



CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

CITY OF MONROE

BUTLER COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2020

OHIO AUDITOR OF STATE
KEITH FABER



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

Members of City Council
City of Monroe
233 Main Street
P.O. Box 330
Monroe, Ohio 45050-0330

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

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

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 18, 2021

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CITY OF MONROE, OHIO
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2020

<u>Federal Grantor/Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Total Federal Expenditures</u>
<u>U.S. DEPARTMENT OF TREASURY</u>			
<i>(Passed through Ohio Office of Budget Management):</i>			
COVID-19 - Coronavirus Relief Fund	HB481-CRF-Local	21.019	808,204
<i>(Passed through Butler County):</i>			
COVID-19 - Small Business Relief Grant	20-11-01525	21.019	<u>23,067</u>
Total COVID-19 - Coronavirus Relief Fund			<u>831,271</u>
Total U.S. Department of Treasury			<u>831,271</u>
 Total Federal Expenditures			 <u>\$ 831,271</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the City of Monroe, Ohio (the "City") under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the costs principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Monroe, Ohio:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Monroe, Ohio ("City"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 28, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance And Other Matters

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

Purpose of this Report

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

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 28, 2021

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

To the City Council
City of Monroe, Ohio:

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in

accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 28, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 28, 2021

**CITY OF MONROE, OHIO
 Schedule of Findings and Questioned Costs
 Year Ended December 31, 2020**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	none
• Significant deficiency(ies) identified not considered to be material weaknesses?	none
Noncompliance material to financial statements noted?	none

Federal Awards

Internal Control over major programs:	
• Material weakness(es) identified?	none
• Significant deficiency(ies) identified not considered to be material weaknesses?	none
Type of auditors' report issued on compliance for major programs:	unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	no
Identification of major programs:	
• CFDA 21.019 – Coronavirus Relief Fund	
Dollar threshold to distinguish between Type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	no

Section II - Financial Statement Findings

None noted.

Section III – Federal Award Findings and Questioned Costs

None noted.



The City of Monroe, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT For the year ended December 31, 2020



INTRODUCTORY SECTION



The City of Monroe, Ohio

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For The Year
Ended December 31, 2020

Prepared by:
City of Monroe Finance Department

City of Monroe, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2020

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Jason Frentzel
Mayor

William J. Brock
City Manager

Phone (513) 539-7374
Fax (513) 539-6460

June 30, 2021

Citizens of Monroe
Mayor and Members of City Council

We are pleased to submit the City of Monroe’s Comprehensive Annual Financial Report for the fiscal year ended December 31, 2020. This report contains basic financial statements and other financial and statistical information – providing complete and full disclosure of all financial aspects of the City for 2020.

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

This report is a culmination of the efforts of many people. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to set forth fairly the financial position of the City’s operations, and that all disclosures necessary to enable the reader to gain maximum understanding of the City’s financial affairs have been included.

THE CITY OF MONROE

Monroe was settled in the early 1800s and was named for President James Monroe who was in office at the time. The City is situated about 20 miles north of Cincinnati and 30 miles south of Dayton. It overlaps two counties—the northeast corner of Butler County and the western section of Warren County. In the early years, Monroe was mainly a farming community and a major stagecoach stop on the Miami Turnpike.

The City has experienced substantial changes during the past century. In ten years, from 1990-2000, the population grew from 4,372 to 7,133. Monroe’s population first surpassed the 5,000 mark in 1995, enabling it to achieve City status. The City opted for a Council/Manager form of government with Council Members and the Mayor elected on a non-partisan basis. The U.S. Census Bureau estimates that the City’s 2019 population is 14,015.

Although once strictly a farming community, the City of Monroe now has a strong industrial base. Zoning code and related map changes implemented in 2013 included the creation of a “business park” designation to complement the existing industrial areas. Currently, the total percentage of land area in Monroe is significantly weighted towards light and heavy industrial acreage. The City offers excellent access to the flourishing Interstate 75 corridor and holds over 1500 acres of prime green field industrial parcels ready for development.

CITY ORGANIZATION AND REPORTING ENTITY

The reporting entity includes the primary government and component units and is organized to ensure the financial statements of the City are not misleading. The primary government is composed of departments and funds that are not legally separate from the City. The government includes departments in the following areas: police and fire, street repair and maintenance, planning and zoning, parks and recreation, water and sewer and community development. The Council and City Manager have direct responsibilities for these departments and supervise the staff essential to maintaining these functions.

Component units are also part of the reporting entity. These are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization or (2) the City is entitled to or can otherwise access the organization’s resources. In this case, the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization or the City is obligated for the debt of the organization. Component units may also include organizations in which City approves the budget, the issuance of debt or the levying of taxes. The City has no component units.

The City is associated with the following jointly governed organizations: The Center for Local Government and the Ohio-Kentucky-Indiana Regional Council of Governments, which are presented in Note 15 to the basic financial statements.

ECONOMIC CONDITION AND MAJOR INITIATIVES

Using the most recent decennial census, the City of Monroe is the 5th fastest growing community in the region. According to the 2010 Census, Monroe’s population is currently 12,442 people, and its land area comprises approximately 15.5 square miles of territory. Approximately 51% of Monroe’s total land area is zoned for industrial and commercial uses. Monroe is located midway between downtown Cincinnati and Dayton. Monroe is served by a full Single-Point-Urban-Interchange at Interstate 75, as well as two 4-lane state highways: SR 4 and SR 63. Monroe is also served by two major rail lines providing rail-served industrial sites.

While 2020 was a challenging year for many industries and communities, Monroe's diverse business base allowed the City to move through the pandemic reasonably well. Some industries that are well-represented in Monroe (such as logistics/e-commerce, manufacturing and car sales) thrived in 2020. Other entities, such as the outlet mall and restaurants, were subject to State-level shutdown orders and are slowly coming back online in early 2021. Labor shortages, high voluntary unemployment, and supply chain interruptions created substantial challenges across all sectors and continue to hamper some business growth, although the situation has caused several businesses to dramatically increase their wages through hourly increases and bonuses.

While no new projects launched during 2020, existing projects were completed. In 2019, The Kroger Co. broke ground on a 370,000 SF warehousing facility, known as a "shed," to dramatically change the way southwest Ohio shops for groceries by improving the direct-to-home shopping experience. The project has soft-launched in early 2021 and should be fully operational by Summer 2021. The City expects to announce a number of projects in 2021 that were not able to move forward during the pandemic.

In 2020, the City of Monroe issued 417 building permit applications. These numbers reflect all investments from new buildings, tenant finishes, alterations and upgrades to residential and commercial structures. The overall permits issued are a decrease from 2019 but are relatively health when compared to the pandemic's effect on development.

For more information on the local economy, please refer to the economic factors discussed in the MD&A.

MAJOR INITIATIVES

The City of Monroe has several large infrastructure capital improvement projects in varying stages of development. The goal of Monroe's proactive infrastructure development plan is to ensure that our roadway and utility infrastructure can maintain its high level of service amidst the heavy demand caused by our rapid commercial and industrial growth.

FINANCIAL INFORMATION

Accounting System and Budgetary Control

In developing and evaluating the City's accounting system, consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding:

1. The safeguarding of assets against loss from unauthorized use or disposition.
2. The reliability of financial records for preparing financial statements and maintaining accountability of assets.

The concept of reasonable assurance is based on the assumption that the cost of the internal accounting controls should not exceed the benefits expected to be derived from their implementation.

Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase. In addition to instant access through the financial system, each department head is furnished a monthly budget report showing the status of the budget accounts for which he or she is responsible. The budget report details monthly transactions and summarizes the balances available to be spent from the allocated appropriations.

To further define the City's budgetary process, the City implemented a detailed purchasing policy and procedures document. The document was adopted in 2007 by City Council as an official policy that is monitored and executed by the Finance Director.

