

CITY OF SIDNEY
SHELBY COUNTY, OHIO

Supplemental Reports

**For the Year Ended
December 31, 2019**



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Members of Council
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, 2019 through December 31, 2019. 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.

Keith Faber
Auditor of State
Columbus, Ohio

September 18, 2020

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**CITY OF SIDNEY
SHELBY COUNTY, OHIO**

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CITY OF SIDNEY
SHELBY COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER/GRANT NUMBER	(A)(B) FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed through the Ohio Department Of Education</i>			
<i>Child Nutrition Cluster</i>			
Summer Food Service Program for Children	10.559	N/A	\$ 33,538
Total Child Nutrition Cluster			<u>33,538</u>
Total U.S. Department of Agriculture			<u>33,538</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed through the Office of Ohio Development Services Agency</i>			
Home Investment Partnerships Program	14.239	A-C-17-2DR-2	171,530
Home Investment Partnerships Program	14.239	A-C-19-2DR-2	9,715
Total Home Investment Partnerships Program			<u>181,245</u>
<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-F-17-2DR-1	55,292
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	A-C-17-2DR-1	35,092
Total Community Development Block Grant/State's Program			<u>90,384</u>
Total U.S. Department of Housing and Urban Development			<u>271,629</u>
U.S. DEPARTMENT OF JUSTICE			
<i>Passed through the Office of Criminal Justice Services</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-JG-LLE-5895	5,713
Total Edward Byrne Memorial Justice Assistance Grant Program and U.S. Department of Justice			<u>5,713</u>
U.S. DEPARTMENT OF TRANSPORTATION			
<i>Airport Improvement Program</i>			
Airport Improvement Program	20.106	3-39-0071-019-2016	4,375
Airport Improvement Program	20.106	3-39-0071-021-2018	144,849
Total Airport Improvement Program			<u>149,224</u>
<i>Passed through the Ohio Department Of Transportation</i>			
<i>Formula Grants for Rural Areas</i>			
Formula Grants for Rural Areas	20.509	OH-2017-050	28,927
Formula Grants for Rural Areas	20.509	OH-2016-050	407,218
Total Formula Grants for Rural Areas			<u>436,145</u>
<i>Passed through the Ohio Department Of Transportation</i>			
<i>Federal Transit Cluster</i>			
Bus and Bus Facilities Formula Program	20.526	OH-2016-052	52,175
Total Federal Transit Cluster			<u>52,175</u>
<i>Passed through the Ohio Department Of Transportation</i>			
<i>Highway Planning and Construction Cluster</i>			
Highway Planning and Construction	20.205	109429	63,029
Highway Planning and Construction	20.205	106696	76,376
Total Highway Planning and Construction			<u>139,405</u>
Total Highway Planning and Construction Cluster			<u>139,405</u>
National Infrastructure Investments	20.933	OH-2016-036-00	20,300
Total U.S. Department of Transportation			<u>797,249</u>
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES			
<i>Passed through the Area Agency on Aging, PSA 2</i>			
<i>Aging Cluster</i>			
Special Programs for the Aging_Title III, Part B_Grants for Supportive Services and Senior Centers	93.044	N/A	9,786
Total Aging Cluster			<u>9,786</u>
<i>Passed through the Centers for Medicare and Medicaid Services</i>			
<i>Medicaid Cluster</i>			
Medical Assistance Program	93.778	N/A	7,315
Total Medicaid Cluster			<u>7,315</u>
Total U.S. Department of Health & Human Services			<u>17,101</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,125,230</u>

- Continued-

**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, 2019**

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 Government) under programs of the federal government for the year ended December 31, 2019. 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 Government, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Government.

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, either the cost principles contained in either OMB Circular A-87 Cost Principles for State, Local, and Indian Tribal Governments (codified in 2 CFR, Part 225), or 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 Government 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 Government 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 Ohio Department of Development. The City has no outstanding loans as of December 31, 2019 and received \$0 in principal repayments during 2019. 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 Government to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Government 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
Required by *Government Auditing Standards***

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

To the Members of Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, 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, 2019, 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 July 21, 2020, wherein we noted as discussed in Note 19 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City of Sidney's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City of Sidney's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City of Sidney's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

City of Sidney
Shelby County
Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*

Compliance and Other Matters

As part of reasonably assuring whether the City of Sidney's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City of Sidney's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City of Sidney's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Julian & Grube, Inc.
July 21, 2020

**Independent Auditor's Report on Compliance with Requirements Applicable to
the Major Federal Program and on Internal Control Over Compliance and 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 Council and Mayor:

Report on Compliance for the Major Federal Program

We have audited the City of Sidney's compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City of Sidney's major federal program for the year ended December 31, 2019. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City of Sidney's major federal program.

Management's Responsibility

The City of Sidney's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the City of Sidney's compliance for the City of Sidney's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in 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). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Sidney's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

In our opinion, the City of Sidney complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2019.

Report on Internal Control Over Compliance

The City of Sidney's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City of Sidney's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City of Sidney's internal control over compliance.

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

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. 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 also 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, 2019, 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 July 21, 2020, wherein we noted as discussed in Note 19 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods. We conducted our audit to opine on the City of Sidney's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Julian & Grube, Inc.
July 21, 2020

**CITY OF SIDNEY
SHELBY COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2019**

1. SUMMARY OF AUDITORS' RESULTS		
<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, CFDA #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

2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None

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City of Sidney Ohio



Comprehensive Annual Financial Report

For the Year Ended
December 31, 2019

City of Sidney, Ohio
Comprehensive Annual Financial Report
Year Ended December 31, 2019



Prepared by:
Finance Department
Ginger S. Adams, CPA, Finance Officer

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City of Sidney
Comprehensive Annual Financial Report
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**CITY OF SIDNEY, OHIO
LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2019**

CITY COUNCIL MEMBERS

Michael Barhorst, Mayor

Martha Milligan, Vice-Mayor

Edward Hamaker

Steve Klingler

Darryl Thurber

Jenny VanMatre

Steve Wagner

CITY MANAGER

Mark S. Cundiff

LAW DIRECTOR

Jeffrey Amick

CITY CLERK

Kari Egbert

SENIOR DIRECTORS

Gary Clough	Assistant City Manager/Public Works Director
Ginger Adams, CPA	Finance Officer
William Balling	Police Chief
Barbara Dulworth	Community Services Director
Duane Gaier	Parks & Recreation Director
Bradley Jones	Fire Chief



City of Sidney

Letter of Transmittal for 2019 Comprehensive Annual Financial Report

July 21, 2020

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

The Comprehensive Annual Financial Report (CAFR) of the City of Sidney, Ohio for the year ended December 31, 2019, 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 CAFR represents the commitment of the City of Sidney to adhere to nationally recognized standards of excellence in financial reporting.

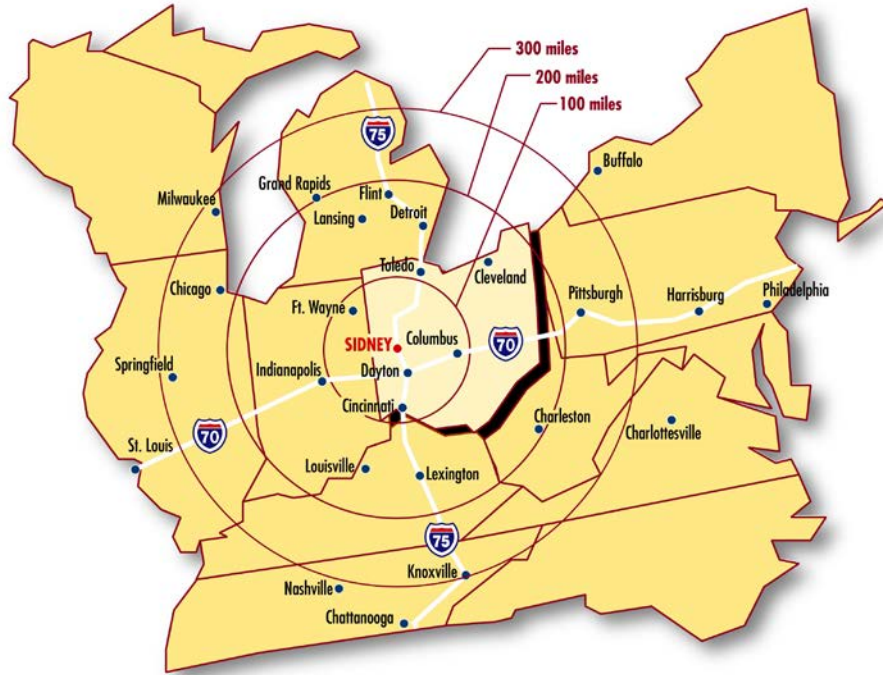
City of Sidney staff prepared all statements, schedules, and other presentations in this report. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control established for this purpose. 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.

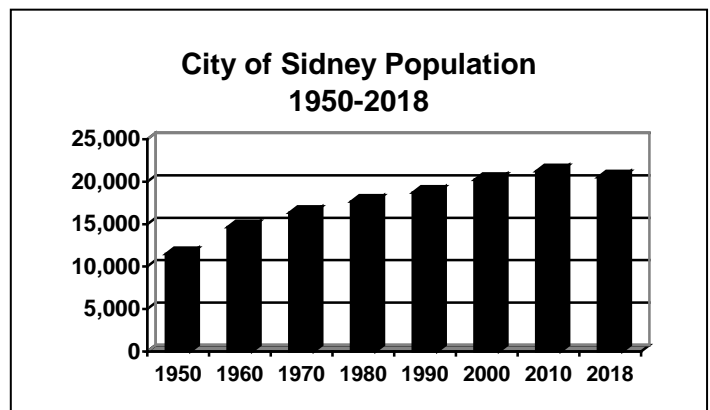
The independent accounting firm of Julian & Grube, Inc. audited the basic financial statements of the City of Sidney that are included in this report. The financial statements have received an unmodified ("clean") opinion. The independent auditor's report is located at the front of the financial section 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 a 15.5% increase per decade from 1950 to 2000. The 2010 Census reported a total population of 21,229, an increase of 5.0% over the 2000 census. The population estimate for 2018 (the most recent year available) is 20,516, a 3.3% decrease in population over the last eight years. This trend mirrors Shelby County, which experienced a 1.7% decrease in population since 2010.



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 over-lapping 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

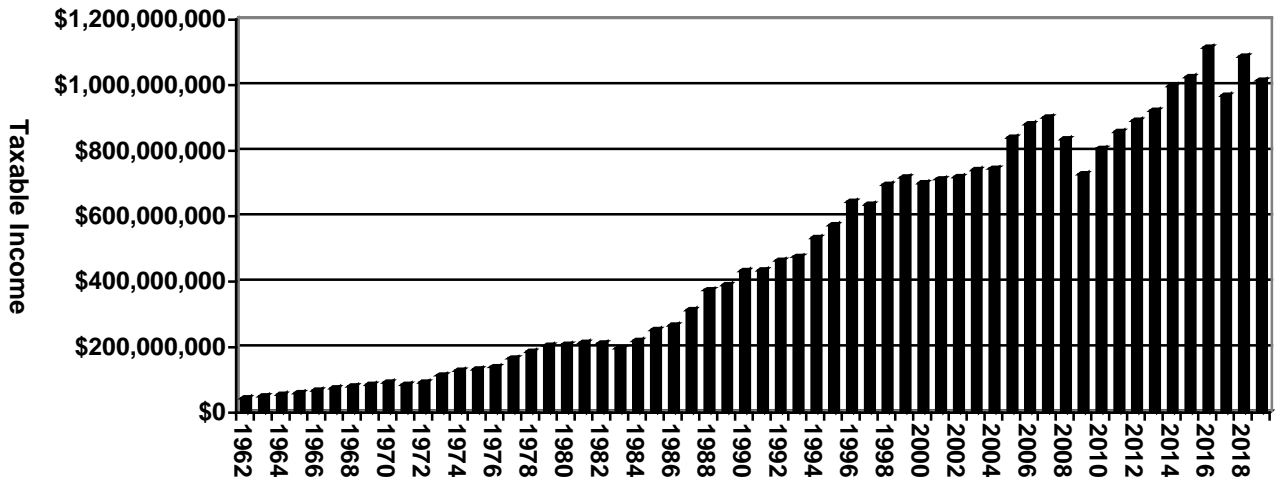
Economic Environment - Historically

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 last decade from 2000 to 2009 during which the City lost nearly 20% of its tax base over a two-year period from 2007 to 2009. During the current decade (2010-2019), Sidney’s tax base has 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.

**City of Sidney Income Tax
Taxable Income 1962-2019**



2019 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 2019 were:

<u>Employer</u>	<u>Primary Business</u>	<u>Average number of employees</u>
Emerson Climate Technologies	Air compressor manufacturing	1,714
Wilson Health	Acute care facility	793

NK Parts Industries	Test, assemble, and ship auto parts	722
Sidney City Board of Education	Public education	421
Area Energy & Electric Inc.	Electrical, heating and plumbing services	417
US Foods (formerly Freshway Foods)	Processor of fresh foods	410
American Trim	Auto and appliance stampings	402
Norcold	Refrigerators for the RV, marine & truck industries	391
Ferguson Construction Company	Construction of commercial buildings	360
Advanced Composites	Plastic supplier to automotive industry	330

Source: Sidney-Shelby Economic Partnership

In addition, a Honda of America Mfg., Inc. auto engine plant with approximately 2,800 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.

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 addition to EZ agreements, the City utilizes, where appropriate, the creation of Community Reinvestment Act (CRA) areas and related CRA tax abatements. 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 and leading to a future Designated Outdoor Refreshment Area (DORA).

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.

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. In 2016, 2017, 2018 and 2019, the City of Sidney has been listed in the prestigious Top 100 Micropolitan list by Site Selection magazine. Sidney moved up four spots from 19th in 2018 to 15th in 2019. 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).

According to 2015 United States Census Data, Shelby County realizes a net gain of 3,221 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 7,175 workers per day, Darke County losses 6,594 workers, and Auglaize County losses a net 2,040 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 5th lowest in a City of Oakwood survey of 63 area communities in 2012 to 60th 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 60th highest in 2015 to 45th highest in 2020. 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 2020, the City of Piqua's combined rate now ranks 39% *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 29th 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.

One of the fastest growing trends in the site location business is the demand for project-ready industrial sites. The City has two such certified sites – the Sidney Ohio Industrial Park and the Amos Industrial Park. The sites are now “shovel ready” for industrial development. The certified site status insures a new company that the sites are free of any detriments that may slow or stop development. The sites are being marketed internationally as “certified sites”.

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.

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. At this time, the City is conducting such an update to assess and counteract the economic impact of the COVID-19 pandemic and associated unemployment and business shutdowns.

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 again in 2014. 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:

- The year 2019 marks the fifth calendar year collecting an additional 0.25% income tax dedicated to constructing, reconstructing, resurfacing and maintaining Sidney's streets, alleys, bridges, curbs and gutters. Cash collections totaled nearly \$2.5 million in 2019. Over the five-year levy, this tax has generated approximately \$12.6 million. Over \$10.9 million has been spent to date with another \$2.5 million budgeted for 2020 road and bridge projects.
- With this additional 0.25% income tax set to expire at the end of tax year 2019, City Council and staff recommended permanently extending and increasing the income tax levy from 0.25% to 0.30% with 0.15% remaining dedicated to road and bridge projects and 0.15% committed to building and staffing a third fire station. In 2016, City Council approved spending approximately \$363,000 for the purchase of approximately 12.5 acres of land for the future fire station. Voters did not approve the proposed levy in May 2019. In November 2019, Sidney's voters approved a new 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 will begin with tax year 2020 and sunset 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.
- Financial Response to the COVID-19 Pandemic in 2020. To date in 2020, the City has been spared the catastrophic costs of setting up makeshift hospitals or instituting other very expensive mitigation measures. Costs for the purchase of personal protective equipment are expected to be reimbursed by Federal aid. The more significant concern is how this will impact income tax receipts, the City's primary revenue source. Income tax collections lag actual operations. It is unknown the depth of the decline, length of the employment disruption, or speed of the recovery. Nevertheless, the City enters this disconcerting time with two key advantages.
 1. City Council-approved financial policies include the maintenance of minimum cash fund balance reserves. For the General Fund and self-supporting utility funds, such as Water and Sewer, the minimum is 20% of annual cash-basis expenditures (excluding interfund transactions). For funds subsidized by the General Fund and other operating funds, the minimum is 15%. Prior to the pandemic, all City funds were above the required minimum cash balances. At December 31, 2019, the General Fund was at 54%, the Street Repair & Maintenance Fund stood at 47%, with the Water and Sewer Funds at 82% and 65%, respectively. Such balances provide City staff the time to develop well-reasoned expenditure reduction plans that can be phased in over time. With approximately 64% of the City's 2020 operating budget comprised of staffing costs, staffing reductions may be accomplished over time, primarily by attrition.
 2. A key strategy utilized in response to the Great Recession was to reduce staffing via attrition. In 2008, City staffing had reached a high point of nearly 243 full-time equivalents (FTE's). Staffing was reduced to a low of about 199 FTE's in 2012

achieved primarily through attrition and targeted reductions. Staffing reductions negatively affected service levels in the ability to be responsive to customers' needs, so as total revenues have rebounded, staffing has been returned to police, fire, parks (including Graceland Cemetery) and the Municipal Court. Staffing is at nearly 234 full-time equivalents (FTEs) in 2020 up from 227 FTEs in 2018. As necessary, such staffing may be reduced.

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 comprehensive annual financial report for the fiscal year ended December 31, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual 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-one consecutive years. We believe that this comprehensive annual financial report for the year ended December 31, 2019 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 2019, the twentieth 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.

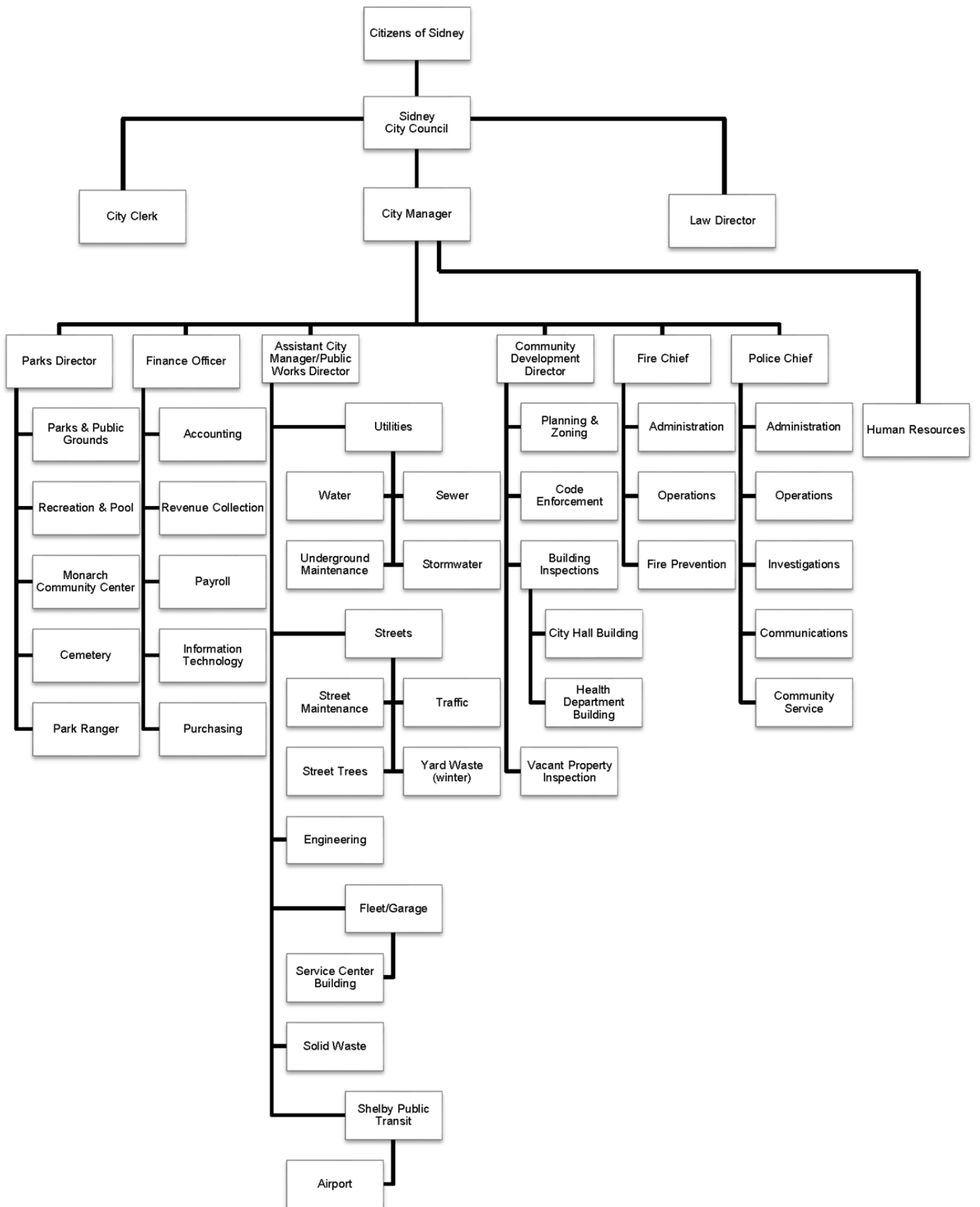
ACKNOWLEDGEMENTS

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 Renee DuLaney, 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 Michael Barhorst 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,

Ginger S. Adams, CPA
Finance Officer





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Sidney
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION

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Independent Auditor's Report

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

To the Members of Council and Mayor:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sidney, Shelby County, Ohio, as of and for the year ended December 31, 2019, 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.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sidney, Shelby County, Ohio, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 19 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City of Sidney. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 21, 2020, on our consideration of the City of Sidney's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Sidney's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
July 21, 2020

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2019
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, 2019. Readers should also review the basic financial statements on pages 16– 26 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 2019?" 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 liabilities 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 16) reports all assets and deferred outflow of resources and liabilities and deferred inflows of resources of the City as of December 31, 2019. 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 17) 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, 2019. 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 funds is mandated by law and others are created by management to demonstrate financial compliance with

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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 19 and 21.

The City of Sidney maintains 37 separate governmental funds. The governmental fund financial statements on pages 18 and 20 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 22 through 24. 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 eight fiduciary funds, four 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 25 of this report. The statement of changes in fiduciary net position reported on page 26 includes the custodial fund report in a separate column and the private-purpose trust funds reported in a single column. Detailed financial data for the custodial funds can be found in the combining statements in the supplementary information section of this report.

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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 27 – 67 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 68 to 79 of this report.

The City of Sidney as a Whole

The following table presents condensed information on net position as of December 31, 2019 and 2018.

Net Position
December 31, 2019 and 2018

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Assets:</u>						
Current and other assets	\$ 29,445,253	\$ 28,422,804	\$ 18,410,223	\$ 18,285,072	\$ 47,855,476	\$ 46,707,876
Capital assets	63,575,412	62,580,319	96,895,013	88,476,688	160,470,425	151,057,007
Total assets	93,020,665	91,003,123	115,305,236	106,761,760	208,325,901	197,764,883
Deferred outflows	10,511,059	7,362,517	1,719,209	850,528	12,230,268	8,213,045
Total assets and deferred outflows	103,531,724	98,365,640	117,024,445	107,612,288	220,556,169	205,977,928
<u>Liabilities:</u>						
Current and other liabilities	2,792,349	2,228,779	2,553,467	2,214,498	5,345,816	4,443,277
Long-term liabilities	5,244,085	5,716,219	47,277,616	43,110,547	52,521,701	48,826,766
Net pension liability	30,822,581	21,610,693	4,938,327	2,764,570	35,760,908	24,375,263
Net OPEB liability	6,826,610	18,772,409	2,332,467	1,928,289	9,159,077	20,700,698
Total liabilities	45,685,625	48,328,100	57,101,877	50,017,904	102,787,502	98,346,004
Deferred inflows	3,552,475	6,113,079	91,514	848,238	3,643,989	6,961,317
Total liabilities and deferred inflows	49,238,100	54,441,179	57,193,391	50,866,142	106,431,491	105,307,321
<u>Net Position:</u>						
Net investment in capital assets	60,481,104	59,060,823	49,033,611	45,553,676	109,514,715	104,614,499
Restricted	6,737,699	5,520,325	-	-	6,737,699	5,520,325
Unrestricted	(12,925,179)	(20,656,687)	10,797,443	11,192,470	(2,127,736)	(9,464,217)
Total net position	\$ 54,293,624	\$ 43,924,461	\$ 59,831,054	\$ 56,746,146	\$ 114,124,678	\$ 100,670,607

The City's assets and deferred outflows were greater than its liabilities and deferred inflows of resources by about \$114.1 million at the close of 2019, as compared to nearly \$100.7 million at close of 2018, an increase of about \$13.4 million.

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The largest impact on the City's financial statement in 2019 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 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.

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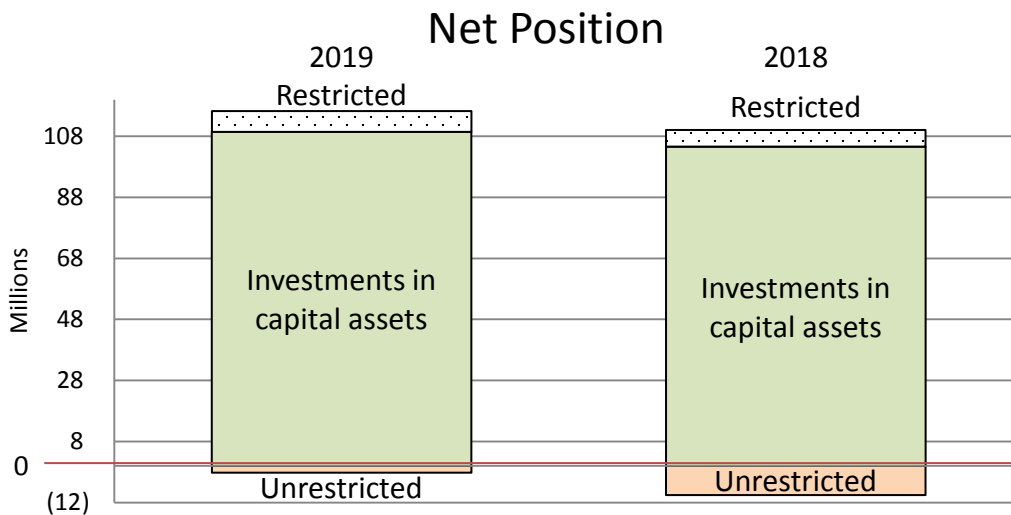
In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in net pension liability (asset) and net OPEB liability, respectively, not accounted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

The component, "Net investment in capital assets" increased almost \$4.9 million, or 5%, from approximately \$104.6 million at December 31, 2018 to about \$109.5 million at December 31, 2019. 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 2019 the City spent nearly \$15.6 million for cash capital additions and debt principal repayments of about \$2.6 million. Total depreciation expense for capital assets were approximately \$7.0 million and additional debt of \$6.3 million.

Restricted net position is subject to external restrictions as to their use. This category increased approximately \$1.2 million, or 22%, from December 31, 2018 to December 31, 2019. An increase is reflected in police funds from confiscated monies and forfeitures, additional gas tax started mid-year 2019 and the unspent accumulated street municipal income tax levy funding.

Unrestricted net position is available for future use as directed by City Council. Overall, this category increased approximately \$7.3 million from approximately a negative \$9.5 million at December 31, 2018 to about a negative \$2.1 million at December 31, 2019. It is important to note that although the total unrestricted net position is negative \$2.1 million, the unrestricted net position of the City's business-type activities is positive \$10.8 million, which may not be used to fund governmental activities. Unrestricted net position of the City's governmental activities increased approximately \$7.7 million, or 37%, from a negative \$20.7 million to a negative \$12.9 million. This increase was a result of change in pension & OPEB primarily related to Ohio Police and Fire GASB 68 & 75 during 2019. For the City's business-type activities, the unrestricted net position decreased nearly \$400,000 from about \$11.2 million to about \$10.8 million. This decrease in unrestricted net position is related to pension and OPEB related to Enterprise funds.

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. The following table presents condensed table of changes in net position.



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Changes in Net Position For the Years Ended December 31, 2019 and 2018

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Revenues:</u>						
Program revenues:						
Charges for services	\$2,538,775	\$2,429,476	\$16,628,041	\$15,120,200	\$19,166,816	\$17,549,676
Operating grants and contributions	2,020,463	1,653,755	534,830	538,451	2,555,293	2,192,206
Capital grants and contributions	935,735	824,943	728,881	321,423	1,664,616	1,146,366
General revenues:						
Income taxes	16,818,241	20,585,439	-	-	16,818,241	20,585,439
Property taxes	1,067,779	1,080,414	-	-	1,067,779	1,080,414
Payments in lieu of taxes	154,356	151,677	-	-	154,356	151,677
Lodging taxes	436,088	414,299	-	-	436,088	414,299
Other taxes	210	766	-	-	210	766
Grants and other contributions not restricted to specific program:	668,786	553,902	-	-	668,786	553,902
Investment income	453,905	286,686	409,304	342,298	863,209	628,984
Gain (loss) on sale of capital assets	40,200	17,511	(4,649)	5,205	35,551	22,716
Miscellaneous	786,566	792,885	135,332	151,919	921,898	944,804
Total revenues	25,921,104	28,791,753	18,431,739	16,479,496	44,352,843	45,271,249
<u>Expenses:</u>						
Basic utility services	27,119	23,450	-	-	27,119	23,450
Community development	905,453	956,603	-	-	905,453	956,603
Community environment	882,259	752,982	-	-	882,259	752,982
Fire	114,577	6,469,069	-	-	114,577	6,469,069
General government	1,553,807	1,281,658	-	-	1,553,807	1,281,658
Health	374,076	355,460	-	-	374,076	355,460
Judicial	2,469,531	2,375,499	-	-	2,469,531	2,375,499
Parks and recreation	1,832,337	1,581,395	-	-	1,832,337	1,581,395
Police	2,561,736	7,491,183	-	-	2,561,736	7,491,183
Public transportation	-	-	-	-	-	-
Street repair & maintenance	4,419,540	4,100,079	-	-	4,419,540	4,100,079
Interest on long-term debt	94,324	105,694	-	-	94,324	105,694
Airport	-	-	593,244	661,372	593,244	661,372
Concession Stand	-	-	23,725	26,483	23,725	26,483
Sewer	-	-	5,516,773	4,855,169	5,516,773	4,855,169
Sidney Water Park	-	-	209,051	357,387	209,051	357,387
Solid waste	-	-	1,623,243	1,694,718	1,623,243	1,694,718
Stormwater	-	-	398,820	633,107	398,820	633,107
Transportation	-	-	1,246,439	1,058,208	1,246,439	1,058,208
Water	-	-	6,052,718	5,206,990	6,052,718	5,206,990
Total expenses	15,234,759	25,493,072	15,664,013	14,493,434	30,898,772	39,986,506
Excess (deficiency) before transfers	10,686,345	3,298,681	2,767,726	1,986,062	13,454,071	5,284,743
Transfers	(317,182)	(437,000)	317,182	437,000	-	-
Change in net position	10,369,163	2,861,681	3,084,908	2,423,062	13,454,071	5,284,743
Net position, beginning of year	43,924,461	41,062,780	56,746,146	54,323,084	100,670,607	95,385,864
Net position, end of year	\$ 54,293,624	\$ 43,924,461	\$ 59,831,054	\$ 56,746,146	\$ 114,124,678	\$ 95,385,864

The City's net position increased approximately \$13.4 million for the year ended December 31, 2019 as compared to an increase of about \$5.3 million for the prior year.

