-major Governmental Funds	85
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds	86
	Combining Balance Sheet – Non-major Special Revenue Funds	87-90

**City of Sidney**  
**Annual Comprehensive Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2021**

<u>Page</u>	
91-94	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Special Revenue Funds
95	<b><u>Fund Descriptions - Non-major Enterprise Funds</u></b>
	<b><u>Combining Statements – Non-Major Enterprise Funds:</u></b>
96	Combining Statement of Net Position – Non-major Enterprise Funds
97	Combining Statement of Revenues, Expenses and Changes in Net Position– Non-major Enterprise Funds
98	Combining Statement of Cash Flows – Non-major Enterprise Funds
99	<b><u>Fund Descriptions- Internal Service Funds</u></b>
	<b><u>Combining Statements – Internal Service Funds:</u></b>
100	Combining Statement of Net Position – Internal Service Funds
101	Combining Statement of Revenues, Expenses and Changes in Net Position– Internal Service Funds
102	Combining Statement of Cash Flows – Internal Service Funds
103	<b><u>Fund Descriptions – Fiduciary Funds</u></b>
	<b><u>Combining Statements – Fiduciary Funds:</u></b>
104	Combining Statement of Net Position – Custodial Funds
105	Combining Statement of Changes in Net Position – Custodial Funds
106	Combining Statement of Net Position – Private-Purpose Trust Funds
107	Combining Statement of Changes in Net Position – Private-Purpose Trust Funds
	<b><u>Budget-to-Actual Schedules – General Fund</u></b>
108-110	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control - General Fund

**City of Sidney**  
**Annual Comprehensive Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2021**

**Page**

**Budget-to-Actual Schedules – Major Special Revenue Fund**

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Street Repair & Maintenance Fund	111
--	-----

**Budget-to-Actual Schedules – Non-major Special Revenue Funds**

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – C.D.B.G. Fund	112
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – C.D.B.G. Revolving Loan Fund	112
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – C.D.B.G. Program Income Fund	113
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Cemetery Fund	113
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Cemetery Maintenance Fund	114
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control –Convention & Visitors’ Bureau Fund	114
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – County Auto License Fund	115
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – CRA Fund	115



**City of Sidney**  
**Annual Comprehensive Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2021**

<u>Page</u>	
116	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Drug Law Enforcement Fund
116	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – E-911 Wireless Fund
117	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control–Enforcement & Education Fund
117	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – F.E.M.A. Grant Fund
118	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Fire Loss Security Fund
118	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Health Department Building Lease Fund
119	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – H.O.M.E. Program Income Fund
119	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Indigent Driver Alcohol Treatment Fund
120	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Indigent Driver Alcohol Treatment – Surplus Fund
120	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control –Indigent Driver Interlock & Alcohol Monitoring Fund

**City of Sidney**  
**Annual Comprehensive Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2021**

	<u>Page</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Justice Reinvestment Incentive Fund	121
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Law Enforcement Fund	121
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control — Law Enforcement Diversion Grant Fund	122
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control — Local Coronavirus Relief Grant Fund	122
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control — Local Fiscal Recovery (ARPA) Fund	123
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Mausoleum Maintenance Fund	123
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Municipal Court Computer Fund	124
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Municipal Court Special Projects Fund	124
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Neighborhood Stabilization Program Grant Fund	125
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control–Parking Enforcement Fund	125

**City of Sidney**  
**Annual Comprehensive Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2021**

	<u>Page</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Permissive License Fee Fund	126
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Probation Grant Fund	126
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Probation Services Fee Fund	127
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – State Highway Fund	127
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – TIF- Echo Fund	128
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – TIF- Kuther Road Fund	128
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – TIF- Menards Fund	129
 <b><u>Budget-to-Actual Schedules – Capital Projects Funds</u></b>	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Capital Improvement Fund	130
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Municipal Earned Income Tax for Street Capital Fund	131
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Capital for Fire Station #3 Fund	131

**City of Sidney**  
**Annual Comprehensive Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2021**

**Page**

**III STATISTICAL SECTION**

Narrative overview	133
Schedule 1 – Net Position by Category – Last Ten Fiscal Years	134
Schedule 2 – Changes in Net Position – Last Ten Fiscal Years	135-136
Schedule 3 – Fund Balances, Governmental Funds – Last Ten Fiscal Years	137
Schedule 4 – Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years	138
Schedule 5 – Income Tax by Payer Type and Income Tax Rate – Last Ten Fiscal Years	139
Schedule 6 – Ranking of Top Ten Income Tax Withholders, Current Year and Nine Years Ago	140
Schedule 7 – Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	141
Schedule 8 – Ratios of Outstanding Debt and Legal Debt Margins – Last Ten Fiscal Years	142
Schedule 9 – Debt Service Coverage Business Type Activities – Last Ten Fiscal Years	143
Schedule 10 – Computation of Direct and Overlapping General Obligation Debt – December 31, 2021	144
Schedule 11 – Demographic and Economic Statistics – Last Ten Fiscal Years	145
Schedule 12 – Principal Employers – Current Year and Nine Years Ago	146
Schedule 13 – Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years	147
Schedule 14 – Operating Indicators by Function / Program – Last Ten Fiscal Years	148
Schedule 15 – Capital Asset and Infrastructure Statistics by Function / Program – Last Ten Fiscal Years	149

**CITY OF SIDNEY, OHIO  
LIST OF PRINCIPAL OFFICIALS  
DECEMBER 31, 2021**

**CITY COUNCIL MEMBERS**

Martha Milligan, Mayor

Steve Wagner, Vice-Mayor

Mike Barhorst

Steve Klingler

Jenny VanMatre

Joe Moniaci

Scott Roddy

**CITY MANAGER**

Andrew Bowsher

**LAW DIRECTOR**

David Busick

**CITY CLERK**

Kari Egbert

**SENIOR DIRECTORS**

Renee DuLaney, CPA

Finance Officer

William Balling

Police Chief

Jon Crusey

Public Works Director

Barbara Dulworth

Community Development Director

Duane Gaier

Parks & Recreation Director

Chad Hollinger

Fire Chief

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City of Sidney

**Letter of Transmittal for 2021 Annual Comprehensive Financial Report**

June 27, 2022

Honorable Mayor, Members of City Council and Citizens of the Sidney, Ohio:

The Annual Comprehensive Financial Report (ACFR) of the City of Sidney, Ohio for the year ended December 31, 2021, is hereby submitted for your review.

Ohio law requires that cities file their annual financial reports with the Ohio Auditor of State's office. Additionally, the Ohio Administrative Code requires that those reports be prepared pursuant to accounting principles generally accepted in the United States of America. The preparation of this ACFR represents the commitment of the City of Sidney to adhere to nationally recognized standards of excellence in financial reporting.

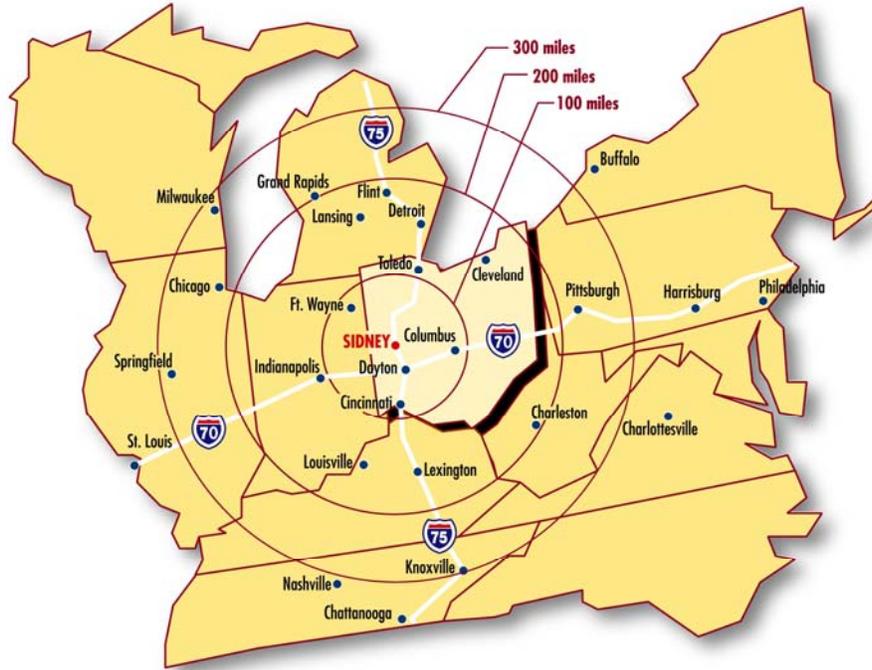
City of Sidney staff prepared all statements, schedules, and other presentations in this report. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control established for this purpose. Since the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

The independent accounting firm of Julian & Grube, Inc. audited the basic financial statements of the City of Sidney that are included in this report. The financial statements have received an unmodified ("clean") opinion. The independent auditor's report is located at the front of the financial section of this report. The audit was designed to meet the requirements of the Federal Single Audit Act and the related Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The auditors' report on internal controls and compliance with applicable laws and regulations can be found in a separately issued single audit report.

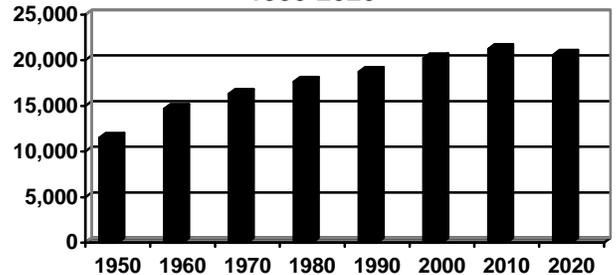
## PROFILE OF THE CITY

The City of Sidney contains approximately 12.1 square miles and is located in west central Ohio, approximately 37 miles north of Dayton, 85 miles west of Columbus, 100 miles south of Toledo, and 120 miles east of Indianapolis. The City is serviced by Interstate 75 and State Routes 29 and 47, as well as CSX and Conrail railroads. The City of Sidney is the county seat of Shelby County and is the only city within the county.



The City's population growth trend averaged an 11.0% increase per decade from 1950 to 2010. The 2020 Census reported a total population of 20,589, a decrease of 3.0% over the 2010 census. This trend mirrors Shelby County's 2020 census with a population of 48,230, which experienced a 2.4% decrease in population since 2010.

**City of Sidney Population  
1950-2020**



### Municipal Services and Facilities

Sidney is a total service community providing a broad range of services for the citizens of the community, including: police and fire protection; emergency medical / ambulance services; water treatment and distribution; sanitary sewer and waste water treatment services; storm water monitoring and management; street construction and maintenance; refuse / garbage collection and disposal; parks and recreation facilities and programs; operation and maintenance of a municipal cemetery; operation



and maintenance of a municipal airport; and operation and maintenance of a county-wide transit system.

### **Governmental Organization**

In 1954, the voters of Sidney adopted a charter and approved a council-manager form of government. Accordingly, the City may exercise all powers of local self-government under the Ohio Constitution to the extent not in conflict with applicable general laws of the State. This form of “home rule” provides a great measure of local administrative and legislative control and efficiencies while maintaining direct participation by the residents of the community.

The legislative authority of the City is vested in a seven-member Council. Three members are elected at large and four represent specific wards of the City. Council members are elected to overlapping four-year terms. The Council enacts legislation to provide for City services, adopts budgets, levies taxes, borrows money, licenses and regulates businesses and trades, and performs such other duties consistent with the Charter. The presiding officer of the Council is the Mayor, who is a member of Council. The Mayor is elected to that position by a vote of the Council members. Council positions, including the Mayor, are part-time positions. The chief executive and administrative officer of the City is the City Manager, who is appointed for an indefinite term and serves at the pleasure of Council.

### **Budgetary Controls**

City Council adopts an annual budget for all funds and approves subsequent amendments to that budget as needed. The annual budget serves as the foundation for the City’s financial control. The “legal level of control” is the level of detail as approved by Council in its appropriation ordinances. Total expenditures and encumbrances cannot exceed the amount approved by Council at the legal level of control. Legal level of control for the City of Sidney is based on object of expenditure for each department as follows: 1) Personal Services and 2) Contractual, Materials and Other.

As a budgetary control, a purchasing control system is maintained which generally requires that an applicable appropriation be encumbered, or reserved, before a purchase may be made or a contract executed.

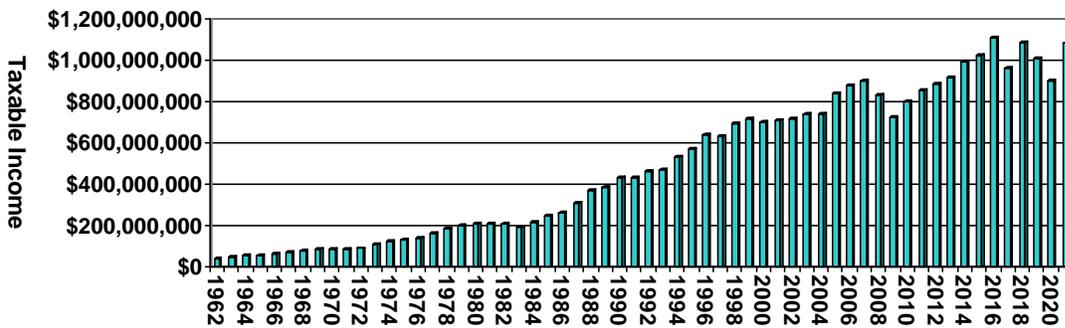
## **ECONOMIC CONDITIONS AND OUTLOOK**

### **Economic Environment - Historically**

Sidney’s history as a strong industrial center is rooted in its strategic location. The construction of the Miami-Erie Canal between 1825 and 1837 connected Sidney with the major trade centers in Ohio to the north and south. The need for labor to construct the canals provided an influx of settlers to the area. The opening of the canal in 1837 brought an increase in regional trade and the first significant period of economic growth in Sidney. As the influence of the canal declined, railroads emerged. East-west rail began to be laid in Sidney in 1851, followed by north-south rail in 1856. The rail system offered a more rapid and economical means of transport for goods and passengers, further enhancing growth in Sidney. Sidney is still served by these railroad lines today. The construction of I-75 through Sidney in 1962 was another major event in the City’s development. Creating a transportation link between Michigan and Florida, the interstate sparked an inflow of automobile-related factories, as well as warehouse and distribution facilities. Today, Sidney has four interchanges on Interstate 75, providing quick and convenient access for both commercial and industrial users.

The local economy grew at a robust pace from 1962 through 1999, reflected by an average growth rate in the City of Sidney income tax base of 8.0% per year. Average annual growth dropped to an anemic 0.4% during the decade from 2000 to 2009 which the City lost nearly 20% of its tax base over a two-year period from 2007 to 2009. During the last decade (2010-2019), Sidney’s tax base recovered from the Great Recession and increased approximately 3.7% per year. The volatility in tax base experienced in 2017 through 2019 can be traced to two large taxpayers changing their estimated taxable income from one tax year to the next. At the start of the current decade (2020) the effects of the COVID-19 pandemic had a major impact on income taxes which decreased 10.8% from 2019. In 2021, the income taxes returned to above pre-pandemic levels reflecting a 6.9% over 2019 and 19.8% over 2020.

### City of Sidney Income Tax 1962-2021



### 2020 Economic Activity and Outlook for the Future

Sidney is a City with fundamental strengths – interstate highway location, a large and diverse industrial foundation, stable political environment, long-term close relationship between City government and the private sector, developable land, and capacity to provide services as the City grows.

The City of Sidney has a strong industrial base that is diversified and not dependent upon one sector of the economy. Shelby County has the highest percentage (38%) of manufacturing jobs per capita of all counties in Ohio.

The ten largest employers operating within the City in 2021 were:

<u>Employer</u>	<u>Primary Business</u>	<u>Average number of employees</u>
Emerson Climate Technologies	Air compressor manufacturing	1,705
Wilson Health	Acute care facility	812
NK Parts Industries	Test, assemble, and ship auto parts	586
Freshway Foods	Processor of fresh foods	410
American Trim	Auto and appliance stamping	402
Area Energy & Electric, Inc	Electrical, heating & plumbing services	342
Advanced Composites	Plastic supplier to automotive industry	330
Sidney City Board of Education	Public education	286
Norcold	Refrigerators for the RV, marine & truck industries	280
Ferguson Construction Co	General contracting, commercial, and industrial construction services	271

*Source: Sidney-Shelby Economic Partnership*

In addition, a Honda of America Mfg., Inc. auto engine plant with approximately 3,000 employees is located just eight miles outside of the City. It is Honda's largest engine plant in the world and significantly benefits the City's industrial, commercial, residential and income tax bases. Honda is a major source of income tax revenue for the City because it employs a large number of Sidney residents. Honda withholds City income tax on its employees who reside in the City.

The City utilizes, where appropriate, the creation of Community Reinvestment Act (CRA) areas and related CRA tax abatements and Enterprise Zone abatements (EZ). Both EZ's and CRA's are economic development tools designed to provide property tax abatement. Sidney has five CRA areas that were created since 1994, one of which is the downtown area. The downtown area CRA boundary has been expanded adding the ability to abate 100% of the increased property taxes for fifteen years for remodeling or new construction of one- and two-family dwellings and increase the abatement of new or existing commercial structures from ten years to fifteen years. Other development programs, such as the Shelby County Land Reutilization Corporation, or land bank, and the City's vacant property registration program, have been designed to help to stop deterioration and stabilize neighborhoods and preserve and protect the property values of existing properties. The establishment of a Revitalization District is key to developing new dining options in the downtown area by allowing additional liquor permits which led to a Designated Outdoor Refreshment Area (DORA) being established in 2020.

The City works to promote and encourage economic development. The City makes available a Municipal Job Creation Income Tax Credit program and a Municipal Job Retention Grant Program. Where appropriate, the City utilizes tax increment financing (TIF) as an economic development tool to help grow our community. The City's first TIF arrangement, entered into during 2006, opened up approximately 43 acres on the west end of the City for commercial development. The TIF arrangement is an economic development tool that, in this case, financed the elimination of the sewer pump station at the corner of Vandemark Road and Fair Road and the construction of a 24" extension of the Southwest Sanitary Sewer Interceptor. In 2007, the City arranged its second TIF arrangement to finance the construction of water and sewer infrastructure that not only allowed an area manufacturer to relocate its operations within the City, but also opened up an additional 290 acres for

possible future industrial development. In 2009, another TIF arrangement was approved to finance future construction of public infrastructure to serve the Echo Business Center subdivision located on Vandemark Road.

Sidney's largest employer, Emerson Climate Technologies, is in the process of a four-year \$100 million expansion and renovation of their labs and offices in Sidney. The first phase, completed in 2019, included the construction of a two-story 20,000 square foot office addition, a new main entry and guard house, and exterior refacing of the building. Phase two of construction is underway which, when complete, will add 110,000 square feet of engineering lab and testing space. Such space will provide a cutting-edge environment to conduct advanced performance and refrigerants testing with compressors, controls, electronics and other products. To ensure project success, the City provided three types of economic development assistance – partnering with the Dayton-Montgomery County Port Authority to essentially provide Emerson with sales tax relief on the materials purchased for the renovation, granting a four-year Municipal Income Tax Job Retention Tax Credit, and awarding a ten-year, 75% Enterprise Zone (EZ) property tax abatement on the increased value of the improvements.

In 2019, Cargill, Inc. announced plans to invest approximately \$225 million at their Sidney site, increasing its integrated soybean crush capacity and modernizing its operations. When completed, the Sidney facility will be the largest soybean crushing facility in North America. As a significant water user, the City assisted Cargill by offering them the City's Business Water Rate Rebate Program. This new "tool" in the City's economic development tool box offers a sliding discount on their additional water usage over a 10-year period. This program is reserved for either existing businesses that increase their water usage by at least 20% and use more than 100,000 ccf annually or new businesses that use more than 100,000 ccf annually. The City also awarded Cargill a 10-year, 75% Enterprise Zone (EZ) property tax abatement on the increased value of the property improvements.

According to 2020 United States Census Data, Shelby County realizes a net gain of 3,687 workers on a daily basis. While Sidney and Shelby County import a significant portion of their workers, surrounding counties realize a net loss. Miami County sustains a net loss of 7,327 workers per day, Darke County losses 6,071 workers, Champaign County losses 5,164 workers, Logan County losses 996 workers, and Auglaize County losses a net 527 workers each day.

In order to fund both multi-million dollar wastewater plant and sewer system capital and operating upgrades required by the Ohio Environmental Protection Agency (Ohio EPA) and the acquisition and construction of a new water source, significant utility rate increases were implemented in 2013 through 2015. Such increases contributed to Sidney's combined water and sewer charges dropping from 5<sup>th</sup> lowest in a City of Oakwood survey of 63 area communities in 2012 to 60<sup>th</sup> in that same survey for 2015. Since many area communities have experienced the same regulatory burden and mandated cost outlays, Sidney has improved in the rankings from 60<sup>th</sup> highest in 2015 to 53<sup>rd</sup> highest in 2021. That trend is expected to continue. The combined water and sewer charges for neighboring City of Piqua ranked 1% lower than Sidney in 2015. By 2021, the City of Piqua's combined rate now ranks 37% *greater* than Sidney.

Looking at a more comprehensive cost comparison, the City of Sidney ranks as a low cost city. A 2013 City of Troy survey that rated certain Quality of Life Costs in Southwest Ohio communities, Sidney ranked the lowest cost out of 31 area cities. "Quality of Life Costs" ranked in this survey included such expenses as household property & income taxes; refuse, storm water and license plate fee; and water and sewer costs. Tipp City conducted a similar study in 2009 and Sidney ranked the

lowest cost city when compared to 27 area cities. Most recently, in 2015, the City of Piqua conducted a Municipal Cost Comparison, adding electric charges as one of the variables. Sidney ranked as the 29<sup>th</sup> lowest cost of the 31 cities Piqua surveyed. To achieve such a favorable outcome in light of the City's recent utility rate increases speaks favorably for the City of Sidney's economic environment.

Another factor that contributes to the growth and stability in Sidney is a spirit of cooperation between the public and private sectors. The Sidney-Shelby Economic Partnership (SSEP) is a non-profit corporation organized to create more employment opportunities and retain the existing employment base in the Sidney and Shelby County area. As a response to area employers seeking qualified employees to fill positions, SSEP introduced and continues to develop the Workforce Academy. The Academy works in the Sidney City School system to introduce students to the various careers available teaching them the skills necessary to enter those careers. The program has grown from 50 students to over 1,900 students.

To encourage further economic growth, the City has reserved vacant acreage considered choice industrial sites in an Industrial Zoning Classification. These sites generally have all utilities within connection distance. For six years now (2016 to 2021) the City of Sidney has been listed in the prestigious Top 100 Micropolitan list by Site Selection magazine. Sidney was ranked 19<sup>th</sup> in 2021. Site Selection's award focuses on new corporate facility projects with significant impact, including headquarters, manufacturing plants, research & development operations and logistics sites, among others. The Office of Management and Budget (OMB) has identified 551 micropolitans in the United States. The OMB defines a micropolitan statistical area as one or more adjacent counties that has one urban core area (a city) of at least 10,000, but less than 50,000, plus adjacent territory that has a high degree of social and economic integration with the core (measured by commuting ties).

The City had one such certified site – the Sidney Ohio Industrial Park. In May 2022, this site was sold to SEMCorp. Sidney landed the biggest foreign commercial investment in Ohio history. SEMCorp during the initial phase will establish an 850,000 square foot manufacturing facility to produce lithium-ion battery separator film. This company plans to have 1,200 workers by the year 2025. This manufacturer will be primarily involved in the electric vehicle industry and energy storage supply chains. To ensure project success, the City provided economic development assistance by granting a ten-year Municipal Income Tax Job Creation Tax Credit, and awarding a ten-year, 75% Enterprise Zone (EZ) property tax abatement on the increased value of the improvements.

A second certified site – the Amos Industrial Park – was sold to a MSGA development in late 2020. Ground breaking began in September 2021 for the new Burr Oak Subdivision. This site will be comprised of 238 lots which includes 222 single family residential lots, two multi-family lots and six commercial lots. This is the city's first major residential subdivision development in approximately 30 years. The City entered into a tax incremental financing (TIF) district for this project to help with this economic development.

Another potential redevelopment site of 5.4 acres is - the Wagner Site. To clear this current Wagner site a \$2 million brownfield redevelopment funds has been awarded from the State of Ohio. Once the site is demolished and environmental remediation is complete this will be available for redevelopment.

### **Focuses on Long –Term Planning and Financial Policies**

The City Council and staff of the City of Sidney are committed to making financial decisions based on a long-term perspective and rooted in sound financial policies. City Council has adopted a

comprehensive set of financial policies covering subjects such as fund balance reserves, debt, user charge coverage, and budget-balancing strategies. Council and staff review these policies each year. Those policies act as guardrails around the decisions made by staff and Council. One very important such policy is that the City will maintain a long-term focus in its financial planning activities. Toward that end, City Council adopts an annual update to a five-year capital and operating financial plan.

The product of the five-year plan is a set of strategies for maintaining financial stability and compliance with our financial policies. The City has used this planning process to make early identification of financial trends and timely implementation of financial strategies to counteract the impact of economic downturns. Mid-year updates of the five-year financial plan were first utilized during the Great Recession and at various points since that time when faced with unanticipated revenue declines. The goal is to make timely expenditure reductions as necessary to maintain fiscal stability for now and the future.

Standard & Poor's has acknowledged the City's "strong financial management policies" and in 2009 upgraded the City's bond rating to AA. Standard & Poor's reaffirmed that rating in 2010, 2011, 2013, and 2014 and again in 2020. City staff and Council are committed to making the financial adjustments necessary to maintain the strong financial position of the City.

### **Major Initiatives**

#### **For the Year and the Future:**

- In November 2019, Sidney's voters approved a 0.15% five-year additional income tax restricted for the construction, reconstruction, resurfacing and maintenance of streets, alleys, bridges, and related curbs and gutters. This additional tax began with tax year 2020 and sunsets with tax year 2024. During the same November 2019 ballot, Sidney voters did not approve the requested 0.15% permanent additional income tax for the building and staffing of a third fire station. Funding for such a third station is dependent upon voters' approval of a tax levy.
- The City received approximately \$2.0 million from the Federal Coronavirus Aid, Relief, and Economic Security Act (CARES) Act to pay for necessary expenditures incurred beginning in March 2020 through December 31, 2021 due to the COVID-19 public health emergency. Guidance on eligible expenditures came from the U.S. Treasury and the Ohio Office of Budget & Management. The majority of these funds reimbursed the City's General Fund for public safety expenditures included in the 2020 and 2021 budget, and deemed essential for the COVID-19 emergency by the U.S. Treasury and the Ohio Office of Budget & Management.
- The American Rescue Plan Act (ARP) passed in March of 2021 provides additional financial relief to address the continued impact of COVID-19 on the economy. The City is expected to receive approximately \$2.15 million. These funds which will be paid in two payments are restricted by the U.S Treasury guidelines the City received the first payment in mid-2021 and the second payment is expected to be received mid-2022. These funds are required to be encumbered by December 31, 2024.

At all times during this process, the financial planning is based upon a five-year future period and maintenance of cash reserves in accordance with the City's cash reserves policy over the five-year planning period.

## AWARDS

*Certificate of Achievement for Excellence in Financial Reporting.* 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 Sidney for its annual comprehensive financial report for the fiscal year ended December 31, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The City of Sidney has received the Certificate of Achievement for twenty-three consecutive years. We believe that this annual comprehensive financial report for the year ended December 31, 2021 continues to meet the Certificate of Achievement Program's requirements and we will submit it to the GFOA to determine its eligibility for another certificate.

*Distinguished Budget Presentation Award.* The City received the GFOA's Distinguished Budget Presentation Award for its annual budget document for 2021, the twenty-second consecutive year the City has received this award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

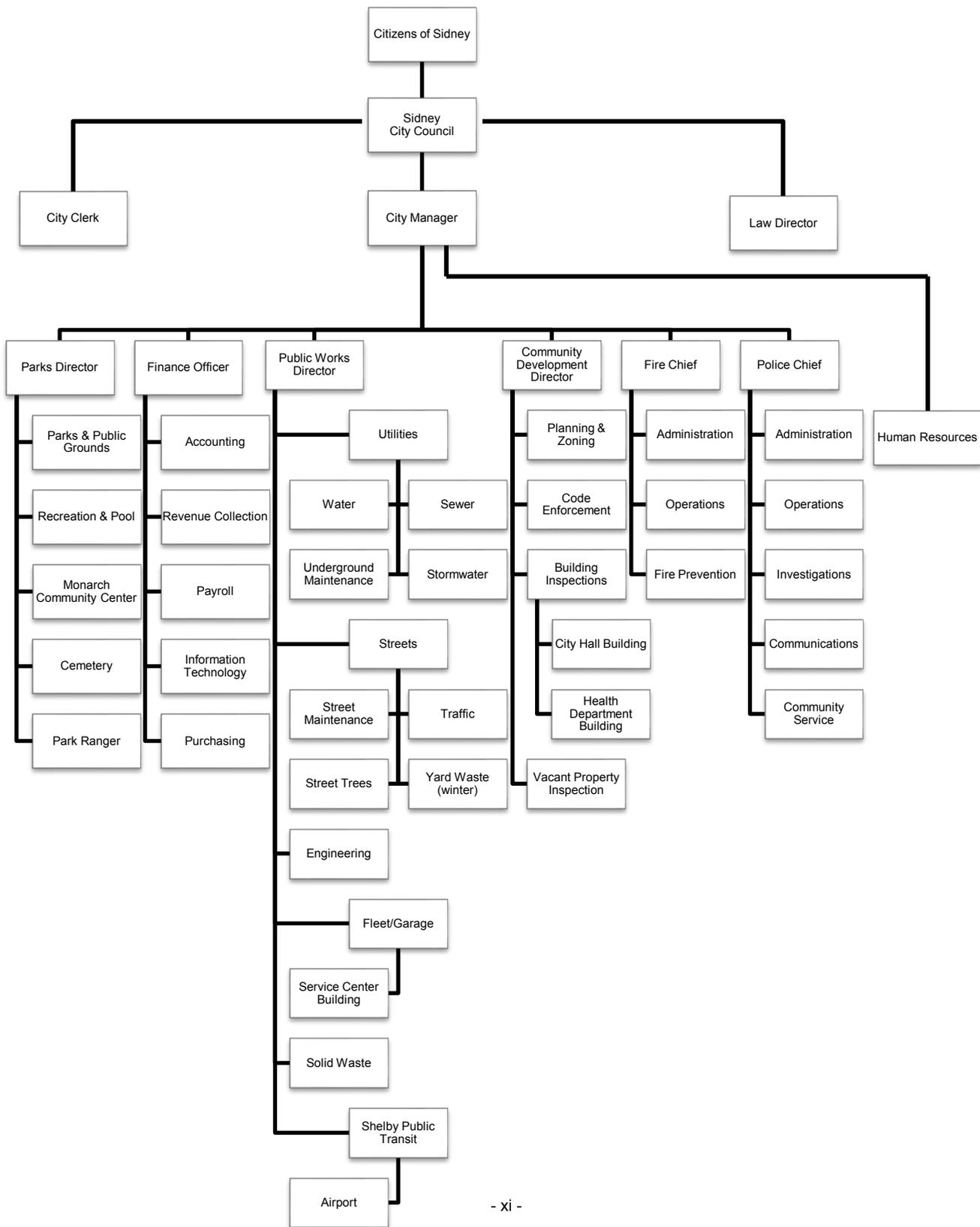
## ACKNOWLEDGEMENTS

The preparation of this report was made possible by the efforts of the Finance Department staff, including Jennifer Wagner, Purchasing Agent, and Lori Rittenhouse, Payroll Coordinator. Special recognition is extended to Assistant Finance Officer Whitney Flora, CPA, for her skillful preparation of the financial statements. Our sincere appreciation is extended to all members of the City of Sidney staff, whose efforts have made this report possible.

Finally, special thanks are extended to Mayor Martha Milligan and all City Council members whose support enables the City of Sidney to strive for excellence in its financial reporting and to maintain high standards of financial integrity.

Respectfully submitted,

Renee DuLaney, CPA  
Finance Officer







Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Sidney  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2020

*Christopher P. Morill*

Executive Director/CEO



**FINANCIAL SECTION**

## Independent Auditor's Report

City of Sidney  
Shelby County  
201 West Poplar Street  
Sidney, Ohio 45365

To the Members of City Council and Mayor:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sidney, Shelby County, Ohio, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Sidney's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sidney, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City of Sidney and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Emphasis of Matter*

As described in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City of Sidney. Our opinions are not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Sidney's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Sidney's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Sidney's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of net pension and other post-employment benefit assets and liabilities and pension and other post-employment benefit contributions, and budgetary comparison information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Sidney's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are 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 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.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2022 on our consideration of the City of Sidney's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the City of Sidney's 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 of Sidney's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
June 27, 2022

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

The management of the City of Sidney provides the following information as an introduction, overview and analysis of the City's financial statements for the year ended December 31, 2021. Readers should also review the basic financial statements on pages 17– 27 to further enhance their understanding of the City's financial performance.

**Using this Annual Financial Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can first understand the City of Sidney as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial information.

The Statement of Net Position and Statement of Activities (referred to collectively as the government-wide statements) provide information about the activities as an entire operating entity, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The proprietary funds' statements are prepared on the same basis as the government-wide statements.

**Reporting on the City of Sidney as a Whole**

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

These government-wide statements answer the question, "How did the City as a whole do financially during 2021?" They are prepared on the accrual basis of accounting, much the same way as for a private enterprise. This basis of accounting includes all assets and deferred outflows of resources and liabilities and deferred inflows of resources and takes into account all of the reporting year's revenues and expenses regardless of when the cash was received or paid.

- *The Statement of Net Position.* This statement (page 17) reports all assets and deferred outflows of resources and liabilities and deferred inflows of resources of the City as of December 31, 2021. The difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources is reported as "net position". Over time, increases in net position generally indicate an improvement in financial position while decreases may indicate a deterioration of financial position.
- *The Statement of Activities.* This statement (page 18) serves the purpose of the traditional income statement. It provides consolidated reporting of the results of all activities of the City for the year ended December 31, 2021. Changes in net position are recorded in the period in which the underlying event takes place, which may differ from the period in which cash is received or disbursed. The Statement of Activities displays the expense of the City's various programs net of related revenues, as well as a separate presentation of revenues available for general purposes.

Both of the government-wide statements distinguish functions of the City of Sidney that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, police, fire, judicial, street repair and maintenance, community development and parks. The business-type activities of the City include water, sewer, solid and yard waste collection, stormwater, public transportation, airport, and swimming pool.

**Reporting on the City of Sidney's Most Significant Funds**

***Fund financial statements***

These statements provide financial position and results of the City's major funds. A fund is an accounting entity created to account for a specific activity or purpose. Major funds of the City of Sidney are the General Fund, Street Repair & Maintenance Fund, Capital Improvement Fund, Municipal Earned Income Tax for Street Capital Fund, Water Fund, Sewer Fund, and Stormwater Fund. The creation of some

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

funds is mandated by law and others are created by management to demonstrate financial compliance with budgetary or legal requirements. Funds are classified into three broad categories: governmental funds, proprietary funds, and fiduciary funds.

- *Governmental funds.* Governmental funds are used to account for “governmental-type” activities. Unlike the government-wide financial statements, governmental fund statements use a “flow of financial resources” measurement focus. That is to say, the operating statement of a governmental fund attempts to answer the question “Are there more or less resources that can be spent in the near future as a result of events and transactions of the reporting period?” Increases in spendable resources are reported in the operating statement as “revenues” or “other financing sources.” Decreases in spendable resources are reported as “expenditures” or “other financing uses.” We describe the differences between governmental funds and governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) in reconciliations presented beside the governmental fund financial statements on pages 20 and 22.

The City of Sidney maintains 39 separate governmental funds. The governmental fund financial statements on pages 19 and 21 separately display the governmental funds considered to be major funds. All other governmental funds - the “non-major” funds - are combined into a single column. Detailed financial data for each of the non-major governmental funds is provided in combining statements in the supplementary information section of this report.

- *Proprietary funds.* There are two types of proprietary funds: enterprise funds and internal service funds.
  - Enterprise funds – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises for which either 1) the intent is that the costs (expenses, including depreciation) be recovered primarily through user charges, or 2) determination of net income is appropriate for management control, accountability or other purposes.

The City of Sidney’s Water Fund, Sewer Fund, and Stormwater Fund are all considered to be major funds and are displayed separately in the proprietary fund statements on pages 23 through 25. The City has five other proprietary funds, the activities of which are combined into one column for non-major funds.

- Internal service funds – Often, governments wish to allocate the cost of providing certain centralized services (e.g., fleet maintenance, revenue collections, information technology) to the other departments of the government entity that use the services. An internal service fund is the appropriate accounting mechanism when it is the intent of the government to recover the full cost of providing the service through user charges to other departments.

The City of Sidney’s five internal service funds are combined into a single column in the proprietary fund financial statements. Detailed financial data for those funds can be found in the combining statements in the supplementary information section of this report.

- *Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the City government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Of the City of Sidney’s seven fiduciary funds, three are custodial funds and four are private-purpose trust funds. The custodial funds are combined and shown as a single column as well as private-purpose trust funds are combined into a single column in the fiduciary statement of net position, on page 26 of this report. The statement of changes in fiduciary net position reported on page 27 includes the custodial fund report in a separate column and the private-purpose trust funds reported in a single

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

column. Detailed financial data for the custodial funds can be found in the combining statements in the supplementary information section of this report.

**Other Information**

***Notes to the basic financial statements.***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 28– 68 of this report.

***Required supplementary information.***

In addition to the basic financial statements and notes, this report also contains required supplementary information (RSI). Included in the RSI is the proportionate share of net pension/OPEB liability and schedule of pension/OPEB payment amounts. RSI also contains the budgetary schedules for the General Fund and major special revenue funds. This data is on pages 69 to 80 of this report.

**The City of Sidney as a Whole**

The following table presents condensed information on net position as of December 31, 2021 and 2020.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<u>Assets:</u>						
Current and other assets	\$ 34,223,337	\$ 29,199,577	\$ 24,063,468	\$ 20,206,740	\$ 58,286,805	\$ 49,406,317
Capital assets	<u>69,158,534</u>	<u>66,392,606</u>	<u>97,510,906</u>	<u>99,079,547</u>	<u>166,669,440</u>	<u>165,472,153</u>
Total assets	<u>103,381,871</u>	<u>95,592,183</u>	<u>121,574,374</u>	<u>119,286,287</u>	<u>224,956,245</u>	<u>214,878,470</u>
Deferred outflows	<u>5,220,766</u>	<u>6,199,008</u>	<u>579,079</u>	<u>988,524</u>	<u>5,799,845</u>	<u>7,187,532</u>
Total assets and deferred outflows	108,602,637	101,791,191	122,153,453	120,274,811	230,756,090	222,066,002
<u>Liabilities:</u>						
Current and other liabilities	3,537,746	3,320,111	1,913,001	2,021,019	5,450,747	5,341,130
Long-term liabilities	4,119,886	4,814,043	46,523,262	48,861,202	50,643,148	53,675,245
Net pension liability	22,078,577	24,190,309	2,642,308	3,539,203	24,720,885	27,729,512
Net OPEB liability	<u>2,623,283</u>	<u>7,285,484</u>	<u>-</u>	<u>2,472,345</u>	<u>2,623,283</u>	<u>9,757,829</u>
Total liabilities	<u>32,359,492</u>	<u>39,609,947</u>	<u>51,078,571</u>	<u>56,893,769</u>	<u>83,438,063</u>	<u>96,503,716</u>
Deferred inflows	<u>9,790,321</u>	<u>7,692,389</u>	<u>2,102,181</u>	<u>1,104,187</u>	<u>11,892,502</u>	<u>8,796,576</u>
Total liabilities and deferred inflows	<u>42,149,813</u>	<u>47,302,336</u>	<u>53,180,752</u>	<u>57,997,956</u>	<u>95,330,565</u>	<u>105,300,292</u>
<u>Net Position:</u>						
Net investment in capital assets	67,001,770	63,660,122	51,390,568	50,361,540	118,392,338	114,021,662
Restricted	6,949,833	6,147,353	-	-	6,949,833	6,147,353
Unrestricted	<u>(7,498,779)</u>	<u>(15,318,620)</u>	<u>17,582,133</u>	<u>11,915,315</u>	<u>10,083,354</u>	<u>(3,403,305)</u>
Total net position	<u>\$ 66,452,824</u>	<u>\$ 54,488,855</u>	<u>\$ 68,972,701</u>	<u>\$ 62,276,855</u>	<u>\$ 135,425,525</u>	<u>\$ 116,765,710</u>

The City's assets and deferred outflows were greater than its liabilities and deferred inflows of resources by about \$135.4 million at the close of 2021, as compared to nearly \$116.8 million at close of 2020, an increase of about \$18.6 million.



**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

The largest impact on the City's financial statements in 2021 had absolutely no impact on the City's financial condition; GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and 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). 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 the net pension asset and the net OPEB asset and deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board (GASB) standards are national and apply to all governmental financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pension (GASB 27) and postemployment benefits (GASB 45) focused on a funding 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. 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 in these statements.

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

1. Present value of estimated future pension benefits attributable to active and inactive employee's 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 pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The 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 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 pension benefits, contribution rates, and return of 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 pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability of the statement of net position.