FINANCIAL CONDITION

Income tax revenue continued to grow in 2020 due to new development, as well as increased profitability and employment in existing businesses. Income tax revenue collected in 2020 was \$14,161,490, an increase of \$753,763 from 2019. Income tax revenue is expected to remain strong in the near future as our industrial areas continue to see steady growth and development. In November 2017, Monroe residents passed an additional 0.5% income tax levy effective January 1, 2018. The additional revenue is designated to help meet the growing needs of the public safety service departments, as well as the City's shifted focus to capital projects.

The City's bond rating was increased by Moody's Investors Services ("Moody's) from an A3 rating to A2 on April 16, 2009. The City's moderately sized tax base, solid operating reserves with stabilized financial operations and moderate debt burden were noted as factors behind the upgrade. This was the second rating increase the City has earned since coming out of fiscal emergency on August 9, 2007.

The City's bond rating was recalibrated by Moody's to their global scale on April 26, 2010 to Aa3 and remained at this rating for the City's debt issuance on November 1, 2017.

On November 14, 2019, the City issued income tax revenue bonds, and S&P Global issued an AA long-term rating for this debt issuance.

FINANCIAL POLICIES

The City has a solid policy related to development within the City by promoting economic development through the various TIF, RID and CRA programs in the City.

The City has a solid working relationship with the School District and has committed to using the additional revenue to benefit the residents and businesses of the City.

OTHER INFORMATION

Independent Audit

This report includes an unmodified audit report regarding the City's financial statements. Clark, Schaefer, Hackett & Company conducted this year's audit. The Independent Auditor's Report on the basic financial statements and required supplementary information is included in the financial section of this report. The auditor's conclusions related specifically to internal controls and compliance with applicable laws and regulations are presented in a separate report, which may be obtained from the City of Monroe.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Monroe for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The City has received this award for 20 consecutive years.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

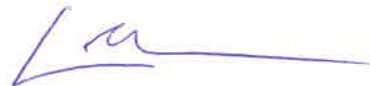
Acknowledgements

A note of sincere appreciation is extended to many hardworking and committed people who have contributed their time and effort to prepare this report. The staff would like to thank our current Council Members for supporting our work this year. A special thank you is also extended to Hurst, Kelly and Company for their assistance, efforts, and guidance in the preparation of this CAFR.

Respectfully submitted,



Karen R. Ervin
City Director of Finance



William J. Brock, P.E.
City Manager

The City of Monroe, Ohio

List of Principal Officials

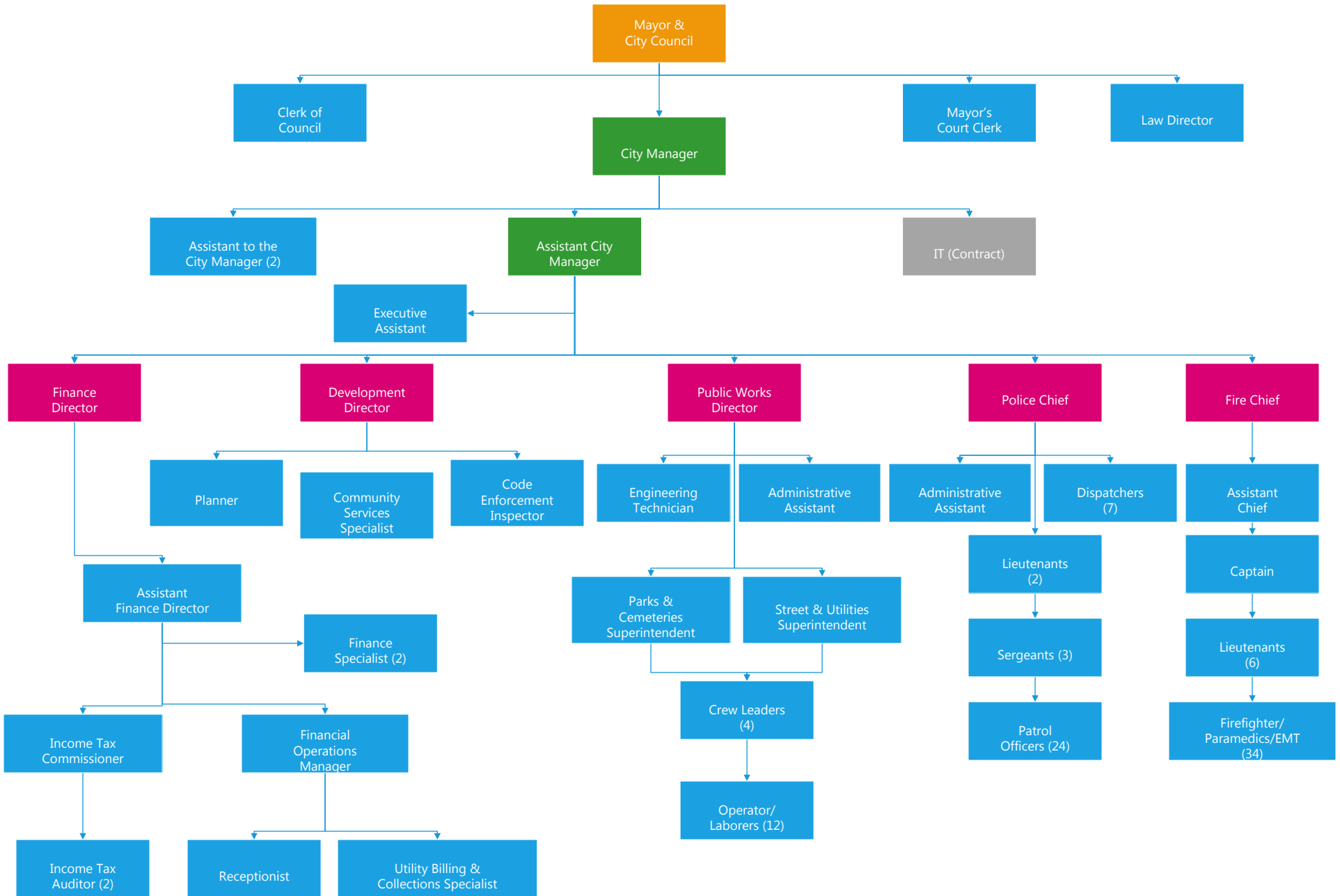
December 31, 2020

<u>OFFICE HELD</u>	<u>NAME OF OFFICIAL</u>
City Manager	William Brock
Assistant City Manager	Kacey Waggaman
Finance Director	Karen Ervin
Law Director	K. Philip Callahan
Mayor	Robert Routson
Vice Mayor	Dan Clark
Mayor's Court Clerk	Rebecca Rosenbalm
Police Chief	Robert Buchanan
Fire Chief	John Centers
Tax Administrator	Melinda Moran
Public Works Director	Unfilled
Director of Development	Kevin Chesar

CITY COUNCIL MEMBERS

Jason Frentzel
Keith Funk
Anna Hale
Todd Hickman
Christina McElfresh

CITY OF MONROE





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Monroe
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the City Council
City of Monroe, Ohio:

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 Monroe, Ohio (the "City") as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Monroe, Ohio, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2021 on our consideration of the City of Monroe's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Monroe's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Monroe's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 28, 2021

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The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

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

Financial Highlights

Key highlights for 2020 are as follows:

- ❑ The assets and deferred outflows of the City exceeded its deferred inflows and liabilities at the close of the year ended December 31, 2020, by \$57,351,733 (net position). Of this amount, \$1,471,450 is classified as unrestricted in the business-type activities.
- ❑ The City's governmental activities net position increased by \$962,434 which represents a 2% increase from 2020.
- ❑ At the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$21,005,331. Of this amount \$5,484,947 represents unassigned fund balance that is available for spending.
- ❑ At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,677,988 or approximately 102% of total 2020 General Fund expenditures.
- ❑ The other major governmental funds: Fire & EMS Levy, Police Law Enforcement, 2004 TIFs, 2004 RIDs, Capital Improvement and Bond Retirement funds had ending fund balances (deficits) of \$393,311; (\$193,041); \$1,343,857; \$1,483,494; \$1,423,967 and \$374,484 respectively.