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Total revenues decreased nearly \$920,000, or 2%. Income tax revenue decreased almost \$3.8 million or 18%, related to large swing in corporate estimate payments and the resulting decrease in Income Taxes Receivable from prior year. Operating grants and contributions increased nearly \$360,000 primarily due to the additional gas tax receivable through GASB 33 revenue through July 2021. Capital grants and contributions increased nearly \$520,000 reflecting the timing of grant reimbursement also in 2019 received nearly \$400,000 for downtown stormwater improvements. Investment earnings increased about \$230,000 or 37%, primarily due to rising interest rates in early 2019 and realized gains on called securities late 2019. Charges for services increased about \$1.6 million mainly as result of a 5%, 1%, & 15% increase in water, sewer & stormwater capital rates, respectively.

Total expenses decreased nearly \$9.0 million, or 23%, from nearly \$40.0 million in 2018 to \$30.9 million in 2019. Police & Fire expenses decreased nearly \$6.4 million and \$4.9 million, respectively, primarily related to a decrease in OPEB expense from Ohio Police & Fire Pension system recognized in GASB 75. Street repair and maintenance increased nearly \$320,000 due to the increased stormwater fee, an additional equipment operator, increase in pension expense from GASB 68 and 75, as well as additional depreciation recognized on capital projects. Water expense increased almost \$850,000, or 16%, due primarily to increased lime sludge removal of \$360,000, additional chemicals of \$100,000, and increase in OPERS pension and OPEB expense from GASB 68 and 75 of \$300,000. Sewer expenses increased about \$660,000 mainly due to increase in OPERS pension and OPEB expense from GASB 68 and 75.

The 2019 financial statements reflect a significant change in program expenses of approximately \$9.1 million, which relates to recognition of pension and OPEB expenses under GASB 68 & 75. Consequently, in order to compare change in program expenses without GASB 68 & 75 expenses, the following adjustments are needed:

	Governmental		Business-type			
	Activities		Activities		Totals	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Total program expenses	\$ 15,234,759	\$ 25,493,072	\$ 15,664,013	\$ 14,493,434	\$ 30,898,772	\$ 39,986,506
Pension & OPEB expense	6,417,431	(1,528,828)	(1,321,501)	(162,162)	5,095,930	(1,690,990)
Contractually required contribution	2,018,982	30,228	368,973	364	2,387,955	30,592
Adjusted program expenses	\$ 23,671,172	\$ 23,994,472	\$ 14,711,485	\$ 14,331,636	\$ 38,382,657	\$ 38,326,108
expenses not related to Pension & OPEB	\$ (323,300)		\$ 379,849		\$ 56,549	

As shown here there is only a slight change in program expenses not related to Pension and OPEB as this reflects expenditures the City does have authority to regulate.

Governmental activities

Governmental activities net position increased nearly \$10.4 million, or 23.6%, from about \$43.9 million at December 31, 2018 to nearly \$54.3 million at December 31, 2019. The category, net investment in capital assets, increased about \$1.4 million, or 2.3%, from nearly \$59.1 million to about \$60.5 million representing capital additions about \$4.9 million and bond principal payments of approximately \$0.5 million offset by almost \$4.0 million of depreciation expense. Restricted net position increased nearly \$1.2 million. An increase is reflected in police funds from confiscated monies and forfeitures, additional gas tax started mid-year 2019 and the unspent accumulated street municipal income tax levy funding.

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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

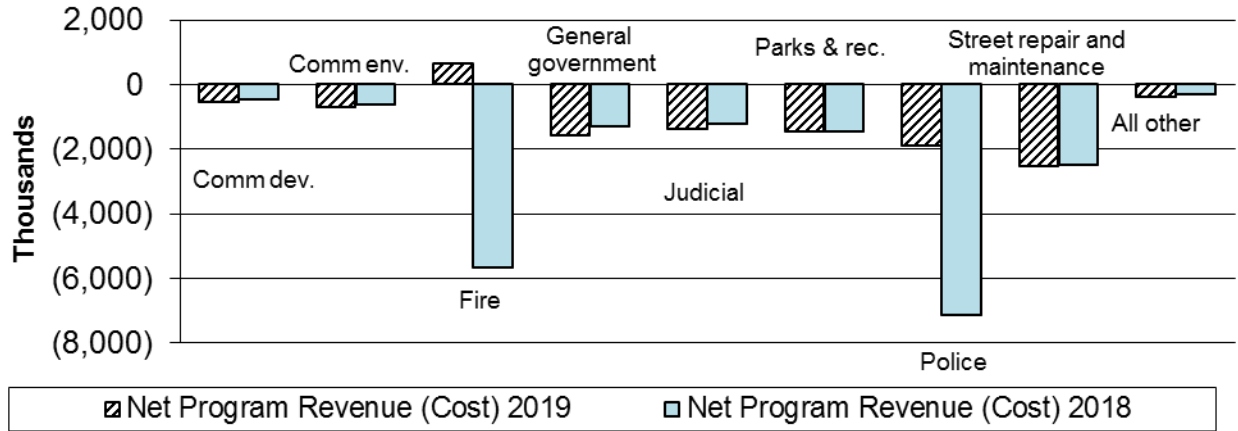
	<u>Year Ended December 31, 2019</u>			<u>Year Ended December 31, 2018</u>		
	<u>Expense</u>	<u>Program Revenue</u>	<u>Net Revenue (Cost)</u>	<u>Expense</u>	<u>Program Revenue</u>	<u>Net Revenue (Cost)</u>
Community development	\$ 905,453	\$ 375,270	\$ (530,183)	\$ 956,603	\$ 485,209	\$ (471,394)
Community environment	882,259	167,677	(714,582)	752,982	121,526	(631,456)
Fire	114,577	764,591	650,014	6,469,069	820,467	(5,648,602)
General government	1,553,807	-	(1,553,807)	1,281,658	-	(1,281,658)
Judicial	2,469,531	1,091,387	(1,378,144)	2,375,499	1,178,762	(1,196,737)
Parks & recreation	1,832,337	396,467	(1,435,870)	1,581,395	128,192	(1,453,203)
Police	2,561,736	666,358	(1,895,378)	7,491,183	379,676	(7,111,507)
Street repair & maintenance	4,419,540	1,905,722	(2,513,818)	4,100,079	1,597,065	(2,503,014)
All others	495,519	127,501	(368,018)	484,604	197,277	(287,327)
Total governmental activities	\$ 15,234,759	\$ 5,494,973	\$ (9,739,786)	\$ 25,493,072	\$ 4,908,174	\$ (20,584,898)

Overall, the net program cost of governmental activities decreased by nearly \$10.9 million, or 53%, from a net program cost of about \$20.6 million in 2018 to \$9.7 million in 2019. The most significant change was police & fire programs which changed nearly \$5.2 million and \$6.3 million, respectively. Street repair and maintenance had an increase in program revenue of approximately \$300,000 which is a result of timing of grant funded projects. Parks program revenue increased nearly \$270,000, related to donations for inclusive playground equipment. Police program revenue increased nearly \$280,000 which relates to an increase in confiscated monies and forfeitures.

The composition of expenses by program changed rather drastically in the full accrual from 2018 to 2019. The two largest components of governmental expenses police and fire who participate in the OP&F pension system had a large decrease as a result of GASB 68 & 75. Fire expense decreased \$6.4 million or 98%, of this a decrease about \$6.7 million was from pension & OPEB related expenses. On the same note police decreased \$4.9 million or 66%, and of this change nearly \$5.3 million was from pension & OPEB expenses. Without this pension and OPEB expenses the increase in both fire and police expense was about \$300,000. Street repair and maintenance (which includes winter street clean-up) increase of about \$300,000 is a result of additional staff, increased stormwater charges and OPERS GASB 68 & 75 pension & OPEB expenses. Both the general government and parks and recreation increased \$250,000 and \$270,000, respectively, primarily as a result of OPERS GASB 68 & 75 pension & OPEB expenses.

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Net Program Revenue (Cost) - Governmental Activities



Business-type activities

Business-type activities' net position increased about \$3.1 million, or 5%, from nearly \$56.7 million at December 31, 2018 to approximately \$59.8 million at December 31, 2019. The category net investment in capital assets increased almost \$3.5 million, a result of cash capital purchases of \$10.7 million and principal debt repayments of nearly \$2.1 million, reduced by depreciation expense of nearly \$3.1 million, and issuance of about \$6.2 million debt. Unrestricted portion of net position decreased almost \$400,000, or 4%, primarily a result of the change in pension and OPEB liabilities.

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:

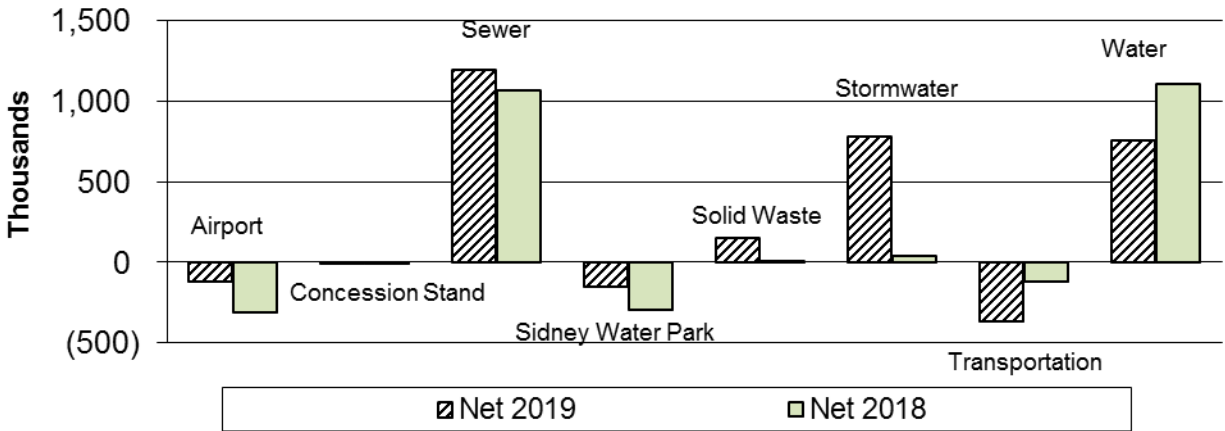
Expenses and Program Revenues - Business-Type Activities

	Year Ended December 31, 2019			Year Ended December 31, 2018		
	Expense	Program Revenue	Net Revenue (Cost)	Expense	Program Revenue	Net Revenue (Cost)
Airport	\$ 593,244	\$ 472,570	\$ (120,674)	\$ 661,372	\$ 353,223	\$ (308,149)
Concession Stand	23,725	20,265	(3,460)	26,483	19,556	(6,927)
Sewer	5,516,773	6,705,881	1,189,108	4,855,169	5,917,083	1,061,914
Sidney Water Park	209,051	56,744	(152,307)	357,387	64,553	(292,834)
Solid Waste	1,623,243	1,776,737	153,494	1,694,718	1,696,429	1,711
Stormwater	398,820	1,175,593	776,773	633,107	676,332	43,225
Transportation	1,246,439	879,432	(367,007)	1,058,208	940,221	(117,987)
Water	6,052,718	6,804,530	751,812	5,206,990	6,312,677	1,105,687
Total business-type activities	\$ 15,664,013	\$ 17,891,752	\$ 2,227,739	\$ 14,493,434	\$ 15,980,074	\$ 1,486,640

Overall, the net program cost of the City's business-type activities changed from net program revenue of nearly \$1.5 million for the year ended December 31, 2018 to a net program revenue of approximately \$2.2 million for the year ended December 31, 2019. Program revenue for business-type activities increased roughly \$1.9 million, or 12%, while program expenses increased almost \$1.2 million, or 8%.

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

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 water program decreased from net program revenue of nearly \$1.1 million in 2018 to net program revenue of approximately \$750,000 in 2019. Water revenue increased by nearly \$500,000, or 8%, as a result of increased consumption and rate increase of 5%. Expenditures increased by roughly \$850,000, or 16%, largely because of increased lime sludge removal of \$360,000, additional chemicals of \$100,000, and increase in OPERS pension and OPEB expense from GASB 68 and 75 of \$300,000.
- Stormwater program changed from net program revenue of approximately \$40,000 in 2018 to net program revenue of \$780,000 in 2019. Its revenue increased by nearly \$500,000, or 74%, as a result of increasing the stormwater capital fee by 15% to replace an aging stormwater system. While expenditures decreased by about \$230,000, or 37%, primarily because of decrease in OPERS pension and OPEB expense allocation from GASB 68 and 75.

Individual funds 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.

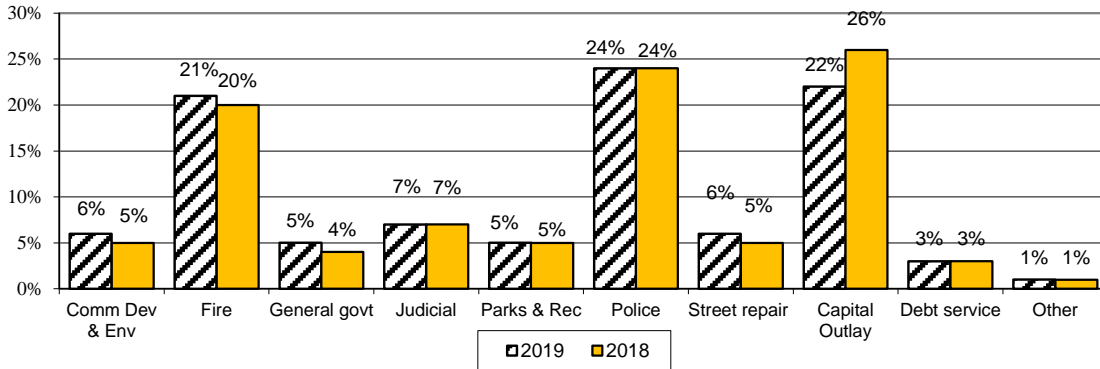
The combined fund balance of the City's governmental funds at December 31, 2019 was nearly \$19.2 million. Approximately 40% of this total amount represents unassigned fund balances available for spending at the City's discretion. Roughly 30% of the combined fund balance is in a nonspendable, or restricted, form. The portion of fund balance committed by City Council, the highest level of decision making authority, is 6% and those balances assigned are 24%. Nearly \$1.7 million of fund balance has already been assigned to future budget commitments and almost \$2.6 million to capital projects.

Total fund balances of the City's governmental funds increased about \$400,000, or 2%, from \$18.7 million at December 31, 2018 to about \$19.1 million at December 31, 2019. (See the governmental funds' statement of revenue, expenditures & changes in fund balance on page 20.)

CITY OF SIDNEY, OHIO
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For the Year Ended December 31, 2019
Unaudited

The components of governmental fund expenses are as follows:

Governmental Fund Expenses by Program



The composition of expenses by function remained relatively stable from 2018 to 2019. The three largest components of governmental fund expenses are public safety -- police and fire and capital outlay. Fire makes up 20% to 21% of the total, while police contributes another 24%. Capital outlay comprises about 22% to 26% of governmental expenses. Judicial - consisting mainly of municipal court activities -- comprises of 7% 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 5% to 6% of total governmental expenses. The parks and recreation program is responsible for 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. The General Fund balance decreased slightly by about \$100,000, or 1%, from nearly \$10.9 million at December 31, 2018 to almost \$10.8 million at December 31, 2019. Local tax revenue decreased from approximately \$15.2 million for the year ended December 31, 2018 to about \$13.3 million for the year ended December 31, 2019, related to large swing in corporate estimate payments and the resulting decrease in Income Taxes Receivable from prior year. General Fund expenditures increased about \$850,000, or 5%. General Fund transfers out to subsidize various funds, including the street repair & maintenance, transportation services, airport, cemetery operations, swimming pool, and the concession stand decreased from nearly \$700,000 for the year ended December 31, 2018 to about \$600,000 for the year ended December 31, 2019. This decrease in the Sidney Water Park subsidy of \$100,000 is a result of a large water leak in 2017.

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. Intergovernmental revenues increased about \$170,000 in 2019 as compared to 2018, as a result of additional gas tax which we began to receive in September 2019. Expenditures increased approximately \$160,000 from 2018 to 2019, primarily due to the filling a vacant position and increased stormwater utility fees. For 2019, the General Fund provided \$250,000 of an operating subsidy to the Street Repair & Maintenance Fund. Its fund balance increased about \$110,000 from approximately \$670,000 at December 31, 2018 to about \$780,000 at December 31, 2019.

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, 2019, this fund balance decreased nearly \$600,000 from nearly \$3.1 million at December 31, 2018 to about \$2.5 million at December 31, 2018. In 2019, local tax, which is the allocation of income taxes, decrease was offset by the increase in miscellaneous revenues for a donated inclusive play equipment of about \$70,000, or 2%. Capital-related expenditures increased almost \$800,000 from almost \$3.5 million at December 31, 2018 to approximately \$4.3 million at December 31, 2019. This increase is a directly related

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to timing of capital projects; as of December 31, 2019 there were open encumbrances of nearly \$4.2 million.

The Municipal Earned Income Tax for Street Capital Fund is used to account for the income tax levy of an additional one-quarter of one percent annual tax on earned income through 2019. This street levy funds are restricted for the construction, reconstruction, resurfacing and maintenance of streets, alleys, bridges, curbs, and gutters and cost incidental thereto. In 2019 nearly \$3.2 million was spent for this purpose. For 2019, the special levy generated revenues of nearly \$2.3 million, a decrease of about \$400,000 over 2018. Income tax levy related expenditures decreased almost \$1.8 million from almost \$3.2 million at December 31, 2018 to approximately \$1.4 million at December 31, 2019. The fund balance at December 31, 2019 increased nearly \$800,000 from nearly \$900,000 in 2018 to almost \$1.7 million in 2019.

The City of Sidney's proprietary fund statements (found on pages 22-24) provide the same type of information found in the government-wide financial statements, but in more detail. Explanations of significant changes in these funds are found on page 13.

Budgetary Basis - Budget versus Actual

In 2019, the amount in the original budget and final budget for General Fund local tax revenues were under actual receipts. Actual revenues were under budget expectations by almost \$1.0 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, 2019 included:

- ✓ Nearly \$1.3 million of street resurfacing and curb and gutter replacements were completed with about \$900,000 paid with street levy revenue, about \$100,000 paid with County Auto License funds and the remainder paid with income tax dollars.
- ✓ About \$1.2 million was spent to purchase additional land for the new water source.
- ✓ Approximately \$700,000 was incurred for the sanitary sewer replacement on Chestnut Avenue.
- ✓ Phase II Wastewater Treatment Plant improvements required by the Ohio EPA began in 2018, of which nearly \$5.1 was placed in construction in progress. This project is financed with Water Pollution Control Loan Fund (WPCLF) loans.
- ✓ Lime lagoon improvements project financed with Ohio Water Development Authority (OWDA) loans spent \$1.4 million in 2019 towards this loan.
- ✓ In 2019, the Russell Road reconstruction project cost about \$700,000.
- ✓ Fire department projects include the final payment of the Fire Quint apparatus of about \$1.2 million.
- ✓ Additional downtown storm sewer project had a cost of approximately \$320,000 of which the City received grant dollars from both Ohio Public Works Commission of almost \$240,000 and CDBG of \$60,000.
- ✓ Water line replacement for both Lyndhurst and Pinehurst Streets were completed costing roughly \$300,000 each.

Additional detail on the capital asset activity for the year ended December 31, 2019 is presented in the Notes to the Basic Financial Statements in Note 7 on pages 39 – 40.

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, 2019, that debt ceiling was nearly

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\$20.8 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 \$2.4 million of net indebtedness as of December 31, 2019, leaving a legal debt margin for unvoted debt of nearly \$18.4 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 \$39.7 million, leaving a total debt margin of nearly \$37.3 million.

A summary of debt outstanding at December 31, 2019 and 2018 is as follows:

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Governmental activities	\$ 3,060,118	\$ 3,604,260
Business-type activities	<u>46,824,581</u>	<u>42,637,680</u>
Total	<u>\$ 49,884,699</u>	<u>\$ 46,241,940</u>

During 2019, the City incurred nearly \$6.3 million of debt for business-type activities. Approximately \$5.0 million of additional funds were received for the Water Pollution Control Loan Fund Phase II of the wastewater treatment plant improvements required by the Ohio EPA. Also about \$1.2 million was received from the Ohio Water Development Authority (OWDA) for both the new water source and lime sludge lagoon reconstruction projects.

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 41 - 44 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, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Pooled cash	\$ 1,150,625	\$ 855,107	\$ 2,005,732
Cash	560,078	-	560,078
Cash held by outside agent	908,334	-	908,334
Pooled investments	19,461,361	14,504,164	33,965,525
Receivables	6,638,696	2,850,203	9,488,899
Internal balances	212,091	(212,091)	-
Inventory	323,898	391,708	715,606
Prepaid items	190,170	21,132	211,302
Capital assets:			
Capital assets not subject to depreciation:			
Land	8,452,359	7,403,192	15,855,551
Construction in progress	934,849	9,566,054	10,500,903
Capital assets net of accumulated depreciation	<u>54,188,204</u>	<u>79,925,767</u>	<u>134,113,971</u>
Total assets	<u>93,020,665</u>	<u>115,305,236</u>	<u>208,325,901</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	8,538,907	1,516,684	10,055,591
OPEB	<u>1,972,152</u>	<u>202,525</u>	<u>2,174,677</u>
Total deferred outflows of resources	<u>10,511,059</u>	<u>1,719,209</u>	<u>12,230,268</u>
Total assets and deferred outflows	<u>\$ 103,531,724</u>	<u>\$ 117,024,445</u>	<u>\$ 220,556,169</u>
LIABILITIES			
Accounts payable	\$ 1,974,428	\$ 1,206,178	\$ 3,180,606
Salaries and benefits payable	557,573	107,675	665,248
Claims payable	226,539	-	226,539
Unearned revenue	26,750	502,996	529,746
Accrued interest payable	7,059	507,675	514,734
Refundable deposits	-	228,943	228,943
Noncurrent liabilities:			
Due within one year	682,035	2,046,801	2,728,836
Due in more than one year			
Net pension liability	30,822,581	4,938,327	35,760,908
Net OPEB liability	6,826,610	2,332,467	9,159,077
Other amounts due in more than one year	<u>4,562,050</u>	<u>45,230,815</u>	<u>49,792,865</u>
Total liabilities	<u>45,685,625</u>	<u>57,101,877</u>	<u>102,787,502</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	1,786,701	-	1,786,701
Pension	801,796	72,029	873,825
OPEB	<u>963,978</u>	<u>19,485</u>	<u>983,463</u>
Total deferred inflows of resources	<u>3,552,475</u>	<u>91,514</u>	<u>3,643,989</u>
NET POSITION			
Net investment in capital assets	60,481,104	49,033,611	109,514,715
Restricted for:			
Capital projects	27,724	-	27,724
Cemetery - Expendable	961,947	-	961,947
Cemetery - Nonexpendable	30,376	-	30,376
Community development projects	834,511	-	834,511
Judicial costs	693,714	-	693,714
Police	448,436	-	448,436
Street capital projects	2,020,920	-	2,020,920
Street repair and maintenance	1,557,701	-	1,557,701
Other purposes - externally imposed restrictions	162,370	-	162,370
Unrestricted	<u>(12,925,179)</u>	<u>10,797,443</u>	<u>(2,127,736)</u>
Total net position	<u>54,293,624</u>	<u>59,831,054</u>	<u>114,124,678</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 103,531,724</u>	<u>\$ 117,024,445</u>	<u>\$ 220,556,169</u>

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

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
Governmental Activities:						
Basic utility services	\$ 27,119	\$ -	\$ -	\$ -	\$ (27,119)	\$ (27,119)
Community development	905,453	22,026	14,460	338,784	(530,183)	(530,183)
Community environment	882,259	167,677	-	-	(714,582)	(714,582)
Fire	114,577	697,087	12,504	55,000	650,014	650,014
General government	1,553,807	-	-	-	(1,553,807)	(1,553,807)
Health	374,076	127,501	-	-	(246,575)	(246,575)
Judicial	2,469,531	817,950	273,437	-	(1,378,144)	(1,378,144)
Parks and recreation	1,832,337	6,996	44,388	345,083	(1,435,870)	(1,435,870)
Police	2,561,736	555,142	55,566	55,650	(1,895,378)	(1,895,378)
Street repair and maintenance	4,419,540	144,396	1,620,108	141,218	(2,513,818)	(2,513,818)
Interest on long-term debt	94,324	-	-	-	(94,324)	(94,324)
Total governmental activities	<u>15,234,759</u>	<u>2,538,775</u>	<u>2,020,463</u>	<u>935,735</u>	<u>(9,739,786)</u>	<u>(9,739,786)</u>
Business-type activities:						
Airport	593,244	315,277	-	157,293	\$ (120,674)	(120,674)
Concession Stand	23,725	20,265	-	-	(3,460)	(3,460)
Sewer	5,516,773	6,705,881	-	-	1,189,108	1,189,108
Sidney Water Park	209,051	56,744	-	-	(152,307)	(152,307)
Solid Waste	1,623,243	1,776,737	-	-	153,494	153,494
Stormwater	398,820	778,282	-	397,311	776,773	776,773
Transportation	1,246,439	224,429	480,726	174,277	(367,007)	(367,007)
Water	6,052,718	6,750,426	54,104	-	751,812	751,812
Total business-type activities	<u>15,664,013</u>	<u>16,628,041</u>	<u>534,830</u>	<u>728,881</u>	<u>2,227,739</u>	<u>2,227,739</u>
Total	<u>\$ 30,898,772</u>	<u>\$ 19,166,816</u>	<u>\$ 2,555,293</u>	<u>\$ 1,664,616</u>	<u>(9,739,786)</u>	<u>2,227,739</u>
						<u>(7,512,047)</u>
General revenues:						
Taxes:						
Income taxes					14,567,268	-
Street levy income taxes					2,250,973	-
Property taxes					1,067,779	-
Payments in lieu of taxes					154,356	-
Lodging taxes					436,088	-
Other taxes					210	-
Grants and entitlements not restricted to specific programs					668,786	-
Investment earnings					453,905	409,304
Gain(loss) on sale of capital assets					40,200	(4,649)
Miscellaneous					786,566	135,332
Transfers					(317,182)	317,182
Total general revenues and transfers					<u>20,108,949</u>	<u>857,169</u>
Change in net position					10,369,163	3,084,908
Net position - beginning					<u>43,924,461</u>	<u>56,746,146</u>
Net position - ending					<u>\$ 54,293,624</u>	<u>\$ 59,831,054</u>
						<u>\$ 114,124,678</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Municipal Earned Income Tax for Street Capital Fund	Non-major Governmental Funds	Total Governmental Funds
ASSETS						
Pooled cash	\$ 658,930	\$ 27,350	\$ 152,317	\$ 98,823	\$ 189,348	\$ 1,126,768
Cash held by outside agent	874,185	-	-	-	34,149	908,334
Pooled investments	11,116,394	463,876	2,585,494	1,677,463	3,213,184	19,056,411
Receivables:						
Income taxes	2,552,237	-	-	454,426	-	3,006,663
Property taxes	1,011,130	-	-	-	198,556	1,209,686
Other taxes	18,783	-	-	-	6,226	25,009
Interest	10,952	611	-	-	1,418	12,981
Loans	-	-	-	-	577,190	577,190
Special assessments	191,743	-	32,341	-	-	224,084
Other	228,670	-	-	-	29,958	258,628
Receivables from other governments	308,752	833,592	53,192	-	128,919	1,324,455
Advances to other funds	10,208	-	-	-	-	10,208
Inventory	91,026	218,856	-	-	-	309,882
Prepaid items	51,761	452	-	-	2,841	55,054
Total assets	<u>\$ 17,124,771</u>	<u>\$ 1,544,737</u>	<u>\$ 2,823,344</u>	<u>\$ 2,230,712</u>	<u>\$ 4,381,789</u>	<u>\$ 28,105,353</u>
LIABILITIES						
Accounts payable	\$ 1,410,002	\$ 22,310	\$ 182,169	\$ 209,792	\$ 116,483	\$ 1,940,756
Salaries and benefits payable	490,870	19,496	-	-	15,183	525,549
Advances from other funds	-	-	-	-	10,208	10,208
Unearned revenue	26,750	-	-	-	-	26,750
Total liabilities	<u>1,927,622</u>	<u>41,806</u>	<u>182,169</u>	<u>209,792</u>	<u>141,874</u>	<u>2,503,263</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	4,399,435	720,713	79,103	359,040	879,750	6,438,041
Total deferred inflows of resources	<u>4,399,435</u>	<u>720,713</u>	<u>79,103</u>	<u>359,040</u>	<u>879,750</u>	<u>6,438,041</u>
FUND BALANCES:						
Nonspendable	142,787	219,308	-	-	2,841	364,936
Restricted	-	562,910	-	1,661,880	3,157,382	5,382,172
Committed	998,520	-	-	-	202,045	1,200,565
Assigned	1,996,716	-	2,562,072	-	-	4,558,788
Unassigned	7,659,691	-	-	-	(2,103)	7,657,588
Total fund balances	<u>10,797,714</u>	<u>782,218</u>	<u>2,562,072</u>	<u>1,661,880</u>	<u>3,360,165</u>	<u>19,164,049</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 17,124,771</u>	<u>\$ 1,544,737</u>	<u>\$ 2,823,344</u>	<u>\$ 2,230,712</u>	<u>\$ 4,381,789</u>	<u>\$ 28,105,353</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, 2019