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

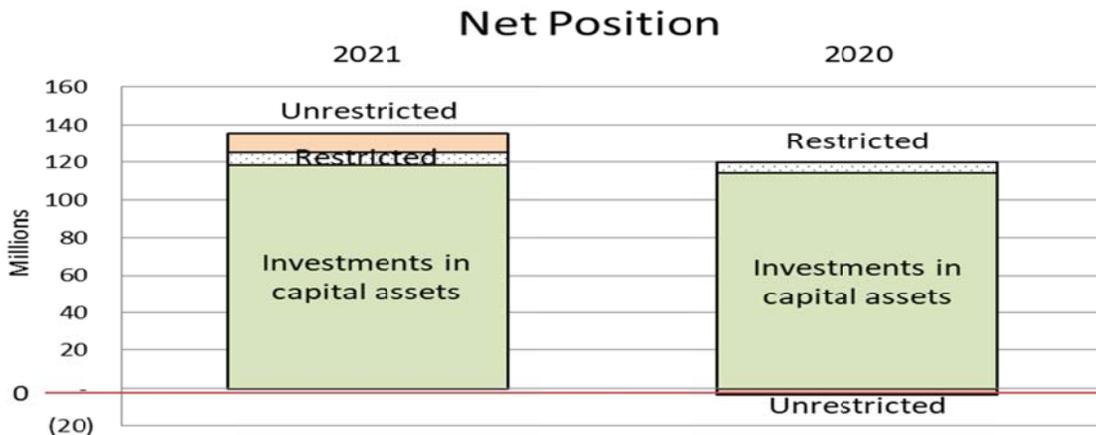
In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in net pension liability (asset) and net OPEB liability (asset), respectively, not accounted for as deferred inflows/outflows.

The component, "Net investment in capital assets" increased almost \$4.4 million, or 4%, from approximately \$114 million at December 31, 2020 to nearly \$118.4 million at December 31, 2021. Increases in this category of net position generally means that the sum of cash capital asset additions and bond principal repayments were more than the sum of depreciation expense and additional debt now associated with capital assets. During 2021 the City spent approximately \$9.1 million for cash capital additions and debt principal repayments of nearly \$2.9 million. Total depreciation expense for capital assets was approximately \$7.6 million.

Restricted net position is subject to external restrictions as to their use. This category decreased approximately \$800,000, or 13%, from December 31, 2020 to December 31, 2021. This change is primarily reflected by increased revenues in restricted special revenue funds.

Unrestricted net position is available for future use as directed by City Council. Overall, this category increased approximately \$13.5 million from a negative \$3.4 million at December 31, 2020 to a positive \$10.1 million at December 31, 2021. It is important to note that although the total unrestricted net position is almost \$10.1 million, the unrestricted net position of the City's business-type activities is positive \$17.6 million, whereas the governmental activities is negative \$7.5 million. This increase in unrestricted net position indicates an improvement in the financial position.

The majority of the City's net position reflects its investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment); less any related debt used to acquire those assets that is still outstanding plus any significant unspent bond proceeds. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is calculated net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. The following chart graphically illustrates the components of net position.



**Changes in Net Position for the Years Ended December 31, 2021 and 2020**

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
For the Year Ended December 31, 2021  
Unaudited

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<u>Revenues:</u>						
Program revenues:						
Charges for services	\$2,492,629	\$2,172,541	\$17,462,728	\$16,000,623	\$19,955,357	\$18,173,164
Operating grants and contributions	2,916,971	4,037,107	623,902	735,927	3,540,873	4,773,034
Capital grants and contributions	3,836,967	2,791,000	540,572	369,269	4,377,539	3,160,269
General revenues:						
Income taxes	20,120,128	13,903,525	-	-	20,120,128	13,903,525
Property taxes	1,212,328	1,067,988	-	-	1,212,328	1,067,988
Payments in lieu of taxes	195,251	198,556	-	-	195,251	198,556
Lodging taxes	383,051	214,312	-	-	383,051	214,312
Other taxes	-	(281)	-	-	-	(281)
Grants and other contributions not restricted to specific programs	747,989	655,640	-	-	747,989	655,640
Investment income	83,866	155,240	18,145	111,473	102,011	266,713
Gain (loss) on sale of capital assets	44,214	32,023	2,665	69,002	46,879	101,025
Miscellaneous	544,762	1,632,318	207,536	363,129	752,298	1,995,447
<b>Total revenues</b>	<b>32,578,156</b>	<b>26,859,969</b>	<b>18,855,548</b>	<b>17,649,423</b>	<b>51,433,704</b>	<b>44,509,392</b>
<u>Expenses:</u>						
Basic utility services	61,050	70,003	-	-	61,050	70,003
Community development	451,608	1,156,342	-	-	451,608	1,156,342
Community environment	391,600	804,488	-	-	391,600	804,488
Fire	5,889,267	6,382,401	-	-	5,889,267	6,382,401
General government	142,689	1,709,080	-	-	142,689	1,709,080
Health	229,327	497,855	-	-	229,327	497,855
Judicial	1,315,652	2,444,266	-	-	1,315,652	2,444,266
Parks and recreation	1,002,208	1,628,021	-	-	1,002,208	1,628,021
Police	6,299,447	7,352,085	-	-	6,299,447	7,352,085
Street repair & maintenance	4,335,403	4,480,862	-	-	4,335,403	4,480,862
Interest on long-term debt	25,812	51,551	-	-	25,812	51,551
Bond issuance cost	-	54,054	-	-	-	54,054
Airport	-	-	715,396	601,041	715,396	601,041
Concession Stand	-	-	14,778	2,739	14,778	2,739
Sewer	-	-	3,970,268	5,174,498	3,970,268	5,174,498
Sidney Water Park	-	-	113,094	60,229	113,094	60,229
Solid waste	-	-	1,806,380	1,823,669	1,806,380	1,823,669
Stormwater	-	-	649,869	656,605	649,869	656,605
Transportation	-	-	493,557	905,826	493,557	905,826
Water	-	-	4,866,484	6,048,856	4,866,484	6,048,856
<b>Total expenses</b>	<b>20,144,063</b>	<b>26,631,008</b>	<b>12,629,826</b>	<b>15,273,463</b>	<b>32,773,889</b>	<b>41,904,471</b>
Excess (deficiency) before transfers	12,434,093	228,961	6,225,722	2,375,960	18,659,815	2,604,921
Transfers	(470,124)	(69,841)	470,124	69,841	-	-
Change in net position	11,963,969	159,120	6,695,846	2,445,801	18,659,815	2,604,921
Net position, beginning of year	54,488,855	54,329,735	62,276,855	59,831,054	116,765,710	114,160,789
<b>Net position, end of year</b>	<b>\$ 66,452,824</b>	<b>\$ 54,488,855</b>	<b>\$ 68,972,701</b>	<b>\$ 62,276,855</b>	<b>\$ 135,425,525</b>	<b>\$ 116,765,710</b>

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

The City's net position increased approximately \$18.7 million for the year ended December 31, 2021 as compared to an increase of almost \$2.6 million for the prior year.

Total revenues increased approximately \$6.9 million, or 15.6%. The following breakdown shows how the increase in income taxes, charges for services, and capital grants drastically offset the CARES Act funding which provided relief in 2020. Income tax revenue increased approximately \$6.2 million or 44.7%, related to the bounce back from the 2020 pandemic as well as a large upward swing in corporate estimate payments. Charges for services increased about \$1.8 million, or 9.8%, primarily from higher sewer & water user charges. Capital grants and contributions increased nearly \$1.2 million, which reflects the decrease of grants from Ohio Department of Transportation of about \$1.0 million offset by housing development donated streets of \$1.9 million as well as other donations and grants of about \$300,000. Miscellaneous income decreased about \$1.2 million as a result of Bureau of Workers Compensation (BWC) rebates issued during 2020. Operating grants and contributions decreased approximately \$1.2 million primarily due to the CARES (Local Coronavirus Relief) funds passed through the State of Ohio during 2020. Investment earnings decreased about \$160,000 or 62%, primarily due to declining interest rates. Lodging tax revenue increased almost \$170,000 or 79% as a result of increased travel after the pandemic.

Total expenses decreased nearly \$9.1 million, or 22%, from nearly \$41.9 million in 2020 to \$32.8 million in 2021. This significant change in program expenses of approximately \$9.1 million relates to recognition of pension and OPEB expenses under GASB 68 & 75. Consequently, in order to compare other changes in program expenses without GASB 68 & 75 expenses, the following adjustments are needed:

	<b>Governmental</b>		<b>Business-type</b>		<b>Totals</b>	
	<b>Activities</b>		<b>Activities</b>			
	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>
Total program expenses	\$ 20,144,063	\$ 26,631,008	\$ 12,629,826	\$ 15,273,463	\$ 32,773,889	\$ 41,904,471
Pension & OPEB expense	2,134,472	(3,997,005)	1,903,292	(853,876)	4,037,764	(4,850,881)
Contractually required contribution	<u>2,075,182</u>	<u>1,941,525</u>	<u>373,241</u>	<u>369,763</u>	<u>2,448,423</u>	<u>2,311,288</u>
Adjusted program expenses	\$ 24,353,717	\$ 24,575,528	\$ 14,906,359	\$ 14,789,350	\$ 39,260,076	\$ 39,364,878
Increase (decrease) in program expenses not related to Pension & OPEB	<u>\$ (221,811)</u>		<u>\$ 117,009</u>		<u>\$ (104,802)</u>	

As shown here, of the \$9.1 million decrease in program expenses, there is only about \$105,000 decrease not related to Pension and OPEB as this reflects expenditures the City does not have authority to regulate.

*Governmental activities*

Governmental activities net position increased nearly \$12 million from about \$54.5 million at December 31, 2020 to nearly \$66.5 million at December 31, 2021. The category, net investment in capital assets, increased about \$3.3 million, or 5%, from nearly \$63.7 million to about \$67 million representing an increase related to capital additions. Restricted net position increased approximately \$800,000. This increase is mainly comprised of \$240,000 in restricted community development program revenue, about \$100,000 in the street repair and maintenance from GASB 75 OPEB change from a net OPEB liability to a net OPEB asset, approximately \$340,000 in the street municipal income tax levy from increased income tax revenue, and about \$90,000 in additional court fee revenue. Unrestricted increased from a negative \$15.3 in 2020 to a negative \$7.5 million. This increase of approximately \$7.8 million, or 51%, results from a change in net OPEB liability to a net OPEB asset for Ohio Public Employers GASB 75 during 2021 of approximately \$4.2 million and an increase in income tax of about \$3.6 million.

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

Program expenses not related to pension and OPEB expenses for governmental activities decreased about \$220,000 is comprised of the following changes. Fire & Police expenses increased nearly \$320,000 and \$230,000, respectively, which relates to increased wages and overtime. Street repair & maintenance expenses increased about \$270,000 which is primarily a result of additional depreciation of \$170,000 and salt purchases of \$70,000. Community development decreased approximately \$430,000 due to timing of grant spending. General government decreased by nearly \$370,000 from reduced spending in community service program, change in administrative fees, as well as a decrease in compensated absences. Health expenses decreased almost \$120,000 as result of reduction of pandemic expenditures in 2021. Judicial expenses dropped \$80,000 due to a reduction in non-capital expenditures.

The Statement of Activities reports the expenses of each of the governmental activities programs and the related program revenue that offsets the cost of each program. The amount by which the cost of a particular program exceeds its program revenue represents the extent to which that program must be subsidized by general revenues, such as income taxes, property taxes and unrestricted contributions.

The following table and graph summarize the net cost of each program:

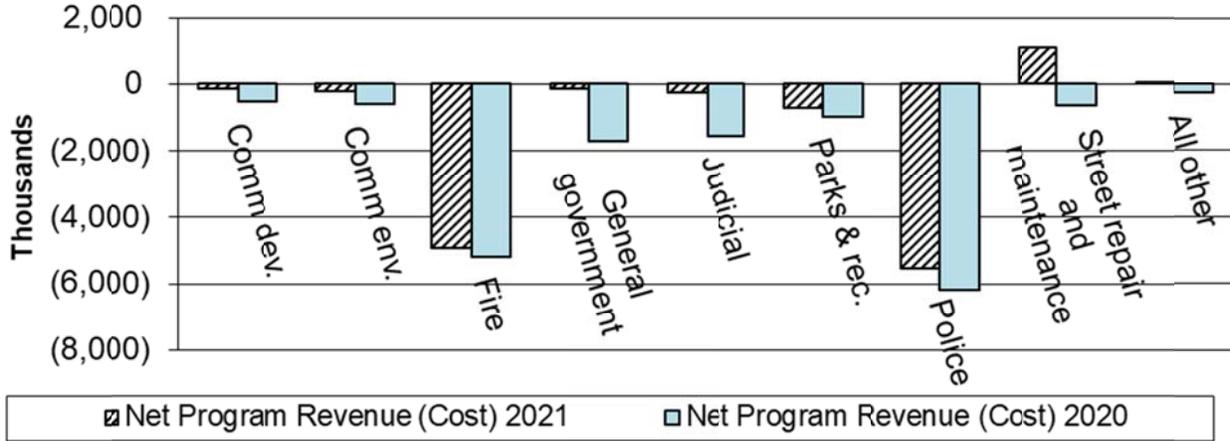
**Expenses and Program Revenues - Governmental Activities**

	<u>Year Ended December 31, 2021</u>			<u>Year Ended December 31, 2020</u>		
	<u>Expense</u>	<u>Program Revenue</u>	<u>Net Revenue (Cost)</u>	<u>Expense</u>	<u>Program Revenue</u>	<u>Net Revenue (Cost)</u>
Community development	\$ 451,608	\$ 314,386	\$ (137,222)	\$ 1,156,342	\$ 640,360	\$ (515,982)
Community environment	391,600	151,947	(239,653)	804,488	210,300	(594,188)
Fire	5,889,267	939,834	(4,949,433)	6,382,401	1,204,480	(5,177,921)
General government	142,689	-	(142,689)	1,709,080	1,347	(1,707,733)
Judicial	1,315,652	1,065,237	(250,415)	2,444,266	886,723	(1,557,543)
Parks & recreation	1,002,208	278,506	(723,702)	1,628,021	632,545	(995,476)
Police	6,299,447	741,741	(5,557,706)	7,352,085	1,147,245	(6,204,840)
Street repair & maintenance	4,335,403	5,429,567	1,094,164	4,480,862	3,859,260	(621,602)
All others	316,189	325,349	9,160	673,463	418,388	(255,075)
<b>Total governmental activities</b>	<b>\$ 20,144,063</b>	<b>\$ 9,246,567</b>	<b>\$ (10,897,496)</b>	<b>\$ 26,631,008</b>	<b>\$ 9,000,648</b>	<b>\$ (17,630,360)</b>

Overall, the net program cost of governmental activities decreased by nearly \$6.7 million, or 38%, from a net program cost of about \$17.6 million in 2020 to \$10.9 million in 2021. The most significant change was street repair & maintenance of \$1.7 million as a result of donated streets. General governmental and judicial programs net program cost decreased approximately \$1.6 million and \$1.3 million as a result of a decrease in Ohio Public Employees OPEB expense of nearly \$1.2 million and \$1.0 million, respectively. Additionally, general government net program cost decreased due to less community service program expenses as a result of lodging tax revenue in 2020. Judicial program revenue increased almost \$200,000 as revenue returned to pre-pandemic levels. Community development program cost also decreased as a result of timing which is based on two year grant cycles. On the same note community development and community environment net program cost each decreased by about \$400,000 as a result of net OPEB asset versus net OPEB liability. Fire & police CARES act grant funding received for 2020 was higher by about \$250,000 and \$350,000, respectively, which provided relief in salary & wages. Parks net program revenue decreased about \$350,000, primarily due to grant funding received for the relocation and renovations of the Zenas King historical bridge in 2020. In addition, parks and recreation expense decreased about \$600,000 as a result of OPERS GASB 75 OPEB expenses.

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

**Net Program Revenue (Cost) - Governmental Activities**



Business-type activities

Business-type activities' net position increased nearly \$6.7 million, or 11%, from approximately \$62.3 million at December 31, 2020 to nearly \$69 million at December 31, 2021. The category net investment in capital assets increased almost \$1.0 million, a result of cash capital purchases of nearly \$2 million and principal debt repayments of nearly \$2.3 million, reduced by depreciation expense of nearly \$3.3 million. Unrestricted portion of net position increased almost \$5.7 million, or 48%, from about \$11.9 million to nearly \$17.6 million. This increase results from a change in net OPEB liability to a net OPEB asset for Ohio Public Employers GASB 75 of approximately \$2.3 million, an increase of about \$1.5 million in charges for services, and reduced debt liability of about \$2.3 million.

Program expenses not related to pension and OPEB expenses for business-type activities increased about \$120,000 which is comprised of the following changes. Sidney Water Park re-opened in 2021, resulting in an increase in expenses of almost \$210,000. Airport reflects an increase of nearly \$120,000 primarily a result of fuel price increases. Stormwater had an uptick of almost \$140,000 due to an increase in salary & wages which now reflects an allocation of the foreman from increased activity. Sewer decreased in expense of about \$280,000 as a result of less interest expense, 2020 bond costs, and staff turnover.

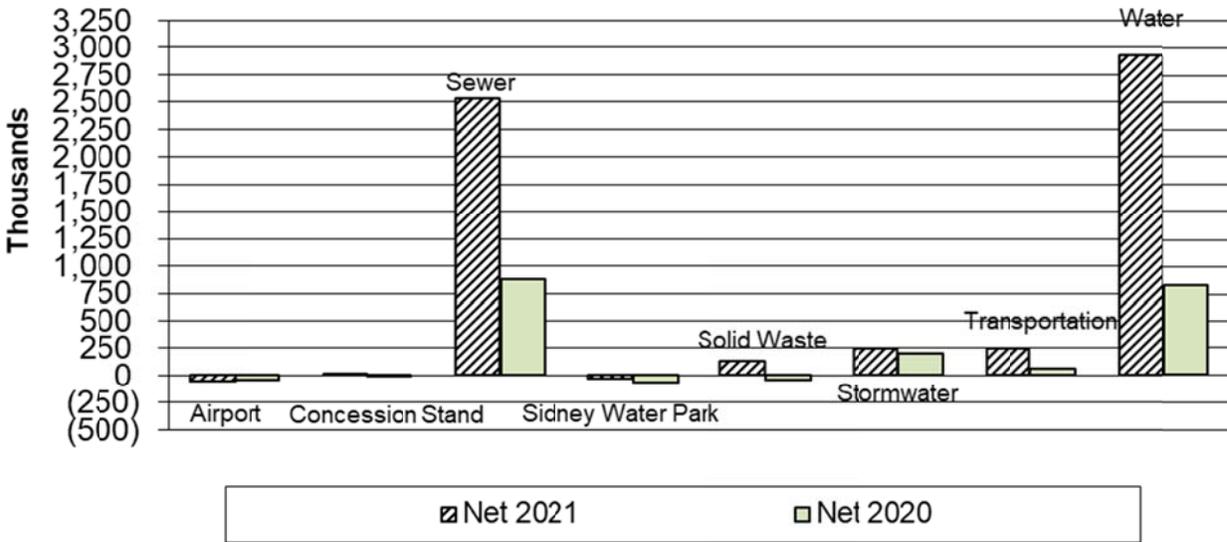
It is the City's policy that revenues of some of the City's business-type activities (Water, Sewer, Solid Waste and Stormwater Funds) are expected to cover all program costs over the long term. The revenues of other business-type activities cover specified portions of program costs. The following table summarizes the expenses and program revenues for business-type activities:

	<b>Year Ended December 31, 2021</b>			<b>Year Ended December 31, 2020</b>		
	<b>Expense</b>	<b>Program Revenue</b>	<b>Net Revenue (Cost)</b>	<b>Expense</b>	<b>Program Revenue</b>	<b>Net Revenue (Cost)</b>
Airport	\$ 715,396	\$ 661,937	\$ (53,459)	\$ 601,041	\$ 562,102	\$ (38,939)
Concession Stand	14,778	27,403	\$ 12,625	2,739	-	(2,739)
Sewer	3,970,268	6,494,533	\$ 2,524,265	5,174,498	6,057,521	883,023
Sidney Water Park	113,094	73,009	\$ (40,085)	60,229	-	(60,229)
Solid Waste	1,806,380	1,937,852	\$ 131,472	1,823,669	1,785,780	(37,889)
Stormwater	649,869	900,529	\$ 250,660	656,605	854,133	197,528
Transportation	493,557	740,936	\$ 247,379	905,826	970,145	64,319
Water	<u>4,866,484</u>	<u>7,791,003</u>	<u>\$ 2,924,519</u>	<u>6,048,856</u>	<u>6,876,138</u>	<u>827,282</u>
Total business-type activities	<u>\$ 12,629,826</u>	<u>\$ 18,627,202</u>	<u>\$ 5,997,376</u>	<u>\$ 15,273,463</u>	<u>\$ 17,105,819</u>	<u>\$ 1,832,356</u>

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

Overall, the net program cost of the City's business-type activities changed from net program revenue of nearly \$1.8 million for the year ended December 31, 2020 to a net program revenue of nearly \$6.0 million for the year ended December 31, 2021. Program revenue for business-type activities increased approximately \$1.5 million, or 9%, and program expenses decreased about \$2.6 million, or 17%.

**Net Program Revenue (Cost) - Business-type Activities**



Key components of the changes in net program cost for each significant program change are as follows:

- The City's sewer program increased from net program revenue of nearly \$900,000 in 2020 to about \$2.5 million in 2021. Sewer revenue increased by approximately \$400,000, or 7%, as a result of sewer user charges. Expenditures decreased by roughly \$1.2 million, or 23%, largely because of GASB 75 OPERS OPEB expense.
- Water net program revenue changed from net program revenue of approximately \$800,000 in 2020 to about \$2.9 million in 2021. Its revenue increased by about \$900,000, or 13%, this relates to water user charges. Whereas expenditures decreased by nearly \$1.2 million, or 20%, primarily a result of GASB 75 OPERS OPEB expense.
- The Shelby Public Transit program (Transportation fund) had net program revenue of about \$60,000 in 2020 to an almost \$250,000 in 2021, which reflects an increase of about \$180,000. Expenditures decreased by almost \$410,000 because of GASB 75 OPERS OPEB expense. Revenue decreased from reduced CARES Act funding passed through the Ohio Department of Transportation of roughly \$230,000.
- Solid Waste fund went from a net program expense of almost \$40,000 in 2020 to net program revenue of \$130,000 which is an increase of nearly \$170,000. This increase is primarily a result of additional revenue over pandemic numbers.

**Individual governmental funds modified summary and analysis**

Governmental funds, as stated earlier, focus on spendable resources and near-term inflows and outflows of those resources. As such, fund balance measures net resources available for spending at the end of the fiscal year, subject to any stated restrictions on their use.

The combined fund balance of the City's governmental funds at December 31, 2021 was nearly \$22.3 million. Approximately 38% of this total amount represents unassigned fund balances available for spending at the City's discretion. Roughly 26% of the combined fund balance is in a nonspendable, or

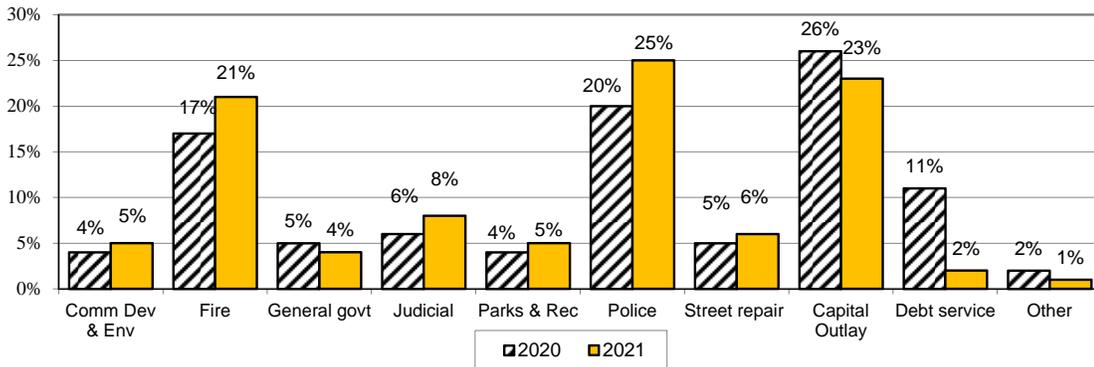
**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

restricted, form. The portion of fund balance committed by City Council, the highest level of decision making authority, is 6% and those balances assigned are 30%. Nearly \$2.4 million of fund balance has already been assigned to future budget commitments and about \$4.0 million to capital projects.

Total fund balances of the City's governmental funds increased about \$3.2 million, or 17%, from nearly \$19.1 million at December 31, 2020 to about \$22.3 million at December 31, 2021. (See the governmental funds' statement of revenue, expenditures & changes in fund balance on page 21.)

The components of governmental fund expenses are as follows:

**Governmental Fund Expenses by Program**



The composition of expenses by function remained relatively stable from 2020 to 2021. The three largest components of governmental fund expenses are capital outlay, police and fire services. Fire makes up 17% to 21% of the total, while police contributes another 20% to 25%. Capital outlay comprises about 26% to 23% of governmental expenses. Judicial - consisting mainly of municipal court activities – comprises 6% to 8% of governmental activities' expenses. Street repair and maintenance (which includes winter street clean-up) accounts for about 5% to 6% of expenses. The community development and environment program expenditures, which includes such activities as community planning, engineering, building inspection, and code enforcement, make up 4% to 5% of total governmental expenses. The parks and recreation program is responsible for 4% to 5% of governmental expenses.

The General Fund is the primary operating fund of the City of Sidney, accounting for such activities as police and fire protection, emergency medical services, and parks and recreation. Annually, twenty percent of the budgeted net income tax proceeds are allocated out to the Capital improvement Fund. The General Fund balance increased by about \$1.6 million, or 15%, from nearly \$10.7 million at December 31, 2020 to about \$12.3 million at December 31, 2021.

Revenue increased in the General Fund by \$2.8 million, or 18%, from nearly \$16.0 million in 2020 to almost \$18.8 million in 2021. Local tax revenue increased about \$3.1 million from approximately \$12.1 million for the year ended December 31, 2020 to about \$15.3 million for the year ended December 31, 2021, related to large swing in corporate estimate payments and the resulting increased withholding taxes over 2020 reductions from the COVID-19 pandemic. Charges for services increased primarily relating to court costs and EMS fees of almost \$130,000. Investment income was down about \$120,000 as a result of low interest rates during 2021. Miscellaneous income decreased approximately \$500,000 from large Bureau of Workers Compensation dividends received during 2020.

General Fund expenditures increased about \$1.0 million, or 7%. This increase was primarily a result of 2020 reductions of Fire & Police wages allocated to CARES Act funding paid out of the Local Coronavirus Relief fund of approximately \$600,000 and \$700,000, respectively. General Fund transfers out to subsidize various funds, including the street repair & maintenance, transportation services, airport, cemetery operations, swimming pool, and the concession stand remained constant for both years of about \$800,000. For 2021 this subsidy is comprised of the following Street Repair & Maintenance fund of



**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

\$535,000, Cemetery Fund of \$75,000, Sidney Water Park & Concession Stand Fund of almost \$163,000, and Airport fund of \$80,000.

The Street Repair & Maintenance Fund, used to account for the state-levied gasoline tax and motor vehicle registration fees, is restricted by law for street maintenance and repair activities. This fund balance increased by nearly \$20,000 in 2021. The increase in revenue of nearly \$70,000, or 5%, is primarily from intergovernmental revenues received from state gas excise tax. Expenditures increased approximately \$40,000 from 2020 to 2021 which reflects higher salt cost.

The Capital Improvement Fund is used to account for the income tax resources earmarked for capital improvements used for the general improvement of all City facilities and operations. Annually, twenty percent of the budgeted net income tax proceeds are allocated to this Fund. For the year ended December 31, 2021, this fund balance increased roughly \$1.0 million from nearly \$3.0 million at December 31, 2020 to approximately \$4.0 million at December 31, 2021. In 2021, local tax, which is the allocation of income taxes, increased \$500,000, or 18%. Intergovernmental revenue decreased nearly \$1.1 million as a result of timing of capital grants from the Ohio Department of Transportation for street projects. Miscellaneous revenues primarily donations reflect an increase of approximately \$150,000 mainly for Tawawa park gazebo. Capital-related expenditures decreased approximately \$3.6 million from almost \$7.8 million at December 31, 2020 to approximately \$4.2 million at December 31, 2021. This decrease relates to the repayment of capital debt refinanced in 2020 of approximately \$2.3 million and timing of ODOT related projects of \$1.2 million.

The Municipal Earned Income Tax for Street Capital Fund is used to account for the income tax levy of the additional tax on earned income for street projects. This street levy fund is restricted for the construction, reconstruction, resurfacing and maintenance of streets, alleys, bridges, curbs, and gutters and cost incidental thereto. In 2021 nearly \$1.5 million was spent for this purpose which decreased about \$600,000 from prior year expenditures. For 2021, the special levy generated revenues of nearly \$1.7 million, a increase of about \$200,000 over 2020. This increase in the special temporary tax levy was a result of returning to pre-pandemic levels. The fund balance increased approximately \$200,000 from nearly \$1.1 million at December 31, 2020 to almost \$1.3 million at December 31, 2021.

**Budgetary Basis - Budget versus Actual**

In 2021, the amount in the original budget and final budget for General Fund local tax revenues were under actual receipts. Actual revenues were over budget expectations by almost \$1.5 million, largely due to fluctuations in taxes received by Sidney businesses based on their net profits. This portion of income tax collections is the most volatile source and has been subject to upwards as well as downward swings, from year to year.

**Capital asset and debt administration**

Capital asset activity

Significant capital activity for the year ended December 31, 2021 included:

- ✓ Approximately \$1.9 million of street resurfacing and curb and gutter replacements were completed with almost \$1.3 million paid with street levy revenue and about \$100,000 paid with County Auto License funds.
- ✓ In 2021, donated streets for the Burr Oak Phase I housing development of \$1.9 million.
- ✓ State Route 47 Phase IV design from Fifth Avenue to I-75 interchange was placed in construction in progress at nearly \$320,000.
- ✓ The completion of ODOT administered project of Park Street Bridge replacement was capitalized at \$1.8 million.
- ✓ In 2021 construction began on the Spruce avenue bridge replacement of nearly \$180,000.
- ✓ Franklin/Clay water main replacement for about \$440,000 was completed in 2021.
- ✓ Included in part of the street resurfacing program was Kathy Avenue which included water & sewer reconstruction of nearly \$270,000.

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2021*  
*Unaudited*

- ✓ At the Sidney airport the west apron development was completed at approximately \$310,000 which was paid 95% from federal aviation administration grants of about \$290,000.

Additional detail on the capital asset activity for the year ended December 31, 2021 is presented in the Notes to the Basic Financial Statements in Note 7 on pages 41 – 42.

Debt

Ohio law restricts the amount of debt that a City may issue. The aggregate principal amount of unvoted “net indebtedness” may not exceed 5.5% of the assessed valuation for property tax purposes of all real and personal property located within the City. At December 31, 2021, that debt ceiling was approximately \$23.1 million. Certain debt with a repayment source other than general tax revenues is excluded from the definition of net indebtedness. Under that definition, the City has about \$1.5 million of net indebtedness as of December 31, 2021, leaving a legal debt margin for unvoted debt of almost \$21.6 million.

An additional statutory limitation restricts total indebtedness – both voted and unvoted – to 10.5% of the real and personal property assessed valuation. That limitation would restrict total City net indebtedness to approximately \$44.1 million, leaving a total debt margin of about \$42.6 million.

A summary of debt outstanding at December 31, 2021 and 2020 is as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Governmental activities	\$ 2,016,312	\$ 2,595,327
Business-type activities	<u>46,032,560</u>	<u>48,386,237</u>
Total	<u>\$ 48,048,872</u>	<u>\$ 50,981,564</u>

During 2020, the City incurred about \$3.3 million for business-type activities debt and refinanced \$2.8 of governmental activities and \$9.7 of business-type activities.

See additional detailed data for all debt of the City of Sidney is presented in the Notes to the Basic Financial Statements in Note 8 on pages 43 - 46 and in Schedules 7-9 in the Statistical Section of this report.

**Contacting the City's management**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with an overview of the City's finances. If you have questions or need additional financial information, please contact the Finance Officer, City of Sidney, 201 West Poplar Street, Sidney, Ohio 45365.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2021**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Pooled cash	\$ 6,207,347	\$ 5,332,766	\$ 11,540,113
Cash	536,607	-	536,607
Cash held by outside agent	897,648	-	897,648
Pooled investments	18,126,350	15,580,613	33,706,963
Receivables	7,370,440	2,455,440	9,825,880
Internal balances	(10,479)	10,479	-
Inventory	221,753	348,483	570,236
Prepaid items	254,293	20,955	275,248
Net OPEB asset	619,378	314,732	934,110
Capital assets:			
Capital assets not subject to depreciation:			
Land	8,515,392	7,403,192	15,918,584
Construction in progress	441,293	182,084	623,377
Capital assets net of accumulated depreciation	<u>60,201,849</u>	<u>89,925,630</u>	<u>150,127,479</u>
Total assets	<u>103,381,871</u>	<u>121,574,374</u>	<u>224,956,245</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension	3,252,700	410,078	3,662,778
OPEB	<u>1,968,066</u>	<u>169,001</u>	<u>2,137,067</u>
Total deferred outflows of resources	<u>5,220,766</u>	<u>579,079</u>	<u>5,799,845</u>
Total assets and deferred outflows	<u>\$ 108,602,637</u>	<u>\$ 122,153,453</u>	<u>\$ 230,756,090</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,417,292	\$ 426,653	\$ 1,843,945
Salaries and benefits payable	713,350	142,539	855,889
Claims payable	262,602	-	262,602
Unearned revenue	1,141,437	539,528	1,680,965
Accrued interest payable	3,065	518,762	521,827
Refundable deposits	-	285,519	285,519
Noncurrent liabilities:			
Due within one year	697,903	2,409,840	3,107,743
Due in more than one year			
Net pension liability	22,078,577	2,642,308	24,720,885
Net OPEB liability	2,623,283	-	2,623,283
Other amounts due in more than one year	<u>3,421,983</u>	<u>44,113,422</u>	<u>47,535,405</u>
Total liabilities	<u>32,359,492</u>	<u>51,078,571</u>	<u>83,438,063</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue	1,902,310	-	1,902,310
Pension	4,818,491	1,140,549	5,959,040
OPEB	<u>3,069,520</u>	<u>961,632</u>	<u>4,031,152</u>
Total deferred inflows of resources	<u>9,790,321</u>	<u>2,102,181</u>	<u>11,892,502</u>
<b>NET POSITION</b>			
Net investment in capital assets	67,001,770	51,390,568	118,392,338
Restricted for:			
Cemetery - Expendable	1,120,337	-	1,120,337
Cemetery - Nonexpendable	30,376	-	30,376
Community development projects	1,099,457	-	1,099,457
Judicial costs	651,639	-	651,639
Police	453,519	-	453,519
Street capital projects	1,868,215	-	1,868,215
Street repair and maintenance	1,520,778	-	1,520,778
Other purposes - externally imposed restrictions	205,512	-	205,512
Unrestricted	<u>(7,498,779)</u>	<u>17,582,133</u>	<u>10,083,354</u>
Total net position	<u>66,452,824</u>	<u>68,972,701</u>	<u>135,425,525</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 108,602,637</u>	<u>\$ 122,153,453</u>	<u>\$ 230,756,090</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
Basic utility services	\$ 61,050	\$ -	\$ -	\$ -	\$ (61,050)		\$ (61,050)
Community development	451,608	42,978	271,408	-	(137,222)		(137,222)
Community environment	391,600	151,947	-	-	(239,653)		(239,653)
Fire	5,889,267	677,311	244,523	18,000	(4,949,433)		(4,949,433)
General government	142,689	-	-	-	(142,689)		(142,689)
Health	229,327	243,482	81,867	-	96,022		96,022
Judicial	1,315,652	743,755	321,482	-	(250,415)		(250,415)
Parks and recreation	1,002,208	6,732	65,606	206,168	(723,702)		(723,702)
Police	6,299,447	317,508	298,106	126,127	(5,557,706)		(5,557,706)
Street repair and maintenance	4,335,403	308,916	1,633,979	3,486,672	1,094,164		1,094,164
Interest on long-term debt	25,812	-	-	-	(25,812)		(25,812)
Total governmental activities	<u>20,144,063</u>	<u>2,492,629</u>	<u>2,916,971</u>	<u>3,836,967</u>	<u>(10,897,496)</u>		<u>(10,897,496)</u>
<b>Business-type activities:</b>							
Airport	715,396	390,257	-	271,680		\$ (53,459)	(53,459)
Concession Stand	14,778	27,403	-	-		12,625	12,625
Sewer	3,970,268	6,494,533	-	-		2,524,265	2,524,265
Sidney Water Park	113,094	67,909	5,100	-		(40,085)	(40,085)
Solid Waste	1,806,380	1,937,852	-	-		131,472	131,472
Stormwater	649,869	900,529	-	-		250,660	250,660
Transportation	493,557	102,876	618,802	19,258		247,379	247,379
Water	4,866,484	7,541,369	-	249,634		2,924,519	2,924,519
Total business-type activities	<u>12,629,826</u>	<u>17,462,728</u>	<u>623,902</u>	<u>540,572</u>		<u>5,997,376</u>	<u>5,997,376</u>
<b>Total</b>	<u>\$ 32,773,889</u>	<u>\$ 19,955,357</u>	<u>\$ 3,540,873</u>	<u>\$ 4,377,539</u>	<u>(10,897,496)</u>	<u>5,997,376</u>	<u>(4,900,120)</u>
<b>General revenues:</b>							
<b>Taxes:</b>							
Income taxes					18,293,599	-	18,293,599
Street levy income taxes					1,826,529	-	1,826,529
Property taxes					1,212,328	-	1,212,328
Payments in lieu of taxes					195,251	-	195,251
Lodging taxes					383,051	-	383,051
Grants and entitlements not restricted to specific programs					747,989	-	747,989
Investment earnings					83,866	18,145	102,011
Gain(loss) on sale of capital assets					44,214	2,665	46,879
Miscellaneous					544,762	207,536	752,298
Transfers					(470,124)	470,124	-
Total general revenues and transfers					<u>22,861,465</u>	<u>698,470</u>	<u>23,559,935</u>
Change in net position					11,963,969	6,695,846	18,659,815
Net position - beginning					<u>54,488,855</u>	<u>62,276,855</u>	<u>116,765,710</u>
Net position - ending					<u>\$ 66,452,824</u>	<u>\$ 68,972,701</u>	<u>\$ 135,425,525</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Municipal Earned Income Tax for Street Capital Fund	Non-major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Pooled cash	\$ 3,275,104	\$ 138,947	\$ 1,046,004	\$ 319,025	\$ 1,267,245	\$ 6,046,325
Cash held by outside agent	853,468	-	-	-	44,180	897,648
Pooled investments	9,558,688	405,952	3,056,342	932,165	3,702,709	17,655,856
Receivables:						
Income taxes	3,298,280	-	-	346,554	-	3,644,834
Property taxes	1,168,166	-	-	-	204,603	1,372,769
Other taxes	19,828	-	-	-	6,609	26,437
Interest	2,285	49	-	-	104	2,438
Loans	-	-	-	-	529,537	529,537
Special assessments	204,687	-	75,289	-	-	279,976
Other	196,730	-	-	-	32,556	229,286
Receivables from other governments	361,853	760,724	6,038	-	156,548	1,285,163
Due from other funds	9,000	-	90,106	-	18,122	117,228
Advances to other funds	30,000	-	-	-	-	30,000
Inventory	64,637	139,979	-	-	-	204,616
Prepaid items	41,745	992	21,482	-	11,204	75,423
Total assets	<u>\$ 19,084,471</u>	<u>\$ 1,446,643</u>	<u>\$ 4,295,261</u>	<u>\$ 1,597,744</u>	<u>\$ 5,973,417</u>	<u>\$ 32,397,536</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 1,058,025	\$ 11,374	\$ 183,965	\$ 92,241	\$ 29,179	\$ 1,374,784
Salaries and benefits payable	619,039	26,378	-	-	23,401	668,818
Advances from other funds	-	-	-	-	30,000	30,000
Unearned revenue	56,750	-	13,660	-	1,071,027	1,141,437
Due to other funds	108,228	-	-	-	9,000	117,228
Total liabilities	<u>1,842,042</u>	<u>37,752</u>	<u>197,625</u>	<u>92,241</u>	<u>1,162,607</u>	<u>3,332,267</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	4,886,354	652,648	61,451	239,693	936,493	6,776,639
Total deferred inflows of resources	<u>4,886,354</u>	<u>652,648</u>	<u>61,451</u>	<u>239,693</u>	<u>936,493</u>	<u>6,776,639</u>
<b>FUND BALANCES:</b>						
Nonspendable	106,382	140,971	21,482	-	11,204	280,039
Restricted	-	615,272	-	1,265,810	3,635,302	5,516,384
Committed	1,152,093	-	-	-	230,787	1,382,880
Assigned	2,721,559	-	4,014,703	-	-	6,736,262
Unassigned	8,376,041	-	-	-	(2,976)	8,373,065
Total fund balances	<u>12,356,075</u>	<u>756,243</u>	<u>4,036,185</u>	<u>1,265,810</u>	<u>3,874,317</u>	<u>22,288,630</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 19,084,471</u>	<u>\$ 1,446,643</u>	<u>\$ 4,295,261</u>	<u>\$ 1,597,744</u>	<u>\$ 5,973,417</u>	<u>\$ 32,397,536</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO  
RECONCILIATION OF TOTAL  
GOVERNMENTAL FUND BALANCES TO NET  
POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2021**

Total governmental fund balances \$ 22,288,630

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

Some assets used in governmental activities are not financial resources and therefore are not reported in the funds:  
Capital Assets 68,549,386

Other long-term assets and the net OPEB asset are not available to pay for current-period expenditures and therefore the asset and related deferred inflows/outflows are not reported in the governmental funds:  
Income taxes receivable 2,472,806  
Grant related receivables 858,748  
Other receivables 1,542,775  
Deferred Outflows - OPEB 281,232  
Deferred Inflows - OPEB (1,600,256)  
Net OPEB Asset 523,745

Internal service funds are used to charge the costs of certain activities, such as the central garage and health insurance, to individual funds. The assets/deferred outflows and liabilities/deferred inflows of the internal service funds are included in governmental activities in the statement of net position.  
Net position of Internal Service Funds 300,223  
Internal service fund activity allocated to enterprise funds (10,479)

The net pension/OPEB liability is not due and payable in the current period; therefore the liability and related deferred inflows/outflows are not reported in the governmental funds:  
Deferred Outflows - Pension 3,128,095  
Deferred Inflows - Pension (4,471,929)  
Net Pension Liability (21,275,694)  
Deferred Outflows - OPEB 1,635,484  
Deferred Inflows - OPEB (1,177,068)  
Net OPEB Liability (2,623,283)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore not reported in the funds:  
Bonds and loan payable (1,947,750)  
Premium on bond (68,562)  
Compensated absences (1,950,214)  
Accrued interest on long-term debt (3,065)

Net position of governmental activities \$ 66,452,824

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Municipal Earned Income Tax for Street Capital Fund	Non-major Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Local taxes	\$ 15,289,368	\$ -	\$ 3,229,033	\$ 1,700,608	\$ 401,206	\$ 20,620,215
Intergovernmental revenues	778,587	1,296,875	1,694,453	-	1,420,391	5,190,306
Special assessments	377,479	-	281,871	-	2,000	661,350
Charges for services	1,198,716	-	24,300	-	424,094	1,647,110
Fines, licenses and permits	443,329	-	-	-	61,182	504,511
Investment income	16,185	577	-	-	1,393	18,155
Miscellaneous receipts and reimbursements	681,892	27,800	196,947	-	178,693	1,085,332
Total revenues	18,785,556	1,325,252	5,426,604	1,700,608	2,488,959	29,726,979
<b>EXPENDITURES:</b>						
Current:						
Basic utility services	61,050	-	-	-	-	61,050
Community development	311,244	-	-	-	226,130	537,374
Community environment	671,204	-	-	-	18,867	690,071
Fire	5,165,087	-	-	-	297,157	5,462,244
General government	1,172,780	-	-	-	-	1,172,780
Health	-	-	-	-	286,873	286,873
Judicial	1,495,583	-	-	-	488,636	1,984,219
Parks and recreation	1,271,433	-	-	-	-	1,271,433
Police	6,089,762	-	-	-	347,596	6,437,358
Street repair and maintenance	-	1,439,353	-	-	103,000	1,542,353
Capital outlay	26,746	403,386	3,725,372	1,488,828	425,495	6,069,827
Debt service:						
Principal	35,000	-	462,850	-	60,000	557,850
Interest	1,706	-	37,900	-	8,300	47,906
Total expenditures	16,301,595	1,842,739	4,226,122	1,488,828	2,262,054	26,121,338
Excess (deficiency) of revenues over (under) expenditures	2,483,961	(517,487)	1,200,482	211,780	226,905	3,605,641
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	535,000	-	-	75,000	610,000
Sale of capital assets	675	-	78,301	-	-	78,976
Transfers out	(852,722)	-	(215,000)	-	-	(1,067,722)
Total other financing sources (uses)	(852,047)	535,000	(136,699)	-	75,000	(378,746)
Net change in fund balances	1,631,914	17,513	1,063,783	211,780	301,905	3,226,895
Fund balances, beginning of year	10,724,161	738,730	2,972,402	1,054,030	3,572,412	19,061,735
Fund balances, end of year	\$ 12,356,075	\$ 756,243	\$ 4,036,185	\$ 1,265,810	\$ 3,874,317	\$ 22,288,630

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, 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, 2021**

Net change in fund balances - total governmental funds \$ 3,226,895

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

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

Capital asset additions	5,195,779
Current year depreciation	(4,219,712)
Proceeds from sale of assets	(78,976)
Gain on sale of assets	44,214
Donated Capital Assets	1,925,112

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

Income taxes	1,400,738
Intergovernmental revenue	54,046
Investment income	1,429
Other revenue	(303,086)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 557,850

Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Activities reports these amounts as deferred outflows.