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 understand the City of Monroe as a complete operating entity.

The Statement of Net Position and Statement of Activities present both an aggregate view of the City's finances with a longer-term view. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Reporting City of Monroe as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2020?" The Statement of Net Position and the Statement of Activities answers this question. These statements include all assets, deferred outflows of resources, deferred inflows of resources and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when the cash is received or paid.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

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

In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

- Government Activities – Most of the City's services are reported here including police, social services programs, administration, and all departments with the exception of our Water, Sewer, Garbage, Stormwater Management, Cemetery and Street Lighting funds.
- Business-Type Activities – These services have a charge based upon the amount of usage. The City charges fees to recoup the cost of the entire operation of our Water, Sewer, Garbage, Stormwater Management, Cemetery and Street Lighting functions as well as all capital expenses associated with these facilities.
- Component units are legally separate entities that the City has voting control over or fiscal responsibility for the entity. The City has no component units.

Reporting City of Monroe's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established many funds which account for the multitude of services provided to our residents.

However, these fund financial statements focus on the City's most significant funds. In the case of Monroe, our major funds are the General, Fire & EMS Levy, Police Law Enforcement, 2004 TIFs, 2004 RIDs, Capital Improvement, Bond Retirement, Water and Sewer funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

The City maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds: The City maintains only one type of proprietary fund which is the enterprise type of fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water, Sewer, Garbage, Stormwater Management, Cemetery and Street Lighting operations.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City maintains three custodial funds which use the accrual basis of accounting.

Notes to the Basic Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements.

Required Supplementary Information: The City is required to report the budgetary schedules for the General Fund and major special revenue funds along with the applicable accounting policies to develop those schedules. Additionally, schedules related to the City's net pension/OPEB liabilities and pension/OPEB contributions (required by GASB's 68 and 75) are presented as *Required Supplementary Information*.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's overall financial condition. In the case of the City, assets and deferred outflows exceeded deferred inflows of resources and liabilities by \$57,351,733 (\$52,022,943 in governmental activities and \$5,328,790 in business type activities) as of December 31, 2020. By far, the largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and streets), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to retire such liabilities.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

The following table provides a summary of the City's statement of net position for 2020 compared to 2019.

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 32,244,289	\$ 44,624,553	\$ 4,037,846	\$ 4,822,024	\$ 36,282,135	\$ 49,446,577
Capital Assets	65,749,004	59,954,069	7,067,072	6,876,123	72,816,076	66,830,192
Total Assets	97,993,293	104,578,622	11,104,918	11,698,147	109,098,211	116,276,769
Deferred Outflows of Resources	7,194,745	11,004,076	579,061	708,912	7,773,806	11,712,988
Current Liabilities	2,666,183	11,350,049	662,924	344,754	3,329,107	11,694,803
Long-term Liabilities	41,681,791	47,580,370	5,271,546	6,577,838	46,953,337	54,158,208
Total Liabilities	44,347,974	58,930,419	5,934,470	6,922,592	50,282,444	65,853,011
Deferred Inflows of Resources	8,817,121	5,591,770	420,719	25,873	9,237,840	5,617,643
Net Position:						
Net Investment in						
Capital Assets	50,355,320	51,183,439	3,857,340	2,940,693	54,212,660	54,124,132
Restricted	10,285,366	8,061,085	-	-	10,285,366	8,061,085
Unrestricted	(8,617,743)	(8,184,015)	1,471,450	2,517,901	(7,146,293)	(5,666,114)
Total Net Position	\$ 52,022,943	\$ 51,060,509	\$ 5,328,790	\$ 5,458,594	\$ 57,351,733	\$ 56,519,103

A portion of the City's net position represents resources that are subject to external restrictions on how they may be used. In the current fiscal year, this represented \$10,285,366 or 18% of total net position. The City's remaining unrestricted governmental net position was a deficit of \$7,146,293 which is a decrease of \$1,480,179 from 2019. Overall, 2020 total ending net position increased in 2020 by approximately 1%.

During 2020, current and other assets decreased as the City spent cash on the construction of a new police station and other capital improvements, which also resulted in an increase in capital assets. With the City's adoption of GASB 84 in 2020, approximately \$8.3 million of current assets and current liabilities (related to special assessments) are now recognized in custodial funds, where these amounts were previously recognized in debt service funds. As such, both current liabilities and current assets decreased significantly from 2019 to 2020. Long-term liabilities decreased significantly in 2020 which was primarily the result of the City's share of the net pension liability decreasing.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

A Summary of the statement of activities is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for Services	\$ 1,971,523	\$ 2,039,287	\$ 5,743,054	\$ 5,852,756	\$ 7,714,577	\$ 7,892,043
Operating Grants	1,337,024	630,853	-	-	1,337,024	630,853
Capital Grants	-	774,634	-	-	-	774,634
General Revenues:						
Income Tax	14,161,490	13,407,727	-	-	14,161,490	13,407,727
Property Tax	2,481,668	2,542,057	-	-	2,481,668	2,542,057
Other Taxes	1,227,419	1,254,908	-	-	1,227,419	1,254,908
Payments in Lieu of Taxes	6,364,494	6,019,033	-	-	6,364,494	6,019,033
Unrestricted Grants and Contributions	2,166,347	1,005,788	79,595	72,563	2,245,942	1,078,351
Investment earnings	370,170	567,352	19,827	7,232	389,997	574,584
Total Revenues	30,080,135	28,241,639	5,842,476	5,932,551	35,922,611	34,174,190
Program Expenses						
Security of Persons and Property	12,945,526	1,693,495	-	-	12,945,526	1,693,495
Leisure Time Activities	478,039	434,516	-	-	478,039	434,516
Transportation	4,740,298	4,503,968	-	-	4,740,298	4,503,968
General Government	10,149,315	9,518,813	-	-	10,149,315	9,518,813
Interest and Fiscal Charges	644,523	495,949	-	-	644,523	495,949
Water	-	-	3,304,743	2,908,428	3,304,743	2,908,428
Sewer	-	-	1,255,439	1,280,776	1,255,439	1,280,776
Stormwater Management	-	-	371,055	425,196	371,055	425,196
Garbage	-	-	975,868	978,347	975,868	978,347
Cemetery	-	-	99,834	91,220	99,834	91,220
Street Lighting	-	-	125,341	111,914	125,341	111,914
Total Expenses	28,957,701	16,646,741	6,132,280	5,795,881	35,089,981	22,442,622
Excess (Deficiency) of Revenues Over (Under) Expenses before Transfers	1,122,434	11,594,898	(289,804)	136,670	832,630	11,731,568
Transfers	(160,000)	(85,000)	160,000	85,000	-	-
Change in Net Position	962,434	11,509,898	(129,804)	221,670	832,630	11,731,568
Beginning Net Position	51,060,509	39,550,611	5,458,594	5,236,924	56,519,103	44,787,535
Ending Net Position	\$ 52,022,943	\$ 51,060,509	\$ 5,328,790	\$ 5,458,594	\$ 57,351,733	\$ 56,519,103

Governmental Activities

The primary focus of governmental activities is in the area of security of persons and property, which represents the police, fire and EMS services of the City. For 2020, security of persons and property expenses were approximately \$12.9 million, representing 45% of governmental activity spending. Public safety expense increased significantly in 2020 compared to 2019 as negative OPEB expense of approximately \$10.7 million was recognized in 2019 in conjunction with the Ohio Police and Fire Pension Fund changing their retiree health care model to a stipend-based model, which significantly reduced the City's OPEB liabilities and the related OPEB expense for 2019.

Program revenues of approximately \$1.3 million reduced the amount of general revenues needed to cover the balance of such security of persons and property program expenses. As such, for 2020, \$11.6 million of general revenues were used to cover the balance of security of persons and property program expenses.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

In 2020, the City did not receive any capital grants to improve and upgrade roadway infrastructure. However, in 2019 the City did receive such grants in the amount of \$774,634. Operating grants and contributions increased in 2020 as the City received approximately \$.8 million in CARES Act Funds to be used to mitigate the impact of the ongoing COVID-19 Pandemic. Additionally, charges for services were slightly lower in 2020 than in 2019 as a result of significant development occurring in the City in 2019 which resulted in increased building permit fees in 2019 compared to 2020.