Total governmental fund balances	\$ 19,164,049
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Some assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Capital Assets	62,858,105
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Income taxes receivable	2,334,512
Other receivables	302,782
Other taxes and intergovernmental receivables	2,014,046
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 and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
Net position of Internal Service Funds	(181,238)
Internal service fund activity allocated to enterprise funds	212,091
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	8,107,886
Deferred Inflows - Pension	(781,327)
Net Pension Liability	(29,419,171)
Deferred Outflows - OPEB	1,914,598
Deferred Inflows - OPEB	(958,442)
Net OPEB Liability	(6,163,752)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore not reported in the funds:	
Bonds payable	(3,053,450)
Premium on bond	(6,668)
Compensated absences	(2,043,338)
Accrued interest on long-term debt	(7,059)
Net position of governmental activities	<u>\$ 54,293,624</u>

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, 2019

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Municipal Earned Income Tax for Street Capital Fund	Non-major Governmental Funds	Total Governmental Funds
REVENUES:						
Local taxes	\$ 13,344,240	\$ -	\$ 2,923,687	\$ 2,262,690	\$ 263,378	\$ 18,793,995
Intergovernmental revenues	661,987	1,191,885	241,014	-	867,852	2,962,738
Special assessments	286,405	-	134,706	-	1,756	422,867
Charges for services	1,292,575	-	-	-	364,051	1,656,626
Fines, licenses and permits	487,147	-	-	-	317,266	804,413
Investment income	402,872	12,046	-	-	45,669	460,587
Miscellaneous receipts and reimbursements	563,545	81,628	399,682	-	71,824	1,116,679
Total revenues	<u>17,038,771</u>	<u>1,285,559</u>	<u>3,699,089</u>	<u>2,262,690</u>	<u>1,931,796</u>	<u>26,217,905</u>
EXPENDITURES:						
Current:						
Basic utility services	27,119	-	-	-	-	27,119
Community development	280,611	-	-	-	491,989	772,600
Community environment	663,062	-	-	-	21,284	684,346
Fire	5,311,228	-	-	-	91,790	5,403,018
General government	1,188,219	-	-	-	-	1,188,219
Health	-	-	-	-	252,209	252,209
Judicial	1,403,664	-	-	-	509,333	1,912,997
Parks and recreation	1,338,011	-	-	-	-	1,338,011
Police	6,207,398	-	-	-	80,609	6,288,007
Street repair and maintenance	-	1,425,020	-	-	72,603	1,497,623
Capital outlay	44,462	-	3,786,316	1,476,094	210,643	5,517,515
Debt service:						
Principal	35,000	-	447,850	-	60,000	542,850
Interest	3,194	-	71,838	-	21,575	96,607
Total expenditures	<u>16,501,968</u>	<u>1,425,020</u>	<u>4,306,004</u>	<u>1,476,094</u>	<u>1,812,035</u>	<u>25,521,121</u>
Excess (deficiency) of revenues over (under) expenditures	<u>536,803</u>	<u>(139,461)</u>	<u>(606,915)</u>	<u>786,596</u>	<u>119,761</u>	<u>696,784</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	-	250,000	-	-	75,000	325,000
Sale of capital assets	-	-	40,801	-	-	40,801
Transfers out	<u>(642,182)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(642,182)</u>
Total other financing sources (uses)	<u>(642,182)</u>	<u>250,000</u>	<u>40,801</u>	<u>-</u>	<u>75,000</u>	<u>(276,381)</u>
Net change in fund balances	(105,379)	110,539	(566,114)	786,596	194,761	420,403
Fund balances, beginning of year	<u>10,903,093</u>	<u>671,679</u>	<u>3,128,186</u>	<u>875,284</u>	<u>3,165,404</u>	<u>18,743,646</u>
Fund balances, end of year	<u>\$ 10,797,714</u>	<u>\$ 782,218</u>	<u>\$ 2,562,072</u>	<u>\$ 1,661,880</u>	<u>\$ 3,360,165</u>	<u>\$ 19,164,049</u>

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, 2019

Net change in fund balances - total governmental funds \$ 420,403

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	4,784,818
Current year depreciation	(3,826,477)
Proceeds from sale of assets	(40,801)
Gain on sale of assets	40,200

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

Income taxes	(317,531)
Intergovernmental revenue	338,616
Investment income	(17,616)
Other revenue	38,447

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

542,850

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

Pension	1,876,644
OPEB	37,480

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

Pension	(4,611,981)
OPEB	11,338,165

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	(61,187)
Interest payable	991
Amortization of bond premium	1,292

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	(259,672)
Add: Enterprise allocation	84,522

Change in net position of governmental activities \$ 10,369,163

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2019

	Business-type Activities				Totals	Governmental Activities - Internal Service Funds
	Sewer	Stormwater	Water	Non-major Enterprise Funds		
ASSETS						
Current assets:						
Pooled cash	\$ 460,790	\$ 33,513	\$ 312,613	\$ 48,191	\$ 855,107	\$ 23,857
Cash	-	-	-	-	-	560,078
Pooled investments	7,815,216	568,869	5,302,068	818,011	14,504,164	404,950
Receivables:						
Accounts	1,114,440	24,670	1,138,351	141,007	2,418,468	-
Interest	10,307	-	6,989	-	17,296	-
Other	48,564	-	158,278	-	206,842	-
Receivables from other governments	-	157,358	-	50,239	207,597	-
Inventory	99,606	22,966	242,379	26,757	391,708	14,016
Prepaid items	1,805	-	16,070	3,257	21,132	135,116
Total current assets	<u>9,550,728</u>	<u>807,376</u>	<u>7,176,748</u>	<u>1,087,462</u>	<u>18,622,314</u>	<u>1,138,017</u>
Noncurrent assets:						
Capital assets not subject to depreciation:						
Land	126,320	14,126	6,203,394	1,059,352	7,403,192	-
Construction in progress	6,228,883	216,067	3,056,225	64,879	9,566,054	-
Capital assets net of accumulated depreciation	<u>32,646,079</u>	<u>5,102,417</u>	<u>35,758,799</u>	<u>6,418,472</u>	<u>79,925,767</u>	<u>717,307</u>
Total noncurrent assets	<u>39,001,282</u>	<u>5,332,610</u>	<u>45,018,418</u>	<u>7,542,703</u>	<u>96,895,013</u>	<u>717,307</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension	606,904	70,020	540,623	299,137	1,516,684	431,021
OPEB	81,041	9,350	72,190	39,944	202,525	57,554
Total deferred outflows of resources	<u>687,945</u>	<u>79,370</u>	<u>612,813</u>	<u>339,081</u>	<u>1,719,209</u>	<u>488,575</u>
Total assets & deferred outflows	<u>\$ 49,239,955</u>	<u>\$ 6,219,356</u>	<u>\$ 52,807,979</u>	<u>\$ 8,969,246</u>	<u>\$ 117,236,536</u>	<u>\$ 2,343,899</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 318,545	\$ 217,589	\$ 627,459	\$ 42,585	\$ 1,206,178	\$ 33,672
Salaries and benefits payable	40,933	4,835	44,803	17,104	107,675	32,024
Claims payable	-	-	-	-	-	226,539
Current portion of long term debt	1,296,073	-	725,045	-	2,021,118	-
Compensated absences	9,120	1,354	9,811	5,398	25,683	6,152
Unearned revenue	200,160	67,962	-	234,874	502,996	-
Refundable deposits	-	-	228,798	145	228,943	-
Accrued interest payable	106,935	-	400,740	-	507,675	-
Total current liabilities	<u>1,971,766</u>	<u>291,740</u>	<u>2,036,656</u>	<u>300,106</u>	<u>4,600,268</u>	<u>298,387</u>
Noncurrent liabilities:						
Noncurrent portion of long term debt	18,069,100	-	26,734,362	-	44,803,462	-
Net pension liability	1,976,081	227,986	1,760,271	973,989	4,938,327	1,403,410
Net OPEB liability	933,341	107,682	831,410	460,034	2,332,467	662,858
Compensated absences	215,750	19,010	147,139	45,454	427,353	134,477
Total noncurrent liabilities	<u>21,194,272</u>	<u>354,678</u>	<u>29,473,182</u>	<u>1,479,477</u>	<u>52,501,609</u>	<u>2,200,745</u>
Total liabilities	<u>23,166,038</u>	<u>646,418</u>	<u>31,509,838</u>	<u>1,779,583</u>	<u>57,101,877</u>	<u>2,499,132</u>
DEFERRED INFLOWS OF RESOURCES						
Pension	28,823	3,325	25,674	14,207	72,029	20,469
OPEB	7,797	900	6,945	3,843	19,485	5,536
Total deferred inflows of resources	<u>36,620</u>	<u>4,225</u>	<u>32,619</u>	<u>18,050</u>	<u>91,514</u>	<u>26,005</u>
NET POSITION						
Net investment in capital assets	19,400,687	5,116,543	16,979,637	7,536,744	49,033,611	717,307
Unrestricted	6,636,610	452,170	4,285,885	(365,131)	11,009,534	(898,545)
Total net position	<u>26,037,297</u>	<u>5,568,713</u>	<u>21,265,522</u>	<u>7,171,613</u>	<u>60,043,145</u>	<u>(181,238)</u>
Total liabilities, deferred inflows and net position	<u>\$ 49,239,955</u>	<u>\$ 6,219,356</u>	<u>\$ 52,807,979</u>	<u>\$ 8,969,246</u>	<u>\$ 117,236,536</u>	<u>\$ 2,343,899</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					(212,091)	
Total position from above					<u>60,043,145</u>	
Net position of business-type activities					<u>\$ 59,831,054</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, 2019

	Business-type Activities				Totals	Governmental Activities - Internal Service Funds
	Sewer	Stormwater	Water	Non-major Enterprise Funds		
OPERATING REVENUES:						
Charges for services	\$ 6,705,881	\$ 778,282	\$ 6,750,426	\$ 2,393,453	\$ 16,628,042	\$ 4,723,887
Other revenue	21,198	15,719	69,285	29,129	135,331	19,146
Total operating revenues	<u>6,727,079</u>	<u>794,001</u>	<u>6,819,711</u>	<u>2,422,582</u>	<u>16,763,373</u>	<u>4,743,033</u>
OPERATING EXPENSES:						
Personal services	1,986,542	101,239	1,741,806	857,439	4,687,026	1,283,890
Operations and maintenance	1,722,421	88,261	2,244,332	2,446,644	6,501,658	1,671,359
Claims paid	-	-	-	-	-	1,926,130
Depreciation & amortization	1,313,131	205,396	1,188,775	374,721	3,082,023	132,260
Total operating expenses	<u>5,022,094</u>	<u>394,896</u>	<u>5,174,913</u>	<u>3,678,804</u>	<u>14,270,707</u>	<u>5,013,639</u>
Operating income (loss)	<u>1,704,985</u>	<u>399,105</u>	<u>1,644,798</u>	<u>(1,256,222)</u>	<u>2,492,666</u>	<u>(270,606)</u>
NONOPERATING REVENUES (EXPENSES):						
Investment income	236,969	-	172,335	-	409,304	10,934
Intergovernmental	-	-	54,104	480,726	534,830	-
Gain (loss) on disposal of assets	1,601	-	(16,675)	10,425	(4,649)	-
Interest expense	(459,395)	-	(849,389)	-	(1,308,784)	-
Total nonoperating revenues (expenses)	<u>(220,825)</u>	<u>-</u>	<u>(639,625)</u>	<u>491,151</u>	<u>(369,299)</u>	<u>10,934</u>
(Loss) before contributions and transfers	1,484,160	399,105	1,005,173	(765,071)	2,123,367	(259,672)
Capital grants & contributions		397,311	-	331,570	728,881	-
Transfers in	-	-	-	317,182	317,182	-
Change in net position	1,484,160	796,416	1,005,173	(116,319)	3,169,430	(259,672)
Total net position - beginning	<u>24,553,137</u>	<u>4,772,297</u>	<u>20,260,349</u>	<u>7,287,932</u>		<u>78,434</u>
Total net position - ending	<u>\$ 26,037,297</u>	<u>\$ 5,568,713</u>	<u>\$ 21,265,522</u>	<u>\$ 7,171,613</u>		<u>\$ (181,238)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					<u>(84,522)</u>	
Change in net position of business-type activities					<u>\$ 3,084,908</u>	

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-type Activities				Totals	Governmental Activities - Internal Service Funds
	Sewer	Stormwater	Water	Non-major Enterprise Funds		
Cash flows from operating activities:						
Receipts from customers and users	\$ 6,410,762	\$ 454,156	\$ 6,837,542	\$ 2,474,795	\$ 16,177,255	\$ 116,391
Receipts from interfund services	11,121	192,760	89,457	210	293,548	4,626,642
Payments to suppliers	(882,284)	(25,278)	(1,369,202)	(2,130,441)	(4,407,205)	(1,642,062)
Payments to employees	(1,510,971)	(228,631)	(1,332,900)	(672,341)	(3,744,843)	(1,066,329)
Payments for claims	-	-	-	-	-	(1,931,129)
Payments for interfund services used	(805,607)	(66,986)	(884,618)	(442,781)	(2,199,992)	(100,926)
Net cash provided by (used for) operating activities	<u>3,223,021</u>	<u>326,021</u>	<u>3,340,279</u>	<u>(770,558)</u>	<u>6,118,763</u>	<u>2,587</u>
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	317,182	317,182	-
Intergovernmental	-	397,311	-	480,626	877,937	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>397,311</u>	<u>-</u>	<u>797,808</u>	<u>1,195,119</u>	<u>-</u>
Cash flows from capital and related financing activities:						
Acquisition of capital assets	(1,685,065)	(791,149)	(2,109,595)	(284,761)	(4,870,570)	(175,270)
Proceeds from sale of capital assets	1,601	-	7,895	10,425	19,921	-
Principal paid on capital debt	(1,051,800)	-	(996,315)	-	(2,048,115)	-
Interest paid on capital debt	(388,759)	-	(825,247)	-	(1,214,006)	-
Capital contributions	-	-	-	331,670	331,670	-
Net cash provided by (used for) capital and related financing activities	<u>(3,124,023)</u>	<u>(791,149)</u>	<u>(3,923,262)</u>	<u>57,334</u>	<u>(7,781,100)</u>	<u>(175,270)</u>
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	11,784,480	951,490	8,579,619	1,189,241	22,504,830	725,990
Purchase of investments	(12,417,757)	(903,144)	(8,424,566)	(1,298,684)	(23,044,151)	(642,904)
Interest on investments	243,336	-	177,491	-	420,827	10,934
Net cash provided by (used for) investing activities	<u>(389,941)</u>	<u>48,346</u>	<u>332,544</u>	<u>(109,443)</u>	<u>(118,494)</u>	<u>94,020</u>
Net decrease in cash	(290,943)	(19,471)	(250,439)	(24,859)	(585,712)	(78,663)
Pooled cash, beginning of year	751,733	52,984	563,052	73,050	1,440,819	662,598
Pooled cash, end of year	<u>\$ 460,790</u>	<u>\$ 33,513</u>	<u>\$ 312,613</u>	<u>\$ 48,191</u>	<u>\$ 855,107</u>	<u>\$ 583,935</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 1,704,985	\$ 399,105	\$ 1,644,798	\$ (1,256,222)	\$ 2,492,666	\$ (270,606)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation & amortization	1,313,131	205,396	1,188,775	374,721	3,082,023	132,260
Change in assets and deferred outflows:						
Accounts receivable	(300,421)	1,585	115,655	19,546	(163,635)	-
Other receivables	119	(152,558)	341	19,912	(132,186)	-
Prepaid items	278	32	(1,583)	(704)	(1,977)	(49,953)
Inventory	17,172	(3,973)	3,131	(3,136)	13,194	1,822
Deferred outflows - Pension	(341,351)	(13,387)	(295,914)	(157,769)	(808,421)	(219,653)
Deferred outflows - OPEB	(27,701)	2,026	(23,036)	(11,549)	(60,260)	(15,097)
Change in liabilities and deferred inflows:						
Accounts & claims payable	17,080	(62)	(11,036)	(122,738)	(116,756)	(28,497)
Salaries and benefits payable and compensated absences	(23,864)	(12,857)	18,039	8,335	(10,347)	13,666
Refundable deposits	-	-	(8,708)	(145)	(8,853)	-
Unearned revenue	(4,894)	3,888	-	13,110	12,104	-
Net pension liability	939,545	6,931	805,095	422,186	2,173,757	578,381
Net OPEB liability	210,356	(46,504)	165,174	75,152	404,178	87,400
Deferred inflows - Pension	(232,870)	(52,485)	(215,478)	(125,106)	(625,939)	(187,826)
Deferred inflows - OPEB	(48,544)	(11,116)	(44,974)	(26,151)	(130,785)	(39,310)
Net cash provided by (used for) operating activities	<u>\$ 3,223,021</u>	<u>\$ 326,021</u>	<u>\$ 3,340,279</u>	<u>\$ (770,558)</u>	<u>\$ 6,118,763</u>	<u>\$ 2,587</u>
Noncash investing, capital and financing activities:						
Purchase of equipment on account	\$ 235,422	\$ 216,067	\$ 579,374	\$ 5,959	\$ 1,036,822	\$ -
Prior year purchase of equipment on account	\$ 277,787	\$ 892	\$ 273,447	\$ 6,654	\$ 558,780	\$ 5,657
Debt principal paid by third party	\$ -	\$ -	\$ 17,017	\$ -	\$ 17,017	\$ -
Debt proceeds paid directly to third party	\$ 4,946,650	\$ -	\$ 1,229,656	\$ -	\$ 6,176,306	\$ -
Debt interest paid by federal subsidy	\$ -	\$ -	\$ 54,104	\$ -	\$ 54,104	\$ -

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019

	<u>Custodial Funds</u>	<u>Private-Purpose Trust Funds</u>
ASSETS		
Pooled cash	\$ 4,123	\$ 1,879
Cash held by outside agent	238,378	-
Pooled investments	69,998	31,893
Receivable		
Accounts	7,075	-
Interest	<u>-</u>	<u>42</u>
Total assets	<u>\$ 319,574</u>	<u>\$ 33,814</u>
LIABILITIES		
Accounts payable	\$ 7,043	307
Payable to other governments	<u>105,075</u>	<u>-</u>
Total liabilities	<u>\$ 112,118</u>	<u>\$ 307</u>
NET POSITION		
Restricted for:		
Individuals & organizations & other governments	<u>\$ 207,456</u>	<u>\$ 33,507</u>
Total Net position	<u>\$ 207,456</u>	<u>\$ 33,507</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, 2019

	Custodial Funds	Private-Purpose Trust Funds
	<u> </u>	<u> </u>
ADDITIONS		
Charges for services	\$ 67,156	\$ -
Court costs & fines	2,602,081	-
Contributions	16,018	25,000
Unclaimed refunds	17,261	-
Investment income	-	402
	<u>2,702,516</u>	<u>25,402</u>
DEDUCTIONS		
Purchase of flowers	-	680
Judgement costs & bond reimbursements	1,295,620	-
Payments to other governments	1,369,510	-
Claimed refunds	90	-
Clean-up expenses	21,031	-
	<u>2,686,251</u>	<u>680</u>
Change in net position	16,265	24,722
Net position, beginning of year	<u>191,191</u>	<u>8,785</u>
Net position, end of year	<u>\$ 207,456</u>	<u>\$ 33,507</u>

See Notes to the Basic Financial Statements

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2019

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, 2019.

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

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2019

internal service funds are eliminated to avoid “doubling up” revenues and expenses.

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.

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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 one-quarter percent (0.25%) 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 four custodial funds for other entities: (1) Municipal Court, (2) Village of Port Jefferson's sewer bills, (3) the Great Miami River Watershed Protection Project, and (4) Unclaimed Funds Trust Fund. 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

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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 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 20 and 21.

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 19. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. See Notes 20 and 21.

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.

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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).

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(3) Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a restricted, committed, or assigned fund balance (GAAP).

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.
- 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.

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, 2019 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,

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bridges, sidewalks, and similar items.

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.

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 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.

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

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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.

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 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 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.

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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 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". 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.

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 \$238,378 at December 31, 2019.
- An outside agency, Shelby County, is holding cash deposits for the County Auto License Fund in the amount of \$34,149 at December 31, 2019.
- 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 \$874,185 at December 31, 2019.
- 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 of \$560,078 at December 31, 2019.
- Imprest cash held on hand was \$3,100 at December 31, 2019.

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At December 31, 2019, the carrying amount of the City's deposits was \$2,810,190 and the bank balance was \$3,136,974 of the bank balance:

1. \$738,378 was covered by federal depository insurance;
2. \$2,398,596 was collateralized with securities held by the pledging financial institution's trust departments or agents, but not in the City's name.

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. 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 U.S. Government-Sponsored agencies a money market mutual fund, and STAR Ohio, totaling \$34,067,415 at December 31, 2019. These pooled investments have weighted average maturity of approximately two years. The weighted average maturity was calculated using estimated maturity dates at December 31, 2019 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, 2019, 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 funds carry a rating of AAAM by Standard & Poor's. 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 State Treasury Asset Reserve of Ohio (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.

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

Certificates of Deposit	40%
Commercial Paper and Banker Acceptances	25%
Repurchase agreements, money market funds, STAR Ohio, and NOW accounts	50%

Investments in any issuer that represents 5% or more of the total investments (excluding cash and cash equivalents) at December 31, 2019 include:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent</u>
U.S. Government-Sponsored agencies:		
Federal Home Loan Mortgage Company	\$ 2,928,919	9%
Federal Home Loan Bank	\$ 2,451,658	7%
Federal Farm Credit Bank	\$ 2,000,620	6%
Money Market Fund	\$ 2,032,359	6%
Star Ohio	\$ 24,653,859 *	72%

*Valued at amortized cost

Prior to December 31, 2019, several of the City's investments in U.S. Government sponsored agencies were called. Those proceeds were temporarily invested in Star Ohio and Money Market funds causing that concentration to temporarily exceed policy until suitable investments in U.S. Treasury bills could be arranged.

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, 2019.

The City's investments in Federal Home Loan Mortgage Company, Federal Home Loan Bank, and Federal Farm Credit Bank 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 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 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

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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 2014, voters approved an income tax levy of an additional annual tax on income at the rate of one-quarter of one percent (.25%) commencing on and after January 1, 2015 and sunsetting December 31, 2019 to provide funds for the construction, reconstruction, resurfacing and maintenance of streets, alleys, bridges, curbs and gutters and cost incidental thereto. 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 sunsetting 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 2019 were levied on December 31, 2018 on assessed values listed as of January 1, 2018, the lien date. One-half of these taxes were due on February 14, 2019 with the remaining balance due on July 20, 2019.

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 2017. 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 2018 upon which the 2019 levy was based was approximately \$374,523,810. The assessed value for 2019 upon which the 2020 levy will be based is approximately \$378,223,960.

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, 2019, 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, 2019.

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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	\$ 3,006,663	\$ -
Property taxes	1,209,686	-
Other taxes	25,009	-
Accounts	-	2,418,468
Interest	12,981	17,296
Loans	577,190	-
Special assessments	224,084	-
Other	258,628	206,842
Receivables from other governments	1,324,455	207,597
Total Receivables	\$ 6,638,696	\$ 2,850,203

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.

7. Capital Assets:

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

Governmental activities:

	Beginning <u>Balance</u>	Additions	Disposals	Net <u>Transfers</u>	Ending <u>Balance</u>
<i>Capital assets not being depreciated:</i>					
Land	\$ 8,448,393	\$ 3,966		\$ -	\$ 8,452,359
Construction in progress	895,017	400,978		(361,146)	934,849
Subtotal	9,343,410	404,944	-	(361,146)	9,387,208
<i>Capital assets being depreciated:</i>					
Buildings and land improvements	19,283,068	724,113		29,520	20,036,701
Machinery and equipment	13,127,767	1,994,468	(293,649)	335,892	15,164,478
General infrastructure	72,437,214	1,830,906		25,253	74,293,373
Subtotal	104,848,049	4,549,487	(293,649)	390,665	109,494,552
Totals at historical cost	114,191,459	4,954,431	(293,649)	29,519	118,881,760
<i>Less accumulated depreciation for:</i>					
Buildings and land improvements	8,595,672	440,473		-	9,036,145
Machinery and equipment	9,156,728	940,390	(293,048)	29,519	9,833,589
General infrastructure	33,858,740	2,577,874		-	36,436,614
Total accumulated depreciation	51,611,140	3,958,737	(293,048)	29,519	55,306,348
Net capital assets	\$ 62,580,319	\$ 995,694	\$ (601)	\$ -	\$ 63,575,412

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Depreciation was charged to governmental activities as follows:

Community development	\$ 5,536
Community environment	3,491
Fire	403,219
General government	47,305
Health	61,094
Judicial	149,093
Parks and recreation	172,640
Police	331,122
Street repairs and maintenance	<u>2,652,977</u>

Total governmental funds depreciation expense \$3,826,477

Internal service funds' depreciation 132,260

Total additions to accumulated depreciation of governmental activities \$3,958,737

Business-type activities:

	Beginning Balance	Additions	Disposals	Net Transfers	Ending Balance
<i>Capital assets not being depreciated:</i>					
Land	\$ 6,195,551	\$ 1,207,641	\$ -	\$ -	\$ 7,403,192
Construction in progress	<u>3,381,645</u>	<u>7,083,047</u>	<u>-</u>	<u>(898,638)</u>	<u>9,566,054</u>
Subtotal	<u>9,577,196</u>	<u>8,290,688</u>	<u>-</u>	<u>(898,638)</u>	<u>16,969,246</u>
<i>Capital assets being depreciated:</i>					
Buildings, improvements and Infrastructure	109,640,990	2,780,339	(99,000)	898,638	113,220,967
Machinery and equipment	<u>14,868,829</u>	<u>453,891</u>	<u>(197,779)</u>	<u>(29,519)</u>	<u>15,095,422</u>
Subtotal	<u>124,509,819</u>	<u>3,234,230</u>	<u>(296,779)</u>	<u>869,119</u>	<u>128,316,389</u>
Totals at historical cost	<u>134,087,015</u>	<u>11,524,918</u>	<u>(296,779)</u>	<u>(29,519)</u>	<u>145,285,635</u>
<i>Less accumulated depreciation for:</i>					
Buildings, improvements and Infrastructure	34,238,664	2,239,629	(74,430)	-	36,403,863
Machinery and equipment	<u>11,371,663</u>	<u>842,394</u>	<u>(197,779)</u>	<u>(29,519)</u>	<u>11,986,759</u>
Total accumulated depreciation	<u>45,610,327</u>	<u>3,082,023</u>	<u>(272,209)</u>	<u>(29,519)</u>	<u>48,390,622</u>
Net capital assets	<u>\$ 88,476,688</u>	<u>\$ 8,442,895</u>	<u>\$ (24,570)</u>	<u>\$ -</u>	<u>\$ 96,895,013</u>

Depreciation was charged to business-type activities as follows:

Airport	\$ 219,444
Concession Stand	167
Sewer	1,313,131
Sidney Water Park	31,840
Stormwater	205,396
Transportation	123,270
Water	<u>1,188,775</u>

Total additions to accumulated depreciation of business-type activities \$ 3,082,023

CITY OF SIDNEY, OHIO
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8. Noncurrent Liabilities:

The following is a summary of changes for noncurrent liabilities of the City for the year ended December 31, 2019:

Governmental activities:	Balance January 1, 2019	Additions	Reductions	Balance December 31, 2019	Due Within One Year
<u>Loan – direct borrowing</u>					
<i>OPWC Loan, 2017-2037, 0%, Fielding Road Reconstruction</i>	141,300	-	7,850	133,450	7,850
<u>General obligation bonds</u>					
<i>Current Refunding G.O. bonds, 2013- 2024, 2.52% avg. Police Facility Construction</i>	2,780,000	-	440,000	2,340,000	445,000
<i>G.O. bonds, 2011-2022, 2.0% to 2.5%, Fire & Police Pension</i>	140,000	-	35,000	105,000	35,000
<i>G.O. bonds 2010-2030, 2.0% to 4.25%, Kuther Road TIF, Water & Sewer Infrastructure</i>	165,000	-	10,000	155,000	10,000
<i>G.O. bonds, 2010-2025, 2.0% to 4.0%, Menards TIF, Sewer Infrastructure</i>	370,000	-	50,000	320,000	50,000
<u>Other long-term liabilities</u>					
Premium on Bonds	7,960	-	1,292	6,668	-
Net Pension Liability					
Ohio Public Employees Retirement System (OPERS)	5,219,125	4,172,085	-	9,391,210	-
Ohio Police & Fire Pension Fund (OPF)	16,391,568	5,039,803	-	21,431,371	-
Net OPEB Liability					
Ohio Public Employees Retirement System (OPERS)	3,640,342	795,308	-	4,435,650	-
Ohio Police & Fire Pension Fund (OPF)	15,132,067	-	12,741,107	2,390,960	-
Accrued vacation and sick leave	<u>2,111,959</u>	<u>1,150,125</u>	<u>1,078,117</u>	<u>2,183,967</u>	<u>134,185</u>
Total	<u>\$ 46,099,321</u>	<u>\$11,157,321</u>	<u>\$ 14,363,366</u>	<u>\$42,893,276</u>	<u>\$ 682,035</u>

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Business-type activities:	Balance January 1, 2019	Additions	Reductions	Balance December 31, 2019	Due Within One Year
<u>OWDA loans – direct borrowings:</u>					
Water fund:					
<i>O.W.D.A. loans, 2009-2029, 0%</i>					
<i>ARRA –Distribution system upgrades, Automated water meter reads system</i>	\$ 2,518,904	-	\$219,035	\$2,299,869	\$219,035
<i>O.W.D.A. loans, 2009-2029, 0%</i>					
<i>ARRA – NMHP distribution system</i>	174,097	-	17,017	157,080	15,708
<i>O.W.D.A. Construction loan 2015- 2045, 3.3% Water transmission lines</i>					
<i>O.W.D.A. Construction loan 2016- 2046, 2.2% Lime Sludge Lagoon Reconstruction</i>	20,372,867	68,893	574,324	19,867,436	285,232
	1,372,388	1,160,762	127,955	2,405,195	130,070
<u>WPCLF loans – direct borrowings:</u>					
Sewer fund:					
<i>W.P.C.L.F. Construction loan 2015- 2035, 2.18% Wastewater Phase I Improvements</i>					
	8,763,344	-	376,800	8,386,544	385,058
<i>W.P.C.L.F. Design & Construction loan 2020-2040, 1.95% Wastewater Phase II Improvements</i>					
	438,672	5,025,628	-	5,464,300	226,015
<u>General obligation bonds:</u>					
Water fund:					
<i>G.O. bonds, 2010-2040, 2.0% to 4.5% Water Source testing</i>					
	590,000	-	20,000	570,000	20,000
<i>Recovery Zone Economic Development Bonds –Taxable G.O. bonds, 2010-2040, coupon interest rate of 5.45% to 6.0% *</i>					
<i>water source property acquisition and other water source projects</i>	2,212,000	-	55,000	2,157,000	55,000
Sewer fund:					
<i>G.O. bonds, 2011-2022, 2.0% to 2.5% - Wastewater system improvements</i>					
	2,140,000	-	515,000	1,625,000	525,000
<i>G.O. bonds, 2013-2037, 1.0% to 4.5% - Wastewater system and plant improvements</i>					
	4,040,000	-	160,000	3,880,000	160,000
<u>Other long-term liabilities:</u>					
Proprietary funds:					
Water - Premium on Bonds	2,968	-	141	2,827	-
Sewer - Premium on Bonds	12,439	-	3,110	9,329	-
Net pension liability - OPERS	2,764,570	2,173,757	-	4,938,327	-
Net OPEB liability - OPERS	1,928,289	404,178	-	2,332,467	-
Accrued vacation and sick leave	472,868	190,787	210,619	453,036	25,683
Total	<u>\$ 47,803,406</u>	<u>\$ 9,024,005</u>	<u>\$ 2,279,001</u>	<u>\$ 54,548,410</u>	<u>\$ 2,046,801</u>

*45% Original Federal interest subsidy *sequester of approximately 5.9% to reduce interest cost

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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 \$157,080 at December 31, 2019 is recorded in the basic financial statements.