Pension	1,924,882
OPEB	36,888

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the Statement of Activities.

Pension	(1,251,725)
OPEB	2,885,324

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Vacation and sick leave benefits	146,382
Interest payable	929
Amortization of bond premium	21,165

Internal service funds are used by management to charge the costs of certain activities, such as the central garage, and health insurance to individual funds. The net revenue (expense) of the internal service funds related to governmental activities is reported with governmental activities.

Change in Net Position	650,482
Add: Enterprise allocation	(254,647)

Change in net position of governmental activities \$ 11,963,969

See Notes to the Basic Financial Statements.



**CITY OF SIDNEY, OHIO**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2021**

	Business-type Activities					Governmental Activities - Internal Service Funds
	Sewer	Stormwater	Water	Non-major Enterprise Funds	Totals	
<b>ASSETS</b>						
Current assets:						
Pooled cash	\$ 2,316,384	\$ 349,304	\$ 2,284,926	\$ 382,152	\$ 5,332,766	\$ 161,022
Cash	-	-	-	-	-	536,607
Pooled investments	6,767,634	1,020,638	6,675,725	1,116,616	15,580,613	470,494
Receivables:						
Accounts	836,939	49,041	1,196,474	137,173	2,219,627	-
Interest	814	-	803	-	1,617	-
Other	75,972	-	127,083	342	203,397	-
Receivables from other governments	-	-	-	30,799	30,799	-
Inventory	71,578	17,914	228,701	30,290	348,483	17,137
Prepaid items	2,091	-	15,313	3,551	20,955	178,870
Total current assets	<u>10,071,412</u>	<u>1,436,897</u>	<u>10,529,025</u>	<u>1,700,923</u>	<u>23,738,257</u>	<u>1,364,130</u>
Noncurrent assets:						
Net OPEB asset	121,523	25,814	119,370	48,025	314,732	95,633
Capital assets not subject to depreciation:						
Land	126,320	14,126	6,203,394	1,059,352	7,403,192	-
Construction in progress	53,133	5,890	-	123,061	182,084	-
Capital assets net of accumulated depreciation	<u>38,987,261</u>	<u>5,031,509</u>	<u>39,648,142</u>	<u>6,258,718</u>	<u>89,925,630</u>	<u>609,148</u>
Total noncurrent assets	<u>39,288,237</u>	<u>5,077,339</u>	<u>45,970,906</u>	<u>7,489,156</u>	<u>97,825,638</u>	<u>704,781</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension	158,338	33,634	155,532	62,574	410,078	124,605
OPEB	65,254	13,862	64,096	25,789	169,001	51,350
Total deferred outflows of resources	<u>223,592</u>	<u>47,496</u>	<u>219,628</u>	<u>88,363</u>	<u>579,079</u>	<u>175,955</u>
Total assets & deferred outflows	<u>\$ 49,583,241</u>	<u>\$ 6,561,732</u>	<u>\$ 56,719,559</u>	<u>\$ 9,278,442</u>	<u>\$ 122,142,974</u>	<u>\$ 2,244,866</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	\$ 76,743	\$ 2,249	\$ 146,429	\$ 201,232	\$ 426,653	\$ 42,508
Salaries and benefits payable	54,164	11,634	57,737	19,004	142,539	44,532
Claims payable	-	-	-	-	-	262,602
Current portion of long term debt	1,408,175	-	973,201	-	2,381,376	-
Compensated absences	14,334	1,911	8,369	3,850	28,464	9,722
Unearned revenue	201,559	75,811	-	262,158	539,528	-
Refundable deposits	-	-	285,374	145	285,519	-
Accrued interest payable	144,843	-	373,919	-	518,762	-
Total current liabilities	<u>1,899,818</u>	<u>91,605</u>	<u>1,845,029</u>	<u>486,389</u>	<u>4,322,841</u>	<u>359,364</u>
Noncurrent liabilities:						
Noncurrent portion of long term debt	15,976,709	-	27,674,475	-	43,651,184	-
Net pension liability	1,020,238	216,721	1,002,161	403,188	2,642,308	802,883
Compensated absences	214,440	39,370	156,314	52,114	462,238	143,638
Total noncurrent liabilities	<u>17,211,387</u>	<u>256,091</u>	<u>28,832,950</u>	<u>455,302</u>	<u>46,755,730</u>	<u>946,521</u>
Total liabilities	<u>19,111,205</u>	<u>347,696</u>	<u>30,677,979</u>	<u>941,691</u>	<u>51,078,571</u>	<u>1,305,885</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension	440,385	93,547	432,580	174,037	1,140,549	346,562
OPEB	371,302	78,873	364,723	146,734	961,632	292,196
Total deferred inflows of resources	<u>811,687</u>	<u>172,420</u>	<u>797,303</u>	<u>320,771</u>	<u>2,102,181</u>	<u>638,758</u>
<b>NET POSITION</b>						
Net investment in capital assets	21,781,431	5,051,525	17,155,298	7,402,314	51,390,568	609,148
Unrestricted	7,878,918	990,091	8,088,979	613,666	17,571,654	(308,925)
Total net position	<u>29,660,349</u>	<u>6,041,616</u>	<u>25,244,277</u>	<u>8,015,980</u>	<u>68,962,222</u>	<u>300,223</u>
Total liabilities, deferred inflows and net position	<u>\$ 49,583,241</u>	<u>\$ 6,561,732</u>	<u>\$ 56,719,559</u>	<u>\$ 9,278,442</u>	<u>\$ 122,142,974</u>	<u>\$ 2,244,866</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					10,479	
Total position from above					<u>68,962,222</u>	
Net position of business-type activities					<u>\$ 68,972,701</u>	

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Business-type Activities					Governmental Activities - Internal Service Funds
	Sewer	Stormwater	Water	Non-major Enterprise Funds	Totals	
<b>OPERATING REVENUES:</b>						
Charges for services	\$ 6,494,533	\$ 900,529	\$ 7,541,369	\$ 2,526,297	\$ 17,462,728	\$ 5,145,791
Other revenue	49,410	1,208	82,062	74,856	207,536	11,132
Total operating revenues	<u>6,543,943</u>	<u>901,737</u>	<u>7,623,431</u>	<u>2,601,153</u>	<u>17,670,264</u>	<u>5,156,923</u>
<b>OPERATING EXPENSES:</b>						
Personal services	628,666	267,910	638,664	(2,330)	1,532,910	586,783
Operations and maintenance	1,623,151	166,220	2,297,225	2,834,293	6,920,889	1,702,418
Claims paid	-	-	-	-	-	2,086,804
Depreciation & amortization	1,443,691	226,264	1,215,219	389,172	3,274,346	143,091
Total operating expenses	<u>3,695,508</u>	<u>660,394</u>	<u>4,151,108</u>	<u>3,221,135</u>	<u>11,728,145</u>	<u>4,519,096</u>
Operating income (loss)	<u>2,848,435</u>	<u>241,343</u>	<u>3,472,323</u>	<u>(619,982)</u>	<u>5,942,119</u>	<u>637,827</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>						
Investment income	9,480	-	8,665	-	18,145	4,540
Intergovernmental	-	-	-	618,802	618,802	-
Contributions	-	-	-	5,100	5,100	-
Gain on disposal of assets	-	-	2,665	-	2,665	-
Interest expense	(365,856)	-	(790,472)	-	(1,156,328)	-
Total nonoperating revenues (expenses)	<u>(356,376)</u>	<u>-</u>	<u>(779,142)</u>	<u>623,902</u>	<u>(511,616)</u>	<u>4,540</u>
Income before contributions and transfers	2,492,059	241,343	2,693,181	3,920	5,430,503	642,367
Capital grants & contributions	-	-	262,036	290,938	552,974	8,115
Transfers in	-	-	-	457,722	457,722	-
Change in net position	2,492,059	241,343	2,955,217	752,580	6,441,199	650,482
Total net position - beginning	<u>27,168,290</u>	<u>5,800,273</u>	<u>22,289,060</u>	<u>7,263,400</u>		<u>(350,259)</u>
Total net position - ending	<u>\$ 29,660,349</u>	<u>\$ 6,041,616</u>	<u>\$ 25,244,277</u>	<u>\$ 8,015,980</u>		<u>\$ 300,223</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					254,647	
Change in net position of business-type activities					<u>\$ 6,695,846</u>	

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Business-type Activities				Totals	Governmental Activities - Internal Service Funds
	Sewer	Stormwater	Water	Non-major Enterprise Funds		
<b>Cash flows from operating activities:</b>						
Receipts from customers and users	\$ 6,539,402	\$ 686,888	\$ 7,489,848	\$ 2,559,080	\$ 17,275,218	\$ 141,499
Receipts from interfund services	12,280	220,793	69,785	-	302,858	5,026,300
Payments to suppliers	(863,905)	(46,335)	(1,523,789)	(2,221,196)	(4,655,225)	(1,686,045)
Payments to employees	(1,494,033)	(285,770)	(1,478,351)	(523,062)	(3,781,216)	(1,162,967)
Payments for claims	-	-	-	-	-	(2,094,526)
Payments for interfund services used	(789,797)	(111,437)	(734,963)	(434,712)	(2,070,909)	(89,383)
Net cash provided by (used for) operating activities	<u>3,403,947</u>	<u>464,139</u>	<u>3,822,530</u>	<u>(619,890)</u>	<u>7,070,726</u>	<u>134,878</u>
<b>Cash flows from noncapital financing activities:</b>						
Transfers in	-	-	-	457,722	457,722	-
Intergovernmental	-	-	-	677,698	677,698	-
Contributions	-	-	-	5,100	5,100	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,140,520</u>	<u>1,140,520</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>						
Acquisition of capital assets	(862,386)	(24,088)	(609,317)	(441,504)	(1,937,295)	(34,487)
Proceeds from sale of capital assets	-	-	2,665	-	2,665	-
Principal paid on capital debt	(1,384,629)	-	(937,338)	-	(2,321,967)	-
Interest paid on capital debt	(385,549)	-	(804,691)	-	(1,190,240)	-
Capital contributions	-	-	249,634	281,918	531,552	-
Net cash used for capital and related financing activities	<u>(2,632,564)</u>	<u>(24,088)</u>	<u>(2,099,047)</u>	<u>(159,586)</u>	<u>(4,915,285)</u>	<u>(34,487)</u>
<b>Cash flows from investing activities:</b>						
Proceeds from sales and maturities of investments	1,505,064	(52,503)	650,629	46,940	2,150,130	133,863
Purchase of investments	(1,073,499)	(161,880)	(1,058,920)	(177,102)	(2,471,401)	(74,624)
Interest on investments	9,365	-	8,547	-	17,912	4,540
Net cash provided by (used for) investing activities	<u>440,930</u>	<u>(214,383)</u>	<u>(399,744)</u>	<u>(130,162)</u>	<u>(303,359)</u>	<u>63,779</u>
Net increase in cash	1,212,313	225,668	1,323,739	230,882	2,992,602	164,170
Pooled cash, beginning of year	1,104,071	123,636	961,187	151,270	2,340,164	533,459
Pooled cash, end of year	<u>\$ 2,316,384</u>	<u>\$ 349,304</u>	<u>\$ 2,284,926</u>	<u>\$ 382,152</u>	<u>\$ 5,332,766</u>	<u>\$ 697,629</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ 2,848,435	\$ 241,343	\$ 3,472,323	\$ (619,982)	\$ 5,942,119	\$ 637,827
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation & amortization	1,443,691	226,264	1,215,219	389,172	3,274,346	143,091
Change in assets and deferred outflows:						
Accounts receivable	8,904	838	(100,288)	(26,489)	(117,035)	-
Other receivables	(2,394)	2,884	36,581	16,101	53,172	11,636
Prepaid items	(209)	-	(196)	(82)	(487)	(56,882)
Inventory	1,415	7,754	27,848	1,501	38,518	(1,703)
Net OPEB asset	(121,523)	(25,814)	(119,370)	(48,025)	(314,732)	(95,633)
Deferred outflows - Pension	62,098	479	63,013	42,993	168,583	43,910
Deferred outflows - OPEB	90,879	10,300	90,700	48,983	240,862	68,006
Change in liabilities and deferred inflows:						
Accounts & claims payable	(31,757)	694	10,821	133,719	113,477	(22,908)
Salaries and benefits payable and compensated absences	(18,072)	27,519	13,951	4,829	28,227	38,101
Refundable deposits	-	-	(91)	-	(91)	-
Unearned revenue	1,229	2,222	-	11,562	15,013	-
Net pension liability	(327,991)	8,077	(334,505)	(242,476)	(896,895)	(227,790)
Net OPEB liability	(941,814)	(145,747)	(933,756)	(451,028)	(2,472,345)	(719,982)
Deferred inflows - Pension	154,264	49,269	148,915	37,013	389,461	127,834
Deferred inflows - OPEB	236,792	58,057	231,365	82,319	608,533	189,371
Net cash provided by (used for) operating activities	<u>\$ 3,403,947</u>	<u>\$ 464,139</u>	<u>\$ 3,822,530</u>	<u>\$ (619,890)</u>	<u>\$ 7,070,726</u>	<u>\$ 134,878</u>
<b>Noncash investing, capital and financing activities:</b>						
Purchase of equipment on account	\$ 399	\$ -	\$ 48,562	\$ 38,817	\$ 87,778	\$ -
Prior year purchase of equipment on account	\$ 143,049	\$ -	\$ 161,875	\$ 26,846	\$ 331,770	\$ -
Debt principal paid by third party	\$ -	\$ -	\$ 15,708	\$ -	\$ 15,708	\$ -
Contributions of capital assets from governmental activities	\$ -	\$ -	\$ 12,402	\$ -	\$ 12,402	\$ 8,815

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2021**

	<u>Custodial Funds</u>	<u>Private-Purpose Trust Funds</u>
<b>ASSETS</b>		
Pooled cash	\$ 8,576	\$ 8,261
Cash held by outside agent	230,066	-
Pooled investments	25,058	24,137
Receivable		
Accounts	9,282	-
Interest	<u>-</u>	<u>2</u>
 Total assets	 <u>\$ 272,982</u>	 <u>\$ 32,400</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 4,810	\$ -
Payable to other governments	<u>111,080</u>	<u>-</u>
 Total liabilities	 <u>115,890</u>	 <u>-</u>
<b>NET POSITION</b>		
Restricted for:		
Individuals & organizations & other governments	<u>\$ 157,092</u>	<u>\$ 32,400</u>
Total Net position	<u>\$ 157,092</u>	<u>\$ 32,400</u>

See Notes to the Basic Financial Statements

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Custodial Funds	Private-Purpose Trust Funds
	<u>                    </u>	<u>                    </u>
<b>ADDITIONS</b>		
Charges for services	\$ 81,726	\$ -
Court costs & fines	2,234,704	-
Contributions	22,033	-
Investment income	-	37
	<u>2,338,463</u>	<u>37</u>
<b>DEDUCTIONS</b>		
Purchase of flowers	-	664
Judgement costs & bond reimbursements	1,074,328	-
Payments to other governments	1,274,976	-
Clean-up expenses	18,824	-
	<u>2,368,128</u>	<u>664</u>
Change in net position	(29,665)	(627)
Net position, beginning of year	<u>186,757</u>	<u>33,027</u>
Net position, end of year	<u>\$ 157,092</u>	<u>\$ 32,400</u>

See Notes to the Basic Financial Statements

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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1. Summary of Significant Accounting Policies:

A. Reporting Entity

The City of Sidney, Ohio (City) is a political unit incorporated and established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The City was incorporated in 1820, and has a Council-Manager form of government. The City provides the following services: police, fire, judicial, highways and streets, water, sewer, sanitation, recreation, public transportation, public improvements, planning and zoning and general administrative services.

For financial reporting purposes, the City includes in this report all funds, agencies, boards, commissions, and departments in accordance with criteria established in Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39. Under the provisions of GASB Statement No. 14 (as amended), the City of Sidney is the primary government, since it is a general purpose government that has a separate elected governing body; functions as a separate legal entity; and is fiscally independent of other state and local governments. As used in GASB Statement No. 14, fiscally independent means that the City may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue debt. As required by accounting principles generally accepted in the United States of America, these basic financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data is combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. There are no blended or discretely presented component units at December 31, 2021.

Certain units of local governments, over which the City exercises no authority, such as the Shelby County Library District, Shelby County Health District and Upper Valley Career Center, are other local governmental and non-profit entities with independent elected officials and are excluded from the accompanying basic financial statements. The City is not a component unit of any other entity and does not have any component units, which require inclusion in the basic financial statements.

Other local governments and non-profit entities that overlap the City's boundaries are Shelby County and the Sidney City School District. These entities do not meet the reporting entity criteria and, therefore, are not included in the City's financial reports.

B. Basis of Presentation

Government-wide financial statements

The statement of net position and the statement of activities display information about the City as a whole. These statements distinguish between activities that are governmental in nature, which are normally supported by taxes and intergovernmental revenues; and business-type activities, which rely to a significant extent upon fees and charges for support. During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in the business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers are eliminated as well and are included in the internal balances on the government-wide statement of net position. The government-wide financial statements do not include the City's fiduciary funds.

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

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the City and for each governmental program. Program revenues include charges paid by the recipients of the goods or services as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business-type segment is self-supporting or relies upon general revenues of the City.

**Fund Financial Statements**

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

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America for local governments as prescribed by the GASB. The accounts of the City are organized based on funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and deferred outflows, liabilities and deferred inflows, fund equity, revenues and expenditures (expenses). Fund accounting segregates funds according to the intended purpose and is used to aid management in demonstrating compliance with financial-related legal and contractual provisions.

**Governmental Funds**

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

**General Fund** - The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the City Charter and/or the general laws of the State of Ohio. In addition, it accounts for the collection, collection costs, and distribution of City-levied income tax.

**Street Repair & Maintenance Fund** – To account for state-levied and controlled gasoline tax and motor vehicle registration fees restricted for street maintenance and repair.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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Capital Improvement Fund – To account for the income tax resources for capital improvements used for general improvement of all City facilities and operations.

Municipal Earned Income Tax for Street Capital Fund – To account for the .15 percent levy and shall be used entirely for the construction, reconstruction, resurfacing, or maintenance of streets, alley, bridges, curbs and gutters in the City and the cost incidental thereto.

Proprietary (Business-type) Funds

The proprietary funds are used to account for the City's ongoing activities that are similar to those found in the private sector where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City reports the following major proprietary funds:

Water Fund – Accounts for the operation of the waterworks distribution system and related expenses, including capital improvement and debt service. The operation is exclusively financed by customer user charges.

Sewer Fund – Accounts for the operation of the sanitary sewer collection and treatment system and related expenses, including capital improvement and debt service. The operation is exclusively financed by customer user charges.

Stormwater Fund - Accounts for the operation and maintenance of the stormwater system, and related expenses, including capital improvement. The operations are financed through customer user charges.

Additionally, the City reports the following fund types:

Internal service funds – Account for services, such as information management, vehicle maintenance, revenue collections, health care self-insurance and service center operations, provided to other departments of the City on a cost-reimbursement basis.

Fiduciary funds – Generally are used to account for assets held in a fiduciary capacity on behalf of others. The City holds assets in three custodial funds for other entities: (1) Municipal Court, (2) Village of Port Jefferson's sewer bills, and (3) the Great Miami River Watershed Protection Project. The City also has four private-purpose trust funds: (1) B. Bennett Flower Trust Fund, (2) B. Slonkosky Flower Trust Fund (3) C. Truster Flower Trust Fund, and (4) Ike Mausoleum Family Trust Fund.

C. Basis of Accounting

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

The modified accrual basis of accounting is used for all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be reasonably determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers revenues available if they are collected within 30 days after year-end. Expenditures are recorded generally when the related fund liability is



**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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incurred. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liabilities, net OPEB liabilities, and claims and judgments, are recorded only when payment is due.

Those revenues susceptible to accrual are property taxes, income taxes, intergovernmental revenues, franchise taxes, special assessments, licenses, interest revenue and charges for services. Fines, permits and parking meter revenues are not susceptible to accrual because they are generally not measurable until received in cash.

The City reports deferred outflows of resources on its governmental funds' balance sheet as a separate section. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 19 and 20.

In addition to liabilities, deferred inflows of resources arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred inflow of resources is removed from the balance sheet and revenue is recognized. For the City, deferred inflows of resources include unavailable revenue, pension, and OPEB. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Certain unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes property taxes, income taxes, special assessments, forgivable loans and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balance to net position of governmental activities found on page 20. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. See Notes 19 and 20.

Because governmental funds' financial statements use a different measurement focus and basis of accounting than the government-wide statements, governmental funds' financial statements include reconciliations to the government-wide statements.

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

Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in the net total position. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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***Fiduciary Funds.*** Fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

D. Budgets and Budgetary Accounting

The City follows procedures prescribed by State law in establishing the budgetary data reflected in the financial statements as follows:

- (1) The County Budget Commission has suspended the requirement to prepare a tax budget. In lieu of the tax budget, about January 1 of each year, the City will submit to the Budget Commission a report of estimated revenue and actual unencumbered cash balances by fund. Thereafter, the County Budget Commission will issue an Official Certificate of Estimated Resources (OCER).
- (2) Unencumbered appropriations lapse at year-end. No contract, agreement or other obligation involving the expenditure of money shall be entered into unless the Finance Officer first certifies that the money required for such contract, agreement, obligation or expenditure is in the treasury, or is anticipated to come into the treasury, before the maturity of such contract.
- (3) All funds of the City have annual budgets legally adopted by the City Council. The exception is that when the City receives federal or state grant funds to aid in paying the cost of any program, activity, or function of the City, the amount received may be deemed appropriated for such purpose.

The City Manager acts as budget officer for the City and submits a proposed operating budget to the City Council on an annual basis. Public hearings are held to obtain taxpayer comments. The Council enacts the budget through passage of an ordinance. The appropriations ordinance controls expenditures at the level of (1) personal services and (2) contractual, materials and other. Council can amend the budget at the legal level of control, through the passage of supplemental ordinances. Management can amend appropriations below this level without council approval. Supplemental appropriations to the original appropriations ordinance were made during the year, but were not material in relation to the original appropriations.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in the governmental funds.

While reporting financial position, results of operations and changes in fund balances on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budget (Non-GAAP) Basis for the General Fund and major special revenue funds are presented on the budgetary basis in the Required Supplementary Information to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (1) Revenues are recorded when received in cash (budget) as opposed to when they are both measurable and available (GAAP).
- (2) Expenditures are recorded when paid in cash (budget) as opposed to restricted, committed, or assigned fund balance (GAAP).
- (3) Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a restricted, committed, or assigned fund balance (GAAP).

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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E. Cash and Cash Equivalents

To improve cash management, most of the cash received by the City is pooled. The exceptions to this policy are as follows:

- Municipal Court, a custodial fund, maintains its deposits in a separate checking account.
- An outside agency, Shelby County, is holding cash deposits for the County Auto License Fund (a nonmajor governmental fund).
- Miami Valley Risk Management Association, a joint insurance pool, is holding a cash reserve for the City's insurance purposes included in the General Fund.
- Insurance premiums collected and paid for on behalf of the City employees' health insurance are held in a separate checking account reported in the Self-Insurance Fund (an internal service fund).

Monies for all other funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Pooled Cash" on the balance sheet.

For purposes of the statements of cash flows and for presentation on the statement of net position/balance sheet, investments with an original maturity of three months or less and restricted cash are considered to be cash equivalents.

F. Pooled Investments

All investments of the City are recorded at fair value, in accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." The statement established accounting and reporting guidelines for government investments and investment pools. Interest earnings from investments are allocated to the General Fund except for funds derived from contract, trust agreement, grant terms or City policy that requires crediting otherwise.

G. Inventory and Prepaid Items

Inventory is valued at cost using the first-in/first out (FIFO) method. The proprietary funds' inventories are recorded as expenses when used. Inventory in governmental funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are used. Inventory is accounted for using the consumption method. Reported inventories are included within the nonspendable fund balance classification in the governmental funds category, which indicates that it does not constitute available resources.

Payments made to vendors for services that will benefit periods beyond December 31, 2021 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 it was consumed. Reported prepaid items are included within the nonspendable fund balance classification in the governmental funds category, which indicates that it does not constitute available resources.

H. Capital Assets

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

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

---

The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost, if actual cost is not available. Donated capital assets are valued at their acquisition value at the time received. Interest incurred during the construction phase of capital assets of business-type activities and proprietary funds is capitalized.

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

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives of the various classes of depreciable capital assets are as follows:

<u>Description</u>	<u>Estimated Useful Life (In Years)</u>
Land improvements	10 to 26
Buildings and improvements	10 to 45
Machinery and equipment	3 to 20
Infrastructure	23 to 50

I. Compensated Absences

City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation and sick leave at various rates. In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if: a) the employee's rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for sick leave is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination payments, as well as those employees expected to become eligible in the future in accordance with GASB Statement No. 16. Sick leave benefits are accrued using the "vesting" method in accordance with GASB Statement No. 16."

Vested vacation and sick leave is recorded as an expense in the government-wide statements for the period in which such leave was earned. For governmental fund financial statements, compensated absences are recognized as liabilities in the general fund and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

Payment of vacation and sick leave recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. Management believes that sufficient resources will be made available when payment is due.

J. Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory & prepaid expenses) or have a legal or contractual requirement to maintain the balance intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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amount of interfund loans.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators, or through enabling legislation.

Committed – resources that are constrained for specific purposes that are internally imposed on them by the government by formal action (ordinance) at its highest level of decision-making authority, City Council. These committed amounts cannot be used for any other purpose unless the City Council changes the specified use by taking the same type of action it employed previously to commit those amounts.

Assigned – resources that are intended to be used for specific purposes as approved by the City Manager with authority given by City Charter. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts that had been restricted, committed or assigned for said purposes.

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

**K. Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The caption “Net investment in capital assets” consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position.

Net position is reported as restricted when constraints placed upon their use are either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. The net position is restricted for other purposes result from special revenue funds and the restrictions on their intended use. When both restricted and non-restricted resources are available for use, it is the City’s policy to use restricted resources first, and then non-restricted resources, as they are needed.

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

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

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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pension and OPEB plans report investments at fair value.

**M. Grants and Other Intergovernmental Revenues**

Federal grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. All other reimbursement-type grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred.

**N. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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

**O. Estimates**

The preparation of these financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenditure/expenses during the reporting period. Actual results could differ from those estimates.

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

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Net pension/OPEB liability should be recognized in the governmental funds, which include the general fund, street repair and maintenance fund, and other non-major special revenue funds, to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**Q. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "advances to/from other funds" and as "due from/to other funds". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**R. Contributions of Capital**

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

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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construction and from contributions from governmental funds.

2. Cash and Cash Equivalents:

The City maintains a cash deposit and investment pool for all funds, except for the following:

- Municipal Court, a custodial fund, maintains its deposits in a separate checking account in the amount of \$230,066 at December 31, 2021.
- An outside agency, Shelby County, is holding cash deposits for the County Auto License Fund (a nonmajor governmental fund) in the amount of \$44,180 at December 31, 2021.
- Miami Valley Risk Management Association, a joint insurance pool, is holding a cash reserve for the City's insurance purposes included in the General Fund in the amount of \$853,468 at December 31, 2021.
- Insurance premiums collected and paid for on behalf of the City employees' health insurance are held in a separate checking account reported in the Self-Insurance Fund (an internal service fund) in the amount of \$536,607 at December 31, 2021.
- Imprest cash held on hand was \$3,100 at December 31, 2021.

At December 31, 2021, the carrying amount of the City's deposits was \$11,553,851 and the bank balance was \$11,841,186. Of the bank balance:

1. \$250,000 was covered by federal depository insurance;
2. \$5,795,593 was collateralized by the financial institutions' participation in the Ohio Pooled Collateral System (OPCS); and,
3. \$5,795,593 was exposed to custodial credit risk because this amount was uninsured and uncollateralized.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in 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.

The State of Ohio by statute has established collateral requirements for financial institutions acting as public depositories. The public depositories must either pledge specific qualified securities through the Ohio Pooled Collateral System with a market value of at least equal to 102% of the total amount of all public deposits to be secured, or pledge a pool of collateral with a market value of at least 105% of the total amount of public deposits secured. Pooled securities so pledged provide the equivalent of a deposit insurance fund. This approach protects all public entities against a single public depository collapse. The state has implemented collateral pools to minimize the interest penalty to public entities for protecting public deposits. For the year ended December 31, 2021, the City's financial institution was approved for a reduced collateral rate of 50% through the Ohio Pooled Collateral System. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC. All investments are reported at fair value, which is based on quoted market prices. The City has no deposit policy for custodial risk beyond the requirements of State statute.

3. Pooled Investments:

Each fund's share of investments is shown separately on the combined balance sheet as "pooled investments." Income accrued on investments is shown collectively by fund on the balance sheet as "interest receivable."

The City's pooled investments consisted of Negotiable Certificates of Deposit (CDs), U.S. Government-Sponsored agencies, a money market mutual fund, and State Treasury Asset Reserve of Ohio (STAR Ohio), totaling \$33,756,158 at December 31, 2021. These pooled investments have weighted average maturity of

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

---

approximately two months. The weighted average maturity was calculated using estimated maturity dates at December 31, 2021 based on the City's Investment Advisor's estimate of when an investment will be called.

*Interest Rate Risk.* To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. In accordance with its investment policy, the City manages its exposure to declines in fair values by not directly investing in securities maturing more than five years from the date of purchase unless matched to a specific cash flow requirement.

*Credit Risk.* As of December 31, 2021, the City's investments in government-sponsored agencies, except STAR Ohio, were rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service. STAR Ohio and money market fund carry a rating of AAAM by Standard & Poor's. The CDs are covered by FDIC. The City's investment policy is silent regarding credit risk of investments.

*Custodial Credit Risk.* The ORC, the City's charter, and the City's investment policy authorize the City to invest in the STAR Ohio, certificates of deposit, repurchase agreements, United States treasury bills and notes, notes issued by United States agencies and government-sponsored corporations, bankers' acceptances and commercial paper of the highest rating. The above legislative investment policy applies to all funds and fund types. All deposits are made to authorized public depositories and contracts with such institutions that are in accordance with the ORC and the City's charter.

*Concentration of Credit Risk.* To avoid over-concentration in securities from a specific issuer or business sector (excluding securities of the U.S. Treasury and U.S. government-sponsored agencies), the City has established the following maximum allocations based on investments valued at cost:

Certificates of Deposit	50%
Commercial Paper and Banker Acceptances	40%
STAR Ohio and STAR Ohio Plus	50%
State and local government bonds or other obligations	20%

Investments in any issuer that represents 5% or more of the total investments (excluding cash and cash equivalents) at December 31, 2021 include:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent</u>
U.S. Government-Sponsored agencies:		
Federal Home Loan Bank	\$ 3,745,988	11%
Money Market Fund	\$ 13,292,615	39%
Star Ohio	\$ 16,344,663 *	48%

\*Valued at amortized cost

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The table above identifies the City's recurring fair value measurements as of December 31, 2021.

The City's investments in Federal Home Loan Bank and CDs are valued using quoted prices in markets that are not considered to be active dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs). The City's



**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

---

investments in the money market fund are valued using quoted market prices in active markets (Level 1 inputs).

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

For 2021, 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 \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

4. Income Taxes:

Municipalities within the State of Ohio are permitted by state statute to levy an income tax up to a maximum rate of 1% subject to the approval of the local legislative body. Any rate in excess of 1% requires the approval of a majority of the eligible voters residing within the municipal corporation. The City of Sidney levies a permanent 1.5% tax on all wages, salaries, commissions and other compensation paid by employers and the net profits from a business or professional person earned within the City, excluding income from intangible personal property. In addition, City residents pay City income tax on income earned outside the City, net of a credit for income taxes paid to other municipalities.

In an election held during November 2019, voters approved an income tax levy of an additional annual tax on income (.15%) commencing on and after January 1, 2020 and sunseting December 31, 2024 to provide funds for the construction, reconstruction, resurfacing and maintenance of streets, alleys, bridges, curbs and gutters and cost incidental thereto.

5. Property Taxes:

Property taxes are levied against all real and public utility property located in the City. Revenues from property taxes are used by the City pursuant to state statutes for General Fund operations and as a partial provision for payment of accrued police and fire pension costs.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% (10 mills) of assessed value without a vote of the people. Under current procedures, the City's share is 0.320% (3.2 mills) of assessed value, including .6 mills to fund the police and fire unfunded pension liability.

Real property and public utility taxes collected during 2021 were levied on December 31, 2020 on assessed values listed as of January 1, 2020, the lien date. One-half of these taxes were due on February 14, 2021 with the remaining balance due on July 20, 2021.

Assessed values of real property are established by State law at 35% of appraised market value. A revaluation of all property is required to be completed no less than every six years with equalization adjustments in the third year following reappraisal. The last revaluation was completed in 2020. Public utility property taxes are assessed on tangible personal property as well as land and improvements at true value (50% of cost). The assessed value for 2020 upon which the 2021 levy was based was approximately \$419,419,200. The assessed value for 2021 upon which the 2022 levy will be based is approximately \$420,479,620.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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The Shelby County Treasurer collects property taxes on behalf of all taxing districts, including the City of Sidney. The County Auditor periodically remits to the City its portion of taxes collected.

6. Receivables:

Receivables at December 31, 2021, consisted of taxes, accounts, interest, loans, special assessments, other receivables, and intergovernmental receivables arising from grants, entitlements, and shared revenue. All intergovernmental receivables have been classified as “Receivables from other governments” on the fund financial statements. Receivables have been recorded to the extent that they are measurable at December 31, 2021.

A summary of the principal items of receivables reported on the statement of net position follows:

	<u>Governmental</u> <u>activities:</u>	<u>Business-type</u> <u>activities:</u>
Income taxes	\$ 3,644,834	\$ -
Property taxes	1,372,769	-
Other taxes	26,437	-
Accounts	-	2,219,627
Interest	2,438	1,617
Loans	529,537	-
Special assessments	279,976	-
Other	229,286	203,397
Receivables from other governments	1,285,163	30,799
Total Receivables	\$ 7,370,440	\$ 2,455,440

Receivables have been aggregated on the face of the basic financial statements. The only receivables not expected to be collected within the subsequent year are loans receivable.