Income tax revenue for 2020 increased \$.8 million compared to 2019. The increase is the result of the continued economic development occurring in the City and in southwest Ohio.

Property tax revenues decreased slightly for 2020 compared to 2019 as development within the City moderated as the COVID-19 pandemic impacted City residents.

Overall, in 2020 the City saw total program expenses increase by approximately \$12.3 million, or 75%, compared to 2019. This increase was primarily related to the negative OPEB expense recognized in 2019 of approximately \$10.7 million associated with the Ohio Police and Fire Pension Fund that was previously mentioned.

Business-Type Activities

The City's business-type activities include the Water, Sewer, Stormwater Management, Garbage, Cemetery and Street Lighting functions. The business-type activities, as a whole, reported a net decrease of 129,804, or 2%, for 2020, which is essentially near breakeven.

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of these City funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements as well as its ability to meet the needs of its citizens. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of 2020, the City's governmental funds reported a combined ending fund balance of \$21.0 million. Approximately \$5.5 million of this balance is unassigned, which is available for spending for citizens. The remainder of the balance is classified as nonspendable, restricted, committed or assigned to indicate that a portion of the fund balance "has been spoken for already" and is not available except for the particular purpose for which the balance was classified.

The General Fund is the primary operating fund of the City. As of December 31, 2020, the unassigned General Fund balance was \$5.7 million with a total fund balance of \$9.1 million. As a measure of liquidity, it is often useful to compare these numbers to total General Fund expenditures.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

During 2020, the City's General Fund increased by approximately \$1.8 million. This is a result of the City's additional .5% income tax (that is recorded in other funds) being used to support police and fire protection services (expenses that were previously supported by the General Fund through operational transfers into the funds that account for those services).

The City's other major funds had ending funds balances or net position of:

Fund	Ending Fund Balance/Net Position	Dollar Change from Prior Year	Percentage Change from Prior Year
Fire & EMS Levy	\$ 393,311	\$ 489,589	508.52%
Police Law Enforcement	(193,041)	(21,680)	-12.65%
2004 TIFs	1,343,857	(259,753)	-16.20%
2004 RIDs	1,483,494	425,054	40.16%
Capital Improvement	1,423,967	(4,805,120)	-77.14%
Bond Retirement	374,484	(1,430,462)	-79.25%
Water	5,020,248	(5,760)	-0.11%
Sewer	(24,339)	(47,983)	-202.94%

The Fire & EMS Levy and Police Law Enforcement Funds saw their ending fund balances (deficits) remain near 2019 levels as operational transfers from the General Fund support these funds on an *as-needed* basis. In 2020, the General Fund transferred \$2,249,999 to the Fire & EMS Levy Fund and \$2,560,260 to the Police Law Enforcement Fund. Additionally, beginning in 2020, the City's two fire levies are recorded into the Fire & EMS Levy Fund, increasing the activity in this fund and the carryover balance at year end, compared to prior years.

The 2004 TIFs Fund saw its ending balance decrease slightly as payments in lieu of taxes collected from properties in the tax increment financing districts were less than payments made to schools, expenditures for capital outlays and transfers out.

The 2004 RIDs Fund saw its ending balance increase as current year revenues outpaced payments to schools, capital outlay and transfers out for debt service and park improvements.

The Capital Improvement Fund saw its ending fund balance decrease by \$4,805,120 as debt that was issued in 2019 to provide for capital improvements of the City's new police station was spent down.

The Bond Retirement Fund saw its ending fund balance decrease by \$1,430,462 in 2020 as debt that was issued in 2019 to provide for future capital improvements and debt service reserves was spent down.

The City's two major enterprise funds work hand in hand with each other. The water and sewer funds both generate the vast majority of their revenue from customers whether those are monthly users or new tenants tapping into the City's system. The Water Fund experienced a negative change in net position of \$5,760 and the Sewer Fund produced a negative change in net position of \$47,983, which approximates a neutral operating position of nearly break even.

General Fund Budgetary Highlights

The City's budget is prepared according to Ohio law and the Charter of the City. The Budget is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

During the course of 2020, the City amended its total and General Fund budgets several times. All recommendations for the budget came from the City Manager after consultation with individual directors and the Finance Department before submission to City Council. The City Council also approves small interdepartmental budget changes that modify line items within departments within the same fund. With the General Fund mainly supporting many of the activities of the City, the General Fund is monitored closely.

The City had various revisions as detailed in the table below:

Description	Original Budget	Final Budget	Change
Revenues:			
Property and Other Taxes	\$ 878,200	\$ 879,200	\$ 1,000
Income Taxes	10,178,555	12,139,687	1,961,132
Intergovernmental Revenue	772,700	847,700	75,000
Fees, Licenses and Permits	671,800	671,800	-
Other Revenues	615,200	1,246,300	631,100
Total Revenues	<u>13,116,455</u>	<u>15,784,687</u>	<u>2,668,232</u>
Expenditures:			
Security of Persons/Property	664,692	585,562	(79,130)
General Government	5,199,134	5,683,399	484,265
Other Expenditures	956,144	872,329	(83,815)
Total Expenditures	<u>\$ 6,819,970</u>	<u>\$ 7,141,290</u>	<u>\$ 321,320</u>

The City was able to keep its expenditure line items under the budgeted amounts as cost savings were realized across multiple functions of government, including general government and security of persons and property.

The following table summarizes the major variations in revenues and expenditures from final budget to the actual results for 2020:

Description	Final Budget	Actual	Variance
Revenues:			
Property and Other Taxes	\$ 879,200	\$ 846,825	\$ (32,375)
Income Taxes	12,139,687	10,593,225	(1,546,462)
Intergovernmental Revenue	847,700	837,860	(9,840)
Fees, Licenses and Permits	671,800	609,238	(62,562)
Other Revenues	1,246,300	1,730,668	484,368
Total Revenues	<u>15,784,687</u>	<u>14,617,816</u>	<u>(1,166,871)</u>
Expenditures:			
Security of Persons/Property	585,562	470,826	(114,736)
General Government	5,683,399	5,122,745	(560,654)
Other Expenditures	872,329	652,106	(220,223)
Total Expenditures	<u>\$ 7,141,290</u>	<u>\$ 6,245,677</u>	<u>\$ (895,613)</u>

The City saw the actual revenue results finish \$1.2 million less than the final certificate amount for estimated revenues. The City's final expenditures were \$.9 million less than the final budgeted figures.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

Actual receipts were less than budgeted receipts most significantly in the area of income taxes, as the City's legal General Fund budget anticipated receiving income taxes that were ultimately received by other nonmajor special revenue funds. Budgeted expenditures exceeded actual expenditures in all functions of government as management continued to closely monitor how resources are used and looked for ways to reduce or eliminate nonessential outlays.

Capital Assets and Debt Administration

Capital Assets: The City's investment in capital assets for its governmental and business-type activities as of December 31, 2020, amounts to \$54.2 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings and systems, improvements, equipment and machinery, and street infrastructure.

The City continued to allocate funding for capital asset acquisition and construction during the current year. For more information on the governmental and business-type capital assets see Note 8 in the notes to the financial statements.

Long-term Debt: At the end of 2020, the City had general obligation bonds outstanding of \$17,399,000 in governmental activities. For more information on the City's debt, please see Note 13 in the notes to the basic financial statements.

Economic Factors affecting the City

The City of Monroe has become one of the fastest growing communities in southwest Ohio. Monroe's population is currently 14,015 in the 2020 census (above the 12,442 from the 2010 census) and its land area comprises approximately 16.1 square miles of territory. Monroe is located midway between downtown Cincinnati and Dayton. Monroe is served by a full interchange at Interstate 75 as well as two 4-lane state highways, SR 4 and SR 63. Monroe is also served by two major rail lines providing rail served industrial sites.