A 30-year construction loan from OWDA in the amount of up to \$22,148,558 was entered into during November 2015. 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 \$1,249,987 through December 31, 2019. This loan is for the construction of wells at the new water source and transmission lines back to the Water Treatment Plant. As of December 31, 2019, the outstanding loan balance was \$19,867,437.

During fiscal year 2016 the City entered into a 30-year construction loan with the OWDA in the amount of up to \$5,328,869. The interest rate is 2.20% and the City has drawn down \$2,495,148 on this loan as of December 31, 2019. Accrued interest of \$38,002 has also been added to the principal balance. The City began making loan payments during 2019; principal paid in the amount of \$127,955 through December 31, 2019. This loan is for reconstruction of the Water Treatment Plant's lime sludge lagoon. As of December 31, 2019, this loan has not been fully disbursed.

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 60% of net revenues. The total principal payments to be paid on the loans as of December 31, 2019 are \$24,729,582. Principal and interest paid and total customer net revenues for 2019 were \$1,664,245 and \$2,764,288, 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, penalties, interest, or late charges associated with the default.

The City has 30-year taxable general obligation Recovery Zone Economic Development Bonds issued in 2010 in the amount of \$2,542,000. The federal government subsidizes the bonds by reimbursing the City for a portion of the interest payments listed on the next page. Bond proceeds were used to pay for water related capital projects.

A 20-year loan from Water Pollution Control Loan Fund (WPCLF) in the amount of up to \$9,132,062, 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

CITY OF SIDNEY, OHIO
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with Ohio Environmental Protection Agency mandates. The interest rate is 2.18%, and the City's loan balance is \$8,386,544 as of December 31, 2019.

In April 2017, the City was approved for a WPCLF loan for the design of the wastewater treatment plant phase II improvements in the amount of \$280,000. This loan was to be paid back over a five-year period with repayment to begin July 2018 at an interest rate of 2.33%. In March 2018, the City was approved for a WPCLF loan for phase II of the wastewater treatment plant capital improvements. The design loan portion was rolled into this loan totaling up to \$6,312,937. The loan is to provide funding for phase II of the various sewer projects designed to achieve compliance with Ohio Environmental Protection Agency mandates. This loan is to be paid back over a twenty-year period with repayment to begin July 2020 at an interest rate of 1.95%. The City has drawn down \$5,514,300 as of December 31, 2019. Loan principal forgiveness of \$50,000 was granted towards this loan. Accrued interest of \$82,832 has been added to the principal balance. As of December 31, 2019, this loan has not been fully disbursed.

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 19% of net revenues. The total principal payments to be paid on the loans as of December 31, 2019 are \$13,850,844. Principal and interest paid and total customer net revenues for 2019 were \$565,798 and \$2,996,918, 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, 2019 are:

	Governmental Activities		Business-Type Activities		Federal Interest
	Principal	Interest	Principal	Interest	Subsidy
2020	\$ 547,850	\$ 84,706	\$ 2,021,118	\$ 1,333,656	\$ (52,916)
2021	557,850	72,396	2,177,484	1,283,861	(51,647)
2022	567,850	57,790	2,222,556	1,232,651	(50,262)
2023	552,850	41,728	1,708,454	1,179,132	(48,878)
2024	572,850	24,968	1,750,203	1,137,878	(47,378)
2025-2029	179,250	17,163	9,418,779	5,010,390	(211,041)
2030-2034	59,250	850	9,660,905	3,708,764	(157,175)
2035-2039	15,700	-	9,340,342	2,168,652	(79,778)
2040-2044	-	-	5,354,454	975,786	(4,370)
2045-2048	-	-	3,158,129	166,772	-
Total	\$ 3,053,450	\$ 299,600	\$46,812,424	\$18,197,542	\$ (703,445)

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
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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, 2019 for governmental activities are as follows:

<u>Fund</u>	<u>Total Encumbrances</u>
General	\$265,487
Street	0
Capital Improvement	4,184,051
Municipal Income Tax for Street Capital Projects	38,778
Non-major	432,939
Total	\$4,921,255

Contractual Commitment:

Significant contractual commitments outstanding as of December 31, 2019 are:

<u>Project/Product/Service</u>	<u>Contracted Amounts</u>	<u>Amount Expended</u>	<u>Amount Remaining</u>
WWTP Expansion Phase II	\$ 5,732,000	\$ 5,150,532	\$ 581,468
Lime Sludge Lagoon Reconstruction	\$ 5,010,284	\$ 2,978,536	\$ 2,031,748
Zenas King Bridge Rehabilitation	\$ 826,581	\$ 287,244	\$ 539,337
State Route 47 Improvements	\$ 2,929,012	\$ 216,576	\$ 2,712,436
Vactor Truck	\$ 449,937	\$ -	\$ 449,937
Tenant Based Rental Assistance	\$ 183,700	\$ -	\$ 183,700
Kuther Road Lift Station	\$ 537,242	\$ 239,061	\$ 298,181
Downtown Storm Sewer Improvements	\$ 276,067	\$ 216,067	\$ 60,000
Park Street Bridge	\$ 159,530	\$ 19,230	\$ 140,300
Monumental Building Interior Repairs	\$ 127,860	\$ -	\$ 127,860

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, 2019 the City had spent a total of \$96,702 for their vested interest in the acquisition of the 911 system.

CITY OF SIDNEY, OHIO
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12. Interfund Transfers:

Interfund transfers in the basic financial statements for the year ended December 31, 2019 were:

	<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General		\$ -	\$642,182
Street Repair & Maintenance		250,000	-
Non-major governmental funds		75,000	-
Non-major enterprise funds		<u>317,182</u>	<u>-</u>
		<u>\$ 642,182</u>	<u>\$642,182</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. The cash advance outstanding at December 31, 2019 of \$10,208 is from the General Fund to the Law Enforcement Diversion Grant Fund, a nonmajor governmental fund, which is for a reimbursable State Grant.

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 2019, 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. 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)	\$9,500,000 per occurrence
Automobile Liability	\$9,500,000 per occurrence
Public Officials Liability	\$9,500,000 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
Pollution Liability	\$2,000,000 per occurrence

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

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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:

	2019	2018
Unpaid claims, beginning of the year	\$ 231,538	\$ 170,278
Incurred claims (including IBNR's)	1,926,131	1,820,070
Claim payments	(1,931,130)	(1,758,810)
Unpaid claims, end of year	\$ 226,539	\$ 231,538

15. Change in Accounting Principles:

For 2019, the City has implemented GASB Statement No. 83, "Certain Asset Retirement Obligations", GASB Statement No. 88, "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements" and GASB Statement No. 90, "Majority Equity Interests - an amendment to GASB Statements No. 14 and No. 61".

GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability. The implementation of GASB Statement No. 83 did not have an effect on the financial statements of the City.

GASB Statement No. 88 improves the information that is disclosed in notes to the basic financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of GASB Statement No. 88 did not have an effect on the financial statements of the City; however, certain note disclosures in Note 8 have been modified to conform to the new requirements.

GASB Statement No. 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The implementation of GASB Statement No. 90 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.

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
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The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund balances:	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Earned Income Tax for Street Capital Fund	Other Non -major Governmental Funds	Total
Nonspendable						
Inventory	91,026	218,856	-	-	-	309,882
Prepaid Items	51,761	452	-	-	2,841	55,054
Restricted for:						
Streets & Highway	-	562,910	-	1,661,880	107,549	2,332,339
Law Enforcement	-	-	-	-	445,970	445,970
Municipal Court	-	-	-	-	693,714	693,714
Cemetery	-	-	-	-	1,019,939	1,019,939
Community development	-	-	-	-	248,637	248,637
Tax incremental financing	-	-	-	-	573,784	573,784
Other purposes	-	-	-	-	67,789	67,789
Committed to:						
Separation Pay	685,738	-	-	-	-	685,738
27th pay	277,726	-	-	-	-	277,726
Community development	35,056	-	-	-	-	35,056
Health	-	-	-	-	48,944	48,944
Fire	-	-	-	-	57,514	57,514
Other purposes	-	-	-	-	95,587	95,587
Assigned to:						
Capital projects Future commitments	-	-	2,562,072	-	-	2,562,072
Other purposes	1,731,234	-	-	-	-	1,731,234
Other purposes	265,482	-	-	-	-	265,482
Unassigned:	7,659,691	-	-	-	(2,103)	7,657,588
	<u>10,797,714</u>	<u>782,218</u>	<u>2,562,072</u>	<u>1,661,880</u>	<u>3,360,165</u>	<u>19,164,049</u>

17. Fund Deficits at December 31, 2019:

Law Enforcement Diversion Grant Fund (a nonmajor governmental fund) has a deficit fund balance of \$2,103 as a result of timing of receipts of grant funding on a modified accrual basis. Concession Stand Fund (a nonmajor enterprise fund) has a deficit fund balance of \$8,732, Garage/Fleet Fund (an internal service fund) a deficit fund balance of \$299,409 and Revenue Collections Fund (an internal service fund) has a deficit fund balance of \$711,193, due to the accrual of pension under GASB 68, which is long term in nature.

On a budgetary (Non-GAAP) basis, the following fund had a deficit fund balance as a result of encumbrances recorded from reimbursable grants: Community Development Block Grant (a nonmajor governmental fund) and Capital Improvement Fund (a major governmental fund) with a deficit of \$250,524 and \$1,591,750, respectively.

CITY OF SIDNEY, OHIO
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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, 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 business's 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.

Below is the information relevant to the disclosure of those programs for the year ended December 31, 2019.

	Total Amount of Taxes Abated (Incentives Abated) For the Year 2019 (In Actual Dollars)
Community Reinvestment Area (CRA)	
-Manufacturing	\$36,880
-Lodging	\$40,857
Enterprise Zone Abatement	
-Manufacturing	\$6,343

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, 2019 included the following:

-Manufacturing	\$ 2,419
-Lodging	\$ 4,759

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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.

19. Subsequent Event:

An election that was held in November 2019 passed an income tax levy of an additional 0.15% annual tax on income commencing on and after January 1, 2020, which takes the place of the additional 0.25% income tax that expired on December 31, 2019. This additional income tax is restricted to provide funds for the construction, reconstruction, resurfacing and maintenance of streets, alleys, bridges, curbs and gutters and cost incidental thereto.

The United States and the State of Ohio declared a state of emergency in March 2020 due to COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City of Sidney. The City of Sidney's investment portfolio and the investments of the pension and other employee benefit plan in which the City of Sidney participates may incur a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact of the City of Sidney's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

On June 18, 2020 the City currently refunded several outstanding general obligation (G.O.) bond issuances. The new G.O. bonds total \$9.3 million at a coupon interest rate of 2%. The new debt is as follows:

<u>Purpose</u>	<u>Amount</u>
Repay the general obligation bonds issued in 2013 to pay for police facility.	\$ 2,304,260
Repay the general obligation bonds issued in 2013 to pay for new design of Ohio EPA Sewer mandates.	\$ 3,820,740
Repay the general obligation bonds issued in 2010 to pay for well field testing on the new water source for the City.	\$ 561,818
Repay the general obligation bonds issued in 2010 to pay for the southwest sanitary sewer system improvements.	\$ 315,407
Repay the general obligation bonds issued in 2010 to fund the water and sewer improvements on Kuther Road.	\$ 152,775
Repay the Recovery Zone Economic Development bonds – taxable general obligation bond issued in 2010. Issued to pay for new water source property acquisition and other water source projects.	<u>\$ 2,145,000</u>
Total Bond Issuance	<u>\$ 9,300,000</u>

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20. Defined Benefit Pension Plans:

Net Pension Liability

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

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

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

GASB 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 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-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan and the Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g., City employees) may elect the Member-Directed Plan and the Combined Plan, the majority of employee members are in OPERS’ Traditional Plan; therefore, the following disclosures focus 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 Ohio Revised Code (ORC). OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS’ fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to Ohio Public Employees Retirement System, 277 East Town Street, Columbus, OH 43215-4642, or by calling 800-222-7377.

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

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35 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 2019, 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 \$1,057,653 for 2019. Of this amount, \$86,969 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 & Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code (ORC). OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, OH 43215-5164.

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

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before 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 adjustment (COLA). 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 September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3% of their base pension or disability benefit.

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

	Police	Firefighters
2019 Statutory Maximum Contribution Rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2019 Actual Contribution Rates		
Employer		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	<u>0.50%</u>	<u>0.50%</u>
Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee	<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 \$1,287,070 for 2019. Of this amount, \$123,626 is reported within salaries and benefits payable.

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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, 2018 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, 2018; and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 14,329,537	\$ 21,431,372	\$ 35,760,909
Proportion of the net pension liability			
Current measurement date	0.052321%	0.262554%	
Prior measurement date	<u>0.051347%</u>	<u>0.267075%</u>	
Change in proportionate share	<u>0.000974%</u>	<u>-0.004521%</u>	
Pension expense	\$ 3,241,269	\$ 2,749,091	\$ 5,990,360

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 661	\$ 880,529	\$ 881,190
Net difference between projected and actual earnings on pension plan investments	1,944,920	2,640,328	4,585,248
Change in assumptions	1,247,422	568,173	1,815,595
Change in City's proportionate share and difference in employer contributions	150,302	278,533	428,835
City contributions subsequent to the measurement date	<u>1,057,653</u>	<u>1,287,070</u>	<u>2,344,723</u>
Total	<u>\$ 4,400,958</u>	<u>\$ 5,654,633</u>	<u>\$ 10,055,591</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 188,155	\$ 20,012	\$ 208,167
Change in City's proportionate share and difference in employer contributions	<u>20,848</u>	<u>644,809</u>	<u>665,657</u>
Total	<u>\$ 209,003</u>	<u>\$ 664,821</u>	<u>\$ 873,824</u>

\$2,344,723 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, 2020.

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F	Total
Fiscal Year Ending December 31:			
2020	\$ 1,351,046	\$ 1,152,718	\$ 2,503,764
2021	698,294	575,359	1,273,653
2022	180,431	700,880	881,311
2023	904,531	1,197,892	2,102,423
2024	-	75,893	75,893
	\$ 3,134,302	\$ 3,702,742	\$ 6,837,044

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, 2018 actuarial valuation was determined using the following actuarial assumptions:

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: 3% simple through 2018, then 2.15% simple
Investment rate of return:	
Current measurement period	7.20%
Prior measurement period	7.50%
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.

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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 real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 7.20%. 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 table represents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.20%, as well as what the City’s proportionate share of the net

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pension liability would be if it were calculated using a discount rate that is one-percentage point lower (6.20%) and one-percentage point higher (8.20%) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate of 7.20%	1% Increase (8.20%)
City's proportionate share of the net pension liability	\$ 21,168,872	\$ 14,329,537	\$ 8,645,962

Actuarial Assumptions – OP&F

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2018, are presented below:

Valuation date	January 1, 2018 with actuarial liabilities rolled forward to December 31, 2018
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	3.25%
Inflation assumptions	2.75% plus productivity increase rate of 0.5%
Cost of living adjustments	3.0% simple, 2.2% simple for increases based on the lesser of the increase in CPI and 3%

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%.

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

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

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

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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 geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2018 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and cash equivalents	0.00%	0.80%
Domestic equity	16.00%	5.50%
Non-U.S. equity	16.00%	5.90%
Private markets	8.00%	8.40%
Core fixed income*	23.00%	2.60%
High yield fixed income	7.00%	4.80%
Private credit	5.00%	7.50%
U.S. inflation linked bonds*	17.00%	2.30%
Master limited partnerships	8.00%	6.40%
Real assets	8.00%	7.00%
Private real estate	<u>12.00%</u>	6.10%
Total	<u>120.00%</u>	

*Note: Assumptions are geometric. * Levered 2x*

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 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, OP&F'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.

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Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.0%, 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	\$ 28,170,061	\$ 21,431,372	\$ 15,800,223

21. **Defined Other Postemployment Benefits Plans:**

Net OPEB Liability

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

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

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

GASB 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 Ohio Revised Code 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. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net OPEB liability* on the accrual basis of accounting. Any liability for 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 Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan, a cost-sharing, multiple-employer defined benefit plan; the Member-Directed Plan,

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a defined contribution plan; and the Combined Plan, a cost-sharing, multiple-employer defined benefit 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 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 No. 75. See OPERS' CAFR referenced below for additional information.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0% of earnable. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of Traditional Pension and Combined plans' employer contributions allocated to health care was zero in 2019. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.0%.

The City's contractually required contribution to OPERS was \$12,996 for 2019.

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

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined postemployment 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 premiums to retirees, qualifying benefit recipients and their eligible dependents.

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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 OPEB as described in GASB Statement No. 75.

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

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

Funding Policy—The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5% and 24.0% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% 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 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 2019, 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 \$30,236 for 2019. Of this amount, \$621 is reported within salaries and benefits payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the

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year. OP&F's total OPEB liability was measured as of December 31, 2018 and was determined by rolling forward the total OPEB liability as of January 1, 2018 to December 31, 2018. The City's proportion of the net OPEB liability was based on the City's share of contributions to the respective retirement systems relative to the contributions of all participating entities. The following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate share of the net OPEB liability	\$ 6,768,117	\$ 2,390,960	\$ 9,159,077
Proportion of the net OPEB liability			
Current measurement date	0.051912%	0.262554%	
Prior measurement date	<u>0.051280%</u>	<u>0.267075%</u>	
Change in proportionate share	<u>0.000632%</u>	<u>-0.004521%</u>	
OPEB expense/(negative expense)	\$ 658,233	\$ (11,744,521)	\$ (11,086,288)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 2,292	\$ -	\$ 2,292
Net difference between projected and actual earnings on OPEB plan investments	310,277	80,936	391,213
Change in assumptions	218,212	1,239,359	1,457,571
Change in City's proportionate share and difference in employer contributions	43,890	236,480	280,370
City contributions subsequent to the measurement date	<u>12,996</u>	<u>30,236</u>	<u>43,232</u>
Total	<u>\$ 587,667</u>	<u>\$ 1,587,011</u>	<u>\$ 2,174,678</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 18,364	\$ 64,059	\$ 82,423
Change in assumptions	-	661,934	661,934
Change in City's proportionate share and difference in employer contributions	<u>38,170</u>	<u>200,935</u>	<u>239,105</u>
Total	<u>\$ 56,534</u>	<u>\$ 926,928</u>	<u>\$ 983,462</u>

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\$43,232 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Fiscal Year Ending December 31:			
2020	\$ 229,236	\$ 113,469	\$ 342,705
2021	80,826	113,469	194,295
2022	51,767	113,469	165,236
2023	156,308	137,949	294,257
2024	-	99,355	99,355
Thereafter	-	52,136	52,136
	\$ 518,137	\$ 629,847	\$ 1,147,984

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 OBEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74:

Wage inflation	3.25%
Projected salary increase	3.25% to 10.75%, including wage inflation
Single discount rate:	
Current measurement period	3.96%
Prior measurement period	3.85%
Investment rate of return:	
Current measurement period	6.00%
Prior measurement period	6.50%
Municipal bond rate:	
Current measurement period	3.71%
Prior measurement period	3.31%
Health care cost trend rate:	
Current measurement period	10.0% initial, 3.25% ultimate in 2029
Prior measurement period	7.5% initial, 3.25% ultimate in 2028
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

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 5.60% for 2018.

The allocation of investment assets within the Health Care portfolio is approved by the OPERS 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. OPERS' primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the OPERS Board-approved asset allocation policy for 2018 and the long-term expected real rates of return.

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

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

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

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate. The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96%, as well as what the City's proportionate share of the net OPEB liability if it were calculated using a discount rate that is 1.0% point lower (2.96%) or 1.0% point higher (4.96%) than the current rate:

	1% Decrease (2.96%)	Current Discount Rate of 3.96%	1% Increase (4.96%)
City's proportionate share of the net pension liability	\$ 8,658,705	\$ 6,768,117	\$ 5,264,264

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate. Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0% 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 2019 is 10.00%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25% in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net pension liability	\$ 6,505,449	\$ 6,768,117	\$ 7,070,237

Actuarial Assumptions—OP&F

OP&F's total OPEB liability as of December 31, 2018 is based on the results of an actuarial valuation date of January 1, 2018 and rolled forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing 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

CITY OF SIDNEY, OHIO
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December 31, 2019

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, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	Inflation rate of 2.75%, plus productivity increase rate of 0.50%
Single discount rate:	
Current measurement rate	4.66%
Prior measurement rate	3.24%
Municipal bond rate:	
Current measurement rate	4.13%
Prior measurement rate	3.16%
Cost of living adjustments	3.00% simple, 2.2% simple for increase based on the lesser of the increases in CPI and 3.00%

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.

CITY OF SIDNEY, OHIO
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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, 2018 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and cash equivalents	0.00%	0.80%
Domestic equity	16.00%	5.50%
Non-U.S. equity	16.00%	5.90%
Private markets	8.00%	8.40%
Core fixed income*	23.00%	2.60%
High yield fixed income	7.00%	4.80%
Private credit	5.00%	7.50%
U.S. inflation linked bonds*	17.00%	2.30%
Master limited partnerships	8.00%	6.40%
Real assets	8.00%	7.00%
Private real estate	<u>12.00%</u>	6.10%
Total	<u>120.00%</u>	

*Note: Assumptions are geometric. * Levered 2x*

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 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 4.66%. 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 4.13% at December 31, 2018 and 3.16% at December 31, 2017 was blended with the long-term rate of 8.0%, which resulted in a blended discount rate of 4.66% at December 31, 2018 and 3.24% at December 31, 2017.

CITY OF SIDNEY, OHIO
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Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate.

Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net OPEB liability calculated using the discount rate of 4.66%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (3.66%) and 1% point higher (5.66%) than the current discount rate.

	1% Decrease (3.66%)	Current Discount Rate of 4.66%	1% Increase (5.66%)
City's proportionate share of the net OPEB liability	\$ 2,912,842	\$ 2,390,960	\$ 1,952,885

Changes Subsequent to the Measurement Date. Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend-based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years.

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 SIX FISCAL YEARS (1)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City of Sidney's Proportion of the Net Pension Liability	0.053553%	0.053553%	0.052887%	0.052060%	0.051347%	0.052321%
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
City of Sidney's Covered Payroll	\$6,958,595	\$7,014,545	\$7,070,086	\$7,125,385	\$ 7,264,116	\$ 7,522,207
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%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability -						
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 SIX FISCAL YEARS (1)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City of Sidney's Proportion of the Net Pension Liability	0.275360%	0.275360%	0.272982%	0.259921%	0.267075%	0.262554%
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
City of Sidney's Covered Payroll	\$5,297,966	\$5,407,719	\$5,479,757	\$5,554,909	\$5,810,174	\$5,864,172
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%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	73.00%	72.20%	66.77%	68.36%	70.91%	63.07%

(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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually Required Pension Contributions	\$ 661,268	\$ 745,658	\$ 684,856	\$ 904,645	\$ 841,801	\$ 848,368	\$ 855,004	\$ 944,337	\$ 1,053,109	\$ 1,057,653
Contributions in Relation to the Contractually Required Contributions	<u>\$ 661,268</u>	<u>\$ 745,658</u>	<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>
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	\$ 7,403,596	\$ 7,419,588	\$ 6,847,645	\$ 6,958,595	\$ 7,014,545	\$ 7,070,086	\$ 7,125,385	\$ 7,264,116	\$ 7,522,207	\$ 7,554,664
Pension Contributions as a Percentage of Covered Payroll	8.93%	10.05%	10.00%	13.00%	12.00%	12.00%	12.00%	13.00%	14.00%	14.00%

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually Required Contribution	\$ 779,475	\$ 847,084	\$ 773,932	\$ 969,374	\$ 1,152,447	\$ 1,171,020	\$ 1,183,136	\$ 1,234,922	\$ 1,256,799	\$ 1,287,070
Contributions in Relation to the Contractually Required Contribution	<u>\$ 779,475</u>	<u>\$ 847,084</u>	<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>
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	\$ 5,230,233	\$ 5,608,040	\$ 5,171,001	\$ 5,297,966	\$ 5,407,719	\$ 5,479,757	\$5,554,909	\$5,810,174	\$5,864,172	\$6,005,415
Contributions as a Percentage of Covered Payroll	14.90%	15.10%	14.97%	18.30%	21.31%	21.37%	21.30%	21.25%	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
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST THREE FISCAL YEARS (1)

	<u>2017</u>	<u>2018</u>	<u>2019</u>
City of Sidney's Proportion of the Net OPEB Liability	0.051560%	0.051280%	0.051912%
City of Sidney's Proportionate Share of the Net OPEB Liability	\$5,207,735	\$5,568,631	\$6,768,117
City of Sidney's Covered Payroll	\$ 7,125,385	\$ 7,264,116	\$ 7,522,207
City of Sidney's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	73.09%	76.66%	89.98%
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability -	54.05%	54.14%	46.33%

(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.

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 THREE FISCAL YEARS (1)

	<u>2017</u>	<u>2018</u>	<u>2019</u>
City of Sidney's Proportion of the Net OPEB Liability	0.259921%	0.267075%	0.262554%
City of Sidney's Proportionate Share of the Net OPEB Liability	\$12,337,865	\$15,132,067	\$2,390,960
City of Sidney's Covered Payroll	\$5,554,909	\$5,810,174	\$5,864,172
City of Sidney's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	222.11%	260.44%	40.77%
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	15.96%	14.13%	46.57%

(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 3.79% to 3.24%.