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**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

7. Capital Assets:

Capital asset activity for the year ended December 31, 2021 was as follows:

Governmental activities:

	Beginning			Net	Ending
	<u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance</u>
<i>Capital assets not being depreciated:</i>					
Land	\$ 8,498,534	\$ 16,858	\$ -	\$ -	\$ 8,515,392
Construction in progress	1,479,712	339,605	-	(1,378,024)	441,293
Subtotal	<u>9,978,246</u>	<u>356,463</u>	<u>-</u>	<u>(1,378,024)</u>	<u>8,956,685</u>
<i>Capital assets being depreciated:</i>					
Buildings and land improvements	20,087,805	128,380	-	-	20,216,185
Machinery and equipment	16,032,255	654,022	(257,453)	-	16,428,824
General infrastructure	79,431,146	6,024,628	-	1,378,024	86,833,798
Subtotal	<u>115,551,206</u>	<u>6,807,030</u>	<u>(257,453)</u>	<u>1,378,024</u>	<u>123,478,807</u>
Totals at historical cost	<u>125,529,452</u>	<u>7,163,493</u>	<u>(257,453)</u>	<u>-</u>	<u>132,435,492</u>
<i>Less accumulated depreciation for:</i>					
Buildings and land improvements	9,481,714	433,586	-	-	9,915,300
Machinery and equipment	10,575,407	1,106,045	(222,691)	-	11,458,761
General infrastructure	39,079,725	2,823,172	-	-	41,902,897
Total accumulated depreciation	<u>59,136,846</u>	<u>4,362,803</u>	<u>(222,691)</u>	<u>-</u>	<u>63,276,958</u>
Net capital assets	<u>\$ 66,392,606</u>	<u>\$ 2,800,690</u>	<u>\$ (34,762)</u>	<u>\$ -</u>	<u>\$ 69,158,534</u>

Depreciation was charged to governmental activities as follows:

Community development	\$ 5,536
Community environment	4,262
Fire	473,483
General government	55,846
Health	62,861
Judicial	130,195
Parks and recreation	210,014
Police	384,324
Street repairs and maintenance	<u>2,893,191</u>
 Total governmental funds depreciation expense	 <u>\$ 4,219,712</u>
Internal service funds' depreciation	<u>143,091</u>
Total additions to accumulated depreciation of governmental activities	<u>\$ 4,362,803</u>

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

Business-type activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Net Transfers</u>	<u>Ending Balance</u>
<i>Capital assets not being depreciated:</i>					
Land	\$ 7,403,192	\$ -	\$ -	\$ -	\$ 7,403,192
Construction in progress	477,954	163,182	-	(459,052)	182,084
Subtotal	<u>7,881,146</u>	<u>163,182</u>	<u>-</u>	<u>(459,052)</u>	<u>7,585,276</u>
<i>Capital assets being depreciated:</i>					
Buildings, improvements and Infrastructure	126,475,520	1,216,141	-	459,052	128,150,713
Machinery and equipment	15,852,347	326,382	(9,995)	-	16,168,734
Subtotal	<u>142,327,867</u>	<u>1,542,523</u>	<u>(9,995)</u>	<u>459,052</u>	<u>144,319,447</u>
Totals at historical cost	<u>150,209,013</u>	<u>1,705,705</u>	<u>(9,995)</u>	<u>-</u>	<u>151,904,723</u>
<i>Less accumulated depreciation for:</i>					
Buildings, improvements and Infrastructure	38,819,953	2,549,430	-	-	41,369,383
Machinery and equipment	12,309,513	724,916	(9,995)	-	13,024,434
Total accumulated depreciation	<u>51,129,466</u>	<u>3,274,346</u>	<u>(9,995)</u>	<u>-</u>	<u>54,393,817</u>
Net capital assets	<u>\$ 99,079,547</u>	<u>\$ (1,568,641)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97,510,906</u>

Depreciation was charged to business-type activities as follows:

Airport	\$ 231,360
Concession Stand	167
Sewer	1,443,691
Sidney Water Park	32,155
Stormwater	226,264
Transportation	125,490
Water	<u>1,215,219</u>

Total additions to accumulated depreciation of business-type activities \$ 3,274,346

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**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

8. Noncurrent Liabilities:

The following is a summary of changes for noncurrent liabilities of the City for the year ended December 31, 2021:

<b>Governmental activities:</b>	Balance January 1, <u>2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance December 31, <u>2021</u>	Due Within <u>One Year</u>
<u>Loan – direct borrowing</u>					
<i>OPWC Loan, 2017-2037, 0%, Fielding Road Reconstruction</i>	\$ 125,600	\$ -	\$ 7,850	\$ 117,750	\$ 7,850
<u>General obligation bonds</u>					
<i>Current Refunding G.O. bonds, 2020- 2024, 2.0%, Police Facility Construction</i>	1,895,000	-	455,000	1,440,000	465,000
<i>G.O. bonds, 2011-2022, 2.0% to 2.5%, Fire &amp; Police Pension</i>	70,000	-	35,000	35,000	35,000
<i>Current Refunding G.O. bonds 2020- 2030, 2.0%, Kuther Road TIF, Water &amp; Sewer Infrastructure</i>	145,000	-	10,000	135,000	10,000
<i>Current Refunding G.O. bonds, 2020- 2025, 2.0%, Menards TIF, Sewer Infrastructure</i>	270,000	-	50,000	220,000	50,000
<u>Other long-term liabilities</u>					
Premium on Bonds	89,727	-	21,165	68,562	-
Net Pension Liability					
Ohio Public Employees Retirement System (OPERS)	6,773,471	-	1,573,512	5,199,959	-
Ohio Police & Fire Pension Fund (OP&F)	17,416,838	-	538,220	16,878,618	-
Net OPEB Liability					
Ohio Public Employees Retirement System (OPERS)	4,731,666	-	4,731,666	-	-
Ohio Police & Fire Pension Fund (OP&F)	2,553,818	69,465	-	2,623,283	-
Accrued vacation and sick leave	<u>2,218,716</u>	<u>686,443</u>	<u>801,585</u>	<u>2,103,574</u>	<u>130,053</u>
Total	<u>\$36,289,836</u>	<u>\$ 755,908</u>	<u>\$ 8,223,998</u>	<u>\$28,821,746</u>	<u>\$ 697,903</u>

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

<b>Business-type activities:</b>	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021	Due Within One Year
<u>OWDA loans – direct borrowings:</u>					
<b>Water fund:</b>					
<i>O.W.D.A. loans, 2009-2029, 0% ARRA – Distribution system upgrades, Automated water meter reads system</i>	\$ 2,080,833	\$ -	\$ 219,035	\$ 1,861,798	\$ 219,035
<i>O.W.D.A. loans, 2009-2029, 0% ARRA – NMHP distribution system</i>	141,372	-	15,708	125,664	15,708
<i>O.W.D.A. Construction loan 2015-2046, 3.3% Water transmission lines</i>	19,582,204	-	471,918	19,110,286	487,621
<i>O.W.D.A. Construction loan 2016-2048, 2.2% Lime Sludge Lagoon Reconstruction</i>	5,076,763	-	131,385	4,945,378	135,837
<u>WPCLF loans – direct borrowings:</u>					
<b>Sewer fund:</b>					
<i>W.P.C.L.F. Construction loan 2015-2035, 2.18% Wastewater Phase I Improvements</i>	8,001,485	-	393,498	7,607,987	402,124
<i>W.P.C.L.F. Design &amp; Construction loan 2020-2040, 1.95% Wastewater Phase II Improvements</i>	5,894,837	-	251,131	5,643,706	256,051
<u>General obligation bonds:</u>					
<b>Water fund:</b>					
<i>Current Refunding G.O. bonds, 2020-2040, 2.0% to 4.5% Water Source testing</i>	535,000	-	30,000	505,000	30,000
<i>Current Refunding G.O. bonds, 2020-2040, 2.0%, Water source property acquisition and other water source projects</i>	2,100,000	-	85,000	2,015,000	85,000
<b>Sewer fund:</b>					
<i>G.O. bonds, 2011-2022, 2.0% to 2.5% - Wastewater system improvements</i>	1,100,000	-	545,000	555,000	555,000
<i>Current Refunding G.O. bonds, 2020-2037, 2.0%, Wastewater system and plant improvements</i>	3,635,000	-	195,000	3,440,000	195,000
<u>Other long-term liabilities:</u>					
<b>Proprietary funds:</b>					
Water - Premium on Bonds	89,000	-	4,450	84,550	-
Sewer - Premium on Bonds	149,743	-	11,552	138,191	-
Net pension liability - OPERS	3,539,203	-	896,895	2,642,308	-

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

<b>Business-type activities:</b>	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021	Due Within One Year
<u>Other long-term liabilities: (continued)</u>					
<b>Proprietary funds: (continued)</b>					
Net OPEB liability - OPERS	2,472,345	-	2,472,345	-	-
Accrued vacation and sick leave	<u>474,965</u>	<u>193,468</u>	<u>177,731</u>	<u>490,702</u>	<u>28,464</u>
Total	<u>\$54,872,750</u>	<u>\$193,468</u>	<u>\$5,900,648</u>	<u>\$49,165,570</u>	<u>\$2,409,840</u>

The full faith and credit of the City are pledged as collateral for all general obligation bonds.

The Sewer Fund's general obligation bonds are expected to be paid with sewer revenues generated from sewer rates. The Water Fund's general obligation bonds are expected to be paid with water revenues generated from water rates. The Kuther Road TIF and Menards TIF general obligation bonds are expected to be paid with payments-in-lieu of taxes received from property owners.

During fiscal year 2009 the City entered into two loans with the Ohio Water Development Authority (OWDA). The first loan was issued for the purpose of making improvements to the water meter read and distribution system. Water revenue, net of operating and maintenance expenses, is pledged as repayment for this loan.

The second loan was issued on behalf of Northbrook Mobile Home Park to provide them with financing for water system upgrades. Repayment of this loan is the responsibility of the Northbrook Mobile Home Park; however, the loan is backed by water revenues of the City in the case of default. A receivable in the amount of \$125,664 at December 31, 2021 is recorded as a component of other receivables in the Water Fund on the basic financial statements.

A 30-year construction loan from OWDA was entered into for the construction of wells at the new water source and transmission lines back to the Water Treatment Plant. The interest rate is 3.30%. Accrued interest of \$268,889 has also been added to the principal balance. The City has been making loan payments since 2017; principal paid in the amount of \$2,007,137 through December 31, 2021. As of December 31, 2021, this loan has an outstanding loan balance in the amount of \$19,110,286.

During fiscal year 2016 the City entered into a 30-year construction loan with the OWDA for reconstruction of the Water Treatment Plant's lime sludge lagoon. The interest rate is 2.20%. Accrued interest of \$38,002 has also been added to the principal balance. The City began making loan payments starting in 2019; principal paid in the amount of \$390,125 through December 31, 2021. As of December 31, 2021 the loan has an outstanding loan balance in the amount of \$4,945,378.

To repay these water loans issued by OWDA the City has pledged future water customer revenues, net of specified operating expenses. The loans are payable solely from water customer net revenues and are payable through 2048. Annual payments on the loans are expected to require 35% of net revenues. The total principal payments to be paid on the loans as of December 31, 2021 are \$26,043,126. Principal and interest paid and total customer net revenues for 2021 were \$1,590,033 and \$4,605,480, respectively.

OWDA loans are direct borrowings that have terms negotiated directly between the City and the OWDA and are not offered for public sale. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines,

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

---

penalties, interest, or late charges associated with the default.

A 20-year loan from Water Pollution Control Loan Fund (WPCLF), which is administered jointly by the Ohio Environmental & Finance Assistance (OEFA) and OWDA, was entered into in October 2015. This loan provided funding for various sewer projects designed to achieve compliance with Ohio Environmental Protection Agency mandates. The interest rate is 2.18%, and the City's loan balance is \$7,607,987 as of December 31, 2021.

In 2018 the City received WPCLF loan for phase II of the wastewater treatment plant capital improvements. The loan funded phase II of the various sewer projects designed to achieve compliance with Ohio Environmental Protection Agency mandates. This loan is being paid back over a twenty-year period at an interest rate of 1.95%. As of December 31, 2021, the outstanding loan balance was \$5,643,706.

To repay these sewer loans issued by WPLCF, the City has pledged future sewer revenues, net of specified operating expenses. The loans are payable solely from sewer customer net revenues and are payable through 2040. Annual payments on the loans are expected to require 22% of net revenues. The total principal payments to be paid on the loans as of December 31, 2021 are \$13,251,693. Principal and interest paid and total customer net revenues for 2021 were \$930,660 and \$4,242,716, respectively.

WPCLF loans are direct borrowings that have terms negotiated directly between the City and the WPCLF and are not offered for public sale. In the event of default, the WPCLF may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

During 2016 the City entered into a grant/loan agreement with the Ohio Public Works Commission for the reconstruction of Fielding Road. The amount of the loan agreement was \$157,000 with a zero percent interest rate and repayment over a 20-year term.

OPWC loans are direct borrowings that have terms negotiated directly between the City and the OPWC and are not offered for public sale. In the event of default, the OPWC may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

Annual requirements to pay principal and interest on long-term debt at December 31, 2021 are:

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	Principal	Interest	Principal	Interest
2022	\$ 567,850	\$ 36,775	\$ 2,381,376	\$ 1,140,264
2023	552,850	25,400	1,869,436	1,087,129
2024	572,850	14,500	1,893,395	1,046,770
2025	82,850	3,200	1,933,276	1,005,689
2026	22,850	1,700	1,979,108	963,557
2027-2031	109,250	3,700	10,163,229	4,146,929
2032-2036	39,250	-	10,574,325	2,916,985
2037-2041	-	-	7,878,625	1,640,300
2042-2046	-	-	6,114,298	676,514
2047-2048	-	-	1,022,751	22,168
<b>Total</b>	<b>\$ 1,947,750</b>	<b>\$ 85,275</b>	<b>\$45,809,819</b>	<b>\$14,646,305</b>



**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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9. Contingent Liabilities:

The City is the defendant in various court actions, but either it is covered by insurance or the amount or nature of the issue involved are not material in relation to the basic financial statements.

The City participates in several state and federally assisted programs (primarily Transportation and Community Development Block Grants) which are subject to program compliance audits by the grantors or their representatives. The grantor agencies, at their option, may perform economy and efficiency audits, program results audits or conduct monitoring visits. Such audits and visits could lead to reimbursement to the grantor agencies. Management believes such reimbursements, if any, would not be material.

10. Significant Commitments:

The encumbrances (amounts committed to liquidate purchase orders of the prior periods) at December 31, 2021 for governmental activities are as follows:

<u>Fund</u>	<u>Total Encumbrances</u>
General	\$ 315,222
Street	5,156
Capital Improvement	1,158,510
Municipal Income Tax for Street Capital Projects	32,330
Non-major governmental funds	171,178
Total	<u><u>\$ 1,682,396</u></u>

Contractual Commitment:

Significant contractual commitments outstanding as of December 31, 2021 are:

<u>Project/Product/Service</u>	<u>Contracted Amounts</u>	<u>Amount Expended</u>	<u>Amount Remaining</u>
Court Street & West Avenue Traffic Signal	\$ 435,000	\$ 75,885	\$ 359,115
Ohio Building improvements	\$ 165,525	\$ 43,148	\$ 122,377
State Route 47 Improvements	\$ 570,903	\$ 316,861	\$ 254,042
Spruce Avenue Bridge Replacement	\$ 467,937	\$ 155,074	\$ 312,863
Design/Construction of Partial Parallel Taxiway	\$ 205,000	\$ 65,341	\$ 139,659
Brooklyn Avenue Sewer Diversion	\$ 98,250	\$ 8,604	\$ 89,646
Design Parallel Taxiway	\$ 75,000	\$ -	\$ 75,000
Campbell Road Water Main Replacement	\$ 330,947	\$ -	\$ 330,947
4th Avenue Sewer/Stormwater Improvements	\$ 211,000	\$ -	\$ 211,000

11. Joint Venture:

The City has entered into a joint venture with Logan/Shelby County N911 in order to provide proper management for the combined 911 system and the shared services for all affected members. The property used with the 911 system will be equally owned by all of the initial departments regardless of physical location. As of December 31, 2021 the City had spent a total of \$96,702 for their vested interest in the acquisition of the 911 system.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

12. Interfund Activity:

Interfund transfers in the basic financial statements for the year ended December 31, 2021 were:

	<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General		\$ -	\$ 852,722
Street Repair & Maintenance		535,000	-
Capital Improvement		-	215,000
Non-major enterprise funds		457,722	-
Non-major governmental funds		<u>75,000</u>	<u>-</u>
		<u>\$ 1,067,722</u>	<u>\$ 1,067,722</u>

All interfund transfers are routine in nature and are to subsidize the operations of the applicable funds. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16. Transfers between governmental funds are eliminated on the government wide financial statements. Transfers between governmental funds and proprietary funds (business-type activities) are reported as transfers on the statement of activities. One cash advance is outstanding at December 31, 2021 for \$30,000 from the General Fund to the Law Enforcement Diversion Grant Fund (a nonmajor governmental fund) which is for a reimbursable grant. At December 31, 2021, the City also had amounts due from the General Fund to the Capital Improvement Fund and the Municipal Court Special Project Fund (a nonmajor governmental fund). The primary purpose of the amount due to the Capital Improvement Fund from the General fund was to account for the Capital Improvement Fund's share of Income Taxes available for transfer but were limited by appropriations. The primary purpose of the amount due to the Municipal Court Special Projects Fund from the General Fund was to account for the General Fund's share of a Municipal Court Special Projects Fund employee's pay but was limited by appropriations. Additionally, the City had an amount due from the C.D.B.G. fund (a nonmajor governmental fund) to the General Fund for the C.D.B.G. Fund's share of grant application expenditures paid by the General fund. These amounts will be repaid once cash is received.

13. Risk Management:

The City is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City has joined the Miami Valley Risk Management Association, Inc. (MVRMA), a joint insurance pool. The pool consists of twenty-one municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability.

The City pays an annual premium to MVRMA for this coverage. The agreement provides that the MVRMA will be self-sustaining through member premiums and the purchase of excess and stop-loss insurance. The deductible per occurrence for all types of claims is \$2,500. During 2021, the Association's per-occurrence retention limit for property was \$250,000, with the exception of boiler and machinery for which there was \$10,000 to \$350,000 per occurrence retention limit and earthquake shock of \$100,000 per occurrence retention limit. Liability had a per-occurrence retention limit of \$500,000. After the retention limits are reached, excess insurance will cover up to the limits stated below.

General Liability (including law enforcement)	\$12,000,000 per occurrence
Automobile Liability	\$12,000,000 per occurrence
Public Officials Liability	\$12,000,000 per occurrence
Boiler and Machinery	\$100,000,000 per occurrence
Property	\$1,000,000,000 per occurrence
Earthquake	\$25,000,000 per occurrence
Flood	\$25,000,000 per occurrence
Cyber Liability	\$2,000,000 per occurrence

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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Pollution Liability \$2,000,000 per occurrence

Except for property coverage, there were no significant reductions in insurance coverage during the year in any category of risk. Settled claims did not exceed insurance coverage in each of the past three years.

14. Self-Insurance:

During 2015, the City chose to establish a risk financing fund for risks associated with the employees' health insurance plan. The City is now a member of a Medical Purchasing Cooperative through Ohio Benefits Cooperative where Jefferson Health Plan is the administrative party through which to purchase insurance, stop loss insurance, and other benefit services including the use of Anthem as the third party administrator processing claims. The risk financing fund is accounted for as an internal service fund where assets are set aside for claim settlements. A premium is charged to each fund that accounts for part-time or full-time employees. The total charge allocated to each of the funds is calculated using trends in actual claims experience. Provisions are also made for unexpected and unusual claims.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, and other economic and social factors.

Changes in the balances of claims liabilities during the past fiscal year are as follows:

	2020	2021
Unpaid claims, beginning of the year	\$ 226,539	\$ 270,324
Incurred claims (including IBNR's)	2,204,079	2,086,804
Claim payments	(2,160,294)	(2,094,526)
Unpaid claims, end of year	\$ 270,324	\$ 262,602

15. Change in Accounting Principles:

For 2021, the City has implemented GASB Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period", and guidance from (GASB) Implementation Guide No. 2019-1. The implementation of GASB Statement No. 89 and GASB Implementation Guide No. 2019-1 did not have an effect on the financial statements of the City.

16. Components of Fund Balance:

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of 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:

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

<b>Fund balances:</b>	<b>General</b>	<b>Street Repair</b>	<b>Capital</b>	<b>Municipal</b>	<b>Other Non -major</b>	<b>Total</b>
<b>Nonspendable</b>	<b>Fund</b>	<b>&amp; Maintenance</b>	<b>Improvement</b>	<b>Earned Income</b>	<b>Governmental</b>	
		<b>Fund</b>	<b>Fund</b>	<b>Tax for Street</b>	<b>Funds</b>	
				<b>Capital Fund</b>		
Inventory	64,637	139,979	-	-	-	204,616
Prepaid Items	41,745	992	21,482	-	11,204	75,423
<b>Restricted for:</b>						
Streets & Highway	-	615,272	-	1,265,810	278,340	2,159,422
Law Enforcement	-	-	-	-	445,427	445,427
Municipal Court	-	-	-	-	645,298	645,298
Cemetery	-	-	-	-	1,118,567	1,118,567
Community development	-	-	-	-	288,684	288,684
Tax incremental financing	-	-	-	-	765,118	765,118
Other purposes	-	-	-	-	93,868	93,868
<b>Committed to:</b>						
27th pay Community development	379,166	-	-	-	-	379,166
Fire	-	-	-	-	57,514	57,514
Health	-	-	-	-	72,795	72,795
Separation Pay	737,852	-	-	-	-	737,852
Other purposes	-	-	-	-	100,478	100,478
<b>Assigned to:</b>						
Capital projects Future commitments	-	-	4,014,703	-	-	4,014,703
Other purposes	2,365,675	-	-	-	-	2,365,675
Other purposes	355,884	-	-	-	-	355,884
<b>Unassigned:</b>	8,376,041	-	-	-	(2,976)	8,373,065
	<b>12,356,075</b>	<b>756,243</b>	<b>4,036,185</b>	<b>1,265,810</b>	<b>3,874,317</b>	<b>22,288,630</b>

17. Fund Deficits at December 31, 2021:

Law Enforcement Diversion Grant Fund (a nonmajor governmental fund) has a deficit fund balance of \$2,976 as a result of timing of receipts of grant funding on a modified accrual basis. Garage/Fleet Fund (an internal service fund) has a deficit fund balance of \$190,747 and Revenue Collections Fund (an internal service fund) has a deficit fund balance of \$377,229, due to the accrual of pension and OPEB under GASB 68 & 75, which is long term in nature.

18. Tax Abatement Disclosures

The City of Sidney currently provides tax incentives under two different programs: the Community Reinvestment Area (CRA) and an Enterprise Zone.

***Real Estate Tax Abatements***

Pursuant to Ohio Revised Code Chapter 5709, the City establishes Community Reinvestment Area. The City authorizes incentives through a passage of public ordinances, based upon each property or businesses owner's investment criteria, and through a contractual application process with each property or businesses owner's,

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

---

including proof that the improvement has been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of these Community Reinvestment Areas gave the City the ability to maintain and expand businesses located in the City and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate and includes major housing improvements. The City of Sidney also contracts with Sidney City Board of Education for payments in lieu of taxes when required by Section 5709.82 of the Ohio Revised Code.

The City also has several Enterprise Zone abatements made through a contractual application process based upon certain criteria, in which the enterprise agrees to expand, renovate, or occupy a facility. The abatement equals an agreed upon percentage up to seventy-five percent of assessed valuation of real property constituting the project site subsequent to formal approval of City Council. The City of Sidney also contracts with Sidney City Board of Education for payments in lieu of taxes when required by Section 5709.82 of the Ohio Revised Code.

The City has also granted a manufacturing company a four-year Municipal Income Tax Job Retention Tax Credit. As long as over the next eight years they maintain a Sidney labor force of at least 1,126 full-time equivalents and annual payroll of \$80.9 million, they will receive an annual tax credit of \$125,000 for four years. This tax credit may be used to reduce their Sidney net profits' tax which began in 2019.

Below is the information relevant to the disclosure of those programs for the year ended December 31, 2021.

	<u>Total Amount of Taxes Abated (Incentives Abated) For the Year 2021 (In Actual Dollars)</u>
Community Reinvestment Area (CRA)	
-Lodging	\$41,935
-Restaurant	\$2,181
Enterprise Zone Abatement	
-Manufacturing	\$48,702
Income Tax Abatement	
-Manufacturing	\$125,000

Pursuant to Section 5709.82 of the Ohio Revised Code, the City of Sidney and the Sidney City Board of Education entered into Compensation Agreements, whereas the City of Sidney agreed to annually pay to the Sidney City Schools the lesser of 75% of income tax attributable to new employees or the school's portion of the property tax abated. Compensation paid to the Sidney City Schools for the year ended December 31, 2021 included the following:

-Manufacturing	\$ 3,137
-Lodging	\$ 4,861
-Restaurant	\$ 1,448

**19. 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

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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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 (ORC) limits the City’s obligation for this liability to annual 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 Statement No. 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 *salaries and benefits payable* on both the accrual and modified accrual bases of accounting.

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

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-share, 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 plan with defined contribution features. While members (e.g., City employees) may elect the member-directed plan and the combined plan, the majority of employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the ORC. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS’s fiduciary net position that may be obtained by visiting [www.opers.org/financial/reports.shtml](http://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’ ACFR referenced above for additional information):

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
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
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35 years

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

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

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

Funding Policy—The ORC provides statutory authority for member and employer contributions. For 2021, member contribution rates were 10% of salary and employer contribution rates were 14%. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$1,096,852 for 2021. Of this amount, \$90,557 is reported within salaries and benefits payable.

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

City full-time police and firefighters participate in the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustment, 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 ORC. OP&F issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about OP&F’s fiduciary net position. That report may be obtained by visiting <https://www.op-f.org> or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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using the member’s average annual salary. The following discussion of the pension formula relates to normal service retirement.

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

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30<sup>th</sup> of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3% of their base pension or disability benefit.

Funding Policy—The ORC provides statutory authority for member and employer contributions as follows:

	<b>Police</b>	<b>Firefighters</b>
<b>2021 Statutory Maximum Contribution Rates</b>		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
 <b>2021 Actual Contribution Rates</b>		
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	<u>12.25%</u>	<u>12.25%</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$1,309,888 for 2021. Of this amount, \$125,074 is reported with salaries and benefits payable.

***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, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City’s proportion of the net pension



**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

liability was based on the City's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 7,842,267	\$ 16,878,619	\$ 24,720,886
Proportion of the net pension liability			
Current measurement date	0.052960%	0.247593%	
Prior measurement date	<u>0.052175%</u>	<u>0.258543%</u>	
Change in proportionate share	<u>0.000785%</u>	<u>-0.010950%</u>	
Pension expense	\$ 292,026	\$ 1,046,660	\$ 1,338,686

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 705,584	\$ 705,584
Change in assumptions	-	283,062	283,062
Change in City's proportionate share and difference in employer contributions	120,242	147,149	267,391
City contributions subsequent to the measurement date	<u>1,096,852</u>	<u>1,309,888</u>	<u>2,406,740</u>
Total	<u>\$ 1,217,094</u>	<u>\$ 2,445,683</u>	<u>\$ 3,662,777</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 328,049	\$ 657,541	\$ 985,590
Net difference between projected and actual earnings on pension plan investments	3,056,686	818,724	3,875,410
Change in City's proportionate share and difference in employer contributions	<u>360</u>	<u>1,097,678</u>	<u>1,098,038</u>
Total	<u>\$ 3,385,095</u>	<u>\$ 2,573,943</u>	<u>\$ 5,959,038</u>

\$2,406,740 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Fiscal Year Ending December 31:			
2022	\$ (1,210,963)	\$ (347,603)	\$ (1,558,566)
2023	(390,994)	127,239	(263,755)
2024	(1,246,009)	(930,219)	(2,176,228)
2025	(416,887)	(245,264)	(662,151)
2026	<u>-</u>	<u>(42,301)</u>	<u>(42,301)</u>
	<u>\$ (3,264,853)</u>	<u>\$ (1,438,148)</u>	<u>\$ (4,703,001)</u>

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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***Actuarial Assumptions – OPERS***

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75%
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees: 3% simple Post 1/7/2013 retirees: .5% simple through 2020, then 2.15% simple
Investment rate of return:	
Current measurement period	7.20%
Prior measurement period	7.20%
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 Health 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.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees 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 long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant. For each major

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	25.00%	1.32%
Domestic Equities	21.00%	5.64%
Real Estate	10.00%	5.39%
Private Equity	12.00%	10.42%
International Equities	23.00%	7.36%
Other Investments	<u>9.00%</u>	<u>4.75%</u>
Total	<u>100.00%</u>	<u>5.43%</u>

**Discount Rate.** The discount rate used to measure the total pension liability was 7.20% for the Traditional Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit 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 chart represents the City's proportionate share of the net pension liability at the 7.20% discount rate, as well as the sensitivity to a 1% increase and 1% decrease in the current discount rate:

	<u>1% Decrease (6.20%)</u>	<u>Current Discount Rate of 7.20%</u>	<u>1% Increase (8.20%)</u>
City's proportionate share of the net pension liability	\$ 14,958,987	\$ 7,842,267	\$ 1,924,554

**Changes Subsequent to the Measurement Date.** In September 2021, the Board approved several changes to the pension plan based on the completed five-year experience study covering the period 2016-2020. In addition to other changes, the Board approved to decrease the assumed pension investment rate of return from 7.20% to 6.90%. These changes are not reflected in the current measurement period but are expected to increase the associated pension liability.

**Actuarial Assumptions – OP&F**

OP&F's total pension liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020, and rolled forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2020, are presented below:

Valuation date	January 1, 2020 with actuarial liabilities rolled forward to December 31, 2020
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	3.25% per annum, compounded annually
Inflation assumptions	2.75% plus productivity increase rate of 0.5%
Cost of living adjustments	2.2% simple per year

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

<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 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 OP&F's 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 average of 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 real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020 are summarized below:

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and cash equivalents	0.00%	0.00%
Domestic equity	21.00%	4.10%
Non-U.S. equity	14.00%	4.80%
Private markets	8.00%	6.40%
Core fixed income*	23.00%	0.90%
High yield fixed income	7.00%	3.00%
Private credit	5.00%	4.50%
U.S. inflation linked bonds*	17.00%	0.70%
Midstream energy infrastructure	5.00%	5.60%
Real assets	8.00%	5.80%
Gold	5.00%	1.90%
Private real estate	<u>12.00%</u>	5.30%
Total	<u>125.00%</u>	

Note: Assumptions are geometric. \* Levered 2.5x

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 1.25 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate.** The total pension liability was calculated using the discount rate of 8.0%. 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 earnings were calculated using the longer-term assumed investment rate of return of 8.0%. 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 a discount rate of 8.0%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.0%), or one percentage point higher (9.0%) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate of 8.00%	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$ 23,497,199	\$ 16,878,619	\$ 11,339,535

20. Defined Other Postemployment Benefits Plans:

***Net OPEB Asset/Liability***

The net OPEB liability/(asset) 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

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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plan's fiduciary net position. The net OPEB liability/(asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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

GASB Statement No. 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 ORC permits, but does not require, the retirement systems to provide health care to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability/(asset). 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 funded or unfunded benefits are presented as either a long-term *net OPEB asset* or *net OPEB liability* on the accrual basis of accounting. Any liability for contractually-required OPEB contributions outstanding at the end of the year is included in *salaries and benefits payable* on both the accrual and modified accrual bases of accounting.

***Plan Description—Ohio Public Employees Retirement System (OPERS)***

The OPERS administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

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

The ORC 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 ORC.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting [www.opers.org/financial/reports.shtml](http://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 ORC provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS'

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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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 2021, state and local employers contributed at a rate of 14.0% of earnable salary and public safety and law enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the ORC. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of Traditional Pension and Combined plans' employer contributions allocated to health care was zero in 2021. 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 2021 was 4.0%.

The City's contractually required contribution to OPERS was \$10,913 for 2021. Of this amount, \$65 is reported within salaries and benefits payable.

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

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

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

The ORC 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 ORC.

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

**Funding Policy**—The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5% and 24.0% of covered payroll for police and fire employer units. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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maintained for health care benefits under IRS Code Section 115 trust. An IRS Code Section 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 2021, the portion of the employer contributions allocated to health care was 0.5% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 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 \$30,769 for 2021. Of this amount, \$2,958 is reported within salaries and benefits payable.

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

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, 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, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net OPEB liability/(asset) 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:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate share of the net OPEB:			
Asset	\$ 934,109	\$ -	\$ 934,109
Liability	-	\$ 2,623,285	\$ 2,623,285
Proportion of the net OPEB asset/liability			
Current measurement date	0.052432%	0.247593%	
Prior measurement date	<u>0.052155%</u>	<u>0.258543%</u>	
Change in proportionate share	<u>0.000277%</u>	<u>-0.010950%</u>	
OPEB expense	\$ (5,609,304)	\$ 232,855	\$ (5,376,449)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:



**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Change in assumptions	\$ 459,219	\$ 1,449,221	\$ 1,908,440
Change in City's proportionate share and difference in employer contributions	31,451	155,494	186,945
City contributions subsequent to the measurement date	<u>10,913</u>	<u>30,769</u>	<u>41,682</u>
Total	<u>\$ 501,583</u>	<u>\$ 1,635,484</u>	<u>\$ 2,137,067</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 843,029	\$ 432,702	\$ 1,275,731
Net difference between projected and actual earnings on OPEB plan investments	497,520	97,486	595,006
Change in assumptions	1,513,537	418,200	1,931,737
Change in City's proportionate share and difference in employer contributions	<u>-</u>	<u>228,681</u>	<u>228,681</u>
Total	<u>\$ 2,854,086</u>	<u>\$ 1,177,069</u>	<u>\$ 4,031,155</u>

\$41,682 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 or an increase of the net OPEB asset in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Fiscal Year Ending December 31:			
2022	\$ (1,227,948)	\$ 94,487	\$ (1,133,461)
2023	(860,643)	117,572	(743,071)
2024	(216,202)	81,177	(135,025)
2025	(58,623)	88,223	29,600
2026	-	26,669	26,669
Thereafter	<u>-</u>	<u>19,518</u>	<u>19,518</u>
	<u>\$ (2,363,416)</u>	<u>\$ 427,646</u>	<u>\$ (1,935,770)</u>

**Actuarial Assumptions—OPERS**

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverages 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, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74:

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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Wage inflation	3.25%
Projected salary increase	3.25% to 10.75%, including wage inflation
Single discount rate:	
Current measurement period	6.00%
Prior measurement period	3.16%
Investment rate of return:	
Current measurement period	6.00%
Prior measurement period	6.00%
Municipal bond rate:	
Current measurement period	2.00%
Prior measurement period	2.75%
Health care cost trend rate:	
Current measurement period	8.5% initial, 3.50% ultimate in 2035
Prior measurement period	10.5% initial, 3.50% ultimate in 2030
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 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 tables.

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

The allocation of investment assets within the Health Care portfolio is approved by the Board 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. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. 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 rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00%	1.07%
Domestic Equities	25.00%	5.64%
REITs	7.00%	6.48%
International Equities	25.00%	7.36%
Other Investments	<u>9.00%</u>	<u>4.02%</u>
Total	<u>100.00%</u>	<u>4.43%</u>

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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**Discount Rate.** A single discount rate of 6.00% was used to measure the OPEB liability on the measurement date of December 31, 2020. 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 the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.00%. 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 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

**Change in Benefit Terms.** On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-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 non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation which are reported by the City at December 31, 2021. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.

**Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate.** The following table presents the City's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00%, as well as what the City's proportionate share of the net OPEB asset if it were calculated using a discount rate that is 1.0% point lower (5.00%) or 1.0% point higher (7.00%) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate of 6.00%	1% Increase (7.00%)
City's proportionate share of the net pension asset	\$ 232,347	\$ 934,109	\$ 1,511,568

**Sensitivity of the City's Proportionate Share of the Net OPEB Asset 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 asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% higher than the current rate.

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 2021 is 8.50%. 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

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net pension asset	\$ 957,186	\$ 934,109	\$ 908,934

***Actuarial Assumptions—OP&F***

OP&F's total OPEB liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020 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 retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefit for financial 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 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 calculating the total OPEB liability in the latest actuarial valuation are presented below:

Actuarial valuation date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	3.25%
Single discount rate:	
Current measurement rate	2.96%
Prior measurement rate	3.56%
Municipal bond rate:	
Current measurement rate	2.12%
Prior measurement rate	2.75%
Cost of living adjustments	2.2% simple per year

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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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%.

<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 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 OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a 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 average 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 real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020 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%	0.00%
Domestic equity	21.00%	4.10%
Non-U.S. equity	14.00%	4.80%
Private markets	8.00%	6.40%
Core fixed income*	23.00%	0.90%
High yield fixed income	7.00%	3.00%
Private credit	5.00%	4.50%
U.S. inflation linked bonds*	17.00%	0.70%
Master limited partnerships	5.00%	5.60%
Real assets	8.00%	5.80%
Gold	5.00%	1.90%
Private real estate	<u>12.00%</u>	5.30%
<b>Total</b>	<b><u>125.00%</u></b>	

*Note: Assumptions are geometric. \* Levered 2.5x*

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2021**

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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 1.25 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate.** Total OPEB liability was calculated using the discount rate of 2.96%. The projection of cash flows used to determine the discount rate assumed the contributions 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 8.0%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, a municipal bond rate of 2.12% at December 31, 2020 was blended with the long-term rate of 8.0%, which resulted in a blended discount rate of 2.96%.

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate.** Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net OPEB liability calculated using the discount rate of 2.96%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (1.96%) and 1% point higher (3.96%) than the current discount rate.

	1% Decrease (1.96%)	Current Discount Rate of 2.96%	1% Increase (3.96%)
City's proportionate share of the net OPEB liability	\$ 3,271,086	\$ 2,623,285	\$ 2,088,925

21. **COVID-19:**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**CITY OF SIDNEY, OHIO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE CITY OF SIDNEY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - TRADITIONAL PENSION PLAN**  
**LAST EIGHT FISCAL YEARS (1)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
City of Sidney's Proportion of the Net Pension Liability	0.053553%	0.053553%	0.052887%	0.052060%	0.051347%	0.052321%	0.052175%	0.052960%
City of Sidney's Proportionate Share of the Net Pension Liability	6,323,103	\$6,469,254	\$9,164,506	\$11,817,399	\$8,059,114	\$14,329,537	\$10,312,674	\$7,842,267
City of Sidney's Covered Payroll	\$6,958,595	\$7,014,545	\$ 7,070,086	\$ 7,125,385	\$ 7,264,116	\$ 7,522,207	\$ 7,554,664	\$ 7,602,521
City of Sidney's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	90.75%	91.78%	129.20%	165.50%	109.91%	190.50%	136.51%	103.15%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability -							82.17%	86.88%
Traditional Pension Plan	86.36%	86.45%	81.08%	77.25%	84.66%	74.70%		
Combined Plan	104.56%	114.83%	116.90%	116.55%	137.28%	126.64%		
Member-Directed Plan	N/A	N/A	103.91%	103.40%	124.46%	113.42%		

(1) Pension information disclosed above is intended to show information for the last ten years. Information prior to 2014 is not available. Amounts presented for each year were determined as of the City's measurement date, which is the prior year-end.

**Notes to Schedule:**

*Change in assumptions.* In 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a reduction of the discount rate from 8.0% to 7.5%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.

In 2019, a reduction of the discount rate was made from 7.5% to 7.2%.

**CITY OF SIDNEY, OHIO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE CITY OF SIDNEY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
OHIO POLICE AND FIRE PENSION FUND  
LAST EIGHT FISCAL YEARS (1)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
City of Sidney's Proportion of the Net Pension Liability	0.275360%	0.275360%	0.272982%	0.259921%	0.267075%	0.262554%	0.258543%	0.247593%
City of Sidney's Proportionate Share of the Net Pension Liability	\$13,410,886	\$14,264,786	\$17,561,124	\$16,463,135	\$16,391,568	\$21,431,372	\$17,416,839	\$16,878,619
City of Sidney's Covered Payroll	\$5,297,966	\$5,407,719	\$5,479,757	\$5,554,909	\$5,810,174	\$5,864,172	\$6,005,415	\$6,011,199
City of Sidney's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	253.13%	263.79%	320.47%	296.37%	282.12%	365.46%	290.02%	280.79%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	73.00%	72.20%	66.77%	68.36%	70.91%	63.07%	69.89%	70.65%

(1) Pension information disclosed above is intended to show information for the last ten years. Information prior to 2014 is not available. Amounts presented for each year were determined as of the City's measurement date, which is the prior year-end.

**Notes to Schedule:**

*Change in assumptions.* In 2018, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2016. Significant changes included a reduction of the discount rate from 8.25% to 8.0%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.



**CITY OF SIDNEY, OHIO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM PENSION PAYMENTS  
LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually Required Contributions	\$ 684,856	\$ 904,645	\$ 841,801	\$ 848,368	\$ 855,004	\$ 944,337	\$ 1,053,109	\$ 1,057,653	\$ 1,064,353	\$ 1,096,852
Contributions in Relation to the Contractually Required Contributions	<u>\$ 684,856</u>	<u>\$ 904,645</u>	<u>\$ 841,801</u>	<u>\$ 848,368</u>	<u>\$ 855,004</u>	<u>\$ 944,337</u>	<u>\$ 1,053,109</u>	<u>\$ 1,057,653</u>	<u>\$ 1,064,353</u>	<u>\$ 1,096,852</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 6,847,645	\$ 6,958,595	\$ 7,014,545	\$ 7,070,086	\$ 7,125,385	\$ 7,264,116	\$ 7,522,207	\$ 7,554,664	\$ 7,602,521	\$ 7,834,657
Contributions as a Percentage of Covered Payroll	10.00%	13.00%	12.00%	12.00%	12.00%	13.00%	14.00%	14.00%	14.00%	14.00%

**CITY OF SIDNEY, OHIO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF OHIO POLICE & FIRE PENSION FUND PAYMENTS  
LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually Required Contribution	\$ 773,932	\$ 969,374	\$ 1,152,447	\$ 1,171,020	\$ 1,183,136	\$ 1,234,922	\$ 1,256,799	\$ 1,287,070	\$ 1,288,200	\$ 1,309,888
Contributions in Relation to the Contractually Required Contribution	<u>\$ 773,932</u>	<u>\$ 969,374</u>	<u>\$ 1,152,447</u>	<u>\$ 1,171,020</u>	<u>\$ 1,183,136</u>	<u>\$ 1,234,922</u>	<u>\$ 1,256,799</u>	<u>\$ 1,287,070</u>	<u>\$ 1,288,200</u>	<u>\$ 1,309,888</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 5,171,001	\$ 5,297,966	\$ 5,407,719	\$ 5,479,757	\$5,554,909	\$5,810,174	\$5,864,172	\$6,005,415	\$6,011,199	\$6,112,403
Contributions as a Percentage of Covered Payroll	14.97%	18.30%	21.31%	21.37%	21.30%	21.25%	21.43%	21.43%	21.43%	21.43%

**CITY OF SIDNEY, OHIO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE CITY OF SIDNEY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)**  
**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**LAST FIVE FISCAL YEARS (1)**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
City of Sidney's Proportion of the Net OPEB Liability/(Asset)	0.051560%	0.051280%	0.051912%	0.052155%	0.524320%
City of Sidney's Proportionate Share of the Net OPEB Liability/(Asset)	\$5,207,735	\$5,568,631	\$6,768,117	\$7,204,012	(\$934,109)
City of Sidney's Covered Payroll	\$ 7,125,385	\$ 7,264,116	\$ 7,522,207	\$ 7,554,664	\$ 7,602,521
City of Sidney's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	73.09%	76.66%	89.98%	95.36%	-12.29%
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability -	54.05%	54.14%	46.33%	47.80%	115.57%

(1) Pension information disclosed above is intended to show information for the last ten years. Information prior to 2017 is not available. Amounts presented for each year were determined as of the City's measurement date, which is the prior year-end.