Monroe aggressively attracts and retains business using several different development financing mechanisms. All industrially zoned property within the City has the Rural Enterprise Zone tax incentive program. Key large parcels are also eligible for real property tax abatements through the Community Reinvestment Area program. The City also utilizes Tax Increment Financing and special assessment financing to facilitate eligible industrial development.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, creditors, investors and elected officials with a general overview of the City's finances and to show accountability for the money it receives. If you have any questions about this report or need additional information, contact the City of Monroe Finance Director, 233 Main Street, Monroe, Ohio 45050, (513) 539-7374 or visit the City website at www.monroehio.org.

THE CITY OF MONROE
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 20,265,897	\$ 3,438,099	\$ 23,703,996
Receivables (net of allowance for doubtful accounts):			
Taxes-Real & Personal Property	3,384,000	-	3,384,000
Taxes-Municipal Income	3,448,000	-	3,448,000
Accounts	141,876	563,100	704,976
Special Assessments	16,500	-	16,500
Payment in Lieu of Taxes	2,363,000	-	2,363,000
Due from Other Governments	2,625,016	36,647	2,661,663
Nondepreciable Capital Assets	12,739,391	563,741	13,303,132
Depreciable Capital Assets	53,009,613	6,503,331	59,512,944
Total Assets	97,993,293	11,104,918	109,098,211
Deferred Outflows of Resources:			
Deferred Charge on Refunding	236,415	92,268	328,683
Pension	4,252,746	306,573	4,559,319
OPEB	2,705,584	180,220	2,885,804
Total Deferred Outflows of Resources	7,194,745	579,061	7,773,806
Liabilities:			
Accounts Payable	817,418	65,447	882,865
Accrued Wages and Benefits	540,206	8,603	548,809
Due to Other Governments	361,174	210,862	572,036
Accrued Interest Payable	49,017	4,458	53,475
Deposits Payable	-	39,975	39,975
Long-Term Liabilities due within 1 year	898,368	333,579	1,231,947
Long-Term Liabilities due over 1 year:			
Net Pension Liability	19,403,887	1,365,840	20,769,727
Net OPEB Liability	4,500,952	920,092	5,421,044
Other Amounts	17,776,952	2,985,614	20,762,566
Total Liabilities	44,347,974	5,934,470	50,282,444
Deferred Inflows of Resources:			
Revenues Levied for the Next Year	5,239,000	-	5,239,000
Pension	2,400,120	289,720	2,689,840
OPEB	1,178,001	130,999	1,309,000
Total Deferred Inflows of Resources	8,817,121	420,719	9,237,840
Net Position:			
Net Investment in Capital Assets	50,355,320	3,857,340	54,212,660
Restricted:			
Transportation	1,874,630	-	1,874,630
Security of Persons and Property	2,042,623	-	2,042,623
Purposes Permitted by TIF/RID Agreements	3,769,653	-	3,769,653
Capital Improvements	1,814,145	-	1,814,145
Debt Service	713,116	-	713,116
Other	71,199	-	71,199
Unrestricted	(8,617,743)	1,471,450	(7,146,293)
Total Net Position	\$ 52,022,943	\$ 5,328,790	\$ 57,351,733

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Governmental Activities:							
Security of Persons and Property	\$ (12,945,526)	\$ 735,349	\$ 607,586	\$ -	\$ (11,602,591)	\$ -	\$ (11,602,591)
Leisure Time Activities	(478,039)	22,934	1,297	-	(453,808)	-	(453,808)
Transportation	(4,740,298)	250,822	379,667	-	(4,109,809)	-	(4,109,809)
General Government	(10,149,315)	962,418	348,474	-	(8,838,423)	-	(8,838,423)
Interest and Fiscal Charges	(644,523)	-	-	-	(644,523)	-	(644,523)
Total Governmental Activities	<u>(28,957,701)</u>	<u>1,971,523</u>	<u>1,337,024</u>	<u>-</u>	<u>(25,649,154)</u>	<u>-</u>	<u>(25,649,154)</u>
Business-Type Activities:							
Water	(3,304,743)	3,201,353	-	-	-	(103,390)	(103,390)
Sewer	(1,255,439)	1,207,456	-	-	-	(47,983)	(47,983)
Stormwater Management	(371,055)	319,820	-	-	-	(51,235)	(51,235)
Garbage	(975,868)	788,444	-	-	-	(187,424)	(187,424)
Cemetery	(99,834)	105,871	-	-	-	6,037	6,037
Street Lighting	(125,341)	120,110	-	-	-	(5,231)	(5,231)
Total Business-Type Activities	<u>(6,132,280)</u>	<u>5,743,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(389,226)</u>	<u>(389,226)</u>
Total	\$ (35,089,981)	\$ 7,714,577	\$ 1,337,024	\$ -	\$ (25,649,154)	\$ (389,226)	\$ (26,038,380)

General Revenues:				
Income Taxes		\$ 14,161,490	\$ -	\$ 14,161,490
Property Taxes Levied For:				
General Purposes		744,547	-	744,547
Security of Persons and Property		1,737,121	-	1,737,121
Payment in Lieu of Taxes		6,364,494	-	6,364,494
Other Taxes		1,227,419	-	1,227,419
Grants and Contributions Not				
Restricted to Specific Programs		2,166,347	79,595	2,245,942
Unrestricted Investment Earnings		370,170	19,827	389,997
Transfers		(160,000)	160,000	-
Total General Revenues and Transfers		<u>26,611,588</u>	<u>259,422</u>	<u>26,871,010</u>
Changes in Net Position		962,434	(129,804)	832,630
Net Position, Beginning of Year		51,060,509	5,458,594	56,519,103
Net Position, End of Year		<u>\$ 52,022,943</u>	<u>\$ 5,328,790</u>	<u>\$ 57,351,733</u>

See accompanying notes to the basic financial statements

**THE CITY OF MONROE
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General	Fire & EMS Levy	Police Law Enforcement	2004 TIFS	2004 RIDS	Capital Improvement	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Assets:									
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 7,511,198	\$ 599,788	\$ 114,041	\$ 1,343,857	\$ 1,466,014	\$ 2,075,602	\$ 374,484	\$ 6,780,913	\$ 20,265,897
Receivables (Net of Allowance for Doubtful Accounts):									
Taxes-Real & Personal Property	1,078,000	1,559,000	747,000	-	-	-	-	-	3,384,000
Taxes-Municipal Income	2,609,791	-	-	-	-	-	-	838,209	3,448,000
Accounts	50,111	89,022	-	-	2,480	-	-	263	141,876
Special Assessments	-	-	-	-	-	16,500	-	-	16,500
Payment in Lieu of Taxes	-	-	-	1,148,000	1,215,000	-	-	-	2,363,000
Due from Other Funds	82,000	-	-	-	-	-	-	-	82,000
Due from Other Governments	1,012,751	107,750	37,000	792,481	15,000	-	-	660,034	2,625,016
Total Assets	\$ 12,343,851	\$ 2,355,560	\$ 898,041	\$ 3,284,338	\$ 2,698,494	\$ 2,092,102	\$ 374,484	\$ 8,279,419	\$ 32,326,289
Liabilities:									
Accounts Payable	\$ 73,033	\$ 14,209	\$ 18,253	\$ -	\$ -	\$ 569,635	\$ -	\$ 142,288	\$ 817,418
Accrued Wages and Benefits	107,207	176,252	186,100	-	-	-	-	70,647	540,206
Due to Other Funds	-	-	-	-	-	82,000	-	-	82,000
Due to Other Governments	94,762	131,383	102,729	-	-	-	-	32,300	361,174
Total Liabilities	275,002	321,844	307,082	-	-	651,635	-	245,235	1,800,798
Deferred Inflows of Resources:									
Revenues Levied for the Next Year and Unavailable Revenue	2,942,528	1,640,405	784,000	1,940,481	1,215,000	16,500	-	981,246	9,520,160
Total Deferred Inflows of Resources	2,942,528	1,640,405	784,000	1,940,481	1,215,000	16,500	-	981,246	9,520,160
Fund Balances:									
Restricted	-	393,311	-	1,343,857	1,483,494	500,000	374,484	6,795,740	10,890,886
Committed	-	-	-	-	-	923,967	-	257,198	1,181,165
Assigned	3,448,333	-	-	-	-	-	-	-	3,448,333
Unassigned	5,677,988	-	(193,041)	-	-	-	-	-	5,484,947
Total Fund Balances (Deficit)	9,126,321	393,311	(193,041)	1,343,857	1,483,494	1,423,967	374,484	7,052,938	21,005,331
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,343,851	\$ 2,355,560	\$ 898,041	\$ 3,284,338	\$ 2,698,494	\$ 2,092,102	\$ 374,484	\$ 8,279,419	\$ 32,326,289