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

Change subsequent to measurement date: Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place will be a stipend-based health care model. OP&F will provide a health care stipend which will be included in the retirees' Health Reimbursement 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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2018</u>
Contractually Required Pension Contributions	\$ 375,235	\$ 293,084	\$ 273,814	\$ 69,558	\$ 141,359	\$ 141,444	\$ 142,551	\$ 72,641	\$ 1,050	\$ 12,996
Contributions in Relation to the Contractually Required Contributions	<u>\$ 375,235</u>	<u>\$ 293,084</u>	<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>
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	\$ 7,403,596	\$ 7,419,588	\$ 6,847,645	\$ 6,958,595	\$ 7,014,545	\$ 7,070,086	\$ 7,125,385	\$ 7,264,116	\$ 7,522,207	\$ 7,554,664
Pension Contributions as a Percentage of Covered Payroll	5.07%	3.95%	4.00%	1.00%	2.02%	2.00%	2.00%	1.00%	0.01%	0.17%

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually Required Contribution	\$ 352,637	\$ 370,468	\$ 349,350	\$ 187,253	\$ 27,334	\$ 28,079	\$ 27,776	\$ 29,051	\$ 29,542	\$ 30,236
Contributions in Relation to the Contractually Required Contribution	<u>\$ 352,637</u>	<u>\$ 370,468</u>	<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>
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	\$ 5,230,233	\$ 5,608,040	\$ 5,171,001	\$ 5,297,966	\$ 5,407,719	\$ 5,479,757	\$5,554,909	\$5,810,174	\$5,864,172	\$6,005,415
Contributions as a Percentage of Covered Payroll	6.74%	6.61%	6.76%	3.53%	0.51%	0.51%	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, 2019

	Original Budget	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:				
Local taxes	\$ 14,676,910	\$ 14,676,910	\$ 13,688,802	\$ (988,108)
Intergovernmental revenues	589,598	589,598	653,860	64,262
Special assessments	249,176	249,176	286,560	37,384
Charges for services	1,171,675	1,171,675	1,282,140	110,465
Fines, licenses and permits	423,878	423,878	421,364	(2,514)
Investment income	201,960	201,960	364,713	162,753
Miscellaneous receipts and reimbursements	1,794,394	1,792,109	2,009,367	217,258
Total revenues	<u>19,107,591</u>	<u>19,105,306</u>	<u>18,706,806</u>	<u>(398,500)</u>
EXPENDITURES:				
Current:				
Community development	310,276	319,644	282,198	37,446
Community environment	641,361	718,901	675,820	43,081
Fire	5,243,587	5,474,444	5,303,508	170,936
General government	3,035,714	3,190,395	2,915,918	274,477
Judicial	1,405,397	1,422,771	1,382,904	39,867
Parks and recreation	1,358,973	1,410,529	1,359,145	51,384
Police	6,475,587	6,617,561	6,276,194	341,367
Capital outlay	39,035	42,417	38,462	3,955
Total expenditures	<u>18,509,930</u>	<u>19,196,662</u>	<u>18,234,149</u>	<u>962,513</u>
Excess (deficiency) of revenues over (under) expenditures	<u>597,661</u>	<u>(91,356)</u>	<u>472,657</u>	<u>564,013</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(975,616)</u>	<u>(642,182)</u>	<u>(642,182)</u>	<u>-</u>
Total other financing sources (uses)	<u>(975,616)</u>	<u>(642,182)</u>	<u>(642,182)</u>	<u>-</u>
Net change in fund balance	(377,955)	(733,538)	(169,525)	564,013
Fund Balances, beginning of year restated	11,200,031	11,200,031	11,200,031	-
Prior Year Encumbrances	<u>361,851</u>	<u>361,851</u>	<u>361,851</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 11,183,927</u>	<u>\$ 10,828,344</u>	<u>\$ 11,392,357</u>	<u>\$ 564,013</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, 2019

	Original Budget	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:				
Intergovernmental revenues	\$ 1,023,778	1,023,778	\$ 1,158,945	\$ 135,167
Charges for services	500	500	-	(500)
Investment Income	8,670	8,670	11,669	2,999
Miscellaneous receipts and reimbursements	72,903	72,903	81,628	8,725
Total revenues	1,105,851	1,105,851	1,252,242	146,391
EXPENDITURES:				
Current:				
Street repair & maintenance	1,560,029	1,571,268	1,486,590	84,678
Total expenditures	1,560,029	1,571,268	1,486,590	84,678
Deficiency of revenues under expenditures	(454,178)	(465,417)	(234,348)	231,069
OTHER FINANCING SOURCES (USES):				
Transfers in	250,000	250,000	250,000	-
Total other financing sources	250,000	250,000	250,000	-
Net change in fund balance	(204,178)	(215,417)	15,652	231,069
Fund Balances, beginning of year	348,910	348,910	348,910	-
Prior Year Encumbrances	108,710	108,710	108,710	-
Fund Balances, end of year	\$ 253,442	\$ 242,203	\$ 473,272	\$ 231,069

See Notes to the Required Supplementary Information.

CITY OF SIDNEY, OHIO
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

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 Comprehensive Annual Financial Report (CAFR). 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 CAFR, 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.

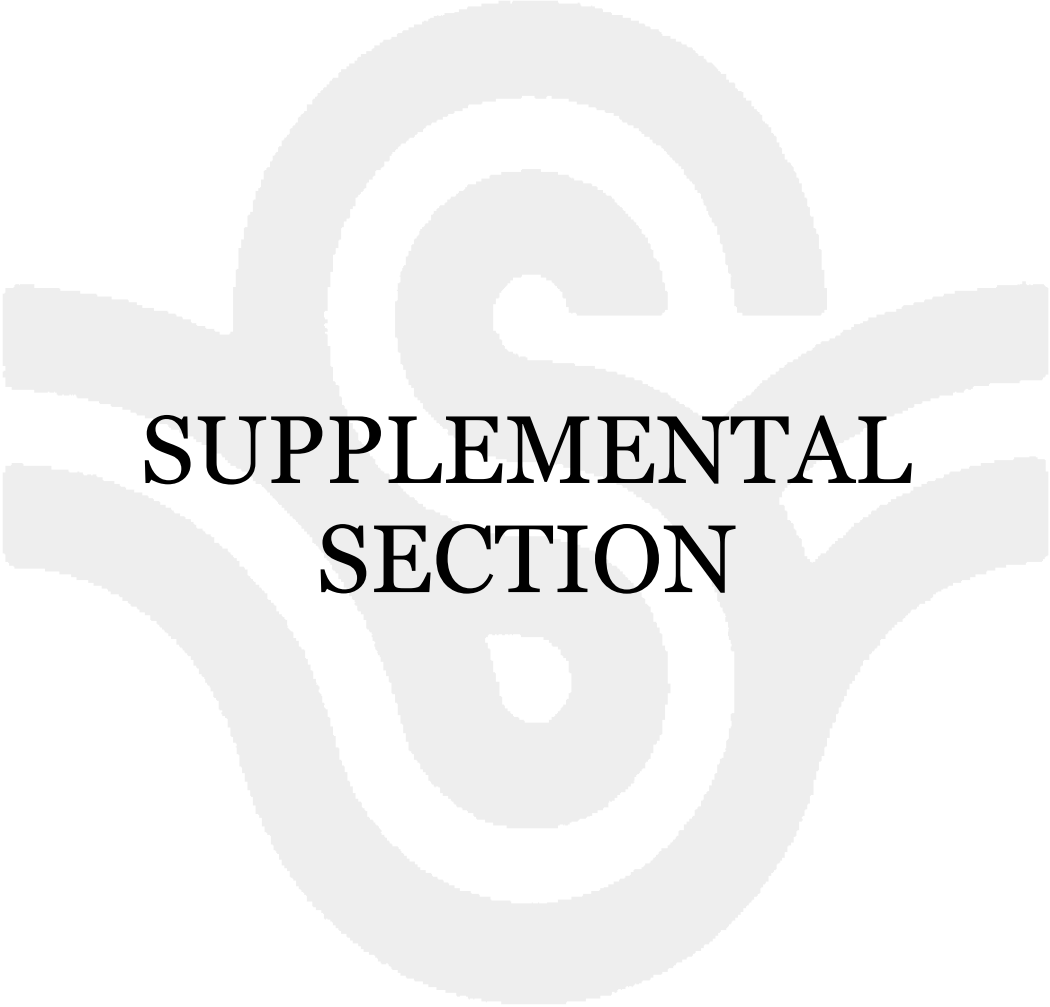
CITY OF SIDNEY, OHIO
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

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, 2019, 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>	\$ (169,525)	\$ 15,652	
Increase / (decrease):			
Due to revenues	(1,668,035)	33,317	
Due to expenditures	1,732,181	61,570	
Due to other financing sources and uses	-	-	
Net change in fund balance - GAAP Basis	\$ (105,379)	\$ 110,539	



**SUPPLEMENTAL
SECTION**

CITY OF SIDNEY, OHIO

Fund Descriptions - Non-major Governmental Funds

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.

Citizens Police Academy Grant Fund. To account for grant funds received from the Ohio Criminal Justice Department for the development of programs designed to improve public relations.

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.

CITY OF SIDNEY, OHIO

Non-major Special Revenue Funds (continued)

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.

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.

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.

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.

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.

CITY OF SIDNEY, OHIO

Fund Descriptions – Non-Major Capital Project Fund

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, 2019**

	Non-major Special Revenue Funds	Capital for Fire Station #3 Fund	Total Non-major Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Pooled cash	\$ 186,148	\$ 3,200	\$ 189,348
Cash held by outside agent	34,149	-	34,149
Pooled investments	3,158,870	54,314	3,213,184
Receivables:			
Property taxes	198,556	-	198,556
Other taxes	6,226	-	6,226
Interest	1,418	-	1,418
Loans	577,190	-	577,190
Other	29,958	-	29,958
Receivables from other governments	128,919	-	128,919
Prepaid items	<u>2,841</u>	<u>-</u>	<u>2,841</u>
 Total assets	 <u>\$ 4,324,275</u>	 <u>\$ 57,514</u>	 <u>\$ 4,381,789</u>
LIABILITIES			
Liabilities:			
Accounts payable	\$ 116,483	\$ -	\$ 116,483
Salaries and benefits payable	15,183	-	15,183
Advances from other funds	10,208	-	10,208
 Total liabilities	 <u>141,874</u>	 <u>-</u>	 <u>141,874</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	<u>879,750</u>	<u>-</u>	<u>879,750</u>
Total deferred inflows of resources	879,750	-	879,750
FUND BALANCES			
Nonspendable	2,841	-	2,841
Restricted	3,157,382	-	3,157,382
Committed	144,531	57,514	202,045
Unassigned	<u>(2,103)</u>	<u>-</u>	<u>(2,103)</u>
 Total fund balances	 <u>3,302,651</u>	 <u>57,514</u>	 <u>3,360,165</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,324,275</u>	<u>\$ 57,514</u>	<u>\$ 4,381,789</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, 2019

	Non-major Special Revenue Funds	Capital for Fire Station #3 Fund	Total Non-major Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Local taxes	\$ 263,378	\$ -	\$ 263,378
Intergovernmental revenues	867,852	-	867,852
Special assessments	1,756	-	1,756
Charges for services	364,051	-	364,051
Fines, licenses and permits	317,266	-	317,266
Investment income	45,669	-	45,669
Miscellaneous receipts and reimbursements	<u>71,824</u>	<u>-</u>	<u>71,824</u>
 Total revenues	 <u>1,931,796</u>	 <u>-</u>	 <u>1,931,796</u>
EXPENDITURES:			
Current:			
Community development	491,989	-	491,989
Community environment	21,284	-	21,284
Fire	91,790	-	91,790
Health	252,209	-	252,209
Judicial	509,333	-	509,333
Police	80,609	-	80,609
Street repairs and maintenance	72,603	-	72,603
Capital outlay	203,152	7,491	210,643
Debt service:			
Principal	60,000	-	60,000
Interest	<u>21,575</u>	<u>-</u>	<u>21,575</u>
 Total expenditures	 <u>1,804,544</u>	 <u>7,491</u>	 <u>1,812,035</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>127,252</u>	 <u>(7,491)</u>	 <u>119,761</u>
OTHER FINANCING SOURCES:			
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	 202,252	 (7,491)	 194,761
 Fund balances, beginning of year	 <u>3,100,399</u>	 <u>65,005</u>	 <u>3,165,404</u>
 Fund balances, end of year	 <u>\$ 3,302,651</u>	 <u>\$ 57,514</u>	 <u>\$ 3,360,165</u>

**CITY OF SIDNEY, OHIO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2019**

	C.D.B.G.	C.D.B.G. Program Income	C.D.B.G. Revolving Loan	Cemetery	Cemetery Maintenance	Citizens Police Academy Grant	Convention and Visitors' Bureau	County Auto License
ASSETS								
Pooled cash	\$ 11,221	\$ 1	\$ 2,291	\$ 9,391	\$ 45,016	\$ -	\$ 1,486	\$ 4,490
Cash held by outside agent	-	-	-	-	-	-	-	34,149
Pooled investments	190,318	12	38,859	159,405	763,484	-	25,213	76,215
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	6,226	-
Interest	251	-	51	-	1,006	-	-	-
Loans	577,190	-	-	-	-	-	-	-
Other	-	-	-	15,285	-	-	-	-
Receivables from other governments	63,560	-	-	-	-	-	-	-
Prepaid items	-	-	-	375	-	-	-	-
Total assets	<u>\$ 842,540</u>	<u>\$ 13</u>	<u>\$ 41,201</u>	<u>\$ 184,456</u>	<u>\$ 809,506</u>	<u>\$ -</u>	<u>\$ 32,925</u>	<u>\$ 114,854</u>
LIABILITIES								
Accounts payable	\$ 82,086	\$ -	\$ 996	\$ 1,303	\$ 169	\$ -	\$ 26,699	\$ -
Salaries and benefits payable	-	-	-	5,258	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-
Total liabilities	<u>82,086</u>	<u>-</u>	<u>996</u>	<u>6,561</u>	<u>169</u>	<u>-</u>	<u>26,699</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	577,350	-	33	12,098	641	-	-	34,149
Total deferred inflows of resources	<u>577,350</u>	<u>-</u>	<u>33</u>	<u>12,098</u>	<u>641</u>	<u>-</u>	<u>-</u>	<u>34,149</u>
FUND BALANCES								
Nonspendable	-	-	-	375	-	-	-	-
Restricted	183,104	13	40,172	165,422	808,696	-	6,226	80,705
Committed	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>183,104</u>	<u>13</u>	<u>40,172</u>	<u>165,797</u>	<u>808,696</u>	<u>-</u>	<u>6,226</u>	<u>80,705</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 842,540</u>	<u>\$ 13</u>	<u>\$ 41,201</u>	<u>\$ 184,456</u>	<u>\$ 809,506</u>	<u>\$ -</u>	<u>\$ 32,925</u>	<u>\$ 114,854</u>

(continued)

**CITY OF SIDNEY, OHIO
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2019**

	CRA	Drug Law Enforcement	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
ASSETS									
Pooled cash	\$ 314	\$ 1,219	\$ 8,189	\$ 484	\$ -	\$ 3,110	\$ 2,723	\$ 1,406	\$ 2,344
Cash held by outside agent	-	-	-	-	-	-	-	-	-
Pooled investments	5,337	20,702	139,007	8,211	9	52,793	46,221	23,855	39,781
Receivables:									
Property taxes	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	31	-
Loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	235	-	-	-	-	587
Receivables from other governments	-	-	-	-	-	-	-	-	-
Prepaid items	-	-	2,466	-	-	-	-	-	-
Total assets	\$ 5,651	\$ 21,921	\$ 149,662	\$ 8,930	\$ 9	\$ 55,903	\$ 48,944	\$ 25,292	\$ 42,712
LIABILITIES									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue	-	-	-	-	-	-	-	20	-
Total deferred inflows of resources	-	-	-	-	-	-	-	20	-
FUND BALANCES									
Nonspendable	-	-	2,466	-	-	-	-	-	-
Restricted	5,651	21,921	147,196	8,930	9	55,903	-	25,272	42,712
Committed	-	-	-	-	-	-	48,944	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	5,651	21,921	149,662	8,930	9	55,903	48,944	25,272	42,712
Total liabilities, deferred inflows of resources and fund balances	\$ 5,651	\$ 21,921	\$ 149,662	\$ 8,930	\$ 9	\$ 55,903	\$ 48,944	\$ 25,292	\$ 42,712

(continued)

**CITY OF SIDNEY, OHIO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2019**

	Indigent Driver Alcohol Treatment Surplus	Indigent Driver Interlock & Alcohol Monitoring	Justice Reinvestment Grant	Law Enforcement	Law Enforcement Diversion Grant	Mausoleum Maintenance	Municipal Court Computer	Municipal Court Special Projects
ASSETS								
Pooled cash	\$ 832	\$ 1,596	\$ 1,832	\$ 14,906	\$ 497	\$ 2,522	\$ 3,013	\$ 28,628
Cash held by outside agent	-	-	-	-	-	-	-	-
Pooled investments	14,118	27,089	31,094	253,017	8,443	42,776	51,151	485,943
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	56	-	-
Loans	-	-	-	-	-	-	-	-
Other	-	539	-	-	-	515	2,878	9,589
Receivables from other governments	-	-	-	-	2,103	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
Total assets	\$ 14,950	\$ 29,224	\$ 32,926	\$ 267,923	\$ 11,043	\$ 45,869	\$ 57,042	\$ 524,160
LIABILITIES								
Accounts payable	\$ 400	\$ 1,637	\$ 1,826	\$ -	\$ 246	\$ -	\$ 297	\$ 753
Salaries and benefits payable	-	-	4,701	-	589	-	-	2,063
Advances from other funds	-	-	-	-	10,208	-	-	-
Total liabilities	400	1,637	6,527	-	11,043	-	297	2,816
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	-	-	-	2,103	48	-	-
Total deferred inflows of resources	-	-	-	-	2,103	48	-	-
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	14,550	27,587	26,399	267,923	-	45,821	56,745	521,344
Committed	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(2,103)	-	-	-
Total fund balances	14,550	27,587	26,399	267,923	(2,103)	45,821	56,745	521,344
Total liabilities, deferred inflows of resources and fund balances	\$ 14,950	\$ 29,224	\$ 32,926	\$ 267,923	\$ 11,043	\$ 45,869	\$ 57,042	\$ 524,160

(continued)

**CITY OF SIDNEY, OHIO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2019**

	Neighborhood Stabilization Program Grant	Parking Enforcement	Probation Grant	State Highway	TIF - Echo	TIF - Kuther Rd	TIF - Menards	Non-major Special Revenue Funds Totals
ASSETS								
Pooled cash	\$ 5	\$ 5,303	\$ 388	\$ 1,018	\$ 1,925	\$ 4,354	\$ 25,644	\$ 186,148
Cash held by outside agent	-	-	-	-	-	-	-	34,149
Pooled investments	71	90,025	6,591	17,269	32,676	73,898	435,287	3,158,870
Receivables:								
Property taxes	-	-	-	-	8,270	60,266	130,020	198,556
Other taxes	-	-	-	-	-	-	-	6,226
Interest	-	-	-	23	-	-	-	1,418
Loans	-	-	-	-	-	-	-	577,190
Other	-	330	-	-	-	-	-	29,958
Receivables from other governments	-	-	-	63,256	-	-	-	128,919
Prepaid items	-	-	-	-	-	-	-	2,841
Total assets	<u>\$ 76</u>	<u>\$ 95,658</u>	<u>\$ 6,979</u>	<u>\$ 81,566</u>	<u>\$ 42,871</u>	<u>\$ 138,518</u>	<u>\$ 590,951</u>	<u>\$ 4,324,275</u>
LIABILITIES								
Accounts payable	\$ -	\$ 41	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ 116,483
Salaries and benefits payable	-	-	2,572	-	-	-	-	15,183
Advances from other funds	-	-	-	-	-	-	-	10,208
Total liabilities	<u>-</u>	<u>41</u>	<u>2,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,874</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	30	-	54,722	8,270	60,266	130,020	879,750
Total deferred inflows of resources	<u>-</u>	<u>30</u>	<u>-</u>	<u>54,722</u>	<u>8,270</u>	<u>60,266</u>	<u>130,020</u>	<u>879,750</u>
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	2,841
Restricted	76	-	4,377	26,844	34,601	78,252	460,931	3,157,382
Committed	-	95,587	-	-	-	-	-	144,531
Unassigned	-	-	-	-	-	-	-	(2,103)
Total fund balances	<u>76</u>	<u>95,587</u>	<u>4,377</u>	<u>26,844</u>	<u>34,601</u>	<u>78,252</u>	<u>460,931</u>	<u>3,302,651</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 76</u>	<u>\$ 95,658</u>	<u>\$ 6,979</u>	<u>\$ 81,566</u>	<u>\$ 42,871</u>	<u>\$ 138,518</u>	<u>\$ 590,951</u>	<u>\$ 4,324,275</u>

**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, 2019**

	C.D.B.G.	C.D.B.G. Program Income	C.D.B.G. Revolving Loan	Cemetery	Cemetery Maintenance	Citizens Police Academy Grant	Convention and Visitors' Bureau	County Auto License
REVENUES:								
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,022	\$ -
Intergovernmental revenues	338,784	-	-	-	-	-	-	104,100
Special Assessments	-	-	-	-	-	-	-	-
Charges for services	-	-	-	160,805	-	-	-	-
Fines, licenses and permits	-	-	-	-	-	-	-	-
Investment income	4,682	1	1,481	-	24,896	-	-	-
Miscellaneous receipts and reimbursements	-	-	-	2,722	-	-	-	-
Total revenues	<u>343,466</u>	<u>1</u>	<u>1,481</u>	<u>163,527</u>	<u>24,896</u>	<u>-</u>	<u>109,022</u>	<u>104,100</u>
EXPENDITURES:								
Current:								
Community development	339,231	-	18,334	-	-	-	109,270	-
Community environment	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Health	-	-	-	250,432	432	-	-	-
Judicial	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	100	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-
Capital outlay	2,659	-	-	-	-	-	-	106,550
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>341,890</u>	<u>-</u>	<u>18,334</u>	<u>250,432</u>	<u>432</u>	<u>100</u>	<u>109,270</u>	<u>106,550</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,576</u>	<u>1</u>	<u>(16,853)</u>	<u>(86,905)</u>	<u>24,464</u>	<u>(100)</u>	<u>(248)</u>	<u>(2,450)</u>
OTHER FINANCING SOURCES:								
Transfers in	-	-	-	75,000	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,576	1	(16,853)	(11,905)	24,464	(100)	(248)	(2,450)
Fund balances, beginning of year	<u>181,528</u>	<u>12</u>	<u>57,025</u>	<u>177,702</u>	<u>784,232</u>	<u>100</u>	<u>6,474</u>	<u>83,155</u>
Fund balances, end of year	<u>\$ 183,104</u>	<u>\$ 13</u>	<u>\$ 40,172</u>	<u>\$ 165,797</u>	<u>\$ 808,696</u>	<u>\$ -</u>	<u>\$ 6,226</u>	<u>\$ 80,705</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, 2019**

	CRA	Drug Law Enforcement	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
REVENUES:									
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	49,938	-	-	-	-	-	-
Special Assessments	1,756	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines, licenses and permits	-	9,680	-	2,147	-	-	-	-	17,740
Investment income	-	-	-	-	-	-	-	11,985	-
Miscellaneous receipts and reimbursements	-	-	-	-	-	42,783	24,240	-	-
Total revenues	<u>1,756</u>	<u>9,680</u>	<u>49,938</u>	<u>2,147</u>	<u>-</u>	<u>42,783</u>	<u>24,240</u>	<u>11,985</u>	<u>17,740</u>
EXPENDITURES:									
Current:									
Community development	445	-	-	-	-	-	-	-	-
Community environment	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	91,790	-	-	-
Health	-	-	-	-	-	-	1,345	-	-
Judicial	-	-	-	-	-	-	-	-	800
Police	-	9,794	39,270	1,367	-	-	-	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	<u>445</u>	<u>9,794</u>	<u>39,270</u>	<u>1,367</u>	<u>-</u>	<u>91,790</u>	<u>1,345</u>	<u>-</u>	<u>800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,311</u>	<u>(114)</u>	<u>10,668</u>	<u>780</u>	<u>-</u>	<u>(49,007)</u>	<u>22,895</u>	<u>11,985</u>	<u>16,940</u>
OTHER FINANCING SOURCES:									
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	1,311	(114)	10,668	780	-	(49,007)	22,895	11,985	16,940
Fund balances, beginning of year	<u>4,340</u>	<u>22,035</u>	<u>138,994</u>	<u>8,150</u>	<u>9</u>	<u>104,910</u>	<u>26,049</u>	<u>13,287</u>	<u>25,772</u>
Fund balances, end of year	<u>\$ 5,651</u>	<u>\$ 21,921</u>	<u>\$ 149,662</u>	<u>\$ 8,930</u>	<u>\$ 9</u>	<u>\$ 55,903</u>	<u>\$ 48,944</u>	<u>\$ 25,272</u>	<u>\$ 42,712</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, 2019**

	Indigent Driver Alcohol Treatment Surplus	Indigent Driver Interlock & Alcohol Monitoring	Justice Reinvestment Grant	Law Enforcement	Law Enforcement Diversion Grant	Mausoleum Maintenance	Municipal Court Computer	Municipal Court Special Projects
REVENUES:								
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	196,602	-	13,293	-	-	-
Special Assessments	-	-	-	-	-	-	-	-
Charges for services	-	22,428	-	-	-	828	42,681	137,309
Fines, licenses and permits	-	-	-	264,106	-	-	-	-
Investment income	-	-	-	-	-	1,387	-	-
Miscellaneous receipts and reimbursements	-	-	247	100	100	-	-	646
Total revenues	-	22,428	196,849	264,206	13,393	2,215	42,681	137,955
EXPENDITURES:								
Current:								
Community development	-	-	-	-	-	-	-	-
Community environment	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Judicial	1,450	8,135	236,325	-	-	-	33,229	148,737
Police	-	-	-	14,337	15,741	-	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	38,459	-	-	-	46,839
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	1,450	8,135	236,325	52,796	15,741	-	33,229	195,576
Excess (deficiency) of revenues over (under) expenditures	(1,450)	14,293	(39,476)	211,410	(2,348)	2,215	9,452	(57,621)
OTHER FINANCING SOURCES:								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-	-
Net change in fund balance	(1,450)	14,293	(39,476)	211,410	(2,348)	2,215	9,452	(57,621)
Fund balances, beginning of year	16,000	13,294	65,875	56,513	245	43,606	47,293	578,965
Fund balances, end of year	\$ 14,550	\$ 27,587	\$ 26,399	\$ 267,923	\$ (2,103)	\$ 45,821	\$ 56,745	\$ 521,344

(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, 2019**

	Neighborhood Stabilization Program Grant	Parking Enforcement	Probation Grant	State Highway	TIF - Echo	TIF - Kuther Rd	TIF - Menards	Non-major Special Revenue Funds Totals
REVENUES:								
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,308	\$ 22,006	\$ 127,042	\$ 263,378
Intergovernmental revenues	-	-	76,834	88,301	-	-	-	867,852
Special Assessments	-	-	-	-	-	-	-	1,756
Charges for services	-	-	-	-	-	-	-	364,051
Fines, licenses and permits	-	23,593	-	-	-	-	-	317,266
Investment income	-	-	-	1,237	-	-	-	45,669
Miscellaneous receipts and reimbursements	-	-	986	-	-	-	-	71,824
Total revenues	-	23,593	77,820	89,538	5,308	22,006	127,042	1,931,796
EXPENDITURES:								
Current:								
Community development	-	-	-	-	1,042	2,000	21,667	491,989
Community environment	-	21,284	-	-	-	-	-	21,284
Fire	-	-	-	-	-	-	-	91,790
Health	-	-	-	-	-	-	-	252,209
Judicial	-	-	80,657	-	-	-	-	509,333
Police	-	-	-	-	-	-	-	80,609
Street repairs and maintenance	-	-	-	72,603	-	-	-	72,603
Capital outlay	140	8,505	-	-	-	-	-	203,152
Debt service:								
Principal	-	-	-	-	-	10,000	50,000	60,000
Interest	-	-	-	-	-	6,775	14,800	21,575
Total expenditures	140	29,789	80,657	72,603	1,042	18,775	86,467	1,804,544
Excess (deficiency) of revenues over (under) expenditures	(140)	(6,196)	(2,837)	16,935	4,266	3,231	40,575	127,252
OTHER FINANCING SOURCES:								
Transfers in	-	-	-	-	-	-	-	75,000
Total other financing sources	-	-	-	-	-	-	-	75,000
Net change in fund balance	(140)	(6,196)	(2,837)	16,935	4,266	3,231	40,575	202,252
Fund balances, beginning of year	216	101,783	7,214	9,909	30,335	75,021	420,356	3,100,399
Fund balances, end of year	\$ 76	\$ 95,587	\$ 4,377	\$ 26,844	\$ 34,601	\$ 78,252	\$ 460,931	\$ 3,302,651

CITY OF SIDNEY, OHIO

Fund Descriptions – Non-major Enterprise Funds

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, 2019**

	Airport	Concession Stand	Sidney Water Park	Solid Waste	Transportation	Enterprise Funds Totals
ASSETS						
Current assets:						
Pooled cash	\$ 8,428	\$ 347	\$ 3,142	\$ 12,983	\$ 23,291	48,191
Pooled investments	143,067	5,890	53,327	220,388	395,339	818,011
Receivables:						
Accounts	6,262	-	-	124,241	10,504	141,007
Receivables from other governments	-	-	-	-	50,239	50,239
Inventory	26,757	-	-	-	-	26,757
Prepaid items	2,459	75	68	-	655	3,257
Total current assets	<u>186,973</u>	<u>6,312</u>	<u>56,537</u>	<u>357,612</u>	<u>480,028</u>	<u>1,087,462</u>
Noncurrent assets:						
Capital assets:						
Capital assets not subject to depreciation:						
Land	1,004,352	-	-	-	55,000	1,059,352
Construction in progress	36,787	-	-	-	28,092	64,879
Capital assets net of accumulated depreciation	<u>4,303,330</u>	<u>2,914</u>	<u>741,088</u>	<u>-</u>	<u>1,371,140</u>	<u>6,418,472</u>
Total noncurrent assets	<u>5,344,469</u>	<u>2,914</u>	<u>741,088</u>	<u>-</u>	<u>1,454,232</u>	<u>7,542,703</u>
Total assets	<u>\$ 5,531,442</u>	<u>\$ 9,226</u>	<u>\$ 797,625</u>	<u>\$ 357,612</u>	<u>\$ 1,934,260</u>	<u>\$ 8,630,165</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension	1,931	4,811	35,424	3,090	253,881	299,137
OPEB	258	642	4,729	413	33,902	39,944
Total deferred outflows of resources	<u>2,189</u>	<u>5,453</u>	<u>40,153</u>	<u>3,503</u>	<u>287,783</u>	<u>339,081</u>
Total assets & deferred outflows of resources and net position	<u>\$ 5,533,631</u>	<u>\$ 14,679</u>	<u>\$ 837,778</u>	<u>\$ 361,115</u>	<u>\$ 2,222,043</u>	<u>\$ 8,969,246</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 29,917	\$ 49	\$ 387	\$ 3,870	\$ 8,362	42,585
Salaries and benefits payable	137	8	56	217	16,686	17,104
Compensated absences	152	-	-	16	5,230	5,398
Refundable deposits	145	-	-	-	-	145
Unearned revenue	10,890	-	-	223,984	-	234,874
Total current liabilities	<u>41,241</u>	<u>57</u>	<u>443</u>	<u>228,087</u>	<u>30,278</u>	<u>300,106</u>
Noncurrent liabilities:						
Net Pension liability	6,284	15,664	115,340	10,064	826,637	973,989
Net OPEB liability	2,968	7,399	54,477	4,753	390,437	460,034
Compensated absences	(59)	-	-	1,563	43,950	45,454
Total noncurrent liabilities	<u>9,193</u>	<u>23,063</u>	<u>169,817</u>	<u>16,380</u>	<u>1,261,024</u>	<u>1,479,477</u>
Total liabilities	<u>50,434</u>	<u>23,120</u>	<u>170,260</u>	<u>244,467</u>	<u>1,291,302</u>	<u>1,779,583</u>
DEFERRED INFLOWS OF RESOURCES						
Pension	92	229	1,682	147	12,057	14,207
OPEB	25	62	455	40	3,261	3,843
Total deferred inflows of resources	<u>117</u>	<u>291</u>	<u>2,137</u>	<u>187</u>	<u>15,318</u>	<u>18,050</u>
NET POSITION						
Net investment in capital assets	5,339,195	2,914	741,088	-	1,453,547	7,536,744
Unrestricted	143,885	(11,646)	(75,707)	116,461	(538,124)	(365,131)
Total net position	<u>5,483,080</u>	<u>(8,732)</u>	<u>665,381</u>	<u>116,461</u>	<u>915,423</u>	<u>7,171,613</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 5,533,631</u>	<u>\$ 14,679</u>	<u>\$ 837,778</u>	<u>\$ 361,115</u>	<u>\$ 2,222,043</u>	<u>\$ 8,969,246</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, 2019