**Notes to Schedule:**

*Change in assumptions.* In 2018, the single discount rate changed from 4.23% to 3.85%.

In 2019, the single discount rate changed from 3.85% to 3.96%, the investment rate of return changed from 6.50% to 6.00%, and the health care cost trend rate changed from 7.5% initial to 10.0% initial.

In 2020, the single discount rate changed from 3.96% to 3.16% and the health care cost trend rate changed from 10.0% initial, 3.25% ultimate in 2028 to 10.5% initial, 3.50% ultimate in 2030.

In 2021, the single discount rate changed from 3.16% to 6.00% and the health care cost trend rate changed from 10.5% initial, 3.50% ultimate in 2030 to 8.5% initial, 3.50% ultimate in 2035.

**CITY OF SIDNEY, OHIO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE CITY OF SIDNEY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**OHIO POLICE AND FIRE PENSION FUND**  
**LAST FIVE FISCAL YEARS (1)**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
City of Sidney's Proportion of the Net OPEB Liability	0.259921%	0.267075%	0.262554%	0.258543%	0.247593%
City of Sidney's Proportionate Share of the Net OPEB Liability	\$12,337,865	\$15,132,067	\$2,390,960	\$2,553,818	\$2,623,285
City of Sidney's Covered Payroll	\$5,554,909	\$5,810,174	\$5,864,172	\$6,005,415	\$6,011,199
City of Sidney's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	222.11%	260.44%	40.77%	42.53%	43.64%
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	15.96%	14.13%	46.57%	47.08%	45.42%

(1) Pension information disclosed above is intended to show information for the last ten years. Information prior to 2017 is not available. Amounts presented for each year were determined as of the City's measurement date, which is the prior year-end.

**Notes to Schedule:**

*Change in assumptions.* In 2018, the single discount rate changed from 3.79% to 3.24%.

In 2019, the single discount rate changed from 3.24% to 4.66%.

In 2020, the single discount rate changed from 4.66% to 3.56%.

In 2021, the single discount rate changed from 3.56% to 2.96%.

*Change in benefit terms.* Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model, depositing stipends into individual health reimbursements accounts that retirees will use to be reimbursed for health care expenses.

**CITY OF SIDNEY, OHIO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM OPEB PAYMENTS  
LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually Required Contributions	\$ 273,814	\$ 69,558	\$ 141,359	\$ 141,444	\$ 142,551	\$ 72,641	\$ 1,050	\$ 12,996	\$ 13,078	\$ 10,913
Contributions in Relation to the Contractually Required Contributions	<u>\$ 273,814</u>	<u>\$ 69,558</u>	<u>\$ 141,359</u>	<u>\$ 141,444</u>	<u>\$ 142,551</u>	<u>\$ 72,641</u>	<u>\$ 1,050</u>	<u>\$ 12,996</u>	<u>\$ 13,078</u>	<u>\$ 10,913</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 6,847,645	\$ 6,958,595	\$ 7,014,545	\$ 7,070,086	\$ 7,125,385	\$ 7,264,116	\$ 7,522,207	\$ 7,554,664	\$ 7,602,521	\$ 7,834,657
Contributions as a Percentage of Covered Payroll	4.00%	1.00%	2.02%	2.00%	2.00%	1.00%	0.01%	0.17%	0.17%	0.14%

**CITY OF SIDNEY, OHIO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF OHIO POLICE & FIRE OPEB FUND PAYMENTS  
LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually Required Contribution	\$ 349,350	\$ 187,253	\$ 27,334	\$ 28,079	\$ 27,776	\$ 29,051	\$ 29,542	\$ 30,236	\$ 30,227	\$ 30,769
Contributions in Relation to the Contractually Required Contribution	<u>\$ 349,350</u>	<u>\$ 187,253</u>	<u>\$ 27,334</u>	<u>\$ 28,079</u>	<u>\$ 27,776</u>	<u>\$ 29,051</u>	<u>\$ 29,542</u>	<u>\$ 30,236</u>	<u>\$ 30,227</u>	<u>\$ 30,769</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 5,171,001	\$ 5,297,966	\$ 5,407,719	\$ 5,479,757	\$5,554,909	\$5,810,174	\$5,864,172	\$6,005,415	\$6,011,199	\$6,112,403
Contributions as a Percentage of Covered Payroll	6.76%	3.53%	0.51%	0.51%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

**CITY OF SIDNEY, OHIO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Original Budget	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>				
Local taxes	\$ 13,632,710	\$ 13,946,674	\$ 14,619,947	\$ 673,273
Intergovernmental revenues	634,254	634,254	772,535	138,281
Special assessments	284,700	284,700	379,284	94,584
Charges for services	1,227,527	1,227,527	1,217,374	(10,153)
Fines, licenses and permits	438,186	444,182	443,287	(895)
Investment income	100,000	100,000	17,192	(82,808)
Miscellaneous receipts and reimbursements	1,687,714	1,903,683	2,587,635	683,952
Total revenues	<u>18,005,091</u>	<u>18,541,020</u>	<u>20,037,254</u>	<u>1,496,234</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	331,520	324,552	310,704	13,848
Community environment	702,490	713,054	694,521	18,533
Fire	5,273,467	5,455,404	5,317,013	138,391
General government	2,954,929	3,237,917	2,990,098	247,819
Judicial	1,448,709	1,454,723	1,431,916	22,807
Parks and recreation	1,339,309	1,359,037	1,312,326	46,711
Police	6,474,535	6,622,320	6,407,563	214,757
Capital outlay	22,400	34,100	26,746	7,354
Total expenditures	<u>18,547,359</u>	<u>19,201,107</u>	<u>18,490,887</u>	<u>710,220</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(542,268)</u>	<u>(660,087)</u>	<u>1,546,367</u>	<u>2,206,454</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Cash advance out	-	(30,000)	(30,000)	-
Sale of Asset	-	-	675	675
Transfers out	(792,722)	(852,722)	(852,722)	-
Total other financing uses	<u>(792,722)</u>	<u>(882,722)</u>	<u>(882,047)</u>	<u>675</u>
Net change in fund balance	(1,334,990)	(1,542,809)	664,320	2,207,129
Fund Balances, beginning of year	11,279,943	11,279,943	11,279,943	-
Prior Year Encumbrances	458,524	458,524	458,524	-
Fund Balances, end of year	<u>\$ 10,403,477</u>	<u>\$ 10,195,658</u>	<u>\$ 12,402,787</u>	<u>\$ 2,207,129</u>

See Notes to the Required Supplementary Information.

**CITY OF SIDNEY, OHIO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**STREET REPAIR AND MAINTENANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Original Budget	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>				
Intergovernmental revenues	\$ 1,357,820	1,357,820	\$ 1,283,303	\$ (74,517)
Investment Income	3,000	3,000	599	(2,401)
Miscellaneous receipts and reimbursements	<u>109,000</u>	<u>125,129</u>	<u>27,800</u>	<u>(97,329)</u>
Total revenues	<u>1,469,820</u>	<u>1,485,949</u>	<u>1,311,702</u>	<u>(174,247)</u>
<b>EXPENDITURES:</b>				
Current:				
Street repair & maintenance	<u>1,913,571</u>	<u>1,950,160</u>	<u>1,759,530</u>	<u>190,630</u>
Total expenditures	<u>1,913,571</u>	<u>1,950,160</u>	<u>1,759,530</u>	<u>190,630</u>
Deficiency of revenues under expenditures	<u>(443,751)</u>	<u>(464,211)</u>	<u>(447,828)</u>	<u>16,383</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	<u>535,000</u>	<u>535,000</u>	<u>535,000</u>	<u>-</u>
Total other financing sources	<u>535,000</u>	<u>535,000</u>	<u>535,000</u>	<u>-</u>
Net change in fund balance	91,249	70,789	87,172	16,383
Fund Balances, beginning of year	428,707	428,707	428,707	-
Prior Year Encumbrances	<u>19,670</u>	<u>19,670</u>	<u>19,670</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 539,626</u>	<u>\$ 519,166</u>	<u>\$ 535,549</u>	<u>\$ 16,383</u>

See Notes to the Required Supplementary Information.



**CITY OF SIDNEY, OHIO**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2021

**Basis of Budgeting**

Basis of budgeting refers to when revenues and expenditures or expenses are recognized in the accounts. The City of Sidney's budget for all funds is prepared on a cash-encumbrance basis by which transactions are recorded when cash is received or disbursed, or when a commitment has been recorded as an encumbrance against an applicable appropriation. All annual appropriations lapse at year-end to the extent they have not been expended or lawfully encumbered. Fund balances shown are unencumbered cash balances. This basis is utilized for all interim financial statements issued during the year.

The basis of budgeting differs from the accounting principles generally accepted in the United States of America (GAAP) used for the City's year-end financial statements contained in the Annual Comprehensive Financial Report (ACFR). Under that basis of accounting, revenues are generally recognized when the obligation to the City arises; the budget basis, however, recognizes revenue only when cash has been received. In the ACFR, expenditures are generally recognized in the period in which they are incurred. Under the budget basis, expenditures are recognized when cash has been disbursed or when an encumbrance has been placed against an appropriation.

Unencumbered appropriations lapse at year end. State law provides that, generally, no contract, agreement or other obligation involving the expenditure of money shall be entered into unless the Finance Officer first certifies that the money required for such contract, agreement, obligation or expenditure is in the treasury, or is anticipated to come into the treasury, before the maturity of such contract. (O.R.C. 5705.41)

**Budget Process**

The policy of the City is to have the annual operating and capital budgets approved prior to January 1 of each year.

The City follows procedures prescribed by State law and local policy in establishing its budgets as follows:

1. About January 1, the City must submit to the County Budget Commission a statement, classified by fund, of estimated cash receipts for the year and beginning-of-year unencumbered fund balances. The County Budget Commission certifies these estimates and issues an Official Certificate of Estimated Resources, (the "Certificate") limiting the maximum amount the City may expend from a given fund during the year to the estimated resources available. The City may, from time to time throughout the year, request an amended Certificate to reflect updated resource estimates.
2. The *five-year financial plan* is updated on an annual basis, usually in September. The plan is prepared after receiving input from all departments. The plan shall include all major operating funds and all capital improvement funds of the City. The purpose of this plan is to:
  - a. Identify major policy issues for City Council consideration prior to the preparation of the annual budget;
  - b. establish capital project priorities and make advance preparation for the funding of projects within the five-year horizon;
  - c. make conservative financial projections for all major operating funds and all capital improvements to provide assurance that adequate funding exists for proposed projects and services;
  - d. identify financial trends in advance or in the early stages so that timely corrective action can be taken, if needed;
  - e. communicate the City's intermediate plans to the public and provide an opportunity for the public to offer input.
3. The *operating budget* is recommended to Council based upon the City Manager-approved requests submitted by each department. The City Manager acts as budget officer for the City and submits a proposed operating budget to the City Council on an annual basis. Public hearings are held to obtain taxpayer input. The Council enacts the budget through passage of an ordinance. All funds of the City have annual budgets legally adopted by the City Council except CDBG, Justice Reinvestment Grant, Law Enforcement Diversion Grant, and Probation Grant.

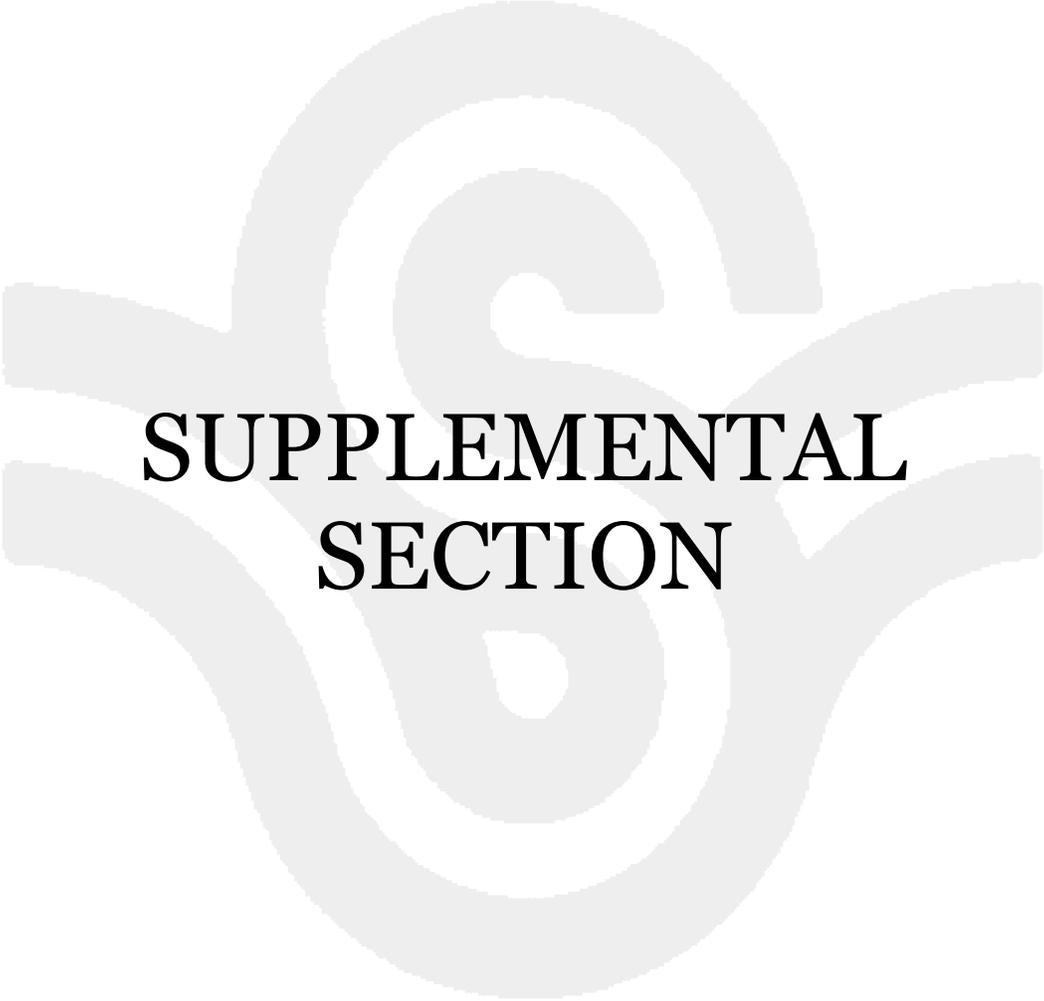
**CITY OF SIDNEY, OHIO**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2021

4. *Modifications to the budget* may be made from time to time during the budget year. The Statement of Financial Policies provides the permissible methods of amending the budget.

**Reconciliation of Budget Basis to GAAP Basis**

The adjustments necessary to convert the results of operations for the year ended December 31, 2021, from the GAAP basis to the budget basis are as follows:

	General Fund	Street Repair & Maintenance Fund
Net change in fund balance - <i>Budget Basis</i>	\$ 664,320	\$ 87,172
Increase / (decrease):		
Due to revenues	(1,251,698)	13,550
Due to expenditures	2,189,292	(83,209)
Due to other financing sources and uses	30,000	-
	\$ 1,631,914	\$ 17,513



**SUPPLEMENTAL  
SECTION**

## CITY OF SIDNEY, OHIO

### *Fund Descriptions - Non-major Governmental Funds*

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#### *Non-major Special Revenue Funds*

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**C.D.B.G. Fund.** To account for state funds and federal funds passed through state agencies for community development activities.

**C.D.B.G. Program Income Fund.** To account for the income generated from C.D.B.G. grant programs. Funds must be used for grant-eligible activities.

**C.D.B.G. Revolving Loan Fund.** To account for loans and repayment of loans for businesses who qualify for low interest loans for economic development.

**Cemetery Fund.** To account for the operation and maintenance of the cemetery facilities.

**Cemetery Maintenance Fund.** To account for that portion of cemetery sales revenue committed by City policy to be held for the perpetual care of Graceland Cemetery.

**Convention and Visitors' Bureau Fund.** To account for 25% of the funds received from the 6% lodging tax for the operation of a convention and visitors' bureau. The remaining 75% of the tax proceeds are accounted for in the General Fund.

**County Auto License Fund.** To account for county-levied motor vehicle registration fees restricted for street construction, maintenance and repair.

**CRA Fund.** To account for the annual fees paid by owners benefiting Community Reinvestment Area (CRA) tax abatement. This fee may be used to pay for expenses incurred in preparing the CRA annual report or expenses incurred by the tax incentive review committee.

**Drug Law Enforcement Fund.** To account for mandatory fines collected for drug offenses.

**E-911 Wireless Fund.** To account for funds collected by the State of Ohio from cell phone users and redistributed back to Ohio counties for use in implementation and maintenance of wireless 9-1-1 systems. The County is distributing 50% of those receipts to the City for the upkeep and maintenance of the wireless 9-1-1 system.

**Enforcement & Education 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.

**F.E.M.A. Grant Fund.** To account for funds received from Federal Emergency Management Association (FEMA).

**Fire Loss Security Fund.** To account for the holding of a portion of insurance proceeds from fire loss of private property, held as security against the cost of removing, securing or repairing the damaged structure.

**Health Department Building Lease Fund.** To account for the operation and maintenance of the building that is leased to the county health department.

**H.O.M.E. Program Income Fund.** To account for income generated from HOME grant programs, primarily loans and repayments of loans made in HOME-funded housing projects. Funds must be used for grant-eligible activities.

CITY OF SIDNEY, OHIO

*Non-major Special Revenue Funds (continued)*

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**Indigent Driver Alcohol Treatment Fund.** To account for mandatory fines for DUI arrests that are used to treat drivers who cannot afford the rehabilitation.

**Indigent Driver Alcohol Treatment - Surplus Fund (Municipal Court).** To account for the resources and expenditures declared to be Indigent Driver Alcohol Treatment Surplus funds. This fund is not required to have a legally adopted budget.

**Indigent Driver Interlock and Alcohol Monitoring Fund (Municipal Court).** To account for additional court fees levied in accordance with Ohio Revised Code for the purpose of providing alcohol monitoring equipment for those cases that cannot afford to purchase it.

**Justice Reinvestment Incentive Grant Fund -** To account for funds received from the Ohio Department of Rehabilitation and Corrections for the reduction of recidivism and a change in probationers' cognizant behavior.

**Law Enforcement Fund.** To account for the proceeds from the confiscation of contraband.

**Law Enforcement Diversion Grant Fund.** To account for funds received from the Ohio Attorney General Office for law enforcement diversion programs to address the opioid epidemic.

**Local Coronavirus Relief Fund.** To account for financial assistance received as a result of the federal CARES Act to spend on pandemic-related expenses that (1) are necessary expenditures incurred due to the public health COVID-19 emergency, (2) were not included in the City's budget, and (3) were incurred between March 1, 2020 and December 30, 2020.

**Local Fiscal Recovery (ARP) Fund.** The Local Fiscal Recovery Fund accounts for financial assistance received as a result of the federal American Rescue Plan Act (ARPA) to spend on COVID-19 recovery based on four criteria. Funds must be spent by December 31, 2024.

**Mausoleum Maintenance Fund.** To account for that portion of cemetery sales revenue committed by City policy to be held for the perpetual maintenance and repair of the mausoleum at Graceland Cemetery.

**Municipal Court Computer Fund.** To account for additional court fees levied in accordance with Ohio Revised Code for the sole purpose of procuring and maintaining computer systems for the office of the clerk of courts.

**Municipal Court Special Projects Fund.** To account for additional court fees levied in accordance with Ohio Revised Code for the purpose to acquire and pay for special projects of the court.

**Neighborhood Stabilization Program Grant Fund.** To account for funds received as part of the Regional Neighborhood Stabilization Program. The U.S. Department of Housing & Urban Development awarded funding to states and communities to address abandoned and foreclosed homes. Proceeds are to be used for eligible demolition and renovation projects in the City of Sidney.

**Parking Enforcement Fund.** Accounts for the operation of the parking system and related expenditures. The operating expenditures and capital improvements are supported by fines, customer charges, and additional funding, as necessary, from the General Fund.

**Permissive License Fee Fund.** To account for \$5 permissive license fee designated for street curb & gutter construction, maintenance and repair.

**Probation Grant Fund.** To account for funds received from the Ohio Department of Rehabilitation and Corrections for the operation of the Municipal Court's probation department.

**State Highway Fund.** To account for the portion of the state gasoline tax and motor vehicle registration fees restricted for street maintenance and repair of state highways within the City.

CITY OF SIDNEY, OHIO

*Non-major Special Revenue Funds (continued)*

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**Probation Services Fee Fund.** To account for additional court fees levied in accordance with Ohio Revised Code for the purpose to acquire and pay for probation services of the court.

**TIF – Echo Fund.** To account for the financial resources and expenditures related to the development of the Echo Business Center subdivision.

**TIF – Kuther Rd Fund.** To account for the financial resources and expenditures related to the development of the water and sewer infrastructure along Kuther Road.

**TIF – Menards Fund.** To account for the financial resources and expenditures related to the development of the southwest sanitary sewer.

*Fund Descriptions – Non-Major Capital Project Fund*

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Capital funds are used to account for the acquisition and construction of major capital facilities, other than those financed by proprietary funds and trust funds.

**Capital for Fire Station # 3 Fund.** To account for the development and construction of a Fire Station at the north end of City.

**CITY OF SIDNEY, OHIO  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 DECEMBER 31, 2021**

	Non-major Special Revenue Funds	Capital for Fire Station #3 Fund	Total Non-major Governmental Funds
<b>ASSETS</b>			
Pooled cash	\$ 1,252,580	\$ 14,665	\$ 1,267,245
Cash held by outside agent	44,180	-	44,180
Pooled investments	3,659,860	42,849	3,702,709
Receivables:			
Property taxes	204,603	-	204,603
Other taxes	6,609	-	6,609
Interest	104	-	104
Loans	529,537	-	529,537
Other	32,556	-	32,556
Due from other funds	18,122	-	18,122
Receivables from other governments	156,548	-	156,548
Prepaid items	11,204	-	11,204
	<u>5,915,903</u>	<u>57,514</u>	<u>5,973,417</u>
Total assets	<u>\$ 5,915,903</u>	<u>\$ 57,514</u>	<u>\$ 5,973,417</u>
<b>LIABILITIES</b>			
Liabilities:			
Accounts payable	\$ 29,179	\$ -	\$ 29,179
Salaries and benefits payable	23,401	-	23,401
Advances from other funds	30,000	-	30,000
Unearned revenue	1,071,027	-	1,071,027
Due to other funds	9,000	-	9,000
	<u>1,162,607</u>	<u>-</u>	<u>1,162,607</u>
Total liabilities	<u>1,162,607</u>	<u>-</u>	<u>1,162,607</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	936,493	-	936,493
Total deferred inflows of resources	936,493	-	936,493
<b>FUND BALANCES</b>			
Nonspendable	11,204	-	11,204
Restricted	3,635,302	-	3,635,302
Committed	173,273	57,514	230,787
Unassigned	(2,976)	-	(2,976)
	<u>3,816,803</u>	<u>57,514</u>	<u>3,874,317</u>
Total fund balances	<u>3,816,803</u>	<u>57,514</u>	<u>3,874,317</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,915,903</u>	<u>\$ 57,514</u>	<u>\$ 5,973,417</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Non-major Special Revenue Funds	Capital for Fire Station #3 Fund	Total Non-major Governmental Funds
<b>REVENUES:</b>			
Local taxes	\$ 401,206	\$ -	\$ 401,206
Intergovernmental revenues	1,420,391	-	1,420,391
Special assessments	2,000	-	2,000
Charges for services	424,094	-	424,094
Fines, licenses and permits	61,182	-	61,182
Investment income	1,393	-	1,393
Miscellaneous receipts and reimbursements	<u>178,693</u>	<u>-</u>	<u>178,693</u>
 Total revenues	 <u>2,488,959</u>	 <u>-</u>	 <u>2,488,959</u>
<b>EXPENDITURES:</b>			
Current:			
Community development	226,130	-	226,130
Community environment	18,867	-	18,867
Fire	297,157	-	297,157
Health	286,873	-	286,873
Judicial	488,636	-	488,636
Police	347,596	-	347,596
Street repairs and maintenance	103,000	-	103,000
Capital outlay	425,495	-	425,495
Debt service:			
Principal	60,000	-	60,000
Interest	<u>8,300</u>	<u>-</u>	<u>8,300</u>
 Total expenditures	 <u>2,262,054</u>	 <u>-</u>	 <u>2,262,054</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>226,905</u>	 <u>-</u>	 <u>226,905</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	<u>75,000</u>	<u>-</u>	<u>75,000</u>
 Total other financing sources	 <u>75,000</u>	 <u>-</u>	 <u>75,000</u>
 Net change in fund balance	 301,905	 -	 301,905
 Fund balances, beginning of year	 <u>3,514,898</u>	 <u>57,514</u>	 <u>3,572,412</u>
 Fund balances, end of year	 <u>\$ 3,816,803</u>	 <u>\$ 57,514</u>	 <u>\$ 3,874,317</u>



**CITY OF SIDNEY, OHIO  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2021**

	C.D.B.G.	C.D.B.G. Program Income	C.D.B.G. Revolving Loan	Cemetery	Cemetery Maintenance	Convention and Visitors' Bureau	County Auto License	CRA	Drug Law Enforcement
<b>ASSETS</b>									
Pooled cash	\$ 48,395	\$ 3	\$ 5,230	\$ 66,833	\$ 208,172	\$ 5,103	\$ 17,484	\$ 2,163	\$ 4,669
Cash held by outside agent	-	-	-	-	-	-	44,180	-	-
Pooled investments	141,392	10	15,280	195,279	608,202	14,912	51,088	6,321	13,643
Receivables:									
Property taxes	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	6,609	-	-	-
Interest	17	-	2	-	72	-	-	-	-
Loans	529,537	-	-	-	-	-	-	-	-
Other	-	-	-	20,217	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Receivables from other governments	30,536	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	343	-	-	-	-	-
<b>Total assets</b>	<b>\$ 749,877</b>	<b>\$ 13</b>	<b>\$ 20,512</b>	<b>\$ 282,672</b>	<b>\$ 816,446</b>	<b>\$ 26,624</b>	<b>\$ 112,752</b>	<b>\$ 8,484</b>	<b>\$ 18,312</b>
<b>LIABILITIES</b>									
Accounts payable	\$ 3,618	\$ -	\$ -	\$ 2,375	\$ 152	\$ 20,015	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	7,256	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Due to other funds	9,000	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>12,618</b>	<b>-</b>	<b>-</b>	<b>9,631</b>	<b>152</b>	<b>20,015</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable revenue	560,089	-	2	18,378	70	-	44,180	-	-
<b>Total deferred inflows of resources</b>	<b>560,089</b>	<b>-</b>	<b>2</b>	<b>18,378</b>	<b>70</b>	<b>-</b>	<b>44,180</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>									
Nonspendable	-	-	-	343	-	-	-	-	-
Restricted	177,170	13	20,510	254,320	816,224	6,609	68,572	8,484	18,312
Committed	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>177,170</b>	<b>13</b>	<b>20,510</b>	<b>254,663</b>	<b>816,224</b>	<b>6,609</b>	<b>68,572</b>	<b>8,484</b>	<b>18,312</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 749,877</b>	<b>\$ 13</b>	<b>\$ 20,512</b>	<b>\$ 282,672</b>	<b>\$ 816,446</b>	<b>\$ 26,624</b>	<b>\$ 112,752</b>	<b>\$ 8,484</b>	<b>\$ 18,312</b>

(continued)

**CITY OF SIDNEY, OHIO  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2021**

	E-911 Wireless	Enforcement & Education	F.E.M.A. Grant	Fire Loss Security	Health Department Building Lease	H.O.M.E. Program Income	Indigent Driver Alcohol Treatment	Indigent Driver Alcohol Treatment Surplus	Indigent Driver Interlock & Alcohol Monitoring
<b>ASSETS</b>									
Pooled cash	\$ 39,567	\$ 3,558	\$ -	\$ 19,175	\$ 18,561	\$ 23,202	\$ 16,018	\$ -	\$ 9,416
Cash held by outside agent	-	-	-	-	-	-	-	-	-
Pooled investments	115,612	10,396	-	56,028	54,234	67,789	46,804	-	27,513
Receivables:									
Property taxes	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	8	-	-	-
Loans	-	-	-	-	-	-	-	-	-
Other	-	158	-	-	-	-	575	-	444
Due from other funds	-	-	-	-	-	-	-	-	-
Receivables from other governments	-	-	-	-	-	-	-	-	-
Prepaid items	8,092	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 163,271</b>	<b>\$ 14,112</b>	<b>\$ -</b>	<b>\$ 75,203</b>	<b>\$ 72,795</b>	<b>\$ 90,999</b>	<b>\$ 63,397</b>	<b>\$ -</b>	<b>\$ 37,373</b>
<b>LIABILITIES</b>									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111	\$ -	\$ 1,184
Salaries and benefits payable	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111</b>	<b>-</b>	<b>1,184</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable revenue	-	-	-	-	-	8	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>									
Nonspendable	8,092	-	-	-	-	-	-	-	-
Restricted	155,179	14,112	-	75,203	-	90,991	63,286	-	36,189
Committed	-	-	-	-	72,795	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>163,271</b>	<b>14,112</b>	<b>-</b>	<b>75,203</b>	<b>72,795</b>	<b>90,991</b>	<b>63,286</b>	<b>-</b>	<b>36,189</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 163,271</b>	<b>\$ 14,112</b>	<b>\$ -</b>	<b>\$ 75,203</b>	<b>\$ 72,795</b>	<b>\$ 90,999</b>	<b>\$ 63,397</b>	<b>\$ -</b>	<b>\$ 37,373</b>

(continued)

**CITY OF SIDNEY, OHIO  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2021**

	Justice Reinvestment Incentive Grant	Law Enforcement	Law Enforcement Diversion Grant	Local Coronavirus Relief	Local Fiscal Recovery (ARP)	Mausoleum Maintenance	Municipal Court Computer	Municipal Court Special Projects	Neighborhood Stabilization Program Grant
<b>ASSETS</b>									
Pooled cash	\$ 8,711	\$ 65,831	\$ 6,984	\$ -	\$ 273,087	\$ 12,242	\$ 12,119	\$ 114,017	\$ -
Cash held by outside agent	-	-	-	-	-	-	-	-	-
Pooled investments	25,453	192,353	20,408	-	797,940	35,766	35,412	333,149	-
Receivables:									
Property taxes	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	4	-	-	-
Loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	241	2,382	7,939	-
Due from other funds	-	-	-	-	-	-	-	18,122	-
Receivables from other governments	-	137	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	2,769	-
<b>Total assets</b>	<b>\$ 34,164</b>	<b>\$ 258,321</b>	<b>\$ 27,392</b>	<b>\$ -</b>	<b>\$ 1,071,027</b>	<b>\$ 48,253</b>	<b>\$ 49,913</b>	<b>\$ 475,996</b>	<b>\$ -</b>
<b>LIABILITIES</b>									
Accounts payable	\$ 304	\$ 497	\$ -	\$ -	\$ -	\$ -	\$ 38	\$ 118	\$ -
Salaries and benefits payable	6,841	-	368	-	-	-	-	5,244	-
Advances from other funds	-	-	30,000	-	-	-	-	-	-
Unearned revenue	-	-	-	-	1,071,027	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>7,145</b>	<b>497</b>	<b>30,368</b>	<b>-</b>	<b>1,071,027</b>	<b>-</b>	<b>38</b>	<b>5,362</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable revenue	-	-	-	-	-	230	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>230</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>									
Nonspendable	-	-	-	-	-	-	-	2,769	-
Restricted	27,019	257,824	-	-	-	48,023	49,875	467,865	-
Committed	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(2,976)	-	-	-	-	-	-
<b>Total fund balances</b>	<b>27,019</b>	<b>257,824</b>	<b>(2,976)</b>	<b>-</b>	<b>-</b>	<b>48,023</b>	<b>49,875</b>	<b>470,634</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 34,164</b>	<b>\$ 258,321</b>	<b>\$ 27,392</b>	<b>\$ -</b>	<b>\$ 1,071,027</b>	<b>\$ 48,253</b>	<b>\$ 49,913</b>	<b>\$ 475,996</b>	<b>\$ -</b>

(continued)

**CITY OF SIDNEY, OHIO  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2021**

	Parking Enforcement	Permissive License Fee	Probation Grant	Probation Services	State Highway	TIF - Echo	TIF - Kuther Rd	TIF - Menards	Non-major Special Revenue Funds Totals
<b>ASSETS</b>									
Pooled cash	\$ 25,815	\$ 47,366	\$ 1,213	\$ 758	\$ 1,800	\$ 11,567	\$ 38,691	\$ 144,830	\$ 1,252,580
Cash held by outside agent	-	-	-	-	-	-	-	-	44,180
Pooled investments	75,430	138,399	3,543	2,214	5,259	33,798	113,052	423,181	3,659,860
Receivables:									
Property taxes	-	-	-	-	-	13,663	60,560	130,380	204,603
Other taxes	-	-	-	-	-	-	-	-	6,609
Interest	-	-	-	-	1	-	-	-	104
Loans	-	-	-	-	-	-	-	-	529,537
Other	-	-	-	600	-	-	-	-	32,556
Due from other funds	-	-	-	-	-	-	-	-	18,122
Receivables from other governments	-	64,195	-	-	61,680	-	-	-	156,548
Prepaid items	-	-	-	-	-	-	-	-	11,204
<b>Total assets</b>	<b>\$ 101,245</b>	<b>\$ 249,960</b>	<b>\$ 4,756</b>	<b>\$ 3,572</b>	<b>\$ 68,740</b>	<b>\$ 59,028</b>	<b>\$ 212,303</b>	<b>\$ 698,391</b>	<b>\$ 5,915,903</b>
<b>LIABILITIES</b>									
Accounts payable	\$ 767	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,179
Salaries and benefits payable	-	-	3,692	-	-	-	-	-	23,401
Advances from other funds	-	-	-	-	-	-	-	-	30,000
Unearned revenue	-	-	-	-	-	-	-	-	1,071,027
Due to other funds	-	-	-	-	-	-	-	-	9,000
<b>Total liabilities</b>	<b>767</b>	<b>-</b>	<b>3,692</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,162,607</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable revenue	-	56,018	-	-	52,914	13,663	60,560	130,381	936,493
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>56,018</b>	<b>-</b>	<b>-</b>	<b>52,914</b>	<b>13,663</b>	<b>60,560</b>	<b>130,381</b>	<b>936,493</b>
<b>FUND BALANCES</b>									
Nonspendable	-	-	-	-	-	-	-	-	11,204
Restricted	-	193,942	1,064	3,572	15,826	45,365	151,743	568,010	3,635,302
Committed	100,478	-	-	-	-	-	-	-	173,273
Unassigned	-	-	-	-	-	-	-	-	(2,976)
<b>Total fund balances</b>	<b>100,478</b>	<b>193,942</b>	<b>1,064</b>	<b>3,572</b>	<b>15,826</b>	<b>45,365</b>	<b>151,743</b>	<b>568,010</b>	<b>3,816,803</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 101,245</b>	<b>\$ 249,960</b>	<b>\$ 4,756</b>	<b>\$ 3,572</b>	<b>\$ 68,740</b>	<b>\$ 59,028</b>	<b>\$ 212,303</b>	<b>\$ 698,391</b>	<b>\$ 5,915,903</b>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	C.D.B.G.	C.D.B.G. Program Income	C.D.B.G. Revolving Loan	Cemetery	Cemetery Maintenance	Convention and Visitors' Bureau	County Auto License	CRA	Drug Law Enforcement
<b>REVENUES:</b>									
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,759	\$ -	\$ -	\$ -
Intergovernmental revenues	255,135	-	-	-	-	-	91,644	-	-
Special Assessments	-	-	-	-	-	-	-	2,000	-
Charges for services	-	-	-	237,296	-	-	-	-	-
Fines, licenses and permits	-	-	-	-	-	-	-	-	12,112
Investment income	167	-	23	-	886	-	-	-	-
Miscellaneous receipts and reimbursements	-	-	-	6,487	-	-	-	-	-
Total revenues	<u>255,302</u>	<u>-</u>	<u>23</u>	<u>243,783</u>	<u>886</u>	<u>95,759</u>	<u>91,644</u>	<u>2,000</u>	<u>12,112</u>
<b>EXPENDITURES:</b>									
Current:									
Community development	98,309	-	-	-	-	93,147	-	1,167	-
Community environment	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Health	-	-	-	255,717	423	-	-	-	-
Judicial	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	16,703
Street repairs and maintenance	-	-	-	-	-	-	-	-	-
Capital outlay	108,290	-	-	-	-	-	108,885	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	<u>206,599</u>	<u>-</u>	<u>-</u>	<u>255,717</u>	<u>423</u>	<u>93,147</u>	<u>108,885</u>	<u>1,167</u>	<u>16,703</u>
Excess (deficiency) of revenues over (under) expenditures	<u>48,703</u>	<u>-</u>	<u>23</u>	<u>(11,934)</u>	<u>463</u>	<u>2,612</u>	<u>(17,241)</u>	<u>833</u>	<u>(4,591)</u>
<b>OTHER FINANCING SOURCES:</b>									
Transfers in	-	-	-	75,000	-	-	-	-	-
Total other financing sources	-	-	-	<u>75,000</u>	-	-	-	-	-
Net change in fund balance	48,703	-	23	63,066	463	2,612	(17,241)	833	(4,591)
Fund balances, beginning of year	<u>128,467</u>	<u>13</u>	<u>20,487</u>	<u>191,597</u>	<u>815,761</u>	<u>3,997</u>	<u>85,813</u>	<u>7,651</u>	<u>22,903</u>
Fund balances, end of year	<u>\$ 177,170</u>	<u>\$ 13</u>	<u>\$ 20,510</u>	<u>\$ 254,663</u>	<u>\$ 816,224</u>	<u>\$ 6,609</u>	<u>\$ 68,572</u>	<u>\$ 8,484</u>	<u>\$ 18,312</u>

(continued)

**CITY OF SIDNEY, OHIO  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	E-911 Wireless	Enforcement & Education	F.E.M.A. Grant	Fire Loss Security	Health Department Building Lease	H.O.M.E. Program Income	Indigent Driver Alcohol Treatment	Indigent Driver Alcohol Treatment Surplus	Indigent Driver Interlock & Alcohol Monitoring
<b>REVENUES:</b>									
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	57,447	-	17,062	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	12,894
Fines, licenses and permits	-	2,671	-	-	-	-	15,151	-	-
Investment income	-	-	-	-	-	54	-	-	-
Miscellaneous receipts and reimbursements	-	-	-	81,843	26,684	59,741	-	-	-
Total revenues	<u>57,447</u>	<u>2,671</u>	<u>17,062</u>	<u>81,843</u>	<u>26,684</u>	<u>59,795</u>	<u>15,151</u>	<u>-</u>	<u>12,894</u>
<b>EXPENDITURES:</b>									
Current:									
Community development	-	-	-	-	-	-	-	-	-
Community environment	-	-	-	-	-	-	-	-	-
Fire	-	-	-	56,500	-	-	-	-	-
Health	-	-	-	-	1,465	-	-	-	-
Judicial	-	-	-	-	-	-	5,641	5,594	6,072
Police	48,608	-	-	-	-	-	-	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	25,450	2,150	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	<u>48,608</u>	<u>-</u>	<u>-</u>	<u>56,500</u>	<u>26,915</u>	<u>2,150</u>	<u>5,641</u>	<u>5,594</u>	<u>6,072</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,839</u>	<u>2,671</u>	<u>17,062</u>	<u>25,343</u>	<u>(231)</u>	<u>57,645</u>	<u>9,510</u>	<u>(5,594)</u>	<u>6,822</u>
<b>OTHER FINANCING SOURCES:</b>									
Transfers in	-	-	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	8,839	2,671	17,062	25,343	(231)	57,645	9,510	(5,594)	6,822
Fund balances, beginning of year	<u>154,432</u>	<u>11,441</u>	<u>(17,062)</u>	<u>49,860</u>	<u>73,026</u>	<u>33,346</u>	<u>53,776</u>	<u>5,594</u>	<u>29,367</u>
Fund balances, end of year	<u>\$ 163,271</u>	<u>\$ 14,112</u>	<u>\$ -</u>	<u>\$ 75,203</u>	<u>\$ 72,795</u>	<u>\$ 90,991</u>	<u>\$ 63,286</u>	<u>\$ -</u>	<u>\$ 36,189</u>

(continued)

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Justice Reinvestment Grant	Law Enforcement	Law Enforcement Diversion Grant	Local Coronavirus Relief	Local Fiscal Recovery (ARP)	Mausoleum Maintenance	Municipal Court Computer	Municipal Court Special Projects	Neighborhood Stabilization Program Grant
<b>REVENUES:</b>									
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	237,277	137	22,299	550,031	-	-	-	9,043	-
Special Assessments	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	1,148	37,904	131,280	-
Fines, licenses and permits	-	13,518	-	-	-	-	-	-	-
Investment income	-	-	-	162	-	51	-	-	-
Miscellaneous receipts and reimbursements	1,973	-	2	-	-	-	-	1,000	-
Total revenues	<u>239,250</u>	<u>13,655</u>	<u>22,301</u>	<u>550,193</u>	<u>-</u>	<u>1,199</u>	<u>37,904</u>	<u>141,323</u>	<u>-</u>
<b>EXPENDITURES:</b>									
Current:									
Community development	-	-	-	-	-	-	-	-	-
Community environment	-	-	-	-	-	-	-	-	-
Fire	-	-	-	240,657	-	-	-	-	-
Health	-	-	-	29,268	-	-	-	-	-
Judicial	255,513	-	-	-	-	-	33,170	104,532	-
Police	-	3,131	21,112	258,042	-	-	-	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-	-
Capital outlay	-	30,654	-	22,226	-	-	-	19,910	30
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	<u>255,513</u>	<u>33,785</u>	<u>21,112</u>	<u>550,193</u>	<u>-</u>	<u>-</u>	<u>33,170</u>	<u>124,442</u>	<u>30</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,263)</u>	<u>(20,130)</u>	<u>1,189</u>	<u>-</u>	<u>-</u>	<u>1,199</u>	<u>4,734</u>	<u>16,881</u>	<u>(30)</u>
<b>OTHER FINANCING SOURCES:</b>									
Transfers in	-	-	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(16,263)	(20,130)	1,189	-	-	1,199	4,734	16,881	(30)
Fund balances, beginning of year	<u>43,282</u>	<u>277,954</u>	<u>(4,165)</u>	<u>-</u>	<u>-</u>	<u>46,824</u>	<u>45,141</u>	<u>453,753</u>	<u>30</u>
Fund balances, end of year	<u>\$ 27,019</u>	<u>\$ 257,824</u>	<u>\$ (2,976)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,023</u>	<u>\$ 49,875</u>	<u>\$ 470,634</u>	<u>\$ -</u>

(continued)

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Parking Enforcement	Permissive License Fee	Probation Grant	Probation Services	State Highway	TIF - Echo	TIF - Kuther Rd	TIF - Menards	Non-major Special Revenue Funds Totals
<b>REVENUES:</b>									
Local taxes	\$ -	\$ 110,197	\$ -	\$ -	\$ -	\$ 4,414	\$ 60,441	\$ 130,395	\$ 401,206
Intergovernmental revenues	-	-	75,163	-	105,153	-	-	-	1,420,391
Special Assessments	-	-	-	-	-	-	-	-	2,000
Charges for services	-	-	-	3,572	-	-	-	-	424,094
Fines, licenses and permits	17,730	-	-	-	-	-	-	-	61,182
Investment income	-	-	-	-	50	-	-	-	1,393
Miscellaneous receipts and reimbursements	136	-	827	-	-	-	-	-	178,693
Total revenues	<u>17,866</u>	<u>110,197</u>	<u>75,990</u>	<u>3,572</u>	<u>105,203</u>	<u>4,414</u>	<u>60,441</u>	<u>130,395</u>	<u>2,488,959</u>
<b>EXPENDITURES:</b>									
Current:									
Community development	-	-	-	-	-	840	11,000	21,667	226,130
Community environment	18,867	-	-	-	-	-	-	-	18,867
Fire	-	-	-	-	-	-	-	-	297,157
Health	-	-	-	-	-	-	-	-	286,873
Judicial	-	-	78,114	-	-	-	-	-	488,636
Police	-	-	-	-	-	-	-	-	347,596
Street repairs and maintenance	-	-	-	-	103,000	-	-	-	103,000
Capital outlay	-	107,900	-	-	-	-	-	-	425,495
Debt service:									
Principal	-	-	-	-	-	-	10,000	50,000	60,000
Interest	-	-	-	-	-	-	2,900	5,400	8,300
Total expenditures	<u>18,867</u>	<u>107,900</u>	<u>78,114</u>	<u>-</u>	<u>103,000</u>	<u>840</u>	<u>23,900</u>	<u>77,067</u>	<u>2,262,054</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,001)</u>	<u>2,297</u>	<u>(2,124)</u>	<u>3,572</u>	<u>2,203</u>	<u>3,574</u>	<u>36,541</u>	<u>53,328</u>	<u>226,905</u>
<b>OTHER FINANCING SOURCES:</b>									
Transfers in	-	-	-	-	-	-	-	-	75,000
Total other financing sources	-	-	-	-	-	-	-	-	75,000
Net change in fund balance	(1,001)	2,297	(2,124)	3,572	2,203	3,574	36,541	53,328	301,905
Fund balances, beginning of year	<u>101,479</u>	<u>191,645</u>	<u>3,188</u>	<u>-</u>	<u>13,623</u>	<u>41,791</u>	<u>115,202</u>	<u>514,682</u>	<u>3,514,898</u>
Fund balances, end of year	<u>\$ 100,478</u>	<u>\$ 193,942</u>	<u>\$ 1,064</u>	<u>\$ 3,572</u>	<u>\$ 15,826</u>	<u>\$ 45,365</u>	<u>\$ 151,743</u>	<u>\$ 568,010</u>	<u>\$ 3,816,803</u>



## CITY OF SIDNEY, OHIO

### *Fund Descriptions – Non-major Enterprise Funds*

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Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises for which 1) the intent of the government's legislative body is that goods or services provided to the general public on a continuing basis be financed or recovered primarily through user charges or 2) the government's legislative body has decided that periodic determination of net income is appropriate for accountability purposes.