See accompanying notes to the basic financial statements

THE CITY OF MONROE
RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2020

Total governmental fund balances	\$ 21,005,331
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Amounts reported for governmental activities in the statement of net position are different due to the following:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	65,749,004
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Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds:

Income taxes receivable	2,255,613
Delinquent property taxes receivable	508,000
Special assessments receivable	16,500
Intergovernmental and other receivables	1,501,047

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

General obligation bonds	(17,399,000)
Compensated absences	(342,569)
Accrued interest on long-term debt	(49,017)
Deferred Charge on Refunding	236,415
Premium on bonds	(933,751)

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

Deferred Outflows - Pension	4,252,746
Deferred Outflows - OPEB	2,705,584
Deferred Inflows - Pension	(2,400,120)
Deferred Inflows - OPEB	(1,178,001)
Net Pension Liability	(19,403,887)
Net OPEB Liability	(4,500,952)

Net position of governmental activities	\$ <u>52,022,943</u>
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THE CITY OF MONROE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	General	Fire & EMS Levy	Police Law Enforcement	2004 TIFS	2004 RIDS	Capital Improvement	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Revenues:									
Income Taxes	\$ 10,660,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,413,634	\$ 14,073,875
Property and Other Taxes	848,088	1,175,701	561,420	-	-	-	-	78,976	2,664,185
Payment in Lieu of Taxes	-	-	-	2,597,517	3,766,977	-	-	302,685	6,667,179
Intergovernmental	2,029,063	101,495	84,273	-	-	-	-	1,955,195	4,170,026
Charges for Services	161,794	558,957	52,245	-	2,480	-	-	105,745	881,221
Licenses and Permits	609,238	-	-	-	-	-	-	22,934	632,172
Investment Earnings	344,903	-	-	-	-	-	-	29,492	374,395
Fines and Forfeitures	89,344	-	-	-	-	-	-	32,058	121,402
Special Assessments	-	-	-	-	-	36,759	15,842	2,649	55,250
Miscellaneous	243,425	17,500	4,903	-	-	-	-	20,602	286,430
Total Revenues	14,986,096	1,853,653	702,841	2,597,517	3,769,457	36,759	15,842	5,963,970	29,926,135
Expenditures:									
Current:									
Security of Persons and Property	451,414	3,614,063	3,284,781	-	-	-	-	3,257,557	10,607,815
Leisure Time Activities	341,905	-	-	-	-	-	-	42,884	384,789
Payment to Schools	-	-	-	1,409,228	2,627,997	-	-	-	4,037,225
Transportation	266,635	-	-	-	-	-	-	1,865,141	2,131,776
General Government	4,489,906	-	-	-	-	-	-	295,309	4,785,215
Miscellaneous	-	-	-	28,306	44,269	-	-	216	72,791
Intergovernmental	-	-	-	710,521	-	-	-	-	710,521
Capital Outlay	-	-	-	447,215	492,137	7,555,879	-	474,985	8,970,216
Debt Service:									
Principal Retirement	-	-	-	-	-	-	679,574	215,000	894,574
Interest and Fiscal Charges	-	-	-	-	-	-	286,730	397,324	684,054
Total Expenditures	5,549,860	3,614,063	3,284,781	2,595,270	3,164,403	7,555,879	966,304	6,548,416	33,278,976
Excess (Deficiency) of Revenues									
Over (Under) Expenditures	9,436,236	(1,760,410)	(2,581,940)	2,247	605,054	(7,519,120)	(950,462)	(584,446)	(3,352,841)
Other Financing Sources (Uses):									
Transfers - In	-	2,249,999	2,560,260	-	-	2,714,000	820,000	1,462,450	9,806,709
Transfers - Out	(7,612,259)	-	-	(262,000)	(180,000)	-	(1,300,000)	(612,450)	(9,966,709)
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	(736,000)	-	(736,000)
Issuance of Refunding Bonds	-	-	-	-	-	-	736,000	-	736,000
Total Other Financing Sources (Uses)	(7,612,259)	2,249,999	2,560,260	(262,000)	(180,000)	2,714,000	(480,000)	850,000	(160,000)
Net Change in Fund Balances	1,823,977	489,589	(21,680)	(259,753)	425,054	(4,805,120)	(1,430,462)	265,554	(3,512,841)
Fund Balances (Deficit) at Beginning of Year	7,302,344	(96,278)	(171,361)	1,603,610	1,058,440	6,229,087	1,804,946	6,787,384	24,518,172
Fund Balances (Deficit) at End of Year	\$ 9,126,321	\$ 393,311	\$ (193,041)	\$ 1,343,857	\$ 1,483,494	\$ 1,423,967	\$ 374,484	\$ 7,052,938	\$ 21,005,331

See accompanying notes to the basic financial statements

THE CITY OF MONROE
BALANCE SHEET
ENTERPRISE FUNDS
DECEMBER 31, 2020

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Assets:				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 2,705,386	\$ 107,877	\$ 624,836	\$ 3,438,099
Accounts Receivable (Net of Allowance for Doubtful Accounts)	368,500	161,600	33,000	563,100
Due From Other Governments	36,647	-	-	36,647
Total Current Assets	3,110,533	269,477	657,836	4,037,846
Noncurrent Assets:				
Capital Assets:				
Nondepreciable Assets	563,741	-	-	563,741
Depreciable Assets	5,772,226	150,089	581,016	6,503,331
Total Capital Assets (Net of Accumulated Depreciation)	6,335,967	150,089	581,016	7,067,072
Total Assets	9,446,500	419,566	1,238,852	11,104,918
Deferred Outflows of Resources:				
Deferred Charges on Refunding	92,268	-	-	92,268
Pension	139,397	44,046	123,130	306,573
OPEB	81,944	25,892	72,384	180,220
Total Deferred Outflows of Resources	313,609	69,938	195,514	579,061
Total Assets and Deferred Outflows of Resources	\$ 9,760,109	\$ 489,504	\$ 1,434,366	\$ 11,683,979
Liabilities:				
Current Liabilities:				
Accounts Payable	57,770	-	7,677	65,447
Accrued Wages and Benefits	8,603	-	-	8,603
Due to Other Governments	85,893	124,969	-	210,862
Accrued Interest Payable	4,458	-	-	4,458
Deposits Payable	39,975	-	-	39,975
Compensated Absences Payable	1,571	-	1,008	2,579
Revenue Bonds Payable - Current	331,000	-	-	331,000
Total Current Liabilities	529,270	124,969	8,685	662,924
Noncurrent Liabilities:				
Compensated Absences Payable	8,901	-	5,713	14,614
Revenue Bonds Payable	2,971,000	-	-	2,971,000
Net Pension Liability	621,036	196,236	548,568	1,365,840
Net OPEB Liability	418,357	132,192	369,543	920,092
Total Noncurrent Liabilities	4,019,294	328,428	923,824	5,271,546
Total Liabilities	4,548,564	453,397	932,509	5,934,470
Deferred Inflows of Resources:				
Pension	131,733	41,625	116,362	289,720
OPEB	59,564	18,821	52,614	130,999
Total Deferred Inflows of Resources	191,297	60,446	168,976	420,719
Net Position:				
Net Investment in Capital Assets	3,126,235	150,089	581,016	3,857,340
Unrestricted	1,894,013	(174,428)	(248,135)	1,471,450
Total Net Position	5,020,248	(24,339)	332,881	5,328,790
Total Net Position, Liabilities and Deferred Inflows of Resources	\$ 9,760,109	\$ 489,504	\$ 1,434,366	\$ 11,683,979