	Airport	Concession Stand	Sidney Water Park	Solid Waste	Transportation	Non-major Enterprise Funds Totals
OPERATING REVENUES:						
Charges for services	\$ 315,277	\$ 20,265	\$ 56,745	\$ 1,776,737	\$ 224,429	\$ 2,393,453
Other revenue	<u>17,928</u>	<u>202</u>	<u>1,495</u>	<u>111</u>	<u>9,393</u>	<u>29,129</u>
Total operating revenues	<u>333,205</u>	<u>20,467</u>	<u>58,240</u>	<u>1,776,848</u>	<u>233,822</u>	<u>2,422,582</u>
OPERATING EXPENSES:						
Personal services	5,357	11,852	86,710	9,098	744,422	857,439
Operations and maintenance	368,560	11,706	90,501	1,600,789	375,088	2,446,644
Depreciation	<u>219,444</u>	<u>167</u>	<u>31,840</u>	<u>-</u>	<u>123,270</u>	<u>374,721</u>
Total operating expenses	<u>593,361</u>	<u>23,725</u>	<u>209,051</u>	<u>1,609,887</u>	<u>1,242,780</u>	<u>3,678,804</u>
Operating loss	<u>(260,156)</u>	<u>(3,258)</u>	<u>(150,811)</u>	<u>166,961</u>	<u>(1,008,958)</u>	<u>(1,256,222)</u>
NONOPERATING REVENUE:						
Intergovernmental	-	-	-	-	480,726	480,726
Gain on disposal of assets	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,925</u>	<u>10,425</u>
Total nonoperating revenue	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>489,651</u>	<u>491,151</u>
Loss before transfers	<u>(258,656)</u>	<u>(3,258)</u>	<u>(150,811)</u>	<u>166,961</u>	<u>(519,307)</u>	<u>(765,071)</u>
Capital grants & contributions	157,293	-	-	-	174,277	331,570
Transfers in	<u>57,000</u>	<u>4,431</u>	<u>125,000</u>	<u>-</u>	<u>130,751</u>	<u>317,182</u>
Change in net position	(44,363)	1,173	(25,811)	166,961	(214,279)	(116,319)
Net position - beginning	<u>5,527,443</u>	<u>(9,905)</u>	<u>691,192</u>	<u>(50,500)</u>	<u>1,129,702</u>	<u>7,287,932</u>
Net position - ending	<u>\$ 5,483,080</u>	<u>\$ (8,732)</u>	<u>\$ 665,381</u>	<u>\$ 116,461</u>	<u>\$ 915,423</u>	<u>\$ 7,171,613</u>

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CASH FLOWS - NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Airport	Concession Stand	Sidney Water Park	Solid Waste	Transportation	Non-major Enterprise Funds Totals
Cash flows from operating activities:						
Receipts from customers and users	\$ 328,128	\$ 20,467	\$ 58,240	\$ 1,787,953	\$ 280,007	\$ 2,474,795
Receipts from interfund services	-	-	210	-	-	210
Payments to suppliers	(348,986)	(7,096)	(49,882)	(1,583,601)	(140,876)	(2,130,441)
Payments to employees	(4,368)	(10,262)	(76,966)	(7,230)	(573,515)	(672,341)
Payments for interfund services provided (used)	(23,978)	(4,587)	(40,741)	(142,758)	(230,717)	(442,781)
Net cash provided by (used for) operating activities	(49,204)	(1,478)	(109,139)	54,364	(665,101)	(770,558)
Cash flows from noncapital financing activities:						
Transfers in	57,000	4,431	125,000	-	130,751	317,182
Intergovernmental	-	-	-	-	480,626	480,626
Net cash provided by noncapital financing activities	57,000	4,431	125,000	-	611,377	797,808
Cash flows from capital and related financing activities:						
Proceeds from sale of capital assets	1,500	-	-	-	8,925	10,425
Acquisition of capital assets	(186,086)	-	-	-	(98,675)	(284,761)
Capital contributions	157,293	-	-	-	174,377	331,670
Net cash provided by (used for) capital and related financing activities	(27,293)	-	-	-	84,627	57,334
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	239,079	6,438	68,148	291,780	583,796	1,189,241
Purchase of investments	(227,135)	(9,351)	(84,662)	(349,891)	(627,645)	(1,298,684)
Net cash provided by investing activities	11,944	(2,913)	(16,514)	(58,111)	(43,849)	(109,443)
Net decrease in pooled cash	(7,553)	40	(653)	(3,747)	(12,946)	(24,859)
Pooled cash, beginning of year	15,981	307	3,795	16,730	36,237	73,050
Pooled cash, end of year	\$ 8,428	\$ 347	\$ 3,142	\$ 12,983	\$ 23,291	\$ 48,191
Reconciliation of operating loss to net cash used by operating activities:						
Operating income (loss)	\$ (260,156)	\$ (3,258)	\$ (150,811)	\$ 166,961	\$ (1,008,958)	\$ (1,256,222)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:						
Depreciation	219,444	167	31,840	-	123,270	374,721
Change in assets and deferred outflows:						
Accounts receivable	(6,057)	-	-	(880)	26,483	19,546
Other receivables	-	-	210	-	19,702	19,912
Prepaid items	(694)	-	-	-	(10)	(704)
Inventory	(3,136)	-	-	-	-	(3,136)
Deferred outflows - Pension	(991)	(2,347)	(16,987)	(1,619)	(135,825)	(157,769)
Deferred outflows - OPEB	(69)	(147)	(1,025)	(118)	(10,190)	(11,549)
Change in liabilities and deferred inflows:						
Accounts payable	(574)	23	(122)	(125,570)	3,505	(122,738)
Salaries and benefits payable and compensated absences	40	7	47	104	8,137	8,335
Refundable deposits	(145)	-	-	-	-	(145)
Unearned revenue	1,125	-	-	11,985	-	13,110
Net pension liability	2,612	6,046	43,373	4,325	365,830	422,186
Net OPEB liability	407	691	4,280	750	69,024	75,152
Deferred inflows - Pension	(835)	(2,199)	(16,487)	(1,302)	(104,283)	(125,106)
Deferred inflows - OPEB	(175)	(461)	(3,457)	(272)	(21,786)	(26,151)
Net cash provided by (used for) operating activities	\$ (49,204)	\$ (1,478)	\$ (109,139)	\$ 54,364	\$ (665,101)	\$ (770,558)
Noncash investing, capital and related financing activities:						
Purchase of equipment on account	\$ 5,274	\$ -	\$ -	\$ -	\$ 685	\$ 5,959
Prior year purchase of equipment on account	\$ 6,154	\$ -	\$ -	\$ -	\$ 500	\$ 6,654

CITY OF SIDNEY, OHIO

Fund Descriptions – Internal Service Funds

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, 2019

	Garage/ Fleet Operations	Information Technology	Revenue Collections	Self Insurance	Service Center Building	Internal Service Totals
ASSETS						
Current assets:						
Pooled cash	\$ 1,862	\$ 14,764	\$ 3,666	\$ -	\$ 3,565	\$ 23,857
Cash	-	-	-	560,078	-	560,078
Pooled investments	31,598	250,612	62,227	-	60,513	404,950
Inventory	12,151	1,865	-	-	-	14,016
Prepaid items	2,561	131,473	547	-	535	135,116
Total current assets	<u>48,172</u>	<u>398,714</u>	<u>66,440</u>	<u>560,078</u>	<u>64,613</u>	<u>1,138,017</u>
Noncurrent assets:						
Capital assets, net of accumulated depreciation	<u>66,572</u>	<u>263,427</u>	<u>1,399</u>	<u>-</u>	<u>385,909</u>	<u>717,307</u>
Total noncurrent assets	<u>66,572</u>	<u>263,427</u>	<u>1,399</u>	<u>-</u>	<u>385,909</u>	<u>717,307</u>
Total assets	<u>\$ 114,744</u>	<u>\$ 662,141</u>	<u>\$ 67,839</u>	<u>\$ 560,078</u>	<u>\$ 450,522</u>	<u>\$ 1,855,324</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension	104,500	145,358	181,163	-	-	431,021
OPEB	13,954	19,410	24,190	-	-	57,554
Total deferred outflows of resources	<u>\$ 118,454</u>	<u>\$ 164,768</u>	<u>\$ 205,353</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 488,575</u>
Total assets & deferred outflows of resources and net position	<u>\$ 233,198</u>	<u>\$ 826,909</u>	<u>\$ 273,192</u>	<u>\$ 560,078</u>	<u>\$ 450,522</u>	<u>\$ 2,343,899</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 8,723	\$ 13,346	\$ 7,223	\$ -	\$ 4,380	\$ 33,672
Salaries and benefits payable	7,446	11,131	13,447	-	-	32,024
Claims payable	-	-	-	226,539	-	226,539
Compensated absences	1,723	530	3,899	-	-	6,152
Total current liabilities	<u>17,892</u>	<u>25,007</u>	<u>24,569</u>	<u>226,539</u>	<u>4,380</u>	<u>298,387</u>
Noncurrent liabilities:						
Net pension liability	340,256	473,286	589,868	-	-	1,403,410
Net OPEB liability	160,710	223,542	278,606	-	-	662,858
Compensated absences	7,444	46,621	80,412	-	-	134,477
Total noncurrent liabilities	<u>508,410</u>	<u>743,449</u>	<u>948,886</u>	<u>-</u>	<u>-</u>	<u>2,200,745</u>
Total liabilities	<u>526,302</u>	<u>768,456</u>	<u>973,455</u>	<u>226,539</u>	<u>4,380</u>	<u>2,499,132</u>
DEFERRED INFLOWS OF RESOURCES						
Pension	4,963	6,903	8,603	-	-	20,469
OPEB	1,342	1,867	2,327	-	-	5,536
Total deferred inflows of resources	<u>6,305</u>	<u>8,770</u>	<u>10,930</u>	<u>-</u>	<u>-</u>	<u>26,005</u>
NET POSITION						
Net investment in capital assets	66,572	263,427	1,399	-	385,909	717,307
Unrestricted	(365,981)	(213,744)	(712,592)	333,539	60,233	(898,545)
Total net position	<u>(299,409)</u>	<u>49,683</u>	<u>(711,193)</u>	<u>333,539</u>	<u>446,142</u>	<u>(181,238)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 233,198</u>	<u>\$ 826,909</u>	<u>\$ 273,192</u>	<u>\$ 560,078</u>	<u>\$ 450,522</u>	<u>\$ 2,343,899</u>

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Garage/Fleet Operations	Information Technology	Revenue Collections	Self Insurance	Service Center Building	Internal Service Totals
OPERATING REVENUES:						
Charges for services	\$ 789,463	\$ 779,149	\$ 608,126	\$ 2,425,660	\$ 121,489	\$ 4,723,887
Other revenue	<u>5,747</u>	<u>5,192</u>	<u>8,207</u>	<u>-</u>	<u>-</u>	<u>19,146</u>
Total operating revenues	<u>795,210</u>	<u>784,341</u>	<u>616,333</u>	<u>2,425,660</u>	<u>121,489</u>	<u>4,743,033</u>
OPERATING EXPENSES:						
Personal services	286,148	463,055	534,687	-	-	1,283,890
Operations and maintenance	477,066	395,470	162,152	557,670	79,001	1,671,359
Claims	-	-	-	1,926,130	-	1,926,130
Depreciation	<u>13,618</u>	<u>63,293</u>	<u>666</u>	<u>-</u>	<u>54,683</u>	<u>132,260</u>
Total operating expenses	<u>776,832</u>	<u>921,818</u>	<u>697,505</u>	<u>2,483,800</u>	<u>133,684</u>	<u>5,013,639</u>
Operating income (loss)	<u>18,378</u>	<u>(137,477)</u>	<u>(81,172)</u>	<u>(58,140)</u>	<u>(12,195)</u>	<u>(270,606)</u>
NONOPERATING REVENUES:						
Investment income	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,934</u>	<u>-</u>	<u>10,934</u>
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,934</u>	<u>-</u>	<u>10,934</u>
Income (loss) before capital contributions and transfers	18,378	(137,477)	(81,172)	(47,206)	(12,195)	(259,672)
Change in net position	18,378	(137,477)	(81,172)	(47,206)	(12,195)	(259,672)
Net position - beginning (restated)	<u>(317,787)</u>	<u>187,160</u>	<u>(630,021)</u>	<u>380,745</u>	<u>458,337</u>	<u>78,434</u>
Net position - ending	<u>\$ (299,409)</u>	<u>\$ 49,683</u>	<u>\$ (711,193)</u>	<u>\$ 333,539</u>	<u>\$ 446,142</u>	<u>\$ (181,238)</u>

**CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Garage/ Fleet Operations	Information Technology	Revenue Collections	Self Insurance	Service Center Building	Internal Service Totals
Cash flows from operating activities:						
Receipts from customers and users	\$ 5,747	\$ 102,437	\$ 8,207	\$ -	\$ -	\$ 116,391
Receipts from interfund services	789,463	681,904	608,126	2,425,660	121,489	4,626,642
Payments to suppliers	(442,369)	(467,026)	(105,088)	(557,670)	(69,909)	(1,642,062)
Payments to employees	(260,411)	(349,781)	(456,137)	-	-	(1,066,329)
Payments for claims	-	-	-	(1,931,129)	-	(1,931,129)
Payments for interfund services used	(35,546)	(1,370)	(55,646)	-	(8,364)	(100,926)
Net cash provided by operating activities	<u>56,884</u>	<u>(33,836)</u>	<u>(538)</u>	<u>(63,139)</u>	<u>43,216</u>	<u>2,587</u>
Cash flows from capital and related financing activities:						
Acquisition of capital assets	(56,086)	(119,184)	-	-	-	(175,270)
Net cash used for capital and related financing activities	<u>(56,086)</u>	<u>(119,184)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(175,270)</u>
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	48,177	526,556	96,787	-	54,470	725,990
Purchase of investments	(50,166)	(397,875)	(98,792)	-	(96,071)	(642,904)
Interest on investments	-	-	-	10,934	-	10,934
Net cash provided by investing activities	<u>(1,989)</u>	<u>128,681</u>	<u>(2,005)</u>	<u>10,934</u>	<u>(41,601)</u>	<u>94,020</u>
Net decrease in pooled cash	(1,191)	(24,339)	(2,543)	(52,205)	1,615	(78,663)
Pooled cash, beginning of year	3,053	39,103	6,209	612,283	1,950	662,598
Pooled cash, end of year	<u>\$ 1,862</u>	<u>\$ 14,764</u>	<u>\$ 3,666</u>	<u>\$ 560,078</u>	<u>\$ 3,565</u>	<u>\$ 583,935</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 18,378	\$ (137,477)	\$ (81,172)	\$ (58,140)	\$ (12,195)	\$ (270,606)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation	13,618	63,293	666	-	54,683	132,260
Change in assets and deferred outflows:						
Prepaid items	(253)	(49,945)	287	-	(42)	(49,953)
Inventory	2,664	(842)	-	-	-	1,822
Deferred outflows - Pension	(52,622)	(76,349)	(90,682)	-	-	(219,653)
Deferred outflows - OPEB	(3,534)	(5,548)	(6,015)	-	-	(15,097)
Change in liabilities and deferred inflows:						
Accounts & claims payable	(3,260)	(22,139)	1,131	(4,999)	770	(28,497)
Salaries and benefits payable and compensated absences	(19,521)	29,468	3,719	-	-	13,666
Net pension liability	137,766	203,921	236,694	-	-	578,381
Net OPEB liability	19,473	35,660	32,267	-	-	87,400
Deferred inflows - Pension	(46,160)	(61,103)	(80,563)	-	-	(187,826)
Deferred inflows - OPEB	(9,665)	(12,775)	(16,870)	-	-	(39,310)
Net cash provided by operating activities	<u>\$ 56,884</u>	<u>\$ (33,836)</u>	<u>\$ (538)</u>	<u>\$ (63,139)</u>	<u>\$ 43,216</u>	<u>\$ 2,587</u>
Noncash investing, capital and related financing activities:						
Prior year purchase of equipment on account	\$ -	\$ 5,657	\$ -	\$ -	\$ -	\$ 5,657

CITY OF SIDNEY, OHIO

Fund Descriptions – Fiduciary Funds

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.

Unclaimed Funds Trust Fund. To account for outstanding checks not cashed within a specified time.

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, 2019

	Municipal Court	Port Jefferson	River Clean-Up	Unclaimed Funds	Custodial Funds Totals
ASSETS					
Pooled cash	\$ -	\$ 537	\$ 1,577	\$ 2,009	\$ 4,123
Cash held by outside agent	238,378	-	-	-	238,378
Pooled investments	-	9,116	26,780	34,102	69,998
Accounts Receivable	-	7,075	-	-	7,075
	<u>-</u>	<u>7,075</u>	<u>-</u>	<u>-</u>	<u>7,075</u>
Total assets	<u>\$ 238,378</u>	<u>\$ 16,728</u>	<u>\$ 28,357</u>	<u>\$ 36,111</u>	<u>\$ 319,574</u>
LIABILITIES					
Accounts payable	\$ -	\$ 7,043	\$ -	\$ -	\$ 7,043
Payable to other governments	105,075	-	-	-	105,075
	<u>105,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105,075</u>
Total liabilities	<u>\$ 105,075</u>	<u>\$ 7,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,118</u>
NET POSITION					
Restricted for:					
Individuals & organizations & other governments	<u>\$ 133,303</u>	<u>\$ 9,685</u>	<u>\$ 28,357</u>	<u>\$ 36,111</u>	<u>\$ 207,456</u>
Total Net position	<u>\$ 133,303</u>	<u>\$ 9,685</u>	<u>\$ 28,357</u>	<u>\$ 36,111</u>	<u>\$ 207,456</u>

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CHANGES IN NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Municipal Court	Port Jefferson	River Clean-Up	Unclaimed Funds	Custodial Funds Totals
ADDITIONS					
Charges for services	\$ -	\$ 67,156	\$ -	\$ -	\$ 67,156
Court costs & fines	2,602,081	-	-	-	2,602,081
Contributions	-	-	16,018	-	16,018
Unclaimed refunds	-	-	-	17,261	17,261
Total Additions	<u>2,602,081</u>	<u>67,156</u>	<u>16,018</u>	<u>17,261</u>	<u>2,702,516</u>
DEDUCTIONS					
Judgement costs & bond reimbursements	1,295,620	-	-	-	1,295,620
Payments to other governments	1,294,625	74,885	-	-	1,369,510
Claimed refunds	-	-	-	90	90
Clean-up expenses	-	-	21,031	-	21,031
Total Deductions	<u>2,590,245</u>	<u>74,885</u>	<u>21,031</u>	<u>90</u>	<u>2,686,251</u>
Change in net position	11,836	(7,729)	(5,013)	17,171	16,265
Net position, beginning of year	<u>121,467</u>	<u>17,414</u>	<u>33,370</u>	<u>18,940</u>	<u>191,191</u>
Net position, end of year	<u>\$ 133,303</u>	<u>\$ 9,685</u>	<u>\$ 28,357</u>	<u>\$ 36,111</u>	<u>\$ 207,456</u>

**CITY OF SIDNEY, OHIO
 COMBINING STATEMENT OF NET POSITION
 PRIVATE-PURPOSE TRUST FUNDS
 DECEMBER 31, 2019**

	<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>
ASSETS					
Pooled cash	\$ 74	\$ 1,398	\$ 154	\$ 253	\$ 1,879
Pooled investments	1,251	23,716	2,619	4,307	31,893
Interest receivable	<u>2</u>	<u>31</u>	<u>3</u>	<u>6</u>	<u>42</u>
Total assets	<u>\$ 1,327</u>	<u>\$ 25,145</u>	<u>\$ 2,776</u>	<u>\$ 4,566</u>	<u>\$ 33,814</u>
LIABILITIES					
Accounts payable	<u>307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>307</u>
Total liabilities	<u>\$ 307</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 307</u>
NET POSITION					
Restricted for:					
Individuals & organization					
& other governments	<u>1,020</u>	<u>25,145</u>	<u>2,776</u>	<u>4,566</u>	<u>33,507</u>
Total Net position	<u>\$ 1,020</u>	<u>\$ 25,145</u>	<u>\$ 2,776</u>	<u>\$ 4,566</u>	<u>\$ 33,507</u>

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CHANGES IN NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	B. Bennett Flower Trust	B. Slonkosky Flower Trust	C. Truster Flower Trust	Ike Family Mausoleum Trust	Private-Purpose Trust Funds Totals
ADDITIONS					
Private contributions	\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000
Investment income	<u>42</u>	<u>145</u>	<u>82</u>	<u>133</u>	<u>402</u>
Total Additions	<u>42</u>	<u>25,145</u>	<u>82</u>	<u>133</u>	<u>25,402</u>
DEDUCTIONS					
Purchase of flowers	<u>613</u>	<u>-</u>	<u>67</u>	<u>-</u>	<u>680</u>
Total Deductions	<u>613</u>	<u>-</u>	<u>67</u>	<u>-</u>	<u>680</u>
Change in net position	(571)	25,145	15	133	24,722
Net position, beginning of year	<u>1,591</u>	<u>-</u>	<u>2,761</u>	<u>4,433</u>	<u>8,785</u>
Net position, end of year	<u>\$ 1,020</u>	<u>\$ 25,145</u>	<u>\$ 2,776</u>	<u>\$ 4,566</u>	<u>\$ 33,507</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 14,676,910	\$ 13,688,802	\$ (988,108)
Intergovernmental revenues	589,598	653,860	64,262
Special assessments	249,176	286,560	37,384
Charges for services	1,171,675	1,282,140	110,465
Fines, licenses and permits	423,878	421,364	(2,514)
Investment income	201,960	364,713	162,753
Miscellaneous receipts and reimbursements	1,792,109	2,009,367	217,258
Total revenues	19,105,306	18,706,806	(398,500)
EXPENDITURES:			
Current:			
Community Development			
Community Planning & Development			
Personal services	184,314	172,752	11,562
Contractual, materials and other	25,358	25,278	80
Community Service Program			
Personal services	73,900	73,289	611
Contractual, materials and other	29,034	3,842	25,192
Miscellaneous			
Contractual, materials and other	7,038	7,037	1
Total community development	319,644	282,198	37,446
Community Environment			
Building Inspection			
Personal services	101,170	100,169	1,001
Contractual, materials and other	16,497	10,968	5,529
Code Enforcement			
Personal services	80,214	79,172	1,042
Contractual, materials and other	117,261	113,936	3,325
Engineering			
Personal services	309,371	306,459	2,912
Contractual, materials and other	94,388	65,116	29,272
Total community environment	718,901	675,820	43,081
Fire			
Fire Services			
Personal services	4,678,496	4,549,584	128,912
Contractual, materials and other	824,986	782,886	42,100
Total fire	5,503,482	5,332,470	171,012

(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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
General Government			
City Administration			
Personal services	307,720	306,502	1,218
Contractual, materials and other	29,235	26,550	2,685
City Council			
Personal services	75,716	74,631	1,085
Contractual, materials and other	56,333	51,093	5,240
City Hall			
Personal services	300	219	81
Contractual, materials and other	147,007	127,380	19,627
County Auditor Deductions			
Contractual, materials and other	112,430	112,327	103
Finance			
Personal services	411,545	409,653	1,892
Contractual, materials and other	153,464	149,500	3,964
Law Director			
Personal services	118,515	117,380	1,135
Contractual, materials and other	16,678	15,224	1,454
Miscellaneous			
Personal services	250,000	134,407	115,593
Contractual, materials and other	1,011,937	944,054	67,883
Personnel			
Personal services	205,930	203,004	2,926
Contractual, materials and other	259,388	211,868	47,520
Purchasing			
Personal services	21,620	21,541	79
Contractual, materials and other	12,577	10,585	1,992
Total general government	<u>3,190,395</u>	<u>2,915,918</u>	<u>526,016</u>
Judicial			
Municipal Court			
Personal services	1,101,715	1,085,338	16,377
Contractual, materials and other	321,056	297,566	23,490
Total judicial	<u>1,422,771</u>	<u>1,382,904</u>	<u>39,867</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
Parks and Recreation			
Parks - Administration			
Personal services	123,070	121,504	1,566
Contractual, materials and other	27,660	26,746	914
Parks - Grounds Maintenance			
Personal services	664,690	653,313	11,377
Contractual, materials and other	320,665	309,215	11,450
Parks - Recreation Programs			
Personal services	101,270	99,449	1,821
Contractual, materials and other	84,621	59,657	24,964
Senior Center			
Contractual, materials and other	42,318	39,872	2,446
Urban Forest			
Contractual, materials and other	59,614	58,889	725
Total parks and recreation	<u>1,423,908</u>	<u>1,368,645</u>	<u>55,263</u>
Police			
Police Services			
Personal services	5,422,506	5,184,370	238,136
Contractual, materials and other	974,055	884,268	89,787
Street Lighting Department			
Contractual, materials and other	221,000	207,556	13,444
Total police	<u>6,617,561</u>	<u>6,276,194</u>	<u>341,367</u>
Total expenditures	<u>19,196,662</u>	<u>18,234,149</u>	<u>962,513</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(91,356)</u>	<u>472,657</u>	<u>564,013</u>
OTHER FINANCING SOURCES (USES):			
Cash advance in	-	-	-
Transfers out	(642,182)	(642,182)	-
Total other financing uses	<u>(642,182)</u>	<u>(642,182)</u>	<u>-</u>
Net change in fund balance	<u>(733,538)</u>	<u>(169,525)</u>	<u>564,013</u>
Fund Balances, beginning of year	11,200,031	11,200,031	-
Prior Year Encumbrances	361,851	361,851	-
Fund Balances, end of year	<u>\$ 10,828,344</u>	<u>\$ 11,392,357</u>	<u>\$ 564,013</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 1,023,778	\$ 1,158,945	\$ 135,167
Charges for services	500		(500)
Investment Income	8,670	11,669	2,999
Miscellaneous receipts and reimbursements	<u>72,903</u>	<u>81,628</u>	<u>8,725</u>
Total revenues	<u>1,105,851</u>	<u>1,252,242</u>	<u>146,391</u>
EXPENDITURES:			
Current:			
Street repair & maintenance			
Personal services	676,139	647,125	29,014
Contractual, materials and other	<u>895,129</u>	<u>839,465</u>	<u>55,664</u>
Total expenditures	<u>1,571,268</u>	<u>1,486,590</u>	<u>84,678</u>
Deficiency of revenues under expenditures	<u>(465,417)</u>	<u>(234,348)</u>	<u>231,069</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Total other financing sources	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Net change in fund balance	(215,417)	15,652	231,069
Fund Balances, beginning of year	348,910	348,910	-
Prior Year Encumbrances	108,710	108,710	-
Fund Balances, end of year	<u>\$ 242,203</u>	<u>\$ 473,272</u>	<u>\$ 231,069</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenue	\$ 142,500	\$ 379,608	\$ 237,108
Investment income	-	4,643	4,643
Total revenues	142,500	384,251	241,751
EXPENDITURES:			
Current:			
Community development			
Personal services	10,653	10,653	-
Contractual, materials and other	781,931	713,194	68,737
Total expenditures	792,584	723,847	68,737
Deficiency of revenues under expenditures	(650,084)	(339,596)	310,488
Fund Balances, beginning of year	(117,200)	(117,200)	-
Prior Year Encumbrances	206,272	206,272	-
Fund Balances, end of year	<u>\$ (561,012)</u>	<u>\$ (250,524)</u>	<u>\$ 310,488</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 1,000	\$ 1,427	\$ 427
Total revenues	1,000	1,427	427
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	50,000	20,837	29,163
Total expenditures	50,000	20,837	29,163
Deficiency of revenues under expenditures	(49,000)	(19,410)	29,590
Fund Balances, beginning of year	57,093	57,093	-
Fund Balances, end of year	<u>\$ 8,093</u>	<u>\$ 37,683</u>	<u>\$ 29,590</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:	-	-	-
Net change in fund balance	-	-	-
Fund Balances, beginning of year	12	12	-
Fund Balances, end of year	<u>\$ 12</u>	<u>\$ 12</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
CEMETERY FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 132,145	\$ 159,053	\$ 26,908
Miscellaneous receipts and reimbursements	-	2,722	2,722
Total revenues	<u>132,145</u>	<u>161,775</u>	<u>29,630</u>
EXPENDITURES:			
Current:			
Health			
Personal services	182,530	178,507	4,023
Contractual, materials and other	78,972	71,499	7,473
Total expenditures	<u>261,502</u>	<u>250,006</u>	<u>11,496</u>
Deficiency of revenues under expenditures	<u>(129,357)</u>	<u>(88,231)</u>	<u>41,126</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	(54,357)	(13,231)	41,126
Fund Balances, beginning of year	180,403	180,403	-
Prior Year Encumbrances	1,195	1,195	-
Fund Balances, end of year	<u>\$ 127,241</u>	<u>\$ 168,367</u>	<u>\$ 41,126</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	13,650	24,236	10,586
Total revenues	<u>13,650</u>	<u>24,236</u>	<u>10,586</u>
EXPENDITURES:			
Current:			
Health			
Contractual, materials and other	500	350	150
Total expenditures	<u>500</u>	<u>350</u>	<u>150</u>
Excess of revenues over expenditures	13,150	23,886	10,736
Fund Balances, beginning of year	785,242	785,242	-
Fund Balances, end of year	<u>\$ 798,392</u>	<u>\$ 809,128</u>	<u>\$ 10,736</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
CITIZEN POLICE ACADEMY GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			-
Current:			
Police			
Contractual, materials and other	100	100	-
Total expenditures	<u>100</u>	<u>100</u>	<u>-</u>
Deficiency of revenues under expenditures	(100)	(100)	-
Fund Balances, beginning of year	100	100	-
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
CONVENTION AND VISITORS' BUREAU FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 99,485	\$ 109,270	\$ 9,785
Total revenues	<u>99,485</u>	<u>109,270</u>	<u>9,785</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	99,500	99,500	-
Total expenditures	<u>99,500</u>	<u>99,500</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(15)	9,770	9,785
Fund Balances, beginning of year	16,929	16,929	-
Fund Balances, end of year	<u>\$ 16,914</u>	<u>\$ 26,699</u>	<u>\$ 9,785</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenue	\$ 106,740	\$ 104,100	\$ (2,640)
Total revenues	<u>106,740</u>	<u>104,100</u>	<u>(2,640)</u>
EXPENDITURES:			
Current:			
Street repair & maintenance			
Contractual, materials and other	106,740	106,740	-
Total expenditures	<u>106,740</u>	<u>106,740</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	(2,640)	(2,640)
Fund Balances, beginning of year	83,155	83,155	-
Prior Year Encumbrances	-	-	-
Fund Balances, end of year	<u>\$ 83,155</u>	<u>\$ 80,515</u>	<u>\$ (2,640)</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Special assessments	\$ 1,215	\$ 1,756	\$ 541
Total Revenues	<u>1,215</u>	<u>1,756</u>	<u>541</u>
EXPENDITURES:			
Current:			
Community development			
Personal services	<u>585</u>	<u>445</u>	<u>140</u>
Total expenditures	<u>585</u>	<u>445</u>	<u>140</u>
Excess of revenues over expenditures	630	1,311	681
Fund Balances, beginning of year	<u>4,340</u>	<u>4,340</u>	<u>-</u>
Fund Balances, end of year	<u><u>\$ 4,970</u></u>	<u><u>\$ 5,651</u></u>	<u><u>\$ 681</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
DRUG LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 8,000	\$ 9,680	\$ 1,680
Total revenues	<u>8,000</u>	<u>9,680</u>	<u>1,680</u>
EXPENDITURES:			
Current:			
Police			
Personal services	2,410	-	2,410
Contractual, materials and other	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total expenditures	<u>12,410</u>	<u>10,000</u>	<u>2,410</u>
Deficiency of revenues under expenditures	(4,410)	(320)	4,090
Fund Balances, beginning of year	<u>22,241</u>	<u>22,241</u>	<u>-</u>
Fund Balances, end of year	<u><u>\$ 17,831</u></u>	<u><u>\$ 21,921</u></u>	<u><u>\$ 4,090</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
E-911 WIRELESS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 50,000	\$ 49,937	\$ (63)
Total revenues	<u>50,000</u>	<u>49,937</u>	<u>(63)</u>
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	52,315	39,270	13,045
Total expenditures	<u>52,315</u>	<u>39,270</u>	<u>13,045</u>
Excess (deficiency) of revenues over (under) expenditures	(2,315)	10,667	12,982
Fund Balances, beginning of year	136,528	136,528	-
Fund Balances, end of year	<u>\$ 134,213</u>	<u>\$ 147,195</u>	<u>\$ 12,982</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 2,500	\$ 1,962	\$ (538)
Total revenues	<u>2,500</u>	<u>1,962</u>	<u>(538)</u>
EXPENDITURES:			
Current:			
Police			
Personal services	4,335	1,367	2,968
Contractual, materials and other	500	-	500
Total expenditures	<u>4,835</u>	<u>1,367</u>	<u>3,468</u>
Excess (deficiency) of revenues over (under) expenditures	(2,335)	595	2,930
Fund Balances, beginning of year	8,100	8,100	-
Fund Balances, end of year	<u>\$ 5,765</u>	<u>\$ 8,695</u>	<u>\$ 2,930</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:	-	-	-
Net change in fund balance	-	-	-
Fund Balances, beginning of year	9	9	-
Fund Balances, end of year	<u>\$ 9</u>	<u>\$ 9</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 50,000	\$ 42,783	\$ (7,217)
Total Revenues	<u>50,000</u>	<u>42,783</u>	<u>(7,217)</u>
EXPENDITURES:			
Current:			
Fire Services			
Contractual, materials and other	147,694	147,693	1
Total expenditures	<u>147,694</u>	<u>147,693</u>	<u>1</u>
Deficiency of revenues under expenditures	(97,694)	(104,910)	(7,216)
Fund Balances, beginning of year	-	-	-
Prior Year Encumbrances	104,910	104,910	-
Fund Balances, end of year	<u>\$ 7,216</u>	<u>\$ -</u>	<u>\$ (7,216)</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 24,240	\$ 24,240	\$ -
Total revenues	24,240	24,240	-
EXPENDITURES:			
Current:			
Health			
Contractual, materials and other	7,760	1,345	6,415
Total expenditures	7,760	1,345	6,415
Excess of revenues over expenditures	16,480	22,895	6,415
Fund Balances, beginning of year	26,049	26,049	-
Fund Balances, end of year	\$ 42,529	\$ 48,944	\$ 6,415