**Airport Fund.** Accounts for the operation of the airport facility and related expenses, including capital improvement. The operating expenses and capital improvements are supported by customer charges and a subsidy, as necessary, from the General Fund.

**Concession Stand Fund.** Accounts for the operations of the concession stand and related expenses, including capital improvements.

**Sidney Water Park Fund.** Accounts for the operation of the public swimming pool and related expenses, including capital improvements. The operating expenses are financed through user charges while the capital improvements are subsidized by the General Fund.

**Solid Waste Fund.** Accounts for the operation of the solid waste collection system and related expenses, including capital improvements. The operations are financed through user charges.

**Transportation Fund.** Accounts for the operation and maintenance of the Shelby Public Transit (formerly Dial-A-Ride) service, and related expenses, including capital improvement. The operating expenses and capital improvements are supported by customer charges and governmental grants. Any remaining funding is split 65% subsidy from the General Fund and 35% subsidy from Shelby County.

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR ENTERPRISE FUNDS**  
**DECEMBER 31, 2021**

	Airport	Concession Stand	Sidney Water Park	Solid Waste	Transportation	Enterprise Funds Totals
<b>ASSETS</b>						
Current assets:						
Pooled cash	\$ 99,060	\$ 3,234	\$ 23,959	\$ 115,135	\$ 140,764	\$ 382,152
Pooled investments	289,445	9,449	70,006	336,414	411,302	1,116,616
Receivables:						
Accounts	17,153	-	-	110,481	9,539	137,173
Other	-	-	-	-	342	342
Receivables from other governments	-	-	-	-	30,799	30,799
Inventory	30,290	-	-	-	-	30,290
Prepaid items	2,690	74	132	-	655	3,551
Total current assets	<u>438,638</u>	<u>12,757</u>	<u>94,097</u>	<u>562,030</u>	<u>593,401</u>	<u>1,700,923</u>
Noncurrent assets:						
Net OPEB asset	423	849	-	655	46,098	48,025
Capital assets:						
Capital assets not subject to depreciation:						
Land	1,004,352	-	-	-	55,000	1,059,352
Construction in progress	123,061	-	-	-	-	123,061
Capital assets net of accumulated depreciation	<u>4,307,043</u>	<u>2,579</u>	<u>682,485</u>	<u>-</u>	<u>1,266,611</u>	<u>6,258,718</u>
Total noncurrent assets	<u>5,434,879</u>	<u>3,428</u>	<u>682,485</u>	<u>655</u>	<u>1,367,709</u>	<u>7,489,156</u>
Total assets	<u>\$ 5,873,517</u>	<u>\$ 16,185</u>	<u>\$ 776,582</u>	<u>\$ 562,685</u>	<u>\$ 1,961,110</u>	<u>\$ 9,190,079</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension	552	1,106	-	852	60,064	62,574
OPEB	227	456	-	352	24,754	25,789
Total deferred outflows of resources	<u>779</u>	<u>1,562</u>	<u>-</u>	<u>1,204</u>	<u>84,818</u>	<u>88,363</u>
Total assets & deferred outflows of resources and net position	<u>\$ 5,874,296</u>	<u>\$ 17,747</u>	<u>\$ 776,582</u>	<u>\$ 563,889</u>	<u>\$ 2,045,928</u>	<u>\$ 9,278,442</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	\$ 51,896	\$ 40	\$ 444	\$ 144,393	\$ 4,459	\$ 201,232
Salaries and benefits payable	188	7	-	290	18,519	19,004
Compensated absences	166	-	-	67	3,617	3,850
Refundable deposits	145	-	-	-	-	145
Unearned revenue	9,935	-	-	252,223	-	262,158
Total current liabilities	<u>62,330</u>	<u>47</u>	<u>444</u>	<u>396,973</u>	<u>26,595</u>	<u>486,389</u>
Noncurrent liabilities:						
Net Pension liability	3,551	7,126	-	5,496	387,015	403,188
Compensated absences	43	-	-	486	51,585	52,114
Total noncurrent liabilities	<u>3,594</u>	<u>7,126</u>	<u>-</u>	<u>5,982</u>	<u>438,600</u>	<u>455,302</u>
Total liabilities	<u>65,924</u>	<u>7,173</u>	<u>444</u>	<u>402,955</u>	<u>465,195</u>	<u>941,691</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension	1,534	3,077	-	2,373	167,053	174,037
OPEB	1,293	2,593	-	2,000	140,848	146,734
Total deferred inflows of resources	<u>2,827</u>	<u>5,670</u>	<u>-</u>	<u>4,373</u>	<u>307,901</u>	<u>320,771</u>
<b>NET POSITION</b>						
Net investment in capital assets	5,395,639	2,579	682,485	-	1,321,611	7,402,314
Unrestricted	409,906	2,325	93,653	156,561	(48,779)	613,666
Total net position	<u>5,805,545</u>	<u>4,904</u>	<u>776,138</u>	<u>156,561</u>	<u>1,272,832</u>	<u>8,015,980</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 5,874,296</u>	<u>\$ 17,747</u>	<u>\$ 776,582</u>	<u>\$ 563,889</u>	<u>\$ 2,045,928</u>	<u>\$ 9,278,442</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN**  
**NET POSITION - NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Airport	Concession Stand	Sidney Water Park	Solid Waste	Transportation	Non-major Enterprise Funds Totals
<b>OPERATING REVENUES:</b>						
Charges for services	\$ 390,257	\$ 27,403	\$ 67,909	\$ 1,937,852	\$ 102,876	\$ 2,526,297
Other revenue	<u>24,706</u>	<u>24</u>	<u>44,385</u>	<u>1,206</u>	<u>4,535</u>	<u>74,856</u>
Total operating revenues	<u>414,963</u>	<u>27,427</u>	<u>112,294</u>	<u>1,939,058</u>	<u>107,411</u>	<u>2,601,153</u>
<b>OPERATING EXPENSES:</b>						
Personal services	1,650	(549)	(143,707)	2,539	137,737	(2,330)
Operations and maintenance	483,216	15,160	224,646	1,860,961	250,310	2,834,293
Depreciation	<u>231,360</u>	<u>167</u>	<u>32,155</u>	<u>-</u>	<u>125,490</u>	<u>389,172</u>
Total operating expenses	<u>716,226</u>	<u>14,778</u>	<u>113,094</u>	<u>1,863,500</u>	<u>513,537</u>	<u>3,221,135</u>
Operating income (loss)	<u>(301,263)</u>	<u>12,649</u>	<u>(800)</u>	<u>75,558</u>	<u>(406,126)</u>	<u>(619,982)</u>
<b>NONOPERATING REVENUE:</b>						
Intergovernmental	-	-	-	-	618,802	618,802
Contributions	<u>-</u>	<u>-</u>	<u>5,100</u>	<u>-</u>	<u>-</u>	<u>5,100</u>
Total nonoperating revenue	<u>-</u>	<u>-</u>	<u>5,100</u>	<u>-</u>	<u>618,802</u>	<u>623,902</u>
Income (loss) before capital contributions and transfers	<u>(301,263)</u>	<u>12,649</u>	<u>4,300</u>	<u>75,558</u>	<u>212,676</u>	<u>3,920</u>
Capital grants & contributions	271,680	-	-	-	19,258	290,938
Transfers in	<u>295,000</u>	<u>2,722</u>	<u>160,000</u>	<u>-</u>	<u>-</u>	<u>457,722</u>
Change in net position	265,417	15,371	164,300	75,558	231,934	752,580
Net position - beginning	<u>5,540,128</u>	<u>(10,467)</u>	<u>611,838</u>	<u>81,003</u>	<u>1,040,898</u>	<u>7,263,400</u>
Net position - ending	<u>\$ 5,805,545</u>	<u>\$ 4,904</u>	<u>\$ 776,138</u>	<u>\$ 156,561</u>	<u>\$ 1,272,832</u>	<u>\$ 8,015,980</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF CASH FLOWS - NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Airport	Concession Stand	Sidney Water Park	Solid Waste	Transportation	Non-major Enterprise Funds Totals
<b>Cash flows from operating activities:</b>						
Receipts from customers and users	\$ 410,698	\$ 27,600	\$ 70,165	\$ 1,935,167	\$ 115,450	\$ 2,559,080
Payments to suppliers	(465,362)	(12,436)	(133,914)	(1,554,329)	(55,155)	(2,221,196)
Payments to employees	(4,314)	(8,576)	-	(7,697)	(502,475)	(523,062)
Payments for interfund services provided (used)	(23,436)	(2,722)	(47,483)	(165,917)	(195,154)	(434,712)
Net cash provided by (used for) operating activities	(82,414)	3,866	(111,232)	207,224	(637,334)	(619,890)
<b>Cash flows from noncapital financing activities:</b>						
Transfers in	295,000	2,722	160,000	-	-	457,722
Intergovernmental	-	-	-	12,995	664,703	677,698
Contributions	-	-	5,100	-	-	5,100
Net cash provided by noncapital financing activities	295,000	2,722	165,100	12,995	664,703	1,140,520
<b>Cash flows from capital and related financing activities:</b>						
Acquisition of capital assets	(436,112)	-	(5,392)	-	-	(441,504)
Capital contributions	271,680	-	-	-	10,238	281,918
Net cash provided by (used by) capital and related financing activities	(164,432)	-	(5,392)	-	10,238	(159,586)
<b>Cash flows from investing activities:</b>						
Proceeds from sales and maturities of investments	51,562	(2,666)	(19,462)	(82,484)	99,990	46,940
Purchase of investments	(45,908)	(1,499)	(11,103)	(53,358)	(65,234)	(177,102)
Net cash provided by (used for) investing activities	5,654	(4,165)	(30,565)	(135,842)	34,756	(130,162)
Net increase in pooled cash	53,808	2,423	17,911	84,377	72,363	230,882
Pooled cash, beginning of year	45,252	811	6,048	30,758	68,401	151,270
Pooled cash, end of year	\$ 99,060	\$ 3,234	\$ 23,959	\$ 115,135	\$ 140,764	\$ 382,152
<b>Reconciliation of operating loss to net cash used by operating activities:</b>						
Operating income (loss)	\$ (301,263)	\$ 12,649	\$ (800)	\$ 75,558	\$ (406,126)	\$ (619,982)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:						
Depreciation	231,360	167	32,155	-	125,490	389,172
Change in assets and deferred outflows:						
Accounts receivable	(4,868)	-	-	(14,973)	(6,648)	(26,489)
Other receivables	48	173	1,118	75	14,687	16,101
Prepaid items	1	1	(93)	-	9	(82)
Inventory	1,501	-	-	-	-	1,501
Net OPEB asset	(423)	(849)	-	(655)	(46,098)	(48,025)
Deferred outflows - Pension	205	737	13,572	421	28,058	42,993
Deferred outflows - OPEB	308	850	9,612	550	37,663	48,983
Change in liabilities and deferred inflows:						
Accounts payable	(7,084)	1	95	140,715	(8)	133,719
Salaries and benefits payable and compensated absences	160	7	-	318	4,344	4,829
Unearned revenue	555	-	-	11,007	-	11,562
Net pension liability	(1,072)	(4,147)	(83,008)	(2,295)	(151,954)	(242,476)
Net OPEB liability	(3,226)	(7,875)	(57,986)	(5,439)	(376,502)	(451,028)
Deferred inflows - Pension	552	684	(17,616)	719	52,674	37,013
Deferred inflows - OPEB	832	1,468	(8,281)	1,223	87,077	82,319
Net cash provided by (used for) operating activities	\$ (82,414)	\$ 3,866	\$ (111,232)	\$ 207,224	\$ (637,334)	\$ (619,890)
<b>Noncash investing, capital and related financing activities:</b>						
Purchase of equipment on account	\$ 38,817	\$ -	\$ -	\$ -	\$ -	\$ 38,817
Prior year purchase of equipment on account	\$ 26,846	\$ -	\$ -	\$ -	\$ -	\$ 26,846

## CITY OF SIDNEY, OHIO

### *Fund Descriptions – Internal Service Funds*

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Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

**Garage/Fleet Operations Fund.** To account for the operation of the municipal garage. This activity is funded by charges to City departments that use this service.

**Information Technology Fund.** To account for the costs of purchasing and maintaining the City's computer and phone systems and the allocation of those costs to the using departments on a cost-reimbursement basis.

**Revenue Collections Fund.** To account for the operation of the City's centralized income tax and utility billing and collections department. This activity is funded by charges to the City departments for which the monies are collected.

**Self-Insurance Fund.** To account for the employees' health insurance plan, including the payment of insurance premiums and claims. The fund is exclusively financed by premiums paid by City employees and from various operating funds of the City.

**Service Center Building Fund.** To account for the operation of the Service Center building. This activity is funded by charges to City departments that use these services.

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**DECEMBER 31, 2021**

	Garage/ Fleet Operations	Information Technology	Revenue Collections	Self Insurance	Service Center Building	Internal Service Totals
<b>ASSETS</b>						
Current assets:						
Pooled cash	\$ 17,674	\$ 60,654	\$ 43,430	\$ -	\$ 39,264	\$ 161,022
Cash	-	-	-	536,607	-	536,607
Pooled investments	51,643	177,227	126,898	-	114,726	470,494
Inventory	16,309	828	-	-	-	17,137
Prepaid items	2,545	174,945	829	-	551	178,870
Total current assets	<u>88,171</u>	<u>413,654</u>	<u>171,157</u>	<u>536,607</u>	<u>154,541</u>	<u>1,364,130</u>
Noncurrent assets:						
Net OPEB Asset	22,214	32,130	39,502	-	1,787	95,633
Capital assets, net of accumulated depreciation	63,966	179,897	8,144	-	357,141	609,148
Total noncurrent assets	<u>86,180</u>	<u>212,027</u>	<u>47,646</u>	<u>-</u>	<u>358,928</u>	<u>704,781</u>
Total assets	<u>\$ 174,351</u>	<u>\$ 625,681</u>	<u>\$ 218,803</u>	<u>\$ 536,607</u>	<u>\$ 513,469</u>	<u>\$ 2,068,911</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension	28,943	41,864	51,469	-	2,329	124,605
OPEB	11,928	17,253	21,210	-	959	51,350
Total deferred outflows of resources	<u>\$ 40,871</u>	<u>\$ 59,117</u>	<u>\$ 72,679</u>	<u>\$ -</u>	<u>\$ 3,288</u>	<u>\$ 175,955</u>
Total assets & deferred outflows of resources and net position	<u>\$ 215,222</u>	<u>\$ 684,798</u>	<u>\$ 291,482</u>	<u>\$ 536,607</u>	<u>\$ 516,757</u>	<u>\$ 2,244,866</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	\$ 15,751	\$ 11,562	\$ 7,737	\$ -	\$ 7,458	\$ 42,508
Salaries and benefits payable	10,024	15,516	18,279	-	713	44,532
Claims payable	-	-	-	262,602	-	262,602
Compensated absences	2,796	2,348	4,578	-	-	9,722
Total current liabilities	<u>28,571</u>	<u>29,426</u>	<u>30,594</u>	<u>262,602</u>	<u>8,171</u>	<u>359,364</u>
Noncurrent liabilities:						
Net pension liability	186,498	269,747	331,635	-	15,003	802,883
Compensated absences	42,526	57,922	42,641	-	549	143,638
Total noncurrent liabilities	<u>229,024</u>	<u>327,669</u>	<u>374,276</u>	<u>-</u>	<u>15,552</u>	<u>946,521</u>
Total liabilities	<u>257,595</u>	<u>357,095</u>	<u>404,870</u>	<u>262,602</u>	<u>23,723</u>	<u>1,305,885</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension	80,502	116,436	143,148	-	6,476	346,562
OPEB	67,872	98,171	120,693	-	5,460	292,196
Total deferred inflows of resources	<u>148,374</u>	<u>214,607</u>	<u>263,841</u>	<u>-</u>	<u>11,936</u>	<u>638,758</u>
<b>NET POSITION</b>						
Net investment in capital assets	63,966	179,897	8,144	-	357,141	609,148
Unrestricted	(254,713)	(66,801)	(385,373)	274,005	123,957	(308,925)
Total net position	<u>(190,747)</u>	<u>113,096</u>	<u>(377,229)</u>	<u>274,005</u>	<u>481,098</u>	<u>300,223</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 215,222</u>	<u>\$ 684,798</u>	<u>\$ 291,482</u>	<u>\$ 536,607</u>	<u>\$ 516,757</u>	<u>\$ 2,244,866</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN**  
**NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Garage/Fleet Operations	Information Technology	Revenue Collections	Self Insurance	Service Center Building	Internal Service Totals
<b>OPERATING REVENUES:</b>						
Charges for services	\$ 749,706	\$ 860,239	\$ 678,290	\$ 2,791,556	\$ 66,000	\$ 5,145,791
Other revenue	4,250	122	1,274	-	5,486	11,132
Total operating revenues	<u>753,956</u>	<u>860,361</u>	<u>679,564</u>	<u>2,791,556</u>	<u>71,486</u>	<u>5,156,923</u>
<b>OPERATING EXPENSES:</b>						
Personal services	207,778	185,169	178,754	-	15,082	586,783
Operations and maintenance	448,635	426,209	154,029	617,190	56,355	1,702,418
Claims	-	-	-	2,086,804	-	2,086,804
Depreciation	13,686	62,990	1,129	-	65,286	143,091
Total operating expenses	<u>670,099</u>	<u>674,368</u>	<u>333,912</u>	<u>2,703,994</u>	<u>136,723</u>	<u>4,519,096</u>
Operating income (loss)	<u>83,857</u>	<u>185,993</u>	<u>345,652</u>	<u>87,562</u>	<u>(65,237)</u>	<u>637,827</u>
<b>NONOPERATING REVENUES:</b>						
Investment income	-	-	-	4,540	-	4,540
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,540</u>	<u>-</u>	<u>4,540</u>
Income (loss) before capital contributions and transfers	83,857	185,993	345,652	92,102	(65,237)	642,367
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,115</u>	<u>8,115</u>
Change in net position	83,857	185,993	345,652	92,102	(57,122)	650,482
Net position - beginning	<u>(274,604)</u>	<u>(72,897)</u>	<u>(722,881)</u>	<u>181,903</u>	<u>538,220</u>	<u>(350,259)</u>
Net position - ending	<u>\$ (190,747)</u>	<u>\$ 113,096</u>	<u>\$ (377,229)</u>	<u>\$ 274,005</u>	<u>\$ 481,098</u>	<u>\$ 300,223</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Garage/ Fleet Operations	Information Technology	Revenue Collections	Self Insurance	Service Center Building	Internal Service Totals
<b>Cash flows from operating activities:</b>						
Receipts from customers and users	\$ 8,981	\$ 121,267	\$ 6,346	\$ -	\$ 4,905	\$ 141,499
Receipts from interfund services	747,594	742,860	678,290	2,791,556	66,000	5,026,300
Payments to suppliers	(426,924)	(499,211)	(98,956)	(617,190)	(43,764)	(1,686,045)
Payments to employees	(277,471)	(373,369)	(491,444)	-	(20,683)	(1,162,967)
Payments for claims	-	-	-	(2,094,526)	-	(2,094,526)
Payments for interfund services used	(24,499)	(1,373)	(55,090)	-	(8,421)	(89,383)
Net cash provided by (used for) operating activities	<u>27,681</u>	<u>(9,826)</u>	<u>39,146</u>	<u>79,840</u>	<u>(1,963)</u>	<u>134,878</u>
<b>Cash flows from capital and related financing activities:</b>						
Acquisition of capital assets	(12,955)	(13,469)	(8,063)	-	-	(34,487)
Net cash used for capital and related financing activities	<u>(12,955)</u>	<u>(13,469)</u>	<u>(8,063)</u>	<u>-</u>	<u>-</u>	<u>(34,487)</u>
<b>Cash flows from investing activities:</b>						
Proceeds from sales and maturities of investments	3,881	77,333	13,960	-	38,689	133,863
Purchase of investments	(8,191)	(28,109)	(20,127)	-	(18,197)	(74,624)
Interest on investments	-	-	-	4,540	-	4,540
Net cash provided by (used for) investing activities	<u>(4,310)</u>	<u>49,224</u>	<u>(6,167)</u>	<u>4,540</u>	<u>20,492</u>	<u>63,779</u>
Net increase (decrease) in pooled cash	10,416	25,929	24,916	84,380	18,529	164,170
Pooled cash, beginning of year	7,258	34,725	18,514	452,227	20,735	533,459
Pooled cash, end of year	<u>\$ 17,674</u>	<u>\$ 60,654</u>	<u>\$ 43,430</u>	<u>\$ 536,607</u>	<u>\$ 39,264</u>	<u>\$ 697,629</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ 83,857	\$ 185,993	\$ 345,652	\$ 87,562	\$ (65,237)	\$ 637,827
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation	13,686	62,990	1,129	-	65,286	143,091
Change in assets and deferred outflows:						
Other receivables	2,619	3,766	5,072	-	179	11,636
Prepaid items	(174)	(56,559)	(559)	-	410	(56,882)
Inventory	(2,016)	313	-	-	-	(1,703)
Net OPEB asset	(22,214)	(32,130)	(39,502)	-	(1,787)	(95,633)
Deferred outflows - Pension	5,281	13,995	24,344	-	290	43,910
Deferred outflows - OPEB	12,313	22,311	32,487	-	895	68,006
Change in liabilities and deferred inflows:						
Accounts & claims payable	(598)	(18,130)	542	(7,722)	3,000	(22,908)
Salaries and benefits payable and compensated absences	20,914	10,158	6,769	-	260	38,101
Net pension liability	(22,830)	(71,895)	(132,051)	-	(1,014)	(227,790)
Net OPEB liability	(146,225)	(238,657)	(323,915)	-	(11,185)	(719,982)
Deferred inflows - Pension	36,078	43,933	44,746	-	3,077	127,834
Deferred inflows - OPEB	46,990	64,086	74,432	-	3,863	189,371
Net cash provided by (used for) operating activities	<u>\$ 27,681</u>	<u>\$ (9,826)</u>	<u>\$ 39,146</u>	<u>\$ 79,840</u>	<u>\$ (1,963)</u>	<u>\$ 134,878</u>
<b>Noncash investing, capital and related financing activities:</b>						
Contributions of capital assets from governmental activities	\$ -	\$ -	\$ -	\$ -	\$ 8,815	\$ 8,815



## CITY OF SIDNEY, OHIO

### *Fund Descriptions – Fiduciary Funds*

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#### *Custodial Funds*

Custodial funds are used to account for assets held on behalf of other parties.

**Municipal Court Fund.** To account for assets received and disbursed by the Municipal Court as agent and custodian relative to civil or criminal court matters.

**Port Jefferson Fund.** To account for funds collected on behalf of the Village of Port Jefferson. These funds are collected with sewer bills from residents of the Village.

**River Clean Up Fund.** To account for funds collected and disbursed on behalf of the Upper Great Miami River Watershed Protection Project.

#### *Private-Purpose Trust Funds*

Private purpose funds are used to account for a trust arrangement where specific benefits accrue to specific individuals.

**B. Bennett Flower Trust Fund.** To account for the purchase and placement of flowers upon the monument of stated Grantor's for specific holidays at the Graceland Cemetery until distribution amount is exhausted.

**B. Slonkosky Flower Trust Fund.** To account for the purchase and placement of flowers upon the monument of stated Grantor's for specific holidays at the Graceland Cemetery until distribution amount is exhausted.

**C. Truster Flower Trust Fund.** To account for the purchase and placement of flowers upon the monument of Grantor and Grantor's sister at Memorial Day at the Graceland Cemetery until distribution amount is exhausted.

**Ike Family Mausoleum Fund.** To account for the disbursement to the Ike family for maintenance and repairs to their private mausoleum.

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF NET POSITION**  
**CUSTODIAL FUNDS**  
**DECEMBER 31, 2021**

	Municipal Court	Port Jefferson	River Clean-Up	Custodial Funds Totals
<b>ASSETS</b>				
Pooled cash	\$ -	\$ 2,276	\$ 6,300	\$ 8,576
Cash held by outside agent	230,066	-	-	230,066
Pooled investments	-	6,651	18,407	25,058
Accounts Receivable	<u>-</u>	<u>9,282</u>	<u>-</u>	<u>9,282</u>
Total assets	<u>\$ 230,066</u>	<u>\$ 18,209</u>	<u>\$ 24,707</u>	<u>\$ 272,982</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 4,810	\$ -	\$ 4,810
Payable to other governments	<u>109,580</u>	<u>1,500</u>	<u>-</u>	<u>111,080</u>
Total liabilities	<u>\$ 109,580</u>	<u>\$ 6,310</u>	<u>\$ -</u>	<u>\$ 115,890</u>
<b>NET POSITION</b>				
Restricted for:				
Individuals & organizations & other governments	<u>\$ 120,486</u>	<u>\$ 11,899</u>	<u>\$ 24,707</u>	<u>\$ 157,092</u>
Total Net position	<u>\$ 120,486</u>	<u>\$ 11,899</u>	<u>\$ 24,707</u>	<u>\$ 157,092</u>

**CITY OF SIDNEY, OHIO  
COMBINING STATEMENT OF CHANGES IN NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Municipal Court	Port Jefferson	River Clean-Up	Custodial Funds Totals
<b>ADDITIONS</b>				
Charges for services	\$ -	\$ 81,726	\$ -	\$ 81,726
Court costs & fines	2,234,704	-	-	2,234,704
Contributions	-	-	22,033	22,033
Total Additions	<u>2,234,704</u>	<u>81,726</u>	<u>22,033</u>	<u>2,338,463</u>
<b>DEDUCTIONS</b>				
Judgement costs & bond reimbursements	1,074,328	-	-	1,074,328
Payments to other governments	1,189,965	85,011	-	1,274,976
Clean-up expenses	-	-	18,824	18,824
Total Deductions	<u>2,264,293</u>	<u>85,011</u>	<u>18,824</u>	<u>2,368,128</u>
Change in net position	(29,589)	(3,285)	3,209	(29,665)
Net position, beginning of year	<u>150,075</u>	<u>15,184</u>	<u>21,498</u>	<u>186,757</u>
Net position, end of year	<u>\$ 120,486</u>	<u>\$ 11,899</u>	<u>\$ 24,707</u>	<u>\$ 157,092</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF NET POSITION**  
**PRIVATE-PURPOSE TRUST FUNDS**  
**DECEMBER 31, 2021**

	B. Bennett Flower Trust	B. Slonkosky Flower Trust	C.Truster Flower Trust	Ike Family Mausoleum Trust	Private-Purpose Trust Funds Totals
<b>ASSETS</b>					
Pooled cash	\$ -	\$ 6,381	\$ 705	\$ 1,175	\$ 8,261
Pooled investments	-	18,644	2,058	3,435	24,137
Interest receivable	-	2	-	-	2
Total assets	<u>\$ -</u>	<u>\$ 25,027</u>	<u>\$ 2,763</u>	<u>\$ 4,610</u>	<u>\$ 32,400</u>
<b>LIABILITIES</b>					
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>NET POSITION</b>					
Restricted for:					
Individuals & organization & other governments	-	25,027	2,763	4,610	32,400
Total Net position	<u>\$ -</u>	<u>\$ 25,027</u>	<u>\$ 2,763</u>	<u>\$ 4,610</u>	<u>\$ 32,400</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF CHANGES IN NET POSITION**  
**PRIVATE-PURPOSE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>B. Bennett Flower Trust</u>	<u>B. Slonkosky Flower Trust</u>	<u>C. Truster Flower Trust</u>	<u>Ike Family Mausoleum Trust</u>	<u>Private-Purpose Trust Funds Totals</u>
<b>ADDITIONS</b>					
Investment income	\$ -	\$ 28	\$ 4	\$ 5	\$ 37
Total Additions	<u>-</u>	<u>28</u>	<u>4</u>	<u>5</u>	<u>37</u>
<b>DEDUCTIONS</b>					
Purchase of flowers	<u>414</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>664</u>
Total Deductions	<u>414</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>664</u>
Change in net position	(414)	(222)	4	5	(627)
Net position, beginning of year	<u>414</u>	<u>25,249</u>	<u>2,759</u>	<u>4,605</u>	<u>33,027</u>
Net position, end of year	<u>\$ -</u>	<u>\$ 25,027</u>	<u>\$ 2,763</u>	<u>\$ 4,610</u>	<u>\$ 32,400</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Local taxes	\$ 13,946,674	\$ 14,619,947	\$ 673,273
Intergovernmental revenues	634,254	772,535	138,281
Special assessments	284,700	379,284	94,584
Charges for services	1,227,527	1,217,374	(10,153)
Fines, licenses and permits	444,182	443,287	(895)
Investment income	100,000	17,192	(82,808)
Miscellaneous receipts and reimbursements	1,903,683	2,587,635	683,952
Total revenues	<u>18,541,020</u>	<u>20,037,254</u>	<u>1,496,234</u>
<b>EXPENDITURES:</b>			
Current:			
Community Development			
Community Planning & Development			
Personal services	195,320	191,002	4,318
Contractual, materials and other	23,943	22,354	1,589
Community Service Program			
Personal services	94,170	93,115	1,055
Contractual, materials and other	9,899	3,089	6,810
Miscellaneous			
Contractual, materials and other	1,220	1,144	76
Total community development	<u>324,552</u>	<u>310,704</u>	<u>13,848</u>
Community Environment			
Building Inspection			
Personal services	93,400	92,184	1,216
Contractual, materials and other	17,502	13,047	4,455
Code Enforcement			
Personal services	78,930	77,969	961
Contractual, materials and other	94,737	93,879	858
Engineering			
Personal services	315,530	312,400	3,130
Contractual, materials and other	112,955	105,042	7,913
Total community environment	<u>713,054</u>	<u>694,521</u>	<u>18,533</u>
Fire			
Fire Services			
Personal services	4,694,684	4,614,231	80,453
Contractual, materials and other	781,820	723,678	58,142
Total fire	<u>5,476,504</u>	<u>5,337,909</u>	<u>138,595</u>

(continued)

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
General Government			
City Administration			
Personal services	300,820	294,311	6,509
Contractual, materials and other	27,619	25,978	1,641
City Council			
Personal services	78,090	75,976	2,114
Contractual, materials and other	57,791	50,486	7,305
City Hall			
Personal services	30,450	29,548	902
Contractual, materials and other	123,140	117,770	5,370
County Auditor Deductions			
Contractual, materials and other	126,244	126,047	197
Finance			
Personal services	407,394	394,375	13,019
Contractual, materials and other	139,330	134,157	5,173
Law Director			
Personal services	130,020	126,774	3,246
Contractual, materials and other	15,766	13,676	2,090
Miscellaneous			
Personal services	400,000	302,581	97,419
Contractual, materials and other	951,836	895,672	56,164
Personnel			
Personal services	209,750	205,553	4,197
Contractual, materials and other	211,203	172,689	38,514
Purchasing			
Personal services	22,930	22,563	367
Contractual, materials and other	11,534	7,792	3,742
Total general government	<u>3,243,917</u>	<u>2,995,948</u>	<u>247,969</u>
Judicial			
Municipal Court			
Personal services	1,132,000	1,119,181	12,819
Contractual, materials and other	322,723	312,735	9,988
Total judicial	<u>1,454,723</u>	<u>1,431,916</u>	<u>22,807</u>

(continued)

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
Parks and Recreation			
Parks - Administration			
Personal services	128,500	126,934	1,566
Contractual, materials and other	24,354	23,348	1,006
Parks - Grounds Maintenance			
Personal services	680,171	656,021	24,150
Contractual, materials and other	265,591	256,466	9,125
Parks - Recreation Programs			
Personal services	112,130	109,433	2,697
Contractual, materials and other	66,091	61,662	4,429
Senior Center			
Contractual, materials and other	19,872	17,162	2,710
Urban Forest			
Contractual, materials and other	62,328	61,300	1,028
Total parks and recreation	<u>1,359,037</u>	<u>1,312,326</u>	<u>46,711</u>
Police			
Police Services			
Personal services	5,445,301	5,310,931	134,370
Contractual, materials and other	962,519	879,382	83,137
Street Lighting Department			
Contractual, materials and other	221,500	217,250	4,250
Total police	<u>6,629,320</u>	<u>6,407,563</u>	<u>221,757</u>
Total expenditures	<u>19,201,107</u>	<u>18,490,887</u>	<u>710,220</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(660,087)</u>	<u>1,546,367</u>	<u>2,206,454</u>
OTHER FINANCING SOURCES (USES):			
Cash advance out	(30,000)	(30,000)	-
Sale of Asset	-	675	675
Transfers out	(852,722)	(852,722)	-
Total other financing uses	<u>(882,722)</u>	<u>(882,047)</u>	<u>675</u>
Net change in fund balance	<u>(1,542,809)</u>	<u>664,320</u>	<u>2,207,129</u>
Fund Balances, beginning of year	11,279,943	11,279,943	-
Prior Year Encumbrances	458,524	458,524	-
Fund Balances, end of year	<u>\$ 10,195,658</u>	<u>\$ 12,402,787</u>	<u>\$ 2,207,129</u>