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			Totals
	Water	Sewer	Nonmajor Enterprise Funds	
Operating Revenues:				
Charges for Services	\$ 3,174,657	\$ 1,207,456	\$ 1,334,245	\$ 5,716,358
Other	22,974	-	-	22,974
Special Assessments	3,722	-	-	3,722
Total Operating Revenues	3,201,353	1,207,456	1,334,245	5,743,054
Operating Expenses:				
Personal Services	729,527	57,337	363,920	1,150,784
Materials and Supplies	1,332,040	-	32,697	1,364,737
Contractual Services	576,988	1,185,507	1,128,691	2,891,186
Depreciation	509,914	12,595	46,790	569,299
Total Operating Expenses	3,148,469	1,255,439	1,572,098	5,976,006
Operating Income (Loss)	52,884	(47,983)	(237,853)	(232,952)
Non-Operating Income (Expense):				
Investment Earnings	18,035	-	1,792	19,827
Interest and Fiscal Charges	(156,274)	-	-	(156,274)
Other Intergovernmental Revenues	79,595	-	-	79,595
Total Non-Operating Income (Expense)	(58,644)	-	1,792	(56,852)
Income (Loss) Before Transfers	(5,760)	(47,983)	(236,061)	(289,804)
Transfers In	-	-	160,000	160,000
Change in Net Position	(5,760)	(47,983)	(76,061)	(129,804)
Total Net Position - Beginning of Year	5,026,008	23,644	408,942	5,458,594
Total Net Position - End of Year	\$ 5,020,248	\$ (24,339)	\$ 332,881	\$ 5,328,790

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 3,146,484	\$ 1,187,856	\$ 1,331,362	\$ 5,665,702
Cash Paid for Employee Services and Benefits	(603,357)	(17,498)	(252,045)	(872,900)
Cash Paid to Suppliers for Goods and Services	(1,921,778)	(1,153,722)	(1,152,099)	(4,227,599)
Net Cash Provided (Used) by Operating Activities	621,349	16,636	(72,782)	565,203
Cash Flows from Noncapital Financing Activities:				
Transfers In	-	-	160,000	160,000
Operating Grants	42,948	-	-	42,948
Net Cash Provided (Used) by Noncapital Financing Activities	42,948	-	160,000	202,948
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Capital Assets	(574,483)	-	(185,765)	(760,248)
Proceeds from Bond Issued	3,319,000	-	-	3,319,000
Principal Paid on Bonds	(3,857,000)	-	-	(3,857,000)
Principal Paid on Loans	(74,951)	-	-	(74,951)
Interest and Fiscal Charges	(284,004)	-	-	(284,004)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,471,438)	-	(185,765)	(1,657,203)
Cash Flows from Investing Activities				
Interest	18,035	-	1,792	19,827
Net Cash Provided by Investing Activities	18,035	-	1,792	19,827
Net Increase (Decrease) in Cash and Cash Equivalents	(789,106)	16,636	(96,755)	(869,225)
Cash and Cash Equivalents at Beginning of Year	3,494,492	91,241	721,591	4,307,324
Cash and Cash Equivalents at End of Year	\$ 2,705,386	\$ 107,877	\$ 624,836	\$ 3,438,099

THE CITY OF MONROE
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ 52,884	\$ (47,983)	\$ (237,853)	\$ (232,952)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	509,914	12,595	46,790	569,299
Change in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:				
Accounts Receivable	(29,600)	(19,600)	800	(48,400)
Deferred Outflows of Resources - Pension	143,425	45,320	126,691	315,436
Deferred Outflows of Resources - OPEB	(42,430)	(13,407)	(37,480)	(93,317)
Accounts Payable	(27,179)	(16)	5,605	(21,590)
Deposits Payable	(2,500)	-	-	(2,500)
Accrued Wages and Benefits	368	-	-	368
Compensated Absences Payable	(115)	-	505	390
Due to Other Governments	(8,505)	31,801	-	23,296
Net Pension Liability	(197,364)	(62,363)	(174,336)	(434,063)
Net OPEB Liability	42,918	13,561	37,911	94,390
Deferred Inflows of Resources - Pension	120,988	38,229	106,871	266,088
Deferred Inflows of Resources - OPEB	58,545	18,499	51,714	128,758
Total Adjustments	568,465	64,619	165,071	798,155
Net Cash Provided (Used) by Operating Activities	\$ 621,349	\$ 16,636	\$ (72,782)	\$ 565,203

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020

	<u>Custodial Funds</u>
Assets:	
Cash and Cash Equivalents	
in Segregated Accounts	\$ 8,955
Cash and Cash Equivalents	681,873
Special Assessments Receivable	8,302,838
Total Assets	\$ 8,993,666
 Liabilities:	
Due to Other Governments	\$ 8,993,666
Total Liabilities	\$ 8,993,666
 Net Position	 \$ -

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Custodial Funds
Additions:	
Income Taxes Collected for Other Governments	\$ 387,767
Fines, Licenses and Permits Collected for Other Governments	38,994
Other Amounts Collected for Distribution	367
Special Assessments Collected for Other Governments	1,124,741
Total Additions	1,551,869
Deductions:	
Distributions to Other Governments	1,533,887
Distributions to Individuals	8,182
Other Distributions	9,800
Total Deductions	1,551,869
Net Increase (Decrease) in Fiduciary Net Position	-
Net Position Beginning of Year	-
Net Position End of Year	\$ -

See accompanying notes to the basic financial statements

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The City of Monroe

Notes to the Basic Financial Statements – December 31, 2020

Note 1 - Reporting Entity and Basis of Presentation

The City of Monroe is a home rule municipal corporation organized under the laws of the State of Ohio. The City operates under its own charter. The current charter, which provides for a Council/Manager form of government, was adopted in 1984. The seven-member Council is elected to four-year terms. Annually, the Council selects one of its members to serve as Mayor. The Council appoints the City Manager, Finance Director and Law Director.

The Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds and departments that are not legally separate from the City. Services provided by the City include police and fire protection, emergency medical services, street maintenance and repair, community development, planning and zoning, parks and recreation, water, storm water, sewer and garbage removal. The City's staff provides essential support (i.e., payroll processing, accounts payable, revenue collection) to deliver these services. The Council and the City Manager have direct responsibility for these services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the organization's budget, the issuance of its debt or the levying of its taxes. The City had no reported component units at December 31, 2020.

The Monroe Mayor's Court has been included in the City's financial statements as a custodial fund. The clerk of court has a fiduciary responsibility for the collection and distribution of the court fees and fines.

The City is also associated with two jointly governed organizations, The Center for Local Governments and the Ohio-Kentucky-Indiana Regional Council of Government, which are presented in Note 16 to the Basic financial statements.

Basis of Presentation – Fund Accounting

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. The effect of inter-fund activity has been removed from these statements except interfund services provided and used in the normal course of business. Taxes and intergovernmental revenues normally support governmental activities. *Business-type activities* are supported by charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Note 2 - Summary of Significant Accounting Policies

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

The City of Monroe

Notes to the Basic Financial Statements – December 31, 2020

Measurement Focus Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the enterprise 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is expected to be liquidated with expendable, available resources. However, debt service expenditures, as well as compensated absences, are recorded only when payment is due.

Fund Accounting

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

Governmental Funds

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

The current financial resource approach of the governmental funds differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the statements for governmental funds.