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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 925	\$ 11,964	\$ 11,039
Total revenues	925	11,964	11,039
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	8,219	219	8,000
Total expenditures	8,219	219	8,000
Excess (deficiency) of revenues over (under) expenditures	(7,294)	11,745	19,039
Fund Balances, beginning of year	13,098	13,098	-
Prior Year Encumbrances	219	219	-
Fund Balances, end of year	\$ 6,023	\$ 25,062	\$ 19,039

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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 13,000	\$ 17,693	\$ 4,693
Total revenues	<u>13,000</u>	<u>17,693</u>	<u>4,693</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	20,000	800	19,200
Total expenditures	<u>20,000</u>	<u>800</u>	<u>19,200</u>
Excess (deficiency) of revenues over (under) expenditures	(7,000)	16,893	23,893
Fund Balances, beginning of year	25,231	25,231	-
Fund Balances, end of year	<u>\$ 18,231</u>	<u>\$ 42,124</u>	<u>\$ 23,893</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	16,000	1,050	14,950
Total expenditures	<u>16,000</u>	<u>1,050</u>	<u>14,950</u>
Deficiency of revenues under expenditures	(16,000)	(1,050)	14,950
Fund Balances, beginning of year	16,000	16,000	-
Fund Balances, end of year	<u>\$ -</u>	<u>\$ 14,950</u>	<u>\$ 14,950</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 INTERLOCK & ALCOHOL MONITORING FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 17,000	\$ 22,103	\$ 5,103
Total revenues	<u>17,000</u>	<u>22,103</u>	<u>5,103</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	23,760	13,673	10,087
Total expenditures	<u>23,760</u>	<u>13,673</u>	<u>10,087</u>
Excess (deficiency) of revenues over (under) expenditures	(6,760)	8,430	15,190
Fund Balances, beginning of year	7,385	7,385	-
Prior Year Encumbrances	6,760	6,760	-
Fund Balances, end of year	<u>\$ 7,385</u>	<u>\$ 22,575</u>	<u>\$ 15,190</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
JUSTICE REINVESTMENT INCENTIVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 247,342	\$ 196,602	\$ (50,740)
Miscellaneous receipts and reimbursements	-	247	247
Total Revenues	<u>247,342</u>	<u>196,849</u>	<u>(50,740)</u>
EXPENDITURES:			
Current:			
Judicial			
Personal services	176,025	176,025	-
Contractual, materials and other	71,317	70,867	450
Total expenditures	<u>247,342</u>	<u>246,892</u>	<u>450</u>
Deficiency of revenues under expenditures	-	(50,043)	(50,290)
Fund Balances, beginning of year	47,220	47,220	-
Prior Year Encumbrances	27,939	27,939	-
Fund Balances, end of year	<u>\$ 75,159</u>	<u>\$ 25,116</u>	<u>\$ (50,290)</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 179,000	\$ 264,107	\$ 85,107
Miscellaneous receipts and reimbursements	100	100	-
Total Revenues	<u>179,100</u>	<u>264,207</u>	<u>85,107</u>
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	56,300	52,797	3,503
Total Expenditures	<u>56,300</u>	<u>52,797</u>	<u>3,503</u>
Excess of revenues over expenditures	122,800	211,410	88,610
Fund Balances, beginning of year	56,513	56,513	-
Fund Balances, end of year	<u>\$ 179,313</u>	<u>\$ 267,923</u>	<u>\$ 88,610</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 25,000	\$ 20,057	\$ (4,943)
Miscellaneous receipts and reimbursements	-	100	100
Total Revenues	<u>25,000</u>	<u>20,157</u>	<u>(4,843)</u>
EXPENDITURES:			
Current:			
Police			
Personal services	26,966	12,639	14,327
Contractual, materials and other	9,700	3,400	6,300
Total Expenditures	<u>36,666</u>	<u>16,039</u>	<u>20,627</u>
Excess (deficiency) of revenues over (under) expenditures	(11,666)	4,118	15,784
OTHER FINANCING SOURCES (USES):			
Cash advance out	(21,875)	(11,667)	(10,208)
Total other financing sources	<u>(21,875)</u>	<u>(11,667)</u>	<u>(10,208)</u>
Net change in fund balance	(33,541)	(7,549)	5,576
Fund Balances, beginning of year, restated	15,140	15,140	-
Prior Year Encumbrances	1,250	1,250	-
Fund Balances, end of year	<u>\$ (17,151)</u>	<u>\$ 8,841</u>	<u>\$ 5,576</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 800	\$ 354	\$ (446)
Investment income	775	1,350	575
Total revenues	<u>1,575</u>	<u>1,704</u>	<u>129</u>
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	1,575	1,704	129
Fund Balances, beginning of year	43,629	43,629	-
Fund Balances, end of year	<u>\$ 45,204</u>	<u>\$ 45,333</u>	<u>\$ 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
MUNICIPAL COURT COMPUTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 39,500	\$ 42,534	\$ 3,034
Total Revenues	<u>39,500</u>	<u>42,534</u>	<u>3,034</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	37,942	33,934	4,008
Total expenditures	<u>37,942</u>	<u>33,934</u>	<u>4,008</u>
Excess of revenues over expenditures	1,558	8,600	7,042
Fund Balances, beginning of year	44,414	44,414	-
Prior Year Encumbrances	800	800	-
Fund Balances, end of year	<u>\$ 46,772</u>	<u>\$ 53,814</u>	<u>\$ 7,042</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 132,000	\$ 137,137	\$ 5,137
Miscellaneous receipts and reimbursements	-	646	646
Total revenues	<u>132,000</u>	<u>137,783</u>	<u>5,783</u>
EXPENDITURES:			
Current:			
Judicial			
Personal services	133,175	130,129	3,046
Contractual, materials and other	102,288	85,694	16,594
Total expenditures	<u>235,463</u>	<u>215,823</u>	<u>19,640</u>
Deficiency of revenues under expenditures	(103,463)	(78,040)	25,423
Fund Balances, beginning of year	562,051	562,051	-
Prior Year Encumbrances	11,788	11,788	-
Fund Balances, end of year	<u>\$ 470,376</u>	<u>\$ 495,799</u>	<u>\$ 25,423</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, 2019

	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	216	216	-
Total expenditures	<u>216</u>	<u>216</u>	<u>-</u>
Deficiency of revenues under expenditures	(216)	(216)	-
Fund Balances, beginning of year	-	-	-
Prior Year Encumbrances	216	216	-
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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 24,733	\$ 24,373	\$ (360)
Total revenues	<u>24,733</u>	<u>24,373</u>	<u>(360)</u>
EXPENDITURES:			
Current:			
Community Environment			
Personal services	12,020	6,068	5,952
Contractual, materials and other	<u>24,101</u>	<u>23,721</u>	<u>380</u>
Total expenditures	<u>36,121</u>	<u>29,789</u>	<u>6,332</u>
Deficiency of revenues under expenditures	(11,388)	(5,416)	5,972
Fund Balances, beginning of year	92,193	92,193	-
Prior Year Encumbrances	<u>8,551</u>	<u>8,551</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 89,356</u>	<u>\$ 95,328</u>	<u>\$ 5,972</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 76,835	\$ 76,835	\$ -
Miscellaneous receipts and reimbursements		<u>986</u>	<u>986</u>
Total revenues	<u>76,835</u>	<u>77,821</u>	<u>986</u>
EXPENDITURES:			
Current:			
Judicial			
Personal services	69,573	68,878	695
Contractual, materials and other	<u>11,924</u>	<u>11,560</u>	<u>364</u>
Total expenditures	<u>81,497</u>	<u>80,438</u>	<u>1,059</u>
Deficiency of revenues under expenditures	(4,662)	(2,617)	2,045
Fund Balances, beginning of year	7,943	7,943	-
Prior Year Encumbrances	<u>1,653</u>	<u>1,653</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 4,934</u>	<u>\$ 6,979</u>	<u>\$ 2,045</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
STATE HIGHWAY FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 74,355	\$ 85,642	\$ 11,287
Investment income	400	1,238	838
Total revenues	74,755	86,880	12,125
EXPENDITURES:			
Current:			
Street repair & maintenance			
Contractual, materials and other	72,603	72,603	-
Total expenditures	72,603	72,603	-
Excess of revenues over expenditures	2,152	14,277	12,125
Fund Balances, beginning of year	4,024	4,024	-
Fund Balances, end of year	<u>\$ 6,176</u>	<u>\$ 18,301</u>	<u>\$ 12,125</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 - ECHO FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local Taxes	\$ 5,209	\$ 5,308	\$ 99
Total revenues	5,209	5,308	99
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	1,042	1,042	-
Total expenditures	1,042	1,042	-
Excess of revenues over expenditures	4,167	4,266	99
Fund Balances, beginning of year	30,335	30,335	-
Fund Balances, end of year	<u>\$ 34,502</u>	<u>\$ 34,601</u>	<u>\$ 99</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 22,135	\$ 22,006	\$ (129)
Total revenues	<u>22,135</u>	<u>22,006</u>	<u>(129)</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>18,775</u>	<u>18,776</u>	<u>(1)</u>
Total expenditures	<u>18,775</u>	<u>18,776</u>	<u>(1)</u>
Excess of revenues over expenditures	3,360	3,230	(130)
Fund Balances, beginning of year	<u>75,022</u>	<u>75,022</u>	-
Fund Balances, end of year	<u>\$ 78,382</u>	<u>\$ 78,252</u>	<u>\$ (130)</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local Taxes	<u>\$ 124,334</u>	<u>\$ 127,042</u>	<u>\$ 2,708</u>
Total revenues	<u>124,334</u>	<u>127,042</u>	<u>2,708</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>86,467</u>	<u>86,467</u>	<u>-</u>
Total expenditures	<u>86,467</u>	<u>86,467</u>	<u>-</u>
Excess of revenues over expenditures	37,867	40,575	2,708
Fund Balances, beginning of year	<u>420,356</u>	<u>420,356</u>	-
Fund Balances, end of year	<u>\$ 458,223</u>	<u>\$ 460,931</u>	<u>\$ 2,708</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 3,074,330	\$ 2,923,687	\$ (150,643)
Intergovernmental revenues	4,552,603	259,002	(4,293,601)
Special assessments	75,000	130,089	55,089
Miscellaneous receipts and reimbursements	<u>353,790</u>	<u>399,682</u>	<u>45,892</u>
Total revenues	<u>8,055,723</u>	<u>3,712,460</u>	<u>(4,343,263)</u>
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	<u>9,252,113</u>	<u>8,507,525</u>	<u>744,588</u>
Total expenditures	<u>9,252,113</u>	<u>8,507,525</u>	<u>744,588</u>
Deficiency of revenues under expenditures	<u>(1,196,390)</u>	<u>(4,795,065)</u>	<u>(3,598,675)</u>
OTHER FINANCING SOURCES (USES):			
Sale of asset	15,000	40,801	25,801
Transfers in	<u>275,000</u>	<u>-</u>	<u>(275,000)</u>
Total other financing sources	<u>290,000</u>	<u>40,801</u>	<u>(249,199)</u>
Net change in fund balance	(906,390)	(4,754,264)	(3,847,874)
Fund Balances, beginning of year	1,603,733	1,603,733	-
Prior Year Encumbrances	<u>1,558,781</u>	<u>1,558,781</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 2,256,124</u>	<u>\$ (1,591,750)</u>	<u>\$ (3,847,874)</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 2,727,178	\$ 2,516,790	\$ (210,388)
Miscellaneous receipts and reimbursements	-	-	-
Total revenues	<u>2,727,178</u>	<u>2,516,790</u>	<u>(210,388)</u>
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	<u>2,517,450</u>	<u>1,514,872</u>	<u>1,002,578</u>
Total expenditures	<u>2,517,450</u>	<u>1,514,872</u>	<u>1,002,578</u>
Deficiency of revenues under expenditures	209,728	1,001,918	792,190
Fund Balances, beginning of year	718,141	718,141	-
Prior Year Encumbrances	<u>17,450</u>	<u>17,450</u>	-
Fund Balances, end of year	<u>\$ 945,319</u>	<u>\$ 1,737,509</u>	<u>\$ 792,190</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, 2019

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	<u>56,676</u>	<u>7,491</u>	<u>49,185</u>
Total expenditures	<u>56,676</u>	<u>7,491</u>	<u>49,185</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>275,000</u>	<u>-</u>	<u>(275,000)</u>
Total other financing uses	<u>275,000</u>	<u>-</u>	<u>(275,000)</u>
Excess (deficiency) of revenues over (under) expenditures	218,324	(7,491)	49,185
Fund Balances, beginning of year	50,000	50,000	-
Prior Year Encumbrances	<u>15,005</u>	<u>15,005</u>	-
Fund Balances, end of year	<u>\$ 283,329</u>	<u>\$ 57,514</u>	<u>\$ (225,815)</u>



STATISTICAL SECTION

CITY OF SIDNEY, OHIO
Statistical Section
December 31, 2019

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

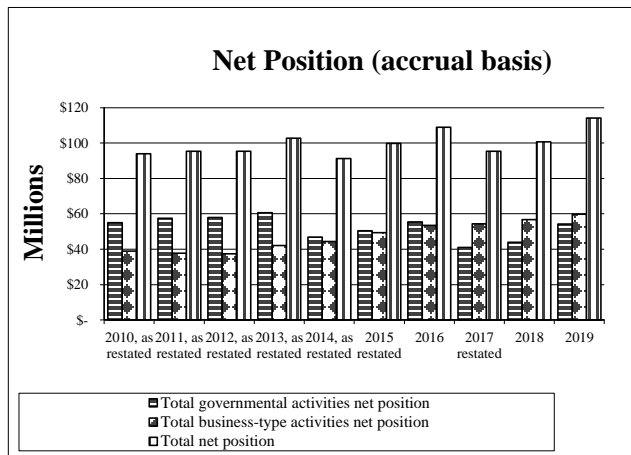
<u>Contents</u>	<u>Page</u>
Financial Trends (Schedules 1 – 4) These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	132 – 136
Revenue Capacity (Schedules 5 – 6) These schedules contain information to help the reader assess the City’s most significant local revenue source, the municipal income tax.	137 – 138
Debt Capacity (Schedules 7 - 10) 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.	139– 142
Economic and Demographic Information (Schedules 11 – 12) These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	143 – 144
Operating Information (Schedules 13 – 15) 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.	145 – 147

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

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

	Year Ended December 31,									
	2010, as restated	2011, as restated	2012, as restated	2013, as restated	2014, as restated	2015 restated	2016	2017 restated	2018	2019
Governmental activities										
Net investments in capital assets	44,608,862	46,814,752	46,484,983	47,228,659	46,471,032	48,421,398	52,535,603	56,673,279	59,060,823	60,481,104
Restricted for:										
Other purposes	1,782,614	3,116,853	3,273,154	3,521,730	3,922,451	6,070,942	6,221,211	5,459,700	5,520,325	6,737,699
Unrestricted	8,591,834	7,609,599	8,197,220	9,917,661	(3,493,089)	(4,047,311)	(3,307,733)	(21,070,199)	(20,656,687)	(12,925,179)
Total governmental activities net position	<u>54,983,310</u>	<u>57,541,204</u>	<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>
Business-type activities										
Net investments in capital assets	34,273,069	33,450,981	32,434,937	36,286,139	37,688,256	39,086,912	40,496,079	41,249,363	45,553,676	49,033,611
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	4,722,342	4,368,997	4,961,412	5,858,713	6,725,423	10,282,346	13,046,114	13,073,721	11,192,470	10,797,443
Total business-type activities net position	<u>38,995,411</u>	<u>37,819,978</u>	<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>
Total										
Net investments in capital assets	78,881,931	80,265,733	78,919,920	83,514,798	84,159,288	87,508,310	93,031,682	97,922,642	104,614,499	109,514,715
Restricted for:										
Other purposes	1,782,614	3,116,853	3,273,154	3,521,730	3,922,451	6,070,942	6,221,211	5,459,700	5,520,325	6,737,699
Unrestricted	13,314,176	11,978,596	13,158,632	15,776,374	3,232,334	6,235,035	9,738,381	(7,996,478)	(9,464,217)	(2,127,736)
Total net position	<u>\$ 93,978,721</u>	<u>\$ 95,361,182</u>	<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>

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:

- Change of transportation and stormwater management funds from governmental activities to business-type activities for 2006
- Change in classification between restricted and unrestricted net position for 2009 and 2010
- 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 water capital asset, stormwater and water receivable, and stormwater unearned revenue in 2012.
- 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

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

Schedule 2 Schedule 2

	Year Ended December 31,									
	2010	2011, as restated	2012, as restated	2013, as restated	2014, as restated	2015, as restated	2016	2017 restated	2018	2019
Expenses										
Governmental activities:										
Basic utility services	73,127	-	54,751	-	101,582	384,464	249,527	62,738	23,450	27,119
Community development	924,429	833,892	690,046	674,110	467,887	533,433	1,005,925	770,341	956,603	905,453
Community environment	1,301,521	783,027	704,322	522,557	572,458	568,221	620,135	662,270	752,982	882,259
Fire	4,334,589	4,635,651	4,636,484	4,831,041	5,028,715	5,543,595	5,711,785	5,762,909	6,469,069	114,577
General government	928,165	822,047	1,043,097	1,280,552	1,222,533	1,135,011	1,112,992	1,404,493	1,281,659	1,553,807
Health	197,366	188,091	200,968	212,134	211,378	246,323	229,048	316,082	355,460	374,076
Judicial	1,563,723	1,638,942	1,574,631	1,644,204	1,701,791	1,652,162	1,851,709	1,854,514	2,375,499	2,469,531
Parks and recreation	1,388,202	1,365,458	1,488,367	1,453,956	1,464,155	1,483,180	1,572,667	1,659,861	1,581,395	1,832,337
Police	6,142,034	5,995,394	5,947,129	5,878,916	6,069,441	6,194,921	6,381,987	6,936,647	7,491,183	2,561,736
Public transportation	-	-	5,643	-	-	-	41,509	4,778	-	-
Street repair & maintenance	3,324,839	3,420,370	3,275,490	3,501,798	3,233,573	3,236,098	3,565,336	3,713,373	4,100,079	4,419,540
Bond issuance cost	-	-	-	14,234	-	-	-	-	-	-
Interest on long-term debt	353,017	321,257	295,729	291,005	161,053	147,997	134,274	120,023	105,694	94,324
Total governmental activities expenses	<u>20,531,012</u>	<u>20,004,129</u>	<u>19,916,657</u>	<u>20,304,507</u>	<u>20,234,566</u>	<u>21,125,405</u>	<u>22,476,894</u>	<u>23,268,029</u>	<u>25,493,072</u>	<u>15,234,759</u>
Business-type activities:										
Sewer	3,724,801	3,631,479	3,473,960	3,915,727	4,139,110	4,163,735	4,211,321	4,896,273	4,855,169	5,516,773
Solid Waste	1,146,766	1,188,726	1,233,201	1,346,774	1,362,006	1,421,630	1,549,248	1,623,902	1,694,718	1,623,243
Stormwater	561,378	543,603	568,224	491,391	524,541	574,465	588,053	633,629	633,107	398,820
Water	3,400,452	3,760,888	3,876,533	3,838,381	3,791,600	3,713,584	3,984,823	4,771,136	5,206,990	6,052,718
Other business-type activities	1,492,936	1,522,638	1,598,795	1,554,138	1,576,068	1,609,157	1,680,619	1,829,707	2,103,450	2,072,459
Total business-type activities expenses	<u>10,326,333</u>	<u>10,647,334</u>	<u>10,750,713</u>	<u>11,146,411</u>	<u>11,393,325</u>	<u>11,482,571</u>	<u>12,014,064</u>	<u>13,754,647</u>	<u>14,493,434</u>	<u>15,664,013</u>
Total Expenses	<u>30,857,345</u>	<u>30,651,463</u>	<u>30,667,370</u>	<u>31,450,918</u>	<u>31,627,891</u>	<u>32,607,976</u>	<u>34,490,958</u>	<u>37,022,676</u>	<u>39,986,506</u>	<u>30,898,772</u>
Program Revenues **										
Governmental activities:										
Basic utility services	-	-	-	-	-	-	-	-	-	-
Community development	596,581	457,017	405,217	632,825	389,547	350,151	575,384	602,124	485,209	375,270
Community environment	86,795	63,674	89,396	87,860	79,255	96,715	114,174	113,002	121,526	167,677
Fire	751,523	561,125	637,602	555,901	700,607	702,442	767,796	744,983	820,467	764,591
General government	-	-	1,578	-	-	-	-	4,273	-	-
Health	115,009	144,307	133,823	152,802	122,172	145,303	156,342	152,613	197,277	127,501
Judicial	804,453	831,903	883,356	926,900	916,951	932,008	883,270	876,168	1,178,762	1,091,387
Parks and recreation	259,480	191,588	206,674	119,649	173,419	123,973	233,008	80,931	128,192	396,467
Police	420,134	410,885	404,573	434,230	335,842	352,453	356,665	439,709	379,676	666,358
Public safety	-	-	-	-	-	-	-	-	-	-
Public transportation	-	-	-	-	-	-	-	-	-	-
Street repair & maintenance	1,842,707	3,999,963	1,683,455	3,189,712	1,547,509	1,874,992	3,163,261	3,136,968	1,597,065	1,905,722
Total governmental activities program revenues	<u>4,876,682</u>	<u>6,660,462</u>	<u>4,445,674</u>	<u>6,099,879</u>	<u>4,265,302</u>	<u>4,578,037</u>	<u>6,249,900</u>	<u>6,150,771</u>	<u>4,908,174</u>	<u>5,494,973</u>
Business-type activities:										
Sewer	3,259,769	3,260,279	3,361,223	5,724,273	6,706,435	6,393,250	5,932,595	6,108,605	5,917,083	6,705,881
Solid Waste	1,094,019	1,140,751	1,205,710	1,325,314	1,388,994	1,457,325	1,556,991	1,629,976	1,696,429	1,776,737
Stormwater	318,396	345,438	344,723	350,623	378,838	382,292	424,341	402,483	676,332	1,175,593
Water	5,721,059	3,448,378	3,480,586	4,148,898	4,988,388	5,615,833	6,003,745	6,431,529	6,312,677	6,804,530
Other business-type activities	1,302,550	1,213,749	1,641,873	3,564,226	1,491,235	1,497,852	1,532,473	1,180,185	1,377,553	1,429,011
Total business-type activities program revenues	<u>11,695,793</u>	<u>9,408,595</u>	<u>10,034,115</u>	<u>15,113,334</u>	<u>14,953,890</u>	<u>15,346,552</u>	<u>15,450,145</u>	<u>15,752,778</u>	<u>15,980,074</u>	<u>17,891,752</u>