**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**STREET REPAIR AND MAINTENANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Intergovernmental revenues	\$ 1,357,820	\$ 1,283,303	\$ (74,517)
Investment Income	3,000	599	(2,401)
Miscellaneous receipts and reimbursements	<u>125,129</u>	<u>27,800</u>	<u>(97,329)</u>
Total revenues	<u>1,485,949</u>	<u>1,311,702</u>	<u>(174,247)</u>
<b>EXPENDITURES:</b>			
Current:			
Street repair & maintenance			
Personal services	765,540	732,248	33,292
Contractual, materials and other	<u>1,184,620</u>	<u>1,027,282</u>	<u>157,338</u>
Total expenditures	<u>1,950,160</u>	<u>1,759,530</u>	<u>190,630</u>
Deficiency of revenues under expenditures	<u>(464,211)</u>	<u>(447,828)</u>	<u>16,383</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	<u>535,000</u>	<u>535,000</u>	<u>-</u>
Total other financing sources	<u>535,000</u>	<u>535,000</u>	<u>-</u>
Net change in fund balance	70,789	87,172	16,383
Fund Balances, beginning of year	428,707	428,707	-
Prior Year Encumbrances	19,670	19,670	-
Fund Balances, end of year	<u>\$ 519,166</u>	<u>\$ 535,549</u>	<u>\$ 16,383</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**C.D.B.G. FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Intergovernmental revenue	\$ 319,907	\$ 323,681	\$ 3,774
Investment income	480	177	(303)
Total revenues	<u>320,387</u>	<u>323,858</u>	<u>3,471</u>
<b>EXPENDITURES:</b>			
Current:			
Community development			
Personal services	1,500	1,500	-
Contractual, materials and other	372,807	290,714	82,093
Total expenditures	<u>374,307</u>	<u>292,214</u>	<u>82,093</u>
Excess (deficiency) of revenues over (under) expenditures	(53,920)	31,644	85,564
Fund Balances, beginning of year	(50,881)	(50,881)	-
Prior Year Encumbrances	153,414	153,414	-
Fund Balances, end of year	<u>\$ 48,613</u>	<u>\$ 134,177</u>	<u>\$ 85,564</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**C.D.B.G. REVOLVING LOAN FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Investment income	\$ -	\$ 23	\$ 23
Total revenues	<u>-</u>	<u>23</u>	<u>23</u>
<b>EXPENDITURES:</b>			
Current:			
Community development			
Contractual, materials and other	20,488	-	20,488
Total expenditures	<u>20,488</u>	<u>-</u>	<u>20,488</u>
Excess (deficiency) of revenues over (under) expenditures	(20,488)	23	20,511
Fund Balances, beginning of year	20,488	20,488	-
Fund Balances, end of year	<u>\$ -</u>	<u>\$ 20,511</u>	<u>\$ 20,511</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**C.D.B.G. PROGRAM INCOME FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:	\$ 1	\$ -	\$ (1)
EXPENDITURES:	-	-	-
Net change in fund balance	1	-	(1)
Fund Balances, beginning of year	13	13	-
Fund Balances, end of year	<u>\$ 14</u>	<u>\$ 13</u>	<u>\$ (1)</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CEMETERY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Charges for services	\$ 162,085	\$ 235,860	\$ 73,775
Miscellaneous receipts and reimbursements	2,843	6,488	3,645
Total revenues	<u>164,928</u>	<u>242,348</u>	<u>77,420</u>
EXPENDITURES:			
Current:			
Health			
Personal services	207,790	198,585	9,205
Contractual, materials and other	61,106	56,988	4,118
Total expenditures	<u>268,896</u>	<u>255,573</u>	<u>13,323</u>
Deficiency of revenues under expenditures	<u>(103,968)</u>	<u>(13,225)</u>	<u>90,743</u>
OTHER FINANCING SOURCES:			
Transfers in	75,000	75,000	-
Total other financing sources	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Net change in fund balance	(28,968)	61,775	90,743
Fund Balances, beginning of year	197,933	197,933	-
Prior Year Encumbrances	712	712	-
Fund Balances, end of year	<u>\$ 169,677</u>	<u>\$ 260,420</u>	<u>\$ 90,743</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CEMETERY MAINTENANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	10,000	916	(9,084)
Total revenues	<u>10,000</u>	<u>916</u>	<u>(9,084)</u>
EXPENDITURES:			
Current:			
Health			
Contractual, materials and other	650	372	278
Total expenditures	<u>650</u>	<u>372</u>	<u>278</u>
Excess of revenues over expenditures	9,350	544	(8,806)
Fund Balances, beginning of year	815,888	815,888	-
Fund Balances, end of year	<u>\$ 825,238</u>	<u>\$ 816,432</u>	<u>\$ (8,806)</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CONVENTION AND VISITORS' BUREAU FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 81,953	\$ 93,147	\$ 11,194
Total revenues	<u>81,953</u>	<u>93,147</u>	<u>11,194</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	78,300	78,300	-
Total expenditures	<u>78,300</u>	<u>78,300</u>	<u>-</u>
Excess of revenues over expenditures	3,653	14,847	11,194
Fund Balances, beginning of year	5,168	5,168	-
Fund Balances, end of year	<u>\$ 8,821</u>	<u>\$ 20,015</u>	<u>\$ 11,194</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**COUNTY AUTO LICENSE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Intergovernmental revenue	\$ 107,900	\$ 91,644	\$ (16,256)
Total revenues	<u>107,900</u>	<u>91,644</u>	<u>(16,256)</u>
EXPENDITURES:			
Current:			
Street repair & maintenance			
Contractual, materials and other	<u>108,885</u>	<u>108,885</u>	<u>-</u>
Total expenditures	<u>108,885</u>	<u>108,885</u>	<u>-</u>
Deficiency of revenues under expenditures	(985)	(17,241)	(16,256)
Fund Balances, beginning of year	85,813	85,813	-
Fund Balances, end of year	<u>\$ 84,828</u>	<u>\$ 68,572</u>	<u>\$ (16,256)</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CRA FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Special assessments	\$ 1,760	\$ 2,000	\$ 240
Total Revenues	<u>1,760</u>	<u>2,000</u>	<u>240</u>
EXPENDITURES:			
Current:			
Community development			
Personal services	<u>1,175</u>	<u>1,168</u>	<u>7</u>
Total expenditures	<u>1,175</u>	<u>1,168</u>	<u>7</u>
Excess of revenues over expenditures	585	832	247
Fund Balances, beginning of year	7,652	7,652	-
Fund Balances, end of year	<u>\$ 8,237</u>	<u>\$ 8,484</u>	<u>\$ 247</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**DRUG LAW ENFORCEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 9,600	\$ 12,112	\$ 2,512
Total revenues	<u>9,600</u>	<u>12,112</u>	<u>2,512</u>
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	<u>17,000</u>	<u>16,703</u>	<u>297</u>
Total expenditures	<u>17,000</u>	<u>16,703</u>	<u>297</u>
Deficiency of revenues under expenditures	(7,400)	(4,591)	2,809
Fund Balances, beginning of year	<u>22,903</u>	<u>22,903</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 15,503</u>	<u>\$ 18,312</u>	<u>\$ 2,809</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**E-911 WIRELESS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 50,000	\$ 57,448	\$ 7,448
Total revenues	<u>50,000</u>	<u>57,448</u>	<u>7,448</u>
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	<u>66,808</u>	<u>54,234</u>	<u>12,574</u>
Total expenditures	<u>66,808</u>	<u>54,234</u>	<u>12,574</u>
Excess (deficiency) of revenues over (under) expenditures	(16,808)	3,214	20,022
Fund Balances, beginning of year	<u>151,966</u>	<u>151,966</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 135,158</u>	<u>\$ 155,180</u>	<u>\$ 20,022</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**ENFORCEMENT & EDUCATION FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 2,100	\$ 2,573	\$ 473
Total revenues	<u>2,100</u>	<u>2,573</u>	<u>473</u>
EXPENDITURES:			
Current:			
Police			
Personal services	3,930	-	3,930
Contractual, materials and other	250	-	250
Total expenditures	<u>4,180</u>	<u>-</u>	<u>4,180</u>
Excess (deficiency) of revenues over (under) expenditures	(2,080)	2,573	4,653
Fund Balances, beginning of year	11,381	11,381	-
Fund Balances, end of year	<u>\$ 9,301</u>	<u>\$ 13,954</u>	<u>\$ 4,653</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**F.E.M.A. GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 17,062	\$ 17,062	\$ -
Total revenues	<u>17,062</u>	<u>17,062</u>	<u>-</u>
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING USES:			
Cash advance out	(17,100)	(17,100)	-
Total other financing uses	<u>(17,100)</u>	<u>(17,100)</u>	<u>-</u>
Net change in fund balance	(38)	(38)	-
Fund Balances, beginning of year	38	38	-
Fund Balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**FIRE LOSS SECURITY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 71,444	\$ 81,844	\$ 10,400
Total Revenues	<u>71,444</u>	<u>81,844</u>	<u>10,400</u>
EXPENDITURES:			
Current:			
Fire Services			
Contractual, materials and other	121,304	121,304	-
Total expenditures	<u>121,304</u>	<u>121,304</u>	<u>-</u>
Deficiency of revenues under expenditures	(49,860)	(39,460)	10,400
Fund Balances, beginning of year	10,720	10,720	-
Prior Year Encumbrances	39,140	39,140	-
Fund Balances, end of year	<u>\$ -</u>	<u>\$ 10,400</u>	<u>\$ 10,400</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**HEALTH DEPARTMENT BUILDING LEASE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 26,685	\$ 27,489	\$ 804
Total revenues	<u>26,685</u>	<u>27,489</u>	<u>804</u>
EXPENDITURES:			
Current:			
Health			
Contractual, materials and other	27,865	26,915	950
Total expenditures	<u>27,865</u>	<u>26,915</u>	<u>950</u>
Excess (deficiency) of revenues over (under) expenditures	(1,180)	574	1,754
Fund Balances, beginning of year	72,221	72,221	-
Fund Balances, end of year	<u>\$ 71,041</u>	<u>\$ 72,795</u>	<u>\$ 1,754</u>



**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**H.O.M.E. PROGRAM INCOME FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 12,135	\$ 59,800	\$ 47,665
Total revenues	<u>12,135</u>	<u>59,800</u>	<u>47,665</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>33,000</u>	<u>2,150</u>	<u>30,850</u>
Total expenditures	<u>33,000</u>	<u>2,150</u>	<u>30,850</u>
Excess (deficiency) of revenues over (under) expenditures	(20,865)	57,650	78,515
Fund Balances, beginning of year	33,347	33,347	-
Fund Balances, end of year	<u>\$ 12,482</u>	<u>\$ 90,997</u>	<u>\$ 78,515</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**INDIGENT DRIVER ALCOHOL TREATMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 13,000	\$ 15,108	\$ 2,108
Total revenues	<u>13,000</u>	<u>15,108</u>	<u>2,108</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	<u>20,000</u>	<u>5,530</u>	<u>14,470</u>
Total expenditures	<u>20,000</u>	<u>5,530</u>	<u>14,470</u>
Excess (deficiency) of revenues over (under) expenditures	(7,000)	9,578	16,578
Fund Balances, beginning of year	53,244	53,244	-
Fund Balances, end of year	<u>\$ 46,244</u>	<u>\$ 62,822</u>	<u>\$ 16,578</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**INDIGENT DRIVER ALCOHOL TREATMENT - SURPLUS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	6,494	6,494	-
Total expenditures	6,494	6,494	-
Deficiency of revenues under expenditures	(6,494)	(6,494)	-
Fund Balances, beginning of year	6,494	6,494	-
Fund Balances, end of year	\$ -	\$ -	\$ -

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**INDIGENT DRIVER INTERLOCK & ALCOHOL MONITORING FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for Services	\$ 15,000	\$ 12,742	\$ (2,258)
Total revenues	15,000	12,742	(2,258)
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	16,000	6,730	9,270
Total expenditures	16,000	6,730	9,270
Excess (deficiency) of revenues over (under) expenditures	(1,000)	6,012	7,012
Fund Balances, beginning of year	30,917	30,917	-
Fund Balances, end of year	\$ 29,917	\$ 36,929	\$ 7,012

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**JUSTICE REINVESTMENT INCENTIVE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Intergovernmental revenues	\$ 230,568	\$ 237,276	\$ 6,708
Miscellaneous receipts and reimbursements	-	(6,708)	(6,708)
<b>Total Revenues</b>	<b>230,568</b>	<b>230,568</b>	<b>-</b>
<b>EXPENDITURES:</b>			
Current:			
Judicial			
Personal services	208,695	200,144	8,551
Contractual, materials and other	67,252	60,621	6,631
<b>Total expenditures</b>	<b>275,947</b>	<b>260,765</b>	<b>15,182</b>
Deficiency of revenues under expenditures	(45,379)	(30,197)	15,182
Fund Balances, beginning of year	46,597	46,597	-
Prior Year Encumbrances	12,924	12,924	-
Fund Balances, end of year	<u>\$ 14,142</u>	<u>\$ 29,324</u>	<u>\$ 15,182</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**LAW ENFORCEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Fines, licenses and permits	\$ 5,000	\$ 14,016	\$ 9,016
<b>Total Revenues</b>	<b>5,000</b>	<b>14,016</b>	<b>9,016</b>
<b>EXPENDITURES:</b>			
Current:			
Police			
Contractual, materials and other	66,300	35,508	30,792
<b>Total Expenditures</b>	<b>66,300</b>	<b>35,508</b>	<b>30,792</b>
Deficiency of revenues under expenditures	(61,300)	(21,492)	39,808
Fund Balances, beginning of year	277,954	277,954	-
Fund Balances, end of year	<u>\$ 216,654</u>	<u>\$ 256,462</u>	<u>\$ 39,808</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**LAW ENFORCEMENT DIVERSION GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Intergovernmental revenues	\$ 28,575	\$ 28,575	\$ -
Miscellaneous receipts and reimbursements	-	3	3
Total Revenues	<u>28,575</u>	<u>28,578</u>	<u>3</u>
<b>EXPENDITURES:</b>			
Current:			
Police			
Personal services	21,351	21,260	91
Total Expenditures	<u>21,351</u>	<u>21,260</u>	<u>91</u>
Excess of revenues over expenditures	7,224	7,318	94
<b>OTHER FINANCING SOURCES (USES):</b>			
Cash advance in	30,000	30,000	-
Cash advance out	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Total other financing sources	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net change in fund balance	12,224	12,318	94
Fund Balances, beginning of year	12,425	12,425	-
Prior Year Encumbrances	2,650	2,650	-
Fund Balances, end of year	<u>\$ 27,299</u>	<u>\$ 27,393</u>	<u>\$ 94</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**LOCAL CORONAVIRUS RELIEF GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Investment income	\$ -	\$ 162	\$ 162
Total revenues	<u>-</u>	<u>162</u>	<u>162</u>
<b>EXPENDITURES:</b>			
Current:			
Fire			
Personal services	240,657	240,657	-
Police			
Personal services	258,042	258,042	-
Health			
Personal services	8,522	8,522	-
Contractual, materials and other	<u>73,334</u>	<u>73,334</u>	<u>-</u>
Total expenditures	<u>580,555</u>	<u>580,555</u>	<u>-</u>
Deficiency of revenues under expenditures	(580,555)	(580,393)	162
Fund Balances, beginning of year	540,069	540,069	-
Prior Year Encumbrances	40,324	40,324	-
Fund Balances, end of year	<u>\$ (162)</u>	<u>\$ -</u>	<u>\$ 162</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**LOCAL FISCAL RECOVERY (ARPA) FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Intergovernmental revenues	\$ -	\$ 1,071,027	\$ (1,071,027)
Total revenues	<u>-</u>	<u>1,071,027</u>	<u>(1,071,027)</u>
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	-	1,071,027	(1,071,027)
Fund Balances, beginning of year	-	-	-
Fund Balances, end of year	<u>\$ -</u>	<u>\$ 1,071,027</u>	<u>\$ (1,071,027)</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**MAUSOLEUM MAINTENANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Charges for services	\$ 800	\$ 1,134	\$ 334
Investment income	<u>400</u>	<u>53</u>	<u>(347)</u>
Total revenues	<u>1,200</u>	<u>1,187</u>	<u>(13)</u>
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	1,200	1,187	(13)
Fund Balances, beginning of year	46,825	46,825	-
Fund Balances, end of year	<u>\$ 48,025</u>	<u>\$ 48,012</u>	<u>\$ (13)</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**MUNICIPAL COURT COMPUTER FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 31,500	\$ 37,832	\$ 6,332
Total Revenues	<u>31,500</u>	<u>37,832</u>	<u>6,332</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	<u>35,365</u>	<u>33,133</u>	<u>2,232</u>
Total expenditures	<u>35,365</u>	<u>33,133</u>	<u>2,232</u>
Excess (deficiency) of revenues under (over) expenditures	(3,865)	4,699	8,564
Fund Balances, beginning of year	42,832	42,832	-
Fund Balances, end of year	<u>\$ 38,967</u>	<u>\$ 47,531</u>	<u>\$ 8,564</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**MUNICIPAL COURT SPECIAL PROJECTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for Services	\$ 98,700	\$ 130,857	\$ 32,157
Intergovernmental Revenues	-	9,043	9,043
Miscellaneous receipts and reimbursements	<u>200</u>	<u>1,001</u>	<u>801</u>
Total revenues	<u>98,900</u>	<u>140,901</u>	<u>42,001</u>
EXPENDITURES:			
Current:			
Judicial			
Personal services	138,680	113,286	25,394
Contractual, materials and other	<u>56,028</u>	<u>29,545</u>	<u>26,483</u>
Total expenditures	<u>194,708</u>	<u>142,831</u>	<u>51,877</u>
Deficiency of revenues under expenditures	(95,808)	(1,930)	93,878
Fund Balances, beginning of year	443,832	443,832	-
Fund Balances, end of year	<u>\$ 348,024</u>	<u>\$ 441,902</u>	<u>\$ 93,878</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**NEIGHBORHOOD STABILIZATION PROGRAM GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	30	30	-
Total expenditures	<u>30</u>	<u>30</u>	<u>-</u>
Deficiency of revenues under expenditures	(30)	(30)	-
Fund Balances, beginning of year	-	-	-
Prior Year Encumbrances	30	30	-
Fund Balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**PARKING ENFORCEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 18,457	\$ 20,430	\$ 1,973
Miscellaneous receipts and reimbursements	-	136	136
Total revenues	<u>18,457</u>	<u>20,566</u>	<u>2,109</u>
EXPENDITURES:			
Current:			
Community Environment			
Personal services	6,600	-	6,600
Contractual, materials and other	20,138	18,268	1,870
Total expenditures	<u>26,738</u>	<u>18,268</u>	<u>8,470</u>
Excess (deficiency) of revenues over (under) expenditures	(8,281)	2,298	10,579
Fund Balances, beginning of year	98,947	98,947	-
Fund Balances, end of year	<u>\$ 90,666</u>	<u>\$ 101,245</u>	<u>\$ 10,579</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**PERMISSIVE LICENSE FEE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 107,900	\$ 109,521	\$ 1,621
Total revenues	<u>107,900</u>	<u>109,521</u>	<u>1,621</u>
EXPENDITURES:			
Current:			
Street repair & maintenance			
Contractual, materials and other	<u>107,900</u>	<u>107,900</u>	<u>-</u>
Total expenditures	<u>107,900</u>	<u>107,900</u>	<u>-</u>
Excess of revenues over expenditures	-	1,621	1,621
Fund Balances, beginning of year	184,143	184,143	-
Fund Balances, end of year	<u>\$ 184,143</u>	<u>\$ 185,764</u>	<u>\$ 1,621</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**PROBATION GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 75,160	\$ 75,163	\$ 3
Miscellaneous receipts and reimbursements	-	828	828
Total revenues	<u>75,160</u>	<u>75,991</u>	<u>831</u>
EXPENDITURES:			
Current:			
Judicial			
Personal services	75,491	75,487	4
Contractual, materials and other	<u>2,254</u>	<u>2,253</u>	<u>1</u>
Total expenditures	<u>77,745</u>	<u>77,740</u>	<u>5</u>
Deficiency of revenues under expenditures	(2,585)	(1,749)	836
Fund Balances, beginning of year	6,505	6,505	-
Fund Balances, end of year	<u>\$ 3,920</u>	<u>\$ 4,756</u>	<u>\$ 836</u>



**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**PROBATION SERVICES FEE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for Services	\$ -	\$ 2,972	\$ 2,972
Total revenues	-	2,972	2,972
EXPENDITURES:	-	-	-
Excess of revenues over expenditures	-	2,972	2,972
Fund Balances, beginning of year	-	-	-
Fund Balances, end of year	\$ -	\$ 2,972	\$ 2,972

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**STATE HIGHWAY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 105,092	\$ 104,052	\$ (1,040)
Investment income	500	50	(450)
Total revenues	105,592	104,102	(1,490)
EXPENDITURES:			
Current:			
Street repair & maintenance			
Contractual, materials and other	103,000	103,000	-
Total expenditures	103,000	103,000	-
Excess of revenues over expenditures	2,592	1,102	(1,490)
Fund Balances, beginning of year	5,957	5,957	-
Fund Balances, end of year	\$ 8,549	\$ 7,059	\$ (1,490)

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**TIF - ECHO FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local Taxes	\$ 4,150	\$ 4,414	\$ 264
Total revenues	<u>4,150</u>	<u>4,414</u>	<u>264</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	840	840	-
Total expenditures	<u>840</u>	<u>840</u>	<u>-</u>
Excess of revenues over expenditures	3,310	3,574	264
Fund Balances, beginning of year	41,791	41,791	-
Fund Balances, end of year	<u>\$ 45,101</u>	<u>\$ 45,365</u>	<u>\$ 264</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**TIF -KUTHER ROAD FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 60,000	\$ 60,441	\$ 441
Total revenues	<u>60,000</u>	<u>60,441</u>	<u>441</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	23,900	23,900	-
Total expenditures	<u>23,900</u>	<u>23,900</u>	<u>-</u>
Excess of revenues over expenditures	36,100	36,541	441
Fund Balances, beginning of year	115,202	115,202	-
Fund Balances, end of year	<u>\$ 151,302</u>	<u>\$ 151,743</u>	<u>\$ 441</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**TIF -MENARDS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Local Taxes	\$ 130,000	\$ 130,395	\$ 395
Total revenues	<u>130,000</u>	<u>130,395</u>	<u>395</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>77,067</u>	<u>77,067</u>	<u>-</u>
Total expenditures	<u>77,067</u>	<u>77,067</u>	<u>-</u>
Net change in fund balance	52,933	53,328	395
Fund Balances, beginning of year	<u>514,682</u>	<u>514,682</u>	<u>-</u>
Fund Balances, end of year	<u><u>\$ 567,615</u></u>	<u><u>\$ 568,010</u></u>	<u><u>\$ 395</u></u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CAPITAL IMPROVEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 3,138,926	\$ 3,138,926	\$ -
Intergovernmental revenues	652,940	1,688,415	1,035,475
Special assessments	75,000	268,032	193,032
Charges for services	-	24,300	24,300
Miscellaneous receipts and reimbursements	443,167	198,923	(244,244)
	<u>4,310,033</u>	<u>5,318,596</u>	<u>1,008,563</u>
Total revenues			
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	5,768,269	5,404,879	363,390
	<u>5,768,269</u>	<u>5,404,879</u>	<u>363,390</u>
Total expenditures			
Deficiency of revenues under expenditures	<u>(1,458,236)</u>	<u>(86,283)</u>	<u>1,371,953</u>
OTHER FINANCING SOURCES (USES):			
Sale of asset	15,000	52,501	37,501
Transfers out	(215,000)	(215,000)	-
	<u>(200,000)</u>	<u>(162,499)</u>	<u>37,501</u>
Total other financing sources			
Net change in fund balance	(1,658,236)	(248,782)	1,409,454
Fund Balances, beginning of year	1,994,596	1,994,596	-
Prior Year Encumbrances	1,180,309	1,180,309	-
Fund Balances, end of year	<u>\$ 1,516,669</u>	<u>\$ 2,926,123</u>	<u>\$ 1,409,454</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**MUNICIPAL EARNED INCOME TAX FOR STREET CAPITAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 1,536,716	\$ 1,625,675	\$ 88,959
Total revenues	<u>1,536,716</u>	<u>1,625,675</u>	<u>88,959</u>
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	2,000,000	1,521,158	478,842
Total expenditures	<u>2,000,000</u>	<u>1,521,158</u>	<u>478,842</u>
Excess (deficiency) of revenues over (under) expenditures	(463,284)	104,517	567,801
Fund Balances, beginning of year	1,113,582	1,113,582	-
Fund Balances, end of year	<u>\$ 650,298</u>	<u>\$ 1,218,099</u>	<u>\$ 567,801</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CAPITAL FOR FIRE STATION #3 FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:	\$ -	\$ -	\$ -
Net change in fund balance	-	-	-
Fund Balances, beginning of year	57,514	57,514	-
Fund Balances, end of year	<u>\$ 57,514</u>	<u>\$ 57,514</u>	<u>\$ -</u>



# STATISTICAL SECTION

**CITY OF SIDNEY, OHIO**  
**Statistical Section**  
**December 31, 2021**

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends (Schedules 1 – 4)</b> These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	134 – 138
<b>Revenue Capacity (Schedules 5 – 6)</b> These schedules contain information to help the reader assess the City’s most significant local revenue source, the municipal income tax.	139 – 140
<b>Debt Capacity (Schedules 7 - 10)</b> 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.	141– 144
<b>Economic and Demographic Information (Schedules 11 – 12)</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	145 – 146
<b>Operating Information (Schedules 13 – 15)</b> 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.	147 – 149

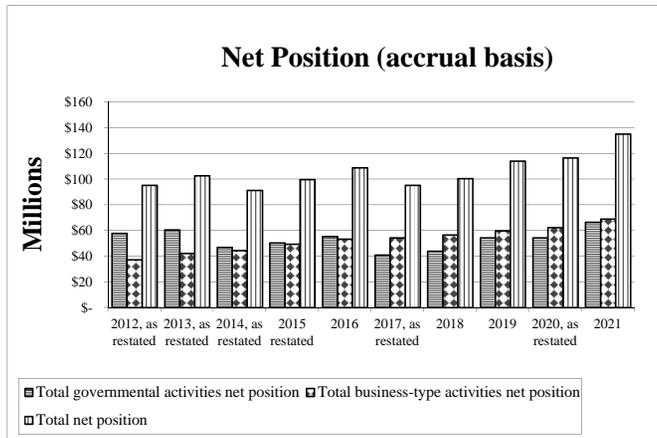
**Sources:** Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**CITY OF SIDNEY, OHIO  
NET POSITION BY CATEGORY  
LAST TEN FISCAL YEARS**

Schedule 1

	Year Ended December 31,									
	2012, as restated	2013, as restated	2014, as restated	2015 restated	2016	2017, as restated	2018	2019	2020, as restated	2021
<b>Governmental activities</b>										
Net investments in capital assets	46,484,983	47,228,659	46,471,032	48,421,398	52,535,603	56,673,279	59,060,823	60,481,104	63,660,122	67,001,770
Restricted for:										
Other purposes	3,273,154	3,521,730	3,922,451	6,070,942	6,221,211	5,459,700	5,520,325	6,737,699	6,147,353	6,949,833
Unrestricted	8,197,220	9,917,661	(3,493,089)	(4,047,311)	(3,307,733)	(21,070,199)	(20,656,687)	(12,925,179)	(15,318,620)	(7,498,779)
Total governmental activities net position	<u>57,955,357</u>	<u>60,668,050</u>	<u>46,900,394</u>	<u>50,445,029</u>	<u>55,449,081</u>	<u>41,062,780</u>	<u>43,924,461</u>	<u>54,293,624</u>	<u>54,488,855</u>	<u>66,452,824</u>
<b>Business-type activities</b>										
Net investments in capital assets	32,434,937	36,286,139	37,688,256	39,086,912	40,496,079	41,249,363	45,553,676	49,033,611	50,361,540	51,390,568
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	4,961,412	5,858,713	6,725,423	10,282,346	13,046,114	13,073,721	11,192,470	10,797,443	11,915,315	17,582,133
Total business-type activities net position	<u>37,396,349</u>	<u>42,144,852</u>	<u>44,413,679</u>	<u>49,369,258</u>	<u>53,542,193</u>	<u>54,323,084</u>	<u>56,746,146</u>	<u>59,831,054</u>	<u>62,276,855</u>	<u>68,972,701</u>
<b>Total</b>										
Net investments in capital assets	78,919,920	83,514,798	84,159,288	87,508,310	93,031,682	97,922,642	104,614,499	109,514,715	114,021,662	118,392,338
Restricted for:										
Other purposes	3,273,154	3,521,730	3,922,451	6,070,942	6,221,211	5,459,700	5,520,325	6,737,699	6,147,353	6,949,833
Unrestricted	13,158,632	15,776,374	3,232,334	6,235,035	9,738,381	(7,996,478)	(9,464,217)	(2,127,736)	(3,403,305)	10,083,354
Total net position	<u>\$ 95,351,706</u>	<u>\$ 102,812,902</u>	<u>\$ 91,314,073</u>	<u>\$ 99,814,287</u>	<u>\$ 108,991,274</u>	<u>\$ 95,385,864</u>	<u>\$ 100,670,607</u>	<u>\$ 114,124,678</u>	<u>\$ 116,765,710</u>	<u>\$ 135,425,525</u>

**Note:** Accounting standards require that the net position be reported in three components in the financial statements: net investments in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City.



Note: The following restatements of prior years' balances are reflected in the above schedule:

transportation

- Change in accounting principle for GASB Statement No. 65, prior period adjustment for deferred gain on current refunding, and classification amongst net investments in capital assets, restricted and unrestricted net position as well as a reclassification for 2011 between program revenues and other taxes - prior year balances have not been restated
- Correction of sewer capitalized interest in 2013.
- Change in accounting principle of GASB Statement No. 68 for 2014, - prior year balances have not been restated
- Correction of GASB Statement No. 68 for 2015
- Change in accounting principle of GASB Statement No. 75 for 2017, - prior year balances have not been restated
- Change in accounting principle for unclaimed funds previously a fiduciary fund now consolidated with General Fund, - prior year balances have not been restated



CITY OF SIDNEY, OHIO  
 CHANGES IN NET POSITION  
 LAST TEN FISCAL YEARS

Schedule 2

	Year Ended December 31,									
	2012, as restated	2013, as restated	2014, as restated	2015, as restated	2016	2017, as restated	2018	2019	2020, as restated	2021
<b>Expenses</b>										
Governmental activities:										
Basic utility services	54,751	-	101,582	384,464	249,527	62,738	23,450	27,119	70,003	61,050
Community development	690,046	674,110	467,887	533,433	1,005,925	770,341	956,603	905,453	1,156,342	451,608
Community environment	704,322	522,557	572,458	568,221	620,135	662,270	752,982	882,259	804,488	391,600
Fire	4,636,484	4,831,041	5,028,715	5,543,595	5,711,785	5,762,909	6,469,069	114,577	6,382,401	5,889,267
General government	1,043,097	1,280,552	1,222,533	1,135,011	1,112,992	1,404,493	1,281,658	1,553,807	1,709,080	142,689
Health	200,968	212,134	211,378	246,323	229,048	316,082	355,460	374,076	497,855	229,327
Judicial	1,574,631	1,644,204	1,701,791	1,652,162	1,851,709	1,854,514	2,375,499	2,469,531	2,444,266	1,315,652
Parks and recreation	1,488,367	1,453,956	1,464,155	1,483,180	1,572,667	1,659,861	1,581,395	1,832,337	1,628,021	1,002,208
Police	5,947,129	5,878,916	6,069,441	6,194,921	6,381,987	6,936,647	7,491,183	2,561,736	7,352,085	6,299,447
Public safety										
Public transportation	5,643	-	-	-	41,509	4,778	-	-	-	-
Street repair & maintenance	3,275,490	3,501,798	3,233,573	3,236,098	3,565,336	3,713,373	4,100,079	4,419,540	4,480,862	4,335,403
Bond issuance cost	-	14,234	-	-	-	-	-	-	54,054	-
Interest on long-term debt	295,729	291,005	161,053	147,997	134,274	120,023	105,694	94,324	51,551	25,812
Total governmental activities expenses	19,916,657	20,304,507	20,234,566	21,125,405	22,476,894	23,268,029	25,493,072	15,234,759	26,631,008	20,144,063
Business-type activities:										
Sewer	3,473,960	3,915,727	4,139,110	4,163,735	4,211,321	4,896,273	4,855,169	5,516,773	5,174,498	3,970,268
Solid Waste	1,233,201	1,346,774	1,362,006	1,421,630	1,549,248	1,623,902	1,694,718	1,623,243	1,823,669	1,806,380
Stormwater	568,224	491,391	524,541	574,465	588,053	633,629	633,107	398,820	656,605	649,869
Water	3,876,533	3,838,381	3,791,600	3,713,584	3,984,823	4,771,136	5,206,990	6,052,718	6,048,856	4,866,484
Other business-type activities	1,598,795	1,554,138	1,576,068	1,609,157	1,680,619	1,829,707	2,103,450	2,072,459	1,569,835	1,336,825
Total business-type activities expenses	10,750,713	11,146,411	11,393,325	11,482,571	12,014,064	13,754,647	14,493,434	15,664,013	15,273,463	12,629,826
Total Expenses	30,667,370	31,450,918	31,627,891	32,607,976	34,490,958	37,022,676	39,986,506	30,898,772	41,904,471	32,773,889
<b>Program Revenues</b>										
Governmental activities:										
Community development	405,217	632,825	389,547	350,151	575,384	602,124	485,209	375,270	640,360	314,386
Community environment	89,396	87,860	79,255	96,715	114,174	113,002	121,526	167,677	210,300	151,947
Fire	637,602	555,901	700,607	702,442	767,796	744,983	820,467	764,591	1,204,480	939,834
General government	1,578	-	-	-	-	4,273	-	-	1,347	-
Health	133,823	152,802	122,172	145,303	156,342	152,613	197,277	127,501	418,388	325,349
Judicial	883,356	926,900	916,951	932,008	883,270	876,168	1,178,762	1,091,387	886,723	1,065,237
Parks and recreation	206,674	119,649	173,419	123,973	233,008	80,931	128,192	396,467	632,545	278,506
Police	404,573	434,230	335,842	352,453	356,665	439,709	379,676	666,358	1,147,245	741,741
Street repair & maintenance	1,683,455	3,189,712	1,547,509	1,874,992	3,163,261	3,136,968	1,597,065	1,905,722	3,859,260	5,429,567
Total governmental activities program revenues	4,445,674	6,099,879	4,265,302	4,578,037	6,249,900	6,150,771	4,908,174	5,494,973	9,000,648	9,246,567
Business-type activities:										
Sewer	3,361,223	5,724,273	6,706,435	6,393,250	5,932,595	6,108,605	5,917,083	6,705,881	6,057,521	6,494,533
Solid Waste	1,205,710	1,325,314	1,388,994	1,457,325	1,556,991	1,629,976	1,696,429	1,776,737	1,785,780	1,937,852
Stormwater	344,723	350,623	378,838	382,292	424,341	402,483	676,332	1,175,593	854,133	900,529
Water	3,480,586	4,148,898	4,988,388	5,615,833	6,003,745	6,431,529	6,312,677	6,804,530	6,876,138	7,791,003
Other business-type activities	1,641,873	3,564,226	1,491,235	1,497,852	1,532,473	1,180,185	1,377,553	1,429,011	1,532,247	1,503,285
Total business-type activities program revenues	10,034,115	15,113,334	14,953,890	15,346,552	15,450,145	15,752,778	15,980,074	17,891,752	17,105,819	18,627,202

CITY OF SIDNEY, OHIO  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS

Schedule 2

	Year Ended December 31,									
	2012, as restated	2013, as restated	2014, as restated	2015, as restated	2016	2017, as restated	2018	2019	2020, as restated	2021
<b>Net (Expense) Revenue <sup>(a)</sup></b>										
Governmental activities:										
Basic utility services	(54,751)	-	(101,582)	(384,464)	(249,527)	(62,738)	(23,450)	(27,119)	(70,003)	(61,050)
Community development	(284,829)	(41,285)	(78,340)	(183,282)	(430,541)	(168,217)	(471,394)	(530,183)	(515,982)	(137,222)
Community environment	(614,926)	(434,697)	(493,203)	(471,506)	(505,961)	(549,268)	(631,456)	(714,582)	(594,188)	(239,653)
Fire	(3,998,882)	(4,275,140)	(4,328,108)	(4,841,153)	(4,943,989)	(5,017,926)	(5,648,602)	650,014	(5,177,921)	(4,949,433)
General government	(1,041,519)	(1,280,552)	(1,222,533)	(1,135,011)	(1,112,992)	(1,400,220)	(1,281,658)	(1,553,807)	(1,707,733)	(142,689)
Health	(67,145)	(59,332)	(89,206)	(101,020)	(72,706)	(163,469)	(158,183)	(246,575)	(79,467)	96,022
Judicial	(691,275)	(717,304)	(784,840)	(720,154)	(968,439)	(978,346)	(1,196,737)	(1,378,144)	(1,557,543)	(250,415)
Parks and recreation	(1,281,693)	(1,334,307)	(1,290,736)	(1,359,207)	(1,339,659)	(1,578,930)	(1,453,203)	(1,435,870)	(995,476)	(723,702)
Police	(5,542,556)	(5,444,686)	(5,733,599)	(5,842,468)	(6,025,322)	(6,496,938)	(7,111,507)	(1,895,378)	(6,204,840)	(5,557,706)
Public transportation	(5,643)	-	-	-	(41,509)	(4,778)	-	-	-	-
Street repair & maintenance	(1,592,035)	(312,086)	(1,686,064)	(1,361,106)	(402,075)	(576,405)	(2,503,014)	(2,513,818)	(621,602)	1,094,164
Bond issuance costs	-	(14,234)	-	-	-	-	-	-	(54,054)	-
Interest on long-term debt	(295,729)	(291,005)	(161,053)	(147,997)	(134,274)	(120,023)	(105,694)	(94,324)	(51,551)	(25,812)
Total governmental activities	<u>(15,470,983)</u>	<u>(14,204,628)</u>	<u>(15,969,264)</u>	<u>(16,547,368)</u>	<u>(16,226,994)</u>	<u>(17,117,258)</u>	<u>(20,584,898)</u>	<u>(9,739,786)</u>	<u>(17,630,360)</u>	<u>(10,897,496)</u>
<b>Net (Expense) Revenue <sup>(a)</sup></b>										
Business-type activities:										
Sewer	(112,737)	1,808,546	2,567,325	2,229,515	1,721,274	1,212,332	1,061,914	1,189,108	883,023	2,524,265
Solid Waste	(27,491)	833,923	26,988	882,860	7,743	6,074	1,711	153,494	(37,889)	131,472
Stormwater	(223,501)	(996,151)	(145,703)	(1,039,338)	(163,712)	(231,146)	43,225	776,773	197,528	250,660
Water	(395,947)	310,517	1,196,788	1,902,249	2,018,922	1,660,393	1,105,687	751,812	827,282	2,924,519
Other business-type activities	43,078	2,010,088	(84,833)	(111,305)	(148,146)	(649,522)	(725,897)	(643,448)	(37,588)	166,460
Total business-type activities	<u>(716,598)</u>	<u>3,966,923</u>	<u>3,560,565</u>	<u>3,863,981</u>	<u>3,436,081</u>	<u>1,998,131</u>	<u>1,486,640</u>	<u>2,227,739</u>	<u>1,832,356</u>	<u>5,997,376</u>
Total	<u>(16,187,581)</u>	<u>(10,237,705)</u>	<u>(12,408,699)</u>	<u>(12,683,387)</u>	<u>(12,790,913)</u>	<u>(15,119,127)</u>	<u>(19,098,258)</u>	<u>(7,512,047)</u>	<u>(15,798,004)</u>	<u>(4,900,120)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Income taxes	13,508,264	14,161,506	15,394,876	17,882,075	18,724,943	15,059,777	20,585,439	16,818,241	13,903,525	20,120,128
Property taxes	1,064,514	1,016,383	1,028,049	1,026,383	1,014,356	1,010,769	1,080,414	1,067,779	1,067,988	1,212,328
Payments in lieu of taxes	-	-	131,681	151,114	151,322	151,861	151,677	154,356	198,556	195,251
Lodging taxes	-	-	291,434	377,602	383,691	408,572	414,299	436,088	214,312	383,051
Other taxes	670,257	807,038	1,865	1,534	4,260	1,058	766	210	(281)	-
Grants and contributions not restricted to specific prog	577,012	582,407	590,138	580,241	553,759	523,678	553,902	668,786	655,640	747,989
Investment earnings	129,953	106,092	88,087	82,194	81,259	213,665	286,686	453,905	155,240	83,866
Gain (loss) on sale/disposal of capital assets	26,069	3,380	41,481	28,540	78,336	46,388	17,511	40,200	32,023	44,214
Miscellaneous	252,167	459,786	484,173	387,378	511,777	1,187,291	792,885	786,566	1,632,318	544,762
Transfers	(343,100)	(219,271)	(261,955)	(425,058)	(272,657)	(209,616)	(437,000)	(317,182)	(69,841)	(470,124)
Total governmental activities	<u>15,885,136</u>	<u>16,917,321</u>	<u>17,789,829</u>	<u>20,092,003</u>	<u>21,231,046</u>	<u>18,393,443</u>	<u>23,446,579</u>	<u>20,108,949</u>	<u>17,789,480</u>	<u>22,861,465</u>
Business-type activities:										
Miscellaneous	153,812	431,729	326,562	507,594	300,638	118,205	151,919	135,332	363,129	207,536
Investment earnings	169,073	117,401	121,169	129,961	140,182	205,409	342,298	409,304	111,473	18,145
Gain on sale/disposal of capital assets	99,280	13,179	1,554	28,985	23,377	24,023	5,205	(4,649)	69,002	2,665
Transfers	343,100	219,271	261,955	425,058	272,657	209,616	437,000	317,182	69,841	470,124
Total business-type activities	<u>765,265</u>	<u>781,580</u>	<u>711,240</u>	<u>1,091,598</u>	<u>736,854</u>	<u>557,253</u>	<u>936,422</u>	<u>857,169</u>	<u>613,445</u>	<u>698,470</u>
Total	<u>16,650,401</u>	<u>17,698,901</u>	<u>18,501,069</u>	<u>21,183,601</u>	<u>21,967,900</u>	<u>18,950,696</u>	<u>24,383,001</u>	<u>20,966,118</u>	<u>18,402,925</u>	<u>23,559,935</u>
<b>Change in Net Position</b>										
Governmental activities	414,153	2,712,693	1,820,565	3,544,635	5,004,052	646,834	2,861,681	10,369,163	159,120	11,963,969
Business-type activities	48,667	4,748,503	4,271,805	4,955,579	4,172,935	2,555,384	2,423,062	3,084,908	2,445,801	6,695,846
Total	<u>462,820</u>	<u>7,461,196</u>	<u>6,092,370</u>	<u>8,500,214</u>	<u>9,176,987</u>	<u>3,202,218</u>	<u>5,284,743</u>	<u>13,454,071</u>	<u>2,604,921</u>	<u>18,659,815</u>

<sup>(a)</sup> Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported by its own fees and program-specific grants versus its reliance upon funding from taxes and other governmental revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

**CITY OF SIDNEY, OHIO  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

**Schedule 3**

	<b>December 31,</b>									
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>General Fund</b>										
Fund Balances:										
Nonspendable	\$ 99,137	\$ 87,265	\$ 85,498	\$ 105,114	\$ 167,124	\$ 136,211	\$ 142,934	\$ 142,787	\$ 101,360	\$ 106,382
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	64,415	243,392	266,555	283,076	487,015	691,339	839,123	998,520	1,164,351	1,152,093
Assigned	163,878	227,709	1,794,171	1,541,086	1,781,863	1,215,516	1,410,053	1,996,716	1,676,788	2,721,559
Unassigned	<u>4,821,760</u>	<u>6,052,984</u>	<u>5,420,756</u>	<u>6,355,395</u>	<u>7,411,762</u>	<u>6,627,441</u>	<u>8,510,983</u>	<u>7,659,691</u>	<u>7,781,662</u>	<u>8,376,041</u>
Total general fund	<u>\$ 5,149,190</u>	<u>\$ 6,611,350</u>	<u>\$ 7,566,980</u>	<u>\$ 8,284,671</u>	<u>\$ 9,847,764</u>	<u>\$ 8,670,507</u>	<u>\$ 10,903,093</u>	<u>\$ 10,797,714</u>	<u>\$ 10,724,161</u>	<u>\$ 12,356,075</u>
<b>All Other Governmental Funds</b>										
Fund Balances:										
Nonspendable	\$ 121,116	\$ 90,733	\$ 132,996	\$ 126,640	\$ 87,418	\$ 52,798	\$ 158,720	\$ 222,149	\$ 241,487	\$ 173,657
Restricted	2,391,836	2,633,111	2,958,466	4,415,458	4,761,567	4,641,682	4,360,810	5,382,172	4,912,893	5,516,384
Committed	237,336	251,594	270,599	286,167	130,107	150,665	192,837	202,045	232,019	230,787
Assigned	1,523,668	1,999,039	2,544,935	1,791,894	2,672,195	2,991,639	3,128,186	2,562,072	2,972,402	4,014,703
Unassigned	<u>(44,845)</u>	<u>(46,169)</u>	<u>(621)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,103)</u>	<u>(21,227)</u>	<u>(2,976)</u>
Total all other governmental funds	<u>\$ 4,229,111</u>	<u>\$ 4,928,308</u>	<u>\$ 5,906,375</u>	<u>\$ 6,620,159</u>	<u>\$ 7,651,287</u>	<u>\$ 7,836,784</u>	<u>\$ 7,840,553</u>	<u>\$ 8,366,335</u>	<u>\$ 8,337,574</u>	<u>\$ 9,932,555</u>

-- In 2020 Unclaimed funds previously a fiduciary fund was consolidated with the General fund; prior years have not been restated.

**CITY OF SIDNEY, OHIO**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

Schedule 4

	For Year Ended December 31,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues:</b>										
Local taxes	14,439,662	15,745,801	16,073,066	19,038,142	20,938,347	17,507,260	21,213,052	18,793,995	16,757,934	20,620,215
Intergovernmental revenues	3,052,245	4,735,720	2,757,853	2,861,655	4,451,519	4,189,493	2,856,464	2,962,738	7,306,129	5,190,306
Special assessments	263,184	295,537	272,883	277,698	411,921	361,138	483,722	422,867	529,912	661,350
Charges for services	1,687,672	1,684,689	1,692,992	1,549,281	1,418,766	1,484,580	1,651,246	1,656,626	1,422,711	1,647,110
Fines, licenses and permits	200,370	187,880	183,193	466,068	425,103	455,146	492,020	804,413	421,536	504,511
Investment income	140,156	123,001	118,525	93,084	101,842	200,321	271,345	460,587	146,282	18,155
Miscellaneous receipts and reimbursements	683,974	795,786	815,675	664,376	957,639	835,662	1,032,694	1,116,679	1,379,035	1,085,332
Total revenues	<u>20,467,263</u>	<u>23,568,414</u>	<u>21,914,187</u>	<u>24,950,304</u>	<u>28,705,137</u>	<u>25,033,600</u>	<u>28,000,543</u>	<u>26,217,905</u>	<u>27,963,539</u>	<u>29,726,979</u>
<b>EXPENDITURES:</b>										
Current:										
Basic utility services	61,779	-	-	-	74,027	62,738	23,450	27,119	70,003	61,050
Community environment & development										
Community development	324,004	379,275	286,358	454,971	495,918	538,082	547,567	772,600	617,557	537,374
Community environment	704,250	510,050	575,576	565,701	604,071	584,777	610,280	684,346	623,618	690,071
Fire	4,387,264	4,524,242	4,688,533	5,040,271	4,853,625	5,025,757	4,987,059	5,403,018	5,288,851	5,462,244
General government	833,851	928,871	1,076,602	1,089,085	1,023,670	1,165,897	1,120,798	1,188,219	1,419,820	1,172,780
Health	164,201	176,073	172,049	156,677	153,071	214,528	230,110	252,209	401,254	286,873
Judicial	1,470,021	1,539,963	1,569,513	1,537,304	1,659,057	1,547,911	1,774,843	1,912,997	1,927,851	1,984,219
Parks and recreation	1,260,922	1,187,370	1,196,673	1,240,974	1,287,955	1,310,504	1,269,492	1,338,011	1,269,318	1,271,433
Public safety										
Police	5,644,443	5,448,768	5,665,204	5,688,921	5,644,312	5,984,805	6,112,150	6,288,007	6,259,985	6,437,358
Public Transportation	5,643	-	-	-	41,509	4,778	-	-	-	-
Street repair & maintenance	1,304,441	1,395,150	1,231,476	1,295,723	1,314,103	1,237,158	1,333,368	1,497,623	1,431,784	1,542,353
Capital outlay	2,933,601	4,301,811	2,544,470	5,286,644	7,957,500	7,523,290	6,510,925	5,517,515	8,191,805	6,069,827
Debt service:										
Principal	585,000	5,405,000	650,000	670,000	685,000	692,850	712,850	542,850	3,320,292	557,850
Bond issuance costs	-	86,666	-	-	-	-	-	-	54,054	-
Interest and other charges	302,424	305,447	166,982	153,982	140,307	126,057	111,807	96,607	81,908	47,906
Total expenditures	<u>19,981,844</u>	<u>26,188,686</u>	<u>19,823,436</u>	<u>23,180,253</u>	<u>25,934,125</u>	<u>26,019,132</u>	<u>25,344,699</u>	<u>25,521,121</u>	<u>30,958,100</u>	<u>26,121,338</u>
Excess (deficiency) of revenues over (under) expenditures	485,419	(2,620,272)	2,090,751	1,770,051	2,771,012	(985,532)	2,655,844	696,784	(2,994,561)	3,605,641
<b>OTHER FINANCING SOURCES (USES):</b>										
Transfers in	225,000	196,000	215,000	438,265	1,015,000	190,000	260,000	325,000	775,000	610,000
Bonds/Loans issued	-	4,947,432	-	-	-	157,000	-	-	2,772,442	-
Premium on bonds	-	-	-	-	-	-	-	-	110,349	-
Capital contributions	95,000	-	-	-	-	-	-	-	-	-
Sale of capital assets	29,635	7,868	55,124	28,187	95,866	46,388	17,511	40,801	37,276	78,976
Transfers out	(470,500)	(369,671)	(427,178)	(805,028)	(1,287,657)	(399,616)	(697,000)	(642,182)	(838,932)	(1,067,722)
Total other financing sources (uses)	<u>(120,865)</u>	<u>4,781,629</u>	<u>(157,054)</u>	<u>(338,576)</u>	<u>(176,791)</u>	<u>(6,228)</u>	<u>(419,489)</u>	<u>(276,381)</u>	<u>2,856,135</u>	<u>(378,746)</u>
Net change in fund balances	<u>\$ 364,554</u>	<u>\$ 2,161,357</u>	<u>\$ 1,933,697</u>	<u>\$ 1,431,475</u>	<u>\$ 2,594,221</u>	<u>\$ (991,760)</u>	<u>\$ 2,236,355</u>	<u>\$ 420,403</u>	<u>\$ (138,426)</u>	<u>\$ 3,226,895</u>
Debt service as a percentage of noncapital expenditures	4.9%	3.3% *	4.5%	4.4%	4.3%	4.3%	4.1%	3.1%	14.1%	3.2%

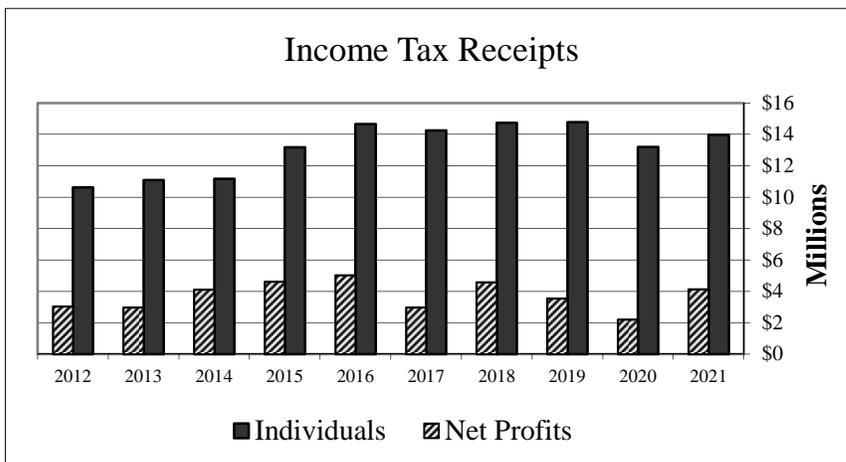
\* For 2013 & 2020 the bonds issued for the current refunding have been subtracted from debt service.

**CITY OF SIDNEY, OHIO**  
**INCOME TAX BY PAYER TYPE AND INCOME TAX RATE**  
**LAST TEN FISCAL YEARS (cash basis of accounting -- excluding refunds)**

Year	Individuals		Net Profits	Total	Income Tax Rate
	Withheld by Employer	Paid by Taxpayer			
2021	\$ 13,043,995	\$ 932,733	\$ 4,144,818	\$ 18,121,546	1.65%
2020	\$ 12,211,042	\$ 985,638	\$ 2,220,155	\$ 15,416,835	1.65%
2019	\$ 13,557,603	\$ 1,219,303	\$ 3,553,659	\$ 18,330,565	1.75%
2018	\$ 13,610,025	\$ 1,137,042	\$ 4,577,846	\$ 19,324,912	1.75%
2017	\$ 13,349,548	\$ 905,940	\$ 2,973,156	\$ 17,228,644	1.75%
2016	\$ 13,772,447	\$ 886,471	\$ 5,036,973	\$ 19,695,891	1.75%
2015	\$ 12,495,175	\$ 676,820	\$ 4,627,748	\$ 17,799,743	1.75%
2014	\$ 10,510,653	\$ 653,903	\$ 4,108,423	\$ 15,272,979	1.50%
2013	\$ 10,435,949	\$ 661,638	\$ 2,977,321	\$ 14,074,908	1.50%
2012	\$ 9,984,145	\$ 642,581	\$ 3,034,441	\$ 13,661,167	1.50%

Source: City of Sidney, Ohio, Income Tax Department

This City levies an income tax on all wages, salaries, commissions and other compensation paid by employers and the net profits from a business or professional person earned within the City, excluding income from intangible personal property. In addition, City residents pay City income tax on income earned outside the City, net of a credit for income taxes paid to other municipalities. Employers within the City withhold income tax on employee compensation and remit at least quarterly.



**CITY OF SIDNEY, OHIO**  
**RANKING OF TOP TEN INCOME TAX WITHHOLDERS**  
**CURRENT YEAR AND NINE YEARS AGO (cash basis of accounting)**

Schedule 6

<u>2021</u>	
<u>Rank</u>	<u>Name</u>
1	Emerson Climate Technologies
2	Wilson Memorial Hospital
3	Cargill, Inc
4	Honda of America Manufacturing, Inc.
5	Superior Metal Products
6	Advanced Composites
7	Sidney Board of Education
8	Shelby County Auditors' Office
9	Hydro Extrusion USA LLC
10	Norcold Inc
Combined percentage of	
Total income taxes	28.73%

<u>2012</u>	
<u>Rank</u>	<u>Name</u>
1	Emerson Climate
2	Wilson Memorial Hospital
3	Honda of America Manufacturing, Inc.
4	Cargill, Inc
5	NK Parts Industries, Inc.
6	Superior Metal
7	Sidney Board of Education
8	Shelby County Auditors Office
9	Freshway Foods
10	Advanced Composites
Combined percentage of	
Total income taxes	28.80%

Source: City of Sidney, Ohio, Income Tax Department

Note:  
 Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.

CITY OF SIDNEY, OHIO  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

Schedule 7

Year	Government Activities				Business-Type Activities						
	General Obligation Bonds	Loans Payable	Percentage of estimated actual property value	Per Capita	Water General Obligation Bonds	Water Revenue- Backed Loans	Sewer General Obligation Bonds	Sewer Revenue- Backed Loans	Total Primary Government	Percentage of Estimated actual property value	Per Capita
2021	\$ 1,898,562	\$ 117,750	0.16%	\$ 419	\$ 2,604,550	\$ 26,043,126	\$ 4,133,191	\$ 13,251,693	\$ 48,048,872	4.00%	\$ 2,334
2020	\$ 2,469,727	\$ 125,600	0.21%	\$ 493	\$ 2,724,000	\$ 26,881,172	\$ 4,884,742	\$ 13,896,323	\$ 50,981,564	4.25%	\$ 2,493
2019	\$ 2,926,668	\$ 133,450	0.27%	\$ 544	\$ 2,729,827	\$ 24,729,580	\$ 5,514,329	\$ 13,850,844	\$ 49,884,698	4.62%	\$ 2,432
2018	\$ 3,462,960 *	\$ 141,300	0.32%	\$ 604	\$ 2,804,968 *	\$ 24,438,256	\$ 6,192,439 *	\$ 9,202,016	\$ 46,241,939	4.32%	\$ 2,243
2017	\$ 4,160,000	\$ 149,150	0.39%	\$ 674	\$ 2,872,000	\$ 25,048,532	\$ 6,835,000	\$ 9,132,062	\$ 48,196,744	4.51%	\$ 2,344
2016	\$ 4,845,000	\$ -	0.47%	\$ 732	\$ 2,937,000	\$ 22,143,768	\$ 7,480,000	\$ 9,035,790	\$ 46,441,558	4.51%	\$ 2,227
2015	\$ 5,530,000	\$ -	0.54%	\$ 796	\$ 2,997,000	\$ 4,381,182	\$ 8,105,000	\$ -	\$ 21,013,182	2.07%	\$ 1,005
2014	\$ 6,200,000	\$ -	0.62%	\$ 856	\$ 3,057,000	\$ 3,521,147	\$ 8,730,000	\$ -	\$ 21,508,147	2.14%	\$ 1,024
2013	\$ 6,850,000	\$ -	0.67%	\$ 918	\$ 3,117,000	\$ 3,755,890	\$ 9,345,000	\$ -	\$ 23,067,890	2.27%	\$ 1,097
2012	\$ 7,380,000	\$ -	0.73%	\$ 742	\$ 3,177,000	\$ 3,988,308	\$ 5,040,000	\$ -	\$ 19,585,308	1.93%	\$ 931

\* In 2018 the City corrected balances to include premiums on bonds. Prior year balances have not been restated.

**CITY OF SIDNEY, OHIO  
RATIOS OF OUTSTANDING DEBT AND LEGAL DEBT MARGINS  
LAST TEN YEARS**

Schedule 8

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Obligation Bonds	\$ 15,597,000	\$ 19,312,000	\$ 17,987,000	\$ 16,632,000	\$ 15,262,000	\$ 13,867,000	\$ 12,460,367	\$ 11,170,824	\$ 10,078,469	\$ 8,636,303 *
Assessed value of taxable property <sup>(a)</sup>	\$ 355,354,130	\$ 355,259,920	\$ 352,538,170	\$ 356,048,730	\$ 360,708,070	\$ 373,693,340	\$ 374,523,810	\$ 378,223,960	\$ 419,419,200	\$ 420,479,620
General Obligation Bonds as percent of total assessed value of taxable property	4.39%	5.44%	5.10%	4.67%	4.23%	3.71%	3.33%	2.95%	2.40%	2.05%
Estimated actual value of taxable property <sup>(a)</sup>	\$ 1,015,297,514	\$ 1,015,028,343	\$ 1,007,251,914	\$ 1,017,282,029	\$ 1,030,594,486	\$ 1,067,695,257	\$ 1,070,068,029	\$ 1,080,639,886	\$ 1,198,340,571	\$ 1,201,370,343
General Obligation Bonds as percent of total estimated actual value of taxable property	1.54%	1.90%	1.79%	1.63%	1.48%	1.30%	1.16%	1.03%	0.84%	0.72%
Population <sup>(b)</sup>	21,031	21,031	21,006	20,905	20,858	20,564	20,614	20,516	20,449	20,589
General Obligation Bonds Per capita	\$ 742	\$ 918	\$ 856	\$ 796	\$ 732	\$ 674	\$ 604	\$ 544	\$ 493	\$ 419
Less debt not subject to limitations										
Self-supporting securities issued for water systems or facilities	\$ (3,277,000)	\$ (3,212,000)	\$ (3,147,000)	\$ (3,082,000)	\$ (3,017,000)	\$ (2,947,000)	\$ (2,874,968)	\$ (2,795,962)	\$ (2,796,774)	\$ (2,672,046)
Self-supporting securities issued for sanitary sewer systems or facilities	\$ (5,795,000)	\$ (10,055,000)	\$ (9,395,000)	\$ (8,720,000)	\$ (8,045,000)	\$ (7,350,000)	\$ (6,657,439)	\$ (5,929,318)	\$ (5,243,014)	\$ (4,434,085)
Net debt subject to 10-1/2% limitation <sup>(c)</sup>	\$ 6,525,000	\$ 6,045,000	\$ 5,445,000	\$ 4,830,000	\$ 4,200,000	\$ 3,570,000	\$ 2,927,960	\$ 2,445,544	\$ 2,038,682	\$ 1,530,171
Voted and Unvoted Debt Limit -- 10-1/2% of assessed value	\$ 37,312,184	\$ 37,302,292	\$ 37,016,508	\$ 37,385,117	\$ 37,874,347	\$ 39,237,801	\$ 39,325,000	\$ 39,713,516	\$ 44,039,016	\$ 44,150,360
Legal Debt Margin within 10-1/2% Limitation	\$ 30,787,184	\$ 31,257,292	\$ 31,571,508	\$ 32,555,117	\$ 33,674,347	\$ 35,667,801	\$ 36,397,040	\$ 37,267,972	\$ 42,000,334	\$ 42,620,189
Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit	17.49%	16.21%	14.71%	12.92%	11.09%	9.10%	7.45%	6.16%	4.63%	3.47%
Net debt subject to 5-1/2% limitation <sup>(d)</sup>	\$ 6,525,000	\$ 6,045,000	\$ 5,445,000	\$ 4,830,000	\$ 4,200,000	\$ 3,570,000	\$ 2,927,960	\$ 2,445,544	\$ 2,038,682	\$ 1,530,171
Unvoted Debt Limit -- 5-1/2% of assessed value	\$ 19,544,477	\$ 19,539,296	\$ 19,389,599	\$ 19,582,680	\$ 19,838,944	\$ 20,553,134	\$ 20,598,810	\$ 20,802,318	\$ 23,068,056	\$ 23,126,379
Legal Debt Margin within 5-1/2% Limitation	\$ 13,019,477	\$ 13,494,296	\$ 13,944,599	\$ 14,752,680	\$ 15,638,944	\$ 16,983,134	\$ 17,670,850	\$ 18,356,774	\$ 21,029,374	\$ 21,596,208
Net debt within limitations for Unvoted debt as a percentage of debt limit	33.39%	30.94%	28.08%	24.66%	21.17%	17.37%	14.21%	11.76%	8.84%	6.62%

<sup>(a)</sup> Source for assessed value and estimated actual value data: Shelby County Auditor

<sup>(b)</sup> Source for population: For years 2005 - 2009 & 2011 - 2018, U.S. Bureau of the Census-Population Estimates Program. For years 2020, U.S. Bureau of the Census-2020 Federal Census.

<sup>(c)</sup> The Ohio Revised Code provides that the aggregate principal amount of voted and unvoted "net indebtedness" may not exceed 10-1/2% of the assessed valuation.

<sup>(d)</sup> The Ohio Revised Code provides that the aggregate principal amount of unvoted "net indebtedness" may not exceed 5-1/2% of the assessed valuation.

\* In 2018 the City corrected balances to include premiums on bonds. Prior year balances have not been restated.



**CITY OF SIDNEY, OHIO  
DEBT SERVICE COVERAGE  
BUSINESS TYPE ACTIVITIES  
LAST TEN FISCAL YEARS**

**Schedule 9**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Sewer</b>										
Net customer revenues	3,289,516	5,690,493	6,706,435	6,358,031	5,932,595	6,108,605	5,867,083	6,705,881	6,051,593	6,494,533
Direct operating expenses	<u>2,460,634</u>	<u>2,884,699</u>	<u>3,034,046</u>	<u>3,057,213</u>	<u>3,067,539</u>	<u>3,244,413</u>	<u>3,007,533</u>	<u>3,708,963</u>	<u>3,324,703</u>	<u>2,251,817</u>
Net revenue available for debt service	828,882	2,805,794	3,672,389	3,300,818	2,865,056	2,864,192	2,859,550	2,996,918	2,726,890	4,242,716
General obligation debt service requirements	582,906	576,931	878,061	875,761	863,261	870,761	867,861	874,761	934,522	839,519
Revenue obligation debt service requirements	-	-	-	-	-	-	565,798	565,798	748,229	930,660
Debt service coverage ratio	1.42	4.86	4.18	3.77	3.32	3.29	1.99	2.08	1.62	2.40
<b>Water</b>										
Net customer revenues	3,508,224	3,928,167	4,988,388	5,536,495	5,805,611	6,375,636	6,257,749	6,750,426	6,819,355	7,541,369
Direct operating expenses	<u>3,004,470</u>	<u>3,008,323</u>	<u>2,957,024</u>	<u>2,916,234</u>	<u>3,120,425</u>	<u>3,097,432</u>	<u>3,240,367</u>	<u>3,986,138</u>	<u>3,919,054</u>	<u>2,935,889</u>
Net revenue available for debt service	503,754	919,844	2,031,364	2,620,261	2,685,186	3,278,204	3,017,382	2,764,288	2,900,301	4,605,480
General obligation debt service requirements	234,125	231,373	228,620	225,868	223,040	225,138	226,963	228,438	211,307	167,700
Revenue obligation debt service requirements	235,518	232,418	234,743	234,743	234,743	716,659	1,416,301	1,664,245	1,422,849	1,590,033
Debt service coverage ratio	1.07	1.98	4.38	5.69	5.87	3.48	1.84	1.46	1.77	2.62

Operating expenses excluding depreciation and amortization

Annual debt service requirement includes principal and interest (including covenant debt and federal interest subsidy)

**CITY OF SIDNEY, OHIO  
 COMPUTATION OF DIRECT AND OVERLAPPING  
 GENERAL OBLIGATION DEBT  
 DECEMBER 31, 2021**

**Schedule 10**

	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable to City of Sidney*</u>	<u>Estimated Amount Applicable to City of Sidney</u>
Sidney City School District <sup>(1)</sup>	\$10,650,000	100%	\$10,650,000
Shelby County <sup>(2)</sup>	\$0	42% <sup>(3)</sup>	<u>\$0</u>
Subtotal, overlapping debt			\$10,650,000
City of Sidney direct debt			\$ 2,016,312
Total direct and overlapping debt			<u><u>\$12,666,312</u></u>

\*The calculation of overlapping debt is based on the percentage of the population that is in Sidney.

<sup>(1)</sup> Source: Treasurer of Sidney City Schools

<sup>(2)</sup> Source: Shelby County Auditor

<sup>(3)</sup> Source: Per the Sidney's 2019 estimated population (20,449) as a percent of Shelby County 2019 estimate population (48,590) is equal to 42%.

CITY OF SIDNEY, OHIO  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS

Schedule 11

Fiscal Year	Population <sup>(1)</sup>		Per Capita Personal Income <sup>(1)</sup>	Median Age <sup>(1)</sup>	School Enrollment <sup>(2)</sup>	Unemployment Rate <sup>(3)</sup>	Total Assessed Property Value <sup>(4)</sup>	Estimated Actual Property Value <sup>(4)</sup>	
	2011	21,118	(1)(a)	\$18,628	(1)(b)	36.1 yrs	3,602	9.2%	\$356,004,730
2012	21,031	(1)(a)	\$18,628	(1)(b)	36.1 yrs	3,585	6.9%	\$355,354,130	\$1,015,297,514
2013	21,031	(1)(a)	\$18,628	(1)(b)	36.1 yrs	3,497	6.2%	\$355,259,920	\$1,015,028,343
2014	21,006	(1)(a)	\$18,628	(1)(b)	36.1 yrs	3,487	4.6%	\$352,538,170	\$1,007,251,914
2015	20,905	(1)(a)	\$18,628	(1)(b)	36.1 yrs	3,354	4.3%	\$356,048,730	\$1,017,282,029
2016	20,858	(1)(a)	\$18,628	(1)(b)	36.1 yrs	3,421	4.1%	\$360,708,070	\$1,030,594,486
2017	20,564	(1)(a)	\$18,628	(1)(b)	36.1 yrs	3,298	4.1%	\$373,693,340	\$1,067,695,257
2018	20,614	(1)(a)	\$18,628	(1)(b)	36.1 yrs	3,313	3.8%	\$374,523,810	\$1,070,068,029
2019	20,516	(1)(a)	\$18,628	(1)(b)	36.1 yrs	3,262	3.5%	\$378,223,960	\$1,080,639,886
2020	20,449	(1)(a)	\$18,628	(1)(b)	36.1 yrs	3,223	7.7%	\$419,419,200	\$1,198,340,571
2021	20,589	(1)(a)	\$27,662	(1)(b)	38.8 yrs	3,149	4.2%	\$420,479,620	\$1,201,370,343

<sup>(1)</sup> Source: <sup>(a)</sup> U.S. Bureau of the Census - Population Estimates Program, Population Division;

<sup>(b)</sup> U.S. Bureau of the Census - 2020 Federal Census

<sup>(2)</sup> Source: Sidney City Schools Board of Education

<sup>(3)</sup> Source: Bureau of Labor Statistics, U.S. Dept. of Labor

<sup>(4)</sup> Source: Shelby County Auditor

Note: Total personal income amounts are not available for the City of Sidney therefore, estimated actual value of taxable property is used instead.

CITY OF SIDNEY, OHIO  
 PRINCIPAL EMPLOYERS  
 CURRENT YEAR AND NINE YEARS AGO

2021		
<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Percentage of Total Top 10 Employment</u>
1 Emerson Climate Technologies	1,705	31.43%
2 Wilson Health	812	14.97%
3 NK Parts Industries	586	10.80%
4 Freshway Foods	410	7.56%
5 American Trim	402	7.41%
6 Area Energy & Electric	342	6.31%
7 Advanced Composites	330	6.08%
8 Sidney Board of Education	286	5.27%
9 Norcold	280	5.16%
10 Ferguson Construction Company	271	5.00%
Total	5,424	100.00%

2012		
<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Percentage of Total Top 10 Employment</u>
1 Emerson Climate (formerly Copeland Corp)	1,595	29.92%
2 Wilson Memorial Hospital	842	15.80%
3 NK Parts Industries	574	10.77%
4 Cargill, Inc	426	7.99%
5 Sidney Board of Education	398	7.47%
6 Freshway Foods	360	6.75%
7 Superior Metal Products/American Trim	335	6.29%
8 Wal-Mart Super Center	283	5.31%
9 MaMa Rosa's Pizza	268	5.03%
10 Ross Casting & Innovation	249	4.67%
Total	5,330	100.00%

Source: Sidney Shelby Economic Partnership (SSEP)

Note: Total number of employees within the City of Sidney is not available.

CITY OF SIDNEY, OHIO  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
 LAST TEN FISCAL YEARS

Schedule 13

Function/program	FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government	10.85	10.65	9.65	9.15	9.15	9.15	9.15	9.15	9.50	9.50
Police										
Officers	35.00	35.00	36.00	36.00	36.00	38.00	38.00	38.00	36.00	36.00
Civilians	13.35	13.35	12.35	12.35	12.47	12.51	12.80	13.18	13.81	13.81
Fire										
Firefighters and officers	35.00	35.00	35.00	35.00	37.00	37.00	37.00	37.00	35.00	35.00
Civilians	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Judicial	17.66	17.16	17.66	17.66	18.16	18.35	21.95	22.70	21.95	21.95
Health - cemetery	2.00	2.00	2.00	2.00	2.32	3.32	3.32	3.32	3.32	3.32
Street repair & maintenance	6.98	7.08	7.08	7.08	8.66	7.74	8.66	8.74	8.74	8.74
Community development	1.00	1.00	1.00	2.00	2.25	2.25	2.00	2.00	2.00	2.00
Community environment	5.60	5.75	5.75	5.25	5.54	5.54	6.54	6.54	6.25	6.25
Parks and recreation	14.94	13.94	11.70	11.70	12.95	12.91	12.91	12.91	13.08	13.08
Transportation	12.57	12.72	12.72	13.71	14.17	15.04	16.04	16.79	14.94	14.94
Stormwater	3.60	3.80	3.80	3.80	3.80	3.80	3.80	3.40	3.65	3.65
Water	15.73	15.88	15.88	15.88	16.88	17.19	17.86	18.17	18.31	18.31
Sewer	14.23	17.38	17.38	17.38	17.38	17.38	17.61	18.01	17.46	17.46
Solid waste	-	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Airport	-	-	-	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Swimming pool	3.98	4.38	4.46	4.24	4.24	4.24	4.24	4.24	-	-
Concession Stand	-	-	-	0.63	0.63	0.63	0.63	0.63	-	0.63
Revenue Collection	6.00	6.00	6.00	6.00	6.00	6.00	6.67	6.67	7.00	7.00
Service center including city garage	3.00	3.05	3.05	3.05	3.05	3.05	3.05	3.05	3.40	3.40
Information technology	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total	<u>206.49</u>	<u>209.19</u>	<u>206.53</u>	<u>207.98</u>	<u>215.75</u>	<u>219.20</u>	<u>227.33</u>	<u>229.60</u>	<u>219.51</u>	<u>220.14</u>

Source: City of Sidney, Ohio, Appropriation Budgets for applicable years

CITY OF SIDNEY, OHIO  
 OPERATING INDICATORS BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS

Schedule 14

Function/program	For Year Ended December 31,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government</b>										
Accounts payable checks processed	4,376	4,595	4,650	4,266	4,557	4,344	4,590	4,451	4,060	4,118
Purchase orders issued	1,231	1,342	1,372	1,386	1,464	1,440	1,396	1,472	1,392	1,450
<b>Police</b>										
Calls for service processed	21,015	26,853	32,812	28,451	28,722	29,679	29,679	33,894	30,378	15,005
9-1-1 calls processed	10,703	17,000	15,846	7,500	15,846	10,437	10,412	9,662	9,982	n/a
Adult & juvenile arrests	1,201	1,428	1,214	1,102	1,045	1,200	1,218	1,098	842	318
Traffic citations	805	1,346	1,661	1,476	1,506	1,498	1,842	1,594	1,322	740
<b>Fire</b>										
Fire calls	575	719	809	878	931	1,121	1,013	1,144	1,094	1,100
EMS calls	2,729	2,407	2,784	2,977	3,151	3,142	3,053	3,016	3,094	3,100
<b>Municipal Court</b>										
New cases filed	7,928	7,864	7,875	7,819	7,287	7,482	8,851	8,582	5,911	7,800
Cases completed	8,255	8,185	7,924	8,466	8,715	8,940	9,313	8,766	6,167	8,200
Prisoners transported by bailiff	618	1,148	1,055	1,000	514	839	1,231	738	88	60
<b>Cemetery</b>										
Burials	102	101	86	92	107	90	94	97	25	35
Grave sales	40	59	65	29	55	84	105	89	85	100
<b>Public Transportation</b>										
Total ridership	41,543	43,756	47,782	48,270	49,180	48,367	49,305	48,675	28,249	29,666
<b>Streets and highways</b>										
Miles of street responsibility	97.5	110.5	110.5	111.0	111	111	111	111	111	111
Traffic signal intersections	48	48	49	50	51	52	52	53	53	53
<b>Planning</b>										
Sign permits issued	40	33	42	40	46	30	37	40	33	39
Zoning occupancy permits issued	34	33	20	35	21	26	16	16	16	22
<b>Building inspection</b>										
Building permits issued	567	467	367	235	550	543	406	361	389	402
Building inspections	404	361	390	322	676	879	572	482	695	586
<b>Engineering</b>										
Sanitary sewer inspections	12	15	13	11	11	14	20	7	10	75
<b>Parks and recreation</b>										
Free clinics organized and directed	12	12	15	10	21	27	31	32	n/a	29
Free clinics (attendance)	399	446	463	329	682	1,428	1,304	1,209	n/a	1,707
Park shelters maintained	43	45	45	45	45	45	45	45	45	46
Trees planted	6	-	-	1	189	9	8	10	26	24
Senior Center members	990	1,119	994	1,088	966	902	929	843	715	605
<b>Water</b>										
Gallons of water processed (in millions)	3,277	3,095	2,926	3,012	2,901	3,010	2,960	3,040	2,960	3,000
Lime sludge processed/removed (dry tons)	3,571	6,250	6,100	6,664	6,500	11,282	5,500	29,485	73,292	2,101
Water main breaks	15	29	23	21	18	7	13	15	14	11
<b>Sewer</b>										
Wastewater processed (million gallons per day)	4.66	5.27	4.79	5.81	4.35	4.75	5.05	5.05	4.92	4.80
Biosolids processed (dry tons)	602	635	675	692	616	572	566	606	490	500
Feet of sewer cleaned	87,516	89,997	88,139	83,141	62,608	44,802	41,281	66,588	40,569	60,000
<b>Swimming Pool</b>										
Daily admissions	13,176	9,786	8,289	9,795	9,771	8,158	7,977	8,881	n/a	9,149
Season passes	344	286	317	n/a	n/a	n/a	n/a	427	n/a	593
<b>Information Technology</b>										
Number of personal computers maintained	205	211	219	311	335	350	349	355	346	377
<b>Service Center - Garage</b>										
Units in fleet	256	258	264	240	236	230	226	230	232	233
<b>Revenue Collections</b>										
Tax returns processed	11,923	11,692	11,406	11,498	11,037	11,477	9,505	9,353	9,778	9,800
Monthly Utility Customers	3,015	3,810	3,724	4,071	4,253	4,475	4,665	5,103	5,052	5,120

Source: City of Sidney, Ohio, Appropriation Budgets for applicable years. Actual statistics for years 2012 - 2020. Estimated statistics for 2021

CITY OF SIDNEY, OHIO  
 CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS

Schedule 15

Function/Program	Year Ended December 31,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	2	2	2	2
Street Repair & Maintenance <sup>(1)</sup> Miles of streets	110.16	109.99	110.72	110.72	110.72	110.72	110.72	110.72	110.72	111.68
Basic utility services - stormwater management <sup>(1)</sup> Miles of storm sewers	76.54	76.77	77.07	77.07	77.07	77.11	77.36	78.00	78.55	79.10
Parks and recreation <sup>(2)</sup> Acres of parks maintained	450	456	456	456	456	456	456	456	457	457
Acres of public grounds maintained	250	250	250	250	250	250	250	250	250	250
Neighborhood parks	16	16	16	16	16	16	16	16	17	17
Sewer <sup>(1)</sup> Miles of sanitary sewers	125.05	125.46	124.00	125.48	125.48	125.50	125.85	125.85	126.14	126.80
Water <sup>(1)</sup> Miles of water mains	123.23	123.31	123.31	123.31	124.97	124.97	125.26	125.27	125.62	126.48

<sup>(1)</sup> Source: City of Sidney, Ohio, Engineering Department.

<sup>(2)</sup> Source: City of Sidney, Ohio, Appropriation Budgets for applicable years. Actual statistics for years 2012 - 2020. Estimated statistics for 2021.

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**CITY OF SIDNEY**  
SHELBY COUNTY, OHIO

**SINGLE AUDIT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2021**

**CITY OF SIDNEY  
SHELBY COUNTY, OHIO**

TABLE OF CONTENTS

	<u>PAGES</u>
Schedule of Expenditures of Federal Awards.....	1
Notes to the Schedule of Expenditures of Federal Awards <i>2 CFR 200.510(b)(6)</i> .....	2
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> .....	3 - 4
Independent Auditor’s Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance.....	5 - 7
Schedule of Findings <i>2 CFR § 200.515</i> .....	8

CITY OF SIDNEY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	TOTAL EXPENDITURES OF FEDERAL AWARDS
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed through the Ohio Department of Education</i>			
<b>Child Nutrition Cluster:</b>			
Summer Food Service Program for Children	10.559	N/A	\$ 31,306
<b>Total Child Nutrition Cluster</b>			<u>31,306</u>
<b>Total U.S. Department of Agriculture</b>			<u>31,306</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<i>Passed through the Office of Ohio Development Services Agency</i>			
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	A-C-19-2DR-1	55,927
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	A-F-19-2DR-1	10,718
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	A-F-21-2DR-1	160
<b>Total Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii</b>			<u>66,805</u>
<i>Passed through the Office of Ohio Development Services Agency</i>			
Home Investment Partnerships Program	14.239	A-C-19-2DR-2	169,623
<b>Total U.S. Department of Housing and Urban Development</b>			<u>236,428</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
<i>Passed through the Ohio Office of Criminal Justice Services</i>			
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	COVID-19, 2020-CE-CTF-2126	2,659
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	COVID-19, 2020-CE-LEF-2372	22,500
<b>Total Coronavirus Emergency Supplemental Funding Program</b>			<u>25,159</u>
<i>Passed through the Ohio Office of Criminal Justice Services</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-JG-A02-6088A	29,408
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-JG-LLE-5895F	6,038
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-JG-A02-6088	28,087
<b>Total Edward Byrne Memorial Justice Assistance Grant Program</b>			<u>63,533</u>
<b>Total U.S. Department of Justice</b>			<u>88,692</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
<i>Direct Award</i>			
Airport Improvement Program	20.106	3-39-0071-023-2020	214,358
Airport Improvement Program	20.106	3-39-0071-026-2021	57,322
<b>Total Airport Improvement Program</b>			<u>271,680</u>
<i>Passed through the Ohio Department of Transportation</i>			
<b>Highway Planning and Construction Cluster:</b>			
Highway Planning and Construction	20.205	106696	64,350
Highway Planning and Construction	20.205	104615	235,254
Highway Planning and Construction	20.205	113753	66,719
<b>Total Highway Planning and Construction and Highway Planning and Construction Cluster</b>			<u>366,323</u>
<i>Passed through the Ohio Department of Transportation</i>			
Formula Grants for Rural Areas and Tribal Transit Program	20.509	OH-2020-005	138,828
COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program	20.509	COVID-19, OH-2020-024	483,417
COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program	20.509	COVID-19, OH-2020-064	2,228
<b>Total Formula Grants for Rural Areas and Tribal Transit Program</b>			<u>624,473</u>
<b>Total U.S. Department of Transportation</b>			<u>1,262,476</u>
<b>U.S. DEPARTMENT OF THE TREASURY</b>			
<i>Passed through the Ohio Office of Budget and Management</i>			
COVID-19 - Coronavirus Relief Fund	21.019	COVID-19, HB481-CRF-Local	579,775
<b>Total U.S. Department of the Treasury</b>			<u>579,775</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>Passed through the Area Agency on Aging, PSA 2</i>			
<b>Aging Cluster:</b>			
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	N/A	14,702
<b>Total Aging Cluster</b>			<u>14,702</u>
<i>Direct Award</i>			
COVID-19 - Provider Relief Fund	93.498	COVID-19, HHS-50451089280	25,022
<i>Passed through the Centers for Medicare and Medicaid Services</i>			
<b>Medicaid Cluster:</b>			
Medical Assistance Program	93.778	N/A	710
<b>Total Medicaid Cluster</b>			<u>710</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>40,434</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 2,239,111</u>

The accompanying notes are an integral part of this schedule.

**CITY OF SIDNEY  
SHELBY COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of City of Sidney (the City) under programs of the federal government for the year ended December 31, 2021. The information on this Schedule is prepared 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). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The City has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE C - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS WITHOUT CONTINUING COMPLIANCE REQUIREMENTS**

The City has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Office of Ohio Development Services Agency. The City has no outstanding loans as of December 31, 2021 and received \$0 in principal repayments during 2021. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

These loans were collateralized by personal guarantees.

**NOTE D - MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**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***

City of Sidney  
Shelby County  
201 West Poplar Street  
Sidney, Ohio 45365

To the Members of City Council and Mayor:

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 remaining fund information of the City of Sidney, Shelby County, Ohio, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Sidney's basic financial statements, and have issued our report thereon dated June 27, 2022, wherein we noted as described in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Sidney'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 of Sidney's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Sidney'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 City of Sidney'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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Sidney'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*.

City of Sidney

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*

Page 2

### **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 City of Sidney'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 City of Sidney's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.

June 27, 2022

**Independent Auditor’s Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards  
Required by the Uniform Guidance**

City of Sidney  
Shelby County  
201 West Poplar Street  
Sidney, Ohio 45365

To the Members of City Council and Mayor:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Sidney’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Sidney’s major federal programs for the year ended December 31, 2021. The City of Sidney’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings.

In our opinion, the City of Sidney complied, in all material respects, with the 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, 2021.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the “Auditor’s Responsibilities for the Audit of Compliance” section of our report.

We are required to be independent of the City of Sidney and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Sidney’s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Sidney’s federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Sidney's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Sidney's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Sidney's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Sidney's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City of Sidney's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on 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 a 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 "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.



Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 remaining fund information of the City of Sidney, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Sidney's basic financial statements. We issued our unmodified report thereon dated June 27, 2022. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. 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.



Julian & Grube, Inc.  
June 27, 2022

**CITY OF SIDNEY  
SHELBY COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2021**

<b>1. SUMMARY OF AUDITORS' RESULTS</b>		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program (listed):</i>	Formula Grants for Rural Areas and Tribal Transit Program (ALN 20.509)
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

<b>2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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None

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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None

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF SIDNEY**

**SHELBY 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 8/11/2022**

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](http://www.ohioauditor.gov)