Enterprise Funds

Enterprise 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 an enterprise fund's principal ongoing operations. The principal operating revenues of the City enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major governmental funds:

General Fund

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Fire & EMS Levy Fund

The Fire & EMS Levy Fund accounts for property taxes levied for payment of a portion of general operating expenditures of the department and capital costs. Beginning in 2020, all of the City's property tax levies restricted for Fire and EMS services are reported in this single fund.

The City of Monroe

Notes to the Basic Financial Statements – December 31, 2020

Police Law Enforcement

The Police Law Enforcement Fund accounts for property taxes, charges for services, and other revenues received to maintain the operational and capital needs of the City's police department.

2004 TIFs

The 2004 TIFs Fund accounts for payments in lieu of taxes received from commercial properties located in the City's TIF Districts.

2004 RIDs

The 2004 RIDs Fund accounts for payments in lieu of taxes received from residential incentive districts located within the City.

Capital Improvement

The Capital Improvement Fund accounts for significant capital projects undertaken by the City.

Bond Retirement Fund

The Bond Retirement Fund is used to account for the revenues, expenditures and other financing sources and uses related to the retirement of specific long-term obligations of the City.

The City reports the following major enterprise funds:

Water Fund

To account for activities of the City's water system.

Sewer Fund

To account for activities of the City's wastewater system.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary fund. The City maintains a Mayor's Court custodial fund (which accounts for funds that flow through the municipal court office) a JEDD custodial fund (which accounts for funds that flow through the JEDD) and a special assessment custodial fund (which accounts for the collection of debt-related special assessments that are remitted to another government, for which the City has no obligation for such debt service).

Cash and Cash Equivalents

To improve cash management, all cash received by the City is pooled. Monies for all funds, including enterprise funds, except cash held by a trustee or fiscal agent and specific fund investments, are maintained in this pool. Each fund's interest in the pool is presented as "Equity in Pooled Cash, Cash Equivalents and Investments" on the fund balance sheet and statement of net position. Individual fund integrity is maintained through the City's records. The City's Mayor's Court has its own checking accounts for collection and distribution of court fines and forfeitures that are presented on the statement of fiduciary net position as "Cash and cash equivalents in segregated accounts."

For purposes of the statement of cash flows and for presentation on the fund balance sheet and statement of net position, investments with original maturities of three months or less and funds with the cash management pool are considered to be cash equivalents. In accordance with GASB Statement No. 72, Fair Value Measurement and Application, the City categorizes its fair value measurements of its investments within the fair value hierarchy. 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 City of Monroe

Notes to the Basic Financial Statements – December 31, 2020

The City also invested funds in money market mutual funds and the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2020. 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 GASB Statement No. 79, “Certain External Investment Pools and Pool Participants.” Investments in STAR Ohio and money market mutual fund are valued at the net asset value per share provided by STAR Ohio on an amortized cost basis at December 31, 2020, which approximates fair value.

For 2020, there were no limitations or restrictions on any participants’ 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.

Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost (or estimated historical cost if purchased or constructed). Donated capital assets are recorded at acquisition value rather than fair value. Intangible assets, such as easements, are reported at estimated cost and not depreciated.

Depreciation has been provided using the straight-line method over the following estimated useful lives:

	<u>Estimated Lives (Years)</u>
Buildings and Building Improvements	40
Infrastructure – Streets	50
Infrastructure – Water Lines/Storm Sewers	20
Machinery, Equipment and Vehicles	5 – 20

Interfund Transactions

During the course of normal operations, the City has numerous transactions between funds. Interfund transactions are generally classified as follows:

Transfers are reported as “Other Financing Sources and Uses” in the governmental funds, as “Transfers In” by the recipient fund and “Transfers Out” by the disbursing fund on the fund financial statements. These transfers are consolidated within the governmental activities columns.

Transactions that would be treated as revenues and expenditures if the transactions involved organizations external to the City are similarly treated when involving other funds of the City.

Compensated Absences

The City follows the provisions of Governmental Accounting Standards Board Statement No. 16, “Accounting for Compensated Absences.” Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. Sick leave benefits are accrued as a liability using the vesting method. The City records a liability for sick leave for employees with ten years of service. The employees are eligible to receive payment for one-quarter of the vested balance up to a maximum of 240 hours.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Matured leave payable in the fund financial statements represents the entire current portion. These amounts are reported in governmental funds only if they have matured, for example, as a result of employee resignations, retirements or contractual obligation. The City has no matured leave payable at December 31, 2020. The entire liability is reported on the government-wide statement of net position. For enterprise funds, the entire liability is reflected in the fund balance sheet.

Pensions/Other Postemployment Benefits

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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 fiscal 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.

Long-term debt and other obligations financed by enterprise funds are reported as liabilities in the appropriate enterprise funds and on the statement of net position.

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

Obligation	Fund
Compensated Absences	Will be paid by the General Fund or Water Fund.
General Obligation Bonds	Will be paid from the Bond Retirement and Police Station Debt Service Funds
Loans Payable	Will be paid from the Water Fund, which is utilizing the water tower associated with the loan.
Special Assessment Bonds	Will be paid from the Bond Retirement Fund.
Revenue Obligation Bonds	Water revenue bonds will be repaid through the operating revenues of the Water Fund.

Classification of Fund Balance

In accordance with GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions,” the City’s fund balance is divided into five classifications based primarily on the extent to which the City must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable - The City classifies assets as nonspendable when not in spendable form and when legally or contractually required to maintain the amounts intact.

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

The City of Monroe

Notes to the Basic Financial Statements – December 31, 2020

Committed - The City's Council can commit amounts via formal action (resolution). The City must adhere to these commitments unless the City's Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned fund balances at December 31, 2020 represent resources set aside for purchase commitments and subsequent year budgets by the City's Council.

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

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

Net Position

Net position represents the difference between assets (and deferred outflows of resources) and liabilities (and deferred inflows of resources) in the statement of net position. Net investment in capital assets is calculated, net of accumulated depreciation and reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the remaining assets less remaining liabilities that do not meet the definition of net investment in capital assets or restricted net position. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance fiscal year 2021 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes delinquent property taxes, other taxes, special assessments 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. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Exchange/Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes and payments in lieu of taxes are recognized in the fiscal year for which the taxes and payments in lieu of taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Estimates

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

Note 3 - Compliance and Accountability

Fund Deficits

The following funds had fund balance deficits at December 31, 2020:

	<u>Fund Deficit</u>
Major Governmental Fund:	
Police Law Enforcement	<u>\$ 193,041</u>
Non-Major Enterprise Fund:	
Garbage	<u>\$ 51,403</u>

The deficits were created by the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 4 - Deposits and Investments

Policies and Procedures

The investment and deposit of City monies are governed by the Ohio Revised Code. State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

The City of Monroe

Notes to the Basic Financial Statements – December 31, 2020

Inactive deposits are public deposits that Council has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Finance Director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

State statute permits interim monies to be deposited in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligations or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bond, notes, debentures, or any other obligations or securities issued by the federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this section are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

The City may also invest any monies not required to be used for a period of six months or more in the following:

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3 “Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements” and GASB Statement No. 40, “Deposits and Investment Risk Disclosures.”

Deposits

At year-end, the carrying amount of the City’s deposits was \$6,122,895 and the bank balance was \$6,206,452. \$537,611 of the City’s deposits were insured by federal depository insurance. As of December 31, 2020, \$5,668,841 of the City’s bank balance of \$6,206,452 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution’s trust department or agent, but not in the City’s name.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

As of December 31, 2020 the City had the following investments:

Categorized Investments	Fair Value and Maturity		Credit Rating
	Under One Year	One to Five Years	
U.S. Government Notes	\$ 497,336	\$ 2,021,491	S&P - AA+
STAR Ohio	5,026,151	-	S&P - AAAm
Negotiable CD's	1,610,006	9,113,338	N/A
Money Market Mutual Funds	3,607	-	S&P - AAAm
Total	\$ 7,137,100	\$ 11,134,829	

Interest Rate Risk - The City has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk - The City is not subject to any credit risk as there are no investments subject to credit risk. The City has no investment policy that would further limit its investment choices.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk - The City places no limit on