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

Schedule 2 Schedule 2

	Year Ended December 31,									
	2010	2011, as restated	2012, as restated	2013, as restated	2014, as restated	2015, as restated	2016	2017 restated	2018	2019
Net (Expense) Revenue ^(a)										
Governmental activities:										
Basic utility services	(73,127)	-	(54,751)	-	(101,582)	(384,464)	(249,527)	(62,738)	(23,450)	(27,119)
Community environment	-	-	-	-	(78,340)	(183,282)	-	(168,217)	(471,394)	(530,183)
Community development	(327,848)	(376,875)	(284,829)	(41,285)	-	-	(430,541)	-	-	-
Community environment	(1,214,726)	(719,353)	(614,926)	(434,697)	(493,203)	(471,506)	(505,961)	(549,268)	(631,456)	(714,582)
Fire	(3,583,066)	(4,074,526)	(3,998,882)	(4,275,140)	(4,328,108)	(4,841,153)	(4,943,989)	(5,017,926)	(5,648,602)	650,014
General government	(928,165)	(822,047)	(1,041,519)	(1,280,552)	(1,222,533)	(1,135,011)	(1,112,992)	(1,400,220)	(1,281,658)	(1,553,807)
Health	(82,357)	(43,784)	(67,145)	(59,332)	(89,206)	(101,020)	(72,706)	(163,469)	(158,183)	(246,575)
Judicial	(759,270)	(807,039)	(691,275)	(717,304)	(784,840)	(720,154)	(968,439)	(978,346)	(1,196,737)	(1,378,144)
Parks and recreation	(1,128,722)	(1,173,870)	(1,281,693)	(1,334,307)	(1,290,736)	(1,359,207)	(1,339,659)	(1,578,930)	(1,453,203)	(1,435,870)
Public safety	-	-	-	-	(5,733,599)	(5,842,468)	-	(6,496,938)	(7,111,507)	(1,895,378)
Police	(5,721,900)	(5,584,509)	(5,542,556)	(5,444,686)	-	-	(6,025,322)	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-
Public transportation	-	-	(5,643)	-	(1,686,064)	(1,361,106)	(41,509)	(4,778)	-	-
Street repair & maintenance	(1,482,132)	579,593	(1,592,035)	(312,086)	-	-	(402,075)	(576,405)	(2,503,014)	(2,513,818)
Bond issuance costs	-	-	-	(14,234)	-	-	-	-	-	-
Interest on long-term debt	(353,017)	(321,257)	(295,729)	(291,005)	(161,053)	(147,997)	(134,274)	(120,023)	(105,694)	(94,324)
Total governmental activities	(15,654,330)	(13,343,667)	(15,470,983)	(14,204,628)	(15,969,264)	(16,547,368)	(16,226,994)	(17,117,258)	(20,584,898)	(9,739,786)
Business-type activities:										
Sewer	(465,032)	(371,200)	(112,737)	1,808,546	2,567,325	2,229,515	1,721,274	1,212,332	1,061,914	1,189,108
Solid Waste	(52,747)	(47,975)	(27,491)	833,923	26,988	882,860	7,743	6,074	1,711	153,494
Stormwater	(242,982)	(198,165)	(223,501)	(996,151)	(145,703)	(1,039,338)	(163,712)	(231,146)	43,225	776,773
Water	2,320,607	(312,510)	(395,947)	310,517	1,196,788	1,902,249	2,018,922	1,660,393	1,105,687	751,812
Other business-type activities	(190,386)	(308,889)	43,078	2,010,088	(84,833)	(111,305)	(148,146)	(649,522)	(725,897)	(643,448)
Total business-type activities	1,369,460	(1,238,739)	(716,598)	3,966,923	3,560,565	3,863,981	3,436,081	1,998,131	1,486,640	2,227,739
Total	(14,284,870)	(14,582,406)	(16,187,581)	(10,237,705)	(12,408,699)	(12,683,387)	(12,790,913)	(15,119,127)	(19,098,258)	(7,512,047)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Income taxes	12,120,834	12,833,355	13,508,264	14,161,506	15,394,876	17,882,075	18,724,943	15,059,777	20,585,439	16,818,241
Property taxes	1,478,089	1,180,084	1,064,514	1,016,383	1,028,049	1,026,383	1,014,356	1,010,769	1,080,414	1,067,779
Payments in lieu of taxes	-	-	-	-	131,681	151,114	151,322	151,861	151,677	154,356
Lodging taxes	-	-	-	-	291,434	377,602	383,691	408,572	414,299	436,088
Other taxes	637,560	810,199	670,257	807,038	1,865	1,534	4,260	1,058	766	210
Grants and contributions not restricted to specific progr	977,843	886,421	577,012	582,407	590,138	580,241	553,759	523,678	553,902	668,786
Investment earnings	114,967	126,830	129,953	106,092	88,087	82,194	81,259	213,665	286,686	453,905
Gain (loss) on sale/disposal of capital assets	31,689	56,952	26,069	3,380	41,481	28,540	78,336	46,388	17,511	40,200
Miscellaneous	442,446	282,027	252,167	459,786	484,173	387,378	511,777	1,187,291	792,885	786,566
Transfers	(334,993)	(126,500)	(343,100)	(219,271)	(261,955)	(425,058)	(272,657)	(209,616)	(437,000)	(317,182)
Total governmental activities	15,468,435	16,049,368	15,885,136	16,917,321	17,789,829	20,092,003	21,231,046	18,393,443	23,446,579	20,108,949
Business-type activities:										
Miscellaneous	117,007	82,131	153,812	431,729	326,562	507,594	300,638	118,205	151,919	135,332
Investment earnings	75,020	199,574	169,073	117,401	121,169	129,961	140,182	205,409	342,298	409,304
Gain on sale/disposal of capital assets	20,502	5,158	99,280	13,179	1,554	28,985	23,377	24,023	5,205	(4,649)
Transfers	334,993	126,500	343,100	219,271	261,955	425,058	272,657	209,616	437,000	317,182
Total business-type activities	547,522	413,363	765,265	781,580	711,240	1,091,598	736,854	557,253	936,422	857,169
Total	16,015,957	16,462,731	16,650,401	17,698,901	18,501,069	21,183,601	21,967,900	18,950,696	24,383,001	20,966,118
Change in Net Position										
Governmental activities	(185,895)	2,705,818	414,153	2,712,693	1,820,565	3,544,635	5,004,052	646,834	2,861,681	10,369,163
Business-type activities	1,916,982	(825,376)	48,667	4,748,503	4,271,805	4,955,579	4,172,935	2,555,384	2,423,062	3,084,908
Total	1,731,087	1,880,442	462,820	7,461,196	6,092,370	8,500,214	9,176,987	3,202,218	5,284,743	13,454,071

^(a) 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

	December 31,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved for:										
Inventory	\$ 65,312									
Prepaid items	30,918									
Encumbrances	112,982									
Unreserved	<u>4,374,198</u>									
Total general fund	<u>\$ 4,583,410</u>									
Fund Balances:										
Nonspendable		\$ 78,974	\$ 99,137	\$ 87,265	\$ 85,498	\$ 105,114	\$ 167,124	\$ 136,211	\$ 142,934	\$ 142,787
Restricted		-	-	-	-	-	-	-	-	-
Committed		275,349	64,415	243,392	266,555	283,076	487,015	691,339	839,123	998,520
Assigned		190,981	163,878	227,709	1,794,171	1,541,086	1,781,863	1,215,516	1,410,053	1,996,716
Unassigned		<u>4,667,200</u>	<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>
Total general fund		<u>\$ 5,212,504</u>	<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>
All Other Governmental Funds										
Reserved for:										
Inventory	\$ 72,438									
Prepaid items	10,962									
Long-term loans receivable	-									
Encumbrances	983,927									
Unreserved, reported in:										
Special revenue funds	2,464,455									
Capital projects funds	<u>865,409</u>									
Total all other governmental funds	<u>\$ 4,397,191</u>									
Fund Balances:										
Nonspendable		\$ 105,080	\$ 121,116	\$ 90,733	\$ 132,996	\$ 126,640	\$ 87,418	\$ 52,798	\$ 158,720	\$ 222,149
Restricted		2,263,940	2,391,836	2,633,111	2,958,466	4,415,458	4,761,567	4,641,682	4,360,810	5,382,172
Committed		226,106	237,336	251,594	270,599	286,167	130,107	150,665	192,837	202,045
Assigned		1,354,486	1,523,668	1,999,039	2,544,935	1,791,894	2,672,195	2,991,639	3,128,186	2,562,072
Unassigned		<u>(148,369)</u>	<u>(44,845)</u>	<u>(46,169)</u>	<u>(621)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,103)</u>
Total all other governmental funds		<u>\$ 3,801,243</u>	<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>

Note: The following changes that occurred on the 2007 balances and are not reflected in prior years are reflected in the above schedule:

- Change of transportation and stormwater management funds from governmental activities to business-type activities
- Correction of an error for bond issuance costs

** In 2011 the City implemented GASB 54. Prior year balances 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,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Local taxes	14,203,412	14,201,437	14,439,662	15,745,801	16,073,066	19,038,142	20,938,347	17,507,260	21,213,052	18,793,995
Intergovernmental revenues	3,605,456	5,907,208	3,052,245	4,735,720	2,757,853	2,861,655	4,451,519	4,189,493	2,856,464	2,962,738
Special assessments	249,283	296,942	263,184	295,537	272,883	277,698	411,921	361,138	483,722	422,867
Charges for services	1,761,900	1,641,677	1,687,672	1,684,689	1,692,992	1,549,281	1,418,766	1,484,580	1,651,246	1,656,626
Fines, licenses and permits	188,665	181,183	200,370	187,880	183,193	466,068	425,103	455,146	492,020	804,413
Investment income	145,895	135,882	140,156	123,001	118,525	93,084	101,842	200,321	271,345	460,587
Miscellaneous receipts and reimbursements	623,442	501,423	683,974	795,786	815,675	664,376	957,639	835,662	1,032,694	1,116,679
Total revenues	20,778,053	22,685,752	20,467,263	23,568,414	21,914,187	24,950,304	28,705,137	25,033,600	28,000,543	26,217,905
EXPENDITURES:										
Current:										
General government	994,747	761,594	833,851	928,871	1,076,602	1,089,085	1,023,670	62,738	23,450	27,119
Police	5,736,959	5,600,738	5,644,443	5,448,768	5,665,204	5,688,921	5,644,312	538,082	547,567	772,600
Fire	4,112,147	4,435,691	4,387,264	4,524,242	4,688,533	5,040,271	4,853,625	584,777	610,280	684,346
Judicial	1,421,674	1,544,293	1,470,021	1,539,963	1,569,513	1,537,304	1,659,057	5,025,757	4,987,059	5,403,018
Health	193,334	161,354	164,201	176,073	172,049	156,677	153,071	1,165,897	1,120,798	1,188,219
Public transportation	-	-	5,643	-	-	-	41,509	214,528	230,110	252,209
Street repair & maintenance	1,443,553	1,404,900	1,304,441	1,395,150	1,231,476	1,295,723	1,314,103	1,547,911	1,774,843	1,912,997
Community development	450,990	253,872	324,004	379,275	286,358	454,971	495,918	1,310,504	1,269,492	1,338,011
Community environment	1,080,338	798,625	704,250	510,050	575,576	565,701	604,071	5,984,805	6,112,150	6,288,007
Parks and recreation	1,186,393	1,172,055	1,260,922	1,187,370	1,196,673	1,240,974	1,287,955	4,778	-	-
Basic utility services	14,127	-	61,779	-	-	-	74,027	1,237,158	1,333,368	1,497,623
Capital outlay	2,333,585	5,656,047	2,933,601	4,301,811	2,544,470	5,286,644	7,957,500	7,523,290	6,510,925	5,517,515
Debt service:										
Principal	1,360,000	838,714	585,000	5,405,000	650,000	670,000	685,000	692,850	712,850	542,850
Bond issuance costs	-	-	-	86,666	-	-	-	-	-	-
Interest and other charges	360,066	323,888	302,424	305,447	166,982	153,982	140,307	126,057	111,807	96,607
Total expenditures	20,687,913	22,951,771	19,981,844	26,188,686	19,823,436	23,180,253	25,934,125	26,019,132	25,344,699	25,521,121
Excess (deficiency) of revenues over (under) expenditures	90,140	(266,019)	485,419	(2,620,272)	2,090,751	1,770,051	2,771,012	(985,532)	2,655,844	696,784
OTHER FINANCING SOURCES (USES):										
Transfers in	25,000	235,000	225,000	196,000	215,000	438,265	1,015,000	190,000	260,000	325,000
Bonds/Loans issued	945,000	1,605,000	-	4,947,432	-	-	-	157,000	-	-
Payment to refunding agent	-	(1,263,463)	-	-	-	-	-	-	-	-
Premium on bonds	17,238	27,176	-	-	-	-	-	-	-	-
Capital contributions	-	-	95,000	-	-	-	-	-	-	-
Sale of capital assets	56,389	56,952	29,635	7,868	55,124	28,187	95,866	46,388	17,511	40,801
Transfers out	(160,000)	(361,500)	(470,500)	(369,671)	(427,178)	(805,028)	(1,287,657)	(399,616)	(697,000)	(642,182)
Total other financing sources (uses)	883,627	299,165	(120,865)	4,781,629	(157,054)	(338,576)	(176,791)	(6,228)	(419,489)	(276,381)
Net change in fund balances	\$ 973,767	\$ 33,146	\$ 364,554	\$ 2,161,357	\$ 1,933,697	\$ 1,431,475	\$ 2,594,221	\$ (991,760)	\$ 2,236,355	\$ 420,403
Debt service as a percentage of noncapital expenditures	8.9%	6.4%	4.9%	3.3% *	4.5%	4.4%	4.3%	4.3%	4.1%	3.1%

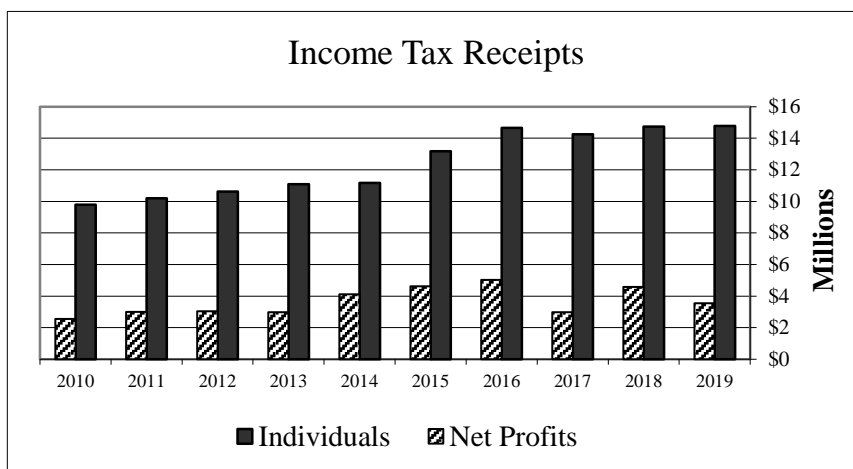
* For 2013 the bonds issued for the current refunding have been subtracted from debt service.

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			Total	Income Tax Rate
	Withheld by Employer	Paid by Taxpayer	Net Profits		
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%
2011	\$ 9,564,046	\$ 632,536	\$ 2,993,983	\$ 13,190,565	1.50%
2010	\$ 9,238,357	\$ 555,659	\$ 2,564,710	\$ 12,358,726	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)

<u>2019</u>		<u>2010</u>	
<u>Rank</u>	<u>Name</u>	<u>Rank</u>	<u>Name</u>
1	Emerson Climate Technologies	1	Emerson Climate (formerly Copeland Corp)
2	Wilson Memorial Hospital	2	Wilson Memorial Hospital
3	Honda of America Manufacturing, Inc.	3	Honda of America Mfg
4	Superior Metal Products	4	Cargill, Inc
5	Advanced Composites	5	Sidney Board of Education
6	Sidney Board of Education	6	Superior Metal (formerly American Trim)
7	Cargill, Inc	7	NK Parts Industries, Inc.
8	US Foods (formerly Freshway Foods)	8	Shelby County Auditors Office
9	NK Parts Industries, Inc. & Subsidiaries	9	Freshway Foods
10	Shelby County Auditors' Office	10	State of Ohio
Combined percentage of Total income taxes		Combined percentage of Total income taxes	
28.50%		41.06%	

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	General Government Bonded Debt					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	
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	
2011	\$ 7,965,000	\$ -	0.78%	\$ 791	\$ 3,237,000	\$ 4,136,429	\$ 5,500,000	\$ -	\$ 20,838,429	2.05%	\$ 987	
2010	\$ 8,110,000	\$ -	0.75%	\$ 807	\$ 3,247,000	\$ 3,826,073	\$ 5,770,000	\$ -	\$ 20,953,073	1.93%	\$ 987	

* 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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Obligation Bonds	\$ 17,127,000	\$ 16,702,000	\$ 15,597,000	\$ 19,312,000	\$ 17,987,000	\$ 16,632,000	\$ 15,262,000	\$ 13,867,000	\$ 12,460,367	\$ 11,170,824 *
Assessed value of taxable property ^(a)	\$ 379,491,650	\$ 356,004,730	\$ 355,354,130	\$ 355,259,920	\$ 352,538,170	\$ 356,048,730	\$ 360,708,070	\$ 373,693,340	\$ 374,523,810	\$ 378,223,960
General Obligation Bonds as percent of total assessed value of taxable property	4.51%	4.69%	4.39%	5.44%	5.10%	4.67%	4.23%	3.71%	3.33%	2.95%
Estimated actual value of taxable property ^(a)	\$ 1,084,261,857	\$ 1,017,156,371	\$ 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
General Obligation Bonds as percent of total estimated actual value of taxable property	1.58%	1.64%	1.54%	1.90%	1.79%	1.63%	1.48%	1.30%	1.16%	1.03%
Population ^(b)	21,229	21,118	21,031	21,031	21,006	20,905	20,858	20,564	20,614	20,516
General Obligation Bonds Per capita	\$ 807	\$ 791	\$ 742	\$ 918	\$ 856	\$ 796	\$ 732	\$ 674	\$ 604	\$ 544
Less debt not subject to limitations										
Self-supporting securities issued for water systems or facilities	\$ (3,357,000)	\$ (3,342,000)	\$ (3,277,000)	\$ (3,212,000)	\$ (3,147,000)	\$ (3,082,000)	\$ (3,017,000)	\$ (2,947,000)	\$ (2,874,968)	\$ (2,795,962)
Self-supporting securities issued for sanitary sewer systems or facilities	\$ (6,605,000)	\$ (6,300,000)	\$ (5,795,000)	\$ (10,055,000)	\$ (9,395,000)	\$ (8,720,000)	\$ (8,045,000)	\$ (7,350,000)	\$ (6,657,439)	\$ (5,929,318)
Net debt subject to 10-1/2% limitation ^(c)	\$ 7,165,000	\$ 7,060,000	\$ 6,525,000	\$ 6,045,000	\$ 5,445,000	\$ 4,830,000	\$ 4,200,000	\$ 3,570,000	\$ 2,927,960	\$ 2,445,544
Voted and Unvoted Debt Limit -- 10-1/2% of assessed value	\$ 39,846,623	\$ 37,380,497	\$ 37,312,184	\$ 37,302,292	\$ 37,016,508	\$ 37,385,117	\$ 37,874,347	\$ 39,237,801	\$ 39,325,000	\$ 39,713,516
Legal Debt Margin within 10-1/2% Limitation	\$ 32,681,623	\$ 30,320,497	\$ 30,787,184	\$ 31,257,292	\$ 31,571,508	\$ 32,555,117	\$ 33,674,347	\$ 35,667,801	\$ 36,397,040	\$ 37,267,972
Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit	17.98%	18.89%	17.49%	16.21%	14.71%	12.92%	11.09%	9.10%	7.45%	6.16%
Net debt subject to 5-1/2% limitation ^(d)	\$ 7,165,000	\$ 7,060,000	\$ 6,525,000	\$ 6,045,000	\$ 5,445,000	\$ 4,830,000	\$ 4,200,000	\$ 3,570,000	\$ 2,927,960	\$ 2,445,544
Unvoted Debt Limit -- 5-1/2% of assessed value	\$ 20,872,041	\$ 19,580,260	\$ 19,544,477	\$ 19,539,296	\$ 19,389,599	\$ 19,582,680	\$ 19,838,944	\$ 20,553,134	\$ 20,598,810	\$ 20,802,318
Legal Debt Margin within 5-1/2% Limitation	\$ 13,707,041	\$ 12,520,260	\$ 13,019,477	\$ 13,494,296	\$ 13,944,599	\$ 14,752,680	\$ 15,638,944	\$ 16,983,134	\$ 17,670,850	\$ 18,356,774
Net debt within limitations for Unvoted debt as a percentage of debt limit	34.33%	36.06%	33.39%	30.94%	28.08%	24.66%	21.17%	17.37%	14.21%	11.76%

^(a) Source for assessed value and estimated actual value data: Shelby County Auditor

^(b) Source for population: For years 2005 - 2009 & 2011 - 2018, U.S. Bureau of the Census-Population Estimates Program. For years 2010, U.S. Bureau of the Census-2010 Federal Census.

^(c) 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.

^(d) 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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Sewer										
Net customer revenues	3,180,498	3,251,710	3,289,516	5,690,493	6,706,435	6,358,031	5,932,595	6,108,605	5,867,083	6,705,881
Direct operating expenses	<u>2,521,450</u>	<u>2,548,909</u>	<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>
Net revenue available for debt service	659,048	702,801	828,882	2,805,794	3,672,389	3,300,818	2,865,056	2,864,192	2,859,550	2,996,918
General obligation debt service requirements	642,299	636,330	582,906	576,931	878,061	875,761	863,261	870,761	867,861	874,761
Revenue obligation debt service requirements	-	-	-	-	-	-	-	-	565,798	565,798
Debt service coverage ratio	1.03	1.10	1.42	4.86	4.18	3.77	3.32	3.29	1.99	2.08
Water										
Net customer revenues	3,161,735	3,366,141	3,508,224	3,928,167	4,988,388	5,536,495	5,805,611	6,375,636	6,257,749	6,750,426
Direct operating expenses	<u>2,962,089</u>	<u>3,099,142</u>	<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>
Net revenue available for debt service	199,646	266,999	503,754	919,844	2,031,364	2,620,261	2,685,186	3,278,204	3,017,382	2,764,288
General obligation debt service requirements	220,906	212,876	234,125	231,373	228,620	225,868	223,040	225,138	226,963	228,438
Revenue obligation debt service requirements	235,518	235,518	235,518	232,418	234,743	234,743	234,743	716,659	1,416,301	1,664,245
Debt service coverage ratio	0.44	0.60	1.07	1.98	4.38	5.69	5.87	3.48	1.84	1.46

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, 2019

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 ⁽¹⁾	\$13,310,000	100%	\$13,310,000
Shelby County ⁽²⁾	\$0	42% ⁽³⁾	<u>\$0</u>
Subtotal, overlapping debt			\$13,310,000
City of Sidney direct debt			<u>\$3,604,260</u>
Total direct and overlapping debt			<u><u>\$16,914,260</u></u>

*The calculation of overlapping debt is based on the percentage of the population that is in Sidney.

⁽¹⁾ Source: Treasurer of Sidney City Schools

⁽²⁾ Source: Shelby County Auditor

⁽³⁾ Source: Per the Sidney's 2019 estimated population (20,516) as a percent of Shelby County 2018 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 ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Median Age ⁽¹⁾	School Enrollment ⁽²⁾	Unemployment Rate ⁽³⁾	Total Assessed Property Value ⁽⁴⁾	Estimated Actual Property Value ⁽⁴⁾
2010	21,229 (1)(b)	\$18,628 (1)(b)	36.1 yrs	3,757	10.4%	\$379,491,650	\$1,084,261,857
2011	21,118 (1)(a)	\$18,628 (1)(b)	36.1 yrs	3,602	9.2%	\$356,004,730	\$1,017,156,371
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

⁽¹⁾ Source: ^(a) U.S. Bureau of the Census - Population Estimates Program, Population Division;

^(b) U.S. Bureau of the Census - 2010 Federal Census

^(c) U.S. Bureau of the Census - 2000 Federal Census

⁽²⁾ Source: Sidney City Schools Board of Education

⁽³⁾ Source: Bureau of Labor Statistics, U.S. Dept. of Labor

⁽⁴⁾ 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

2019		
<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Percentage of Total Top 10 Employment</u>
1 Emerson Climate Technologies	1,590	27.42%
2 NK Parts Industries	716	12.35%
3 Wilson Health	706	12.18%
4 Norcold	435	7.50%
5 Sidney Board of Education	425	7.33%
7 American Trim	422	7.16%
6 US Foods (formerly Freshway Foods)	415	7.28%
8 Area Energy & Electric	380	6.55%
10 Schwan's Mama Rosa's	355	6.11%
9 Ferguson Construction Company	354	6.12%
Total	5,798	100.00%

2010			
<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Percentage of Total Top 10 Employment</u>	
1 Emerson Climate Technologies	1,533	30.70%	
2 Wilson Health	725	14.52%	
3 NK Parts Industries	491	9.83%	
4 Sidney Board of Education	414	8.29%	
5 Cargill, Inc	390	7.81%	
6 Superior Metal Products/American Trim	337	6.75%	
7 Augusta Sportswear	330	6.61%	
8 US Foods (formerly Freshway Foods)	300	6.01%	
9 Wal-Mart Super Center	283	5.67%	
10 Advanced Composites	191	3.81%	
Total	4,994	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,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government	11.85	10.85	10.85	10.65	9.65	9.15	9.15	9.15	9.15	9.15
Police										
Officers	39.00	37.00	35.00	35.00	36.00	36.00	36.00	38.00	38.00	38.00
Civilians	13.92	13.35	13.35	13.35	12.35	12.35	12.47	12.51	12.80	13.18
Fire										
Firefighters and officers	35.00	35.00	35.00	35.00	35.00	35.00	37.00	37.00	37.00	37.00
Civilians	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Judicial	16.66	16.66	17.66	17.16	17.66	17.66	18.16	18.35	21.95	22.70
Health - cemetery	2.00	2.00	2.00	2.00	2.00	2.00	2.32	3.32	3.32	3.32
Street repair & maintenance	6.88	6.98	6.98	7.08	7.08	7.08	8.66	7.74	8.66	8.74
Community development	1.00	1.00	1.00	1.00	1.00	2.00	2.25	2.25	2.00	2.00
Community environment	10.50	5.60	5.60	5.75	5.75	5.25	5.54	5.54	6.54	6.54
Parks and recreation	15.51	15.51	14.94	13.94	11.70	11.70	12.95	12.91	12.91	12.91
Transportation	13.60	13.60	12.57	12.72	12.72	13.71	14.17	15.04	16.04	16.79
Stormwater	3.60	3.60	3.60	3.80	3.80	3.80	3.80	3.80	3.80	3.40
Water	15.83	15.73	15.73	15.88	15.88	15.88	16.88	17.19	17.86	18.17
Sewer	15.33	15.23	14.23	17.38	17.38	17.38	17.38	17.38	17.61	18.01
Solid waste	-	-	-	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
Swimming pool	3.98	3.98	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
Revenue Collection	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.67	6.67
Service center including city garage	3.00	3.00	3.00	3.05	3.05	3.05	3.05	3.05	3.05	3.05
Information technology	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total	218.66	210.09	206.49	209.19	206.53	207.98	215.75	219.20	227.33	229.60

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,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Accounts payable checks processed	4,276	4,594	4,376	4,595	4,650	4,266	4,557	4,344	4,590	4,461
Purchase orders issued	1,291	1,327	1,231	1,342	1,372	1,386	1,464	1,440	1,396	1,472
Police										
Calls for service processed	25,151	22,508	21,015	26,853	32,812	28,451	28,722	29,679	29,679	31,853
9-1-1 calls processed	7,542	11,661	10,703	17,000	15,846	7,500	15,846	10,437	10,412	9,657
Adult & juvenile arrests	1,321	1,193	1,201	1,428	1,214	1,102	1,045	1,200	1,218	1,075
Traffic citations	1,083	856	805	1,346	1,661	1,476	1,506	1,498	1,842	1,900
Fire										
Fire calls	502	524	575	719	809	878	931	1,121	1,013	1,100
EMS calls	2,552	2,772	2,729	2,407	2,784	2,977	3,151	3,142	3,053	3,150
Municipal Court										
New cases filed	7,224	7,372	7,928	7,864	7,875	7,819	7,287	7,482	8,851	8,968
Cases completed	9,287	8,471	8,255	8,185	7,924	8,466	8,715	8,940	9,313	9,000
Prisoners transported by bailiff	569	895	618	1,148	1,055	1,000	514	839	1,231	650
Cemetery										
Burials	69	74	102	101	86	92	107	90	94	100
Grave sales	29	35	40	59	65	29	55	84	105	100
Public Transportation										
Total ridership	38,636	37,912	41,543	43,756	47,782	48,270	49,180	48,367	49,305	50,000
Streets and highways										
Miles of street responsibility	97.5	97.5	97.5	110.5	110.5	111.0	111	111	111	111
Traffic signal intersections	50	50	48	48	49	50	51	52	52	53
Planning										
Sign permits issued	27	37	40	33	42	40	46	30	37	41
Zoning occupancy permits issued	22	32	34	33	20	35	21	26	16	21
Building inspection										
Building permits issued	491	319	567	467	367	235	550	543	406	343
Building inspections	734	472	404	361	390	322	676	879	572	530
Engineering										
Sanitary sewer inspections	25	25	12	15	13	11	11	14	20	16
Parks and recreation										
Free clinics organized and directed	-	14	12	12	15	10	21	27	31	32
Free clinics (attendance)	-	701	399	446	463	329	682	1,428	1,304	1,209
Park shelters maintained	37	43	43	45	45	45	45	45	45	45
Trees planted	1	16	6	-	-	1	189	9	8	10
Senior Center members	945	945	990	1,119	994	1,088	966	902	929	800
Water										
Gallons of water processed (in millions)	3,123	3,185	3,277	3,095	2,926	3,012	2,901	3,010	2,960	3,040
Lime sludge processed/removed (dry tons)	7,038	6,291	3,571	6,250	6,100	6,664	6,500	11,282	5,500	35,000
Water main breaks	16	24	15	29	23	21	18	7	13	15
Sewer										
Wastewater processed (million gallons per day)	5.07	6.40	4.66	5.27	4.79	5.81	4	5	5	5
Biosolids processed (dry tons)	650	590	602	635	675	692	616	572	566	575
Feet of sewer cleaned	93,327	93,327	87,516	89,997	88,139	83,141	62,608	44,802	41,281	70,000
Swimming Pool										
Daily admissions	14,703	15,103	13,176	9,786	8,289	9,795	9,771	8,158	7,977	7,500
Season passes	401	492	344	286	317	n/a	n/a	n/a	n/a	n/a
Information Technology										
Number of personal computers maintained	205	195	205	211	219	311	335	350	349	355
Service Center - Garage										
Units in fleet	250	248	256	258	264	240	236	230	226	228
Revenue Collections										
Tax returns processed	9,686	12,315	11,923	11,692	11,406	11,498	11,037	11,477	12,417	12,500
Monthly Utility Customers	2,889	2,985	3,015	3,810	3,724	4,071	4,253	4,475	4,665	4,815

Source: City of Sidney, Ohio, Appropriation Budgets for applicable years. Actual statistics for years 2010 - 2018. Estimated statistics for 2019.

CITY OF SIDNEY, OHIO
 CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

Schedule 15

<u>Function/Program</u>	<u>Year Ended December 31,</u>									
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
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 ⁽¹⁾										
Miles of streets	100.46	110.16	110.16	109.99	110.72	110.72	110.72	110.72	110.72	110.72
Basic utility services - stormwater management ⁽¹⁾										
Miles of storm sewers	75.24	76.20	76.54	76.77	77.07	77.07	77.07	77.11	77.36	78.00
Parks and recreation ⁽²⁾										
Acres of parks maintained	450	450	450	456	456	456	456	456	456	456
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	16	16
Sewer ⁽¹⁾										
Miles of sanitary sewers	122.07	122.11	125.05	125.46	124.00	125.48	125.48	125.50	125.85	125.85
Water ⁽¹⁾										
Miles of water mains	123.22	123.23	123.23	123.31	123.31	123.31	124.97	124.97	125.26	125.27

⁽¹⁾ Source: City of Sidney, Ohio, Engineering Department.

⁽²⁾ Source: City of Sidney, Ohio, Appropriation Budgets for applicable years. Actual statistics for years 2010 - 2018. Estimated statistics for 2019.

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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 10/1/2020

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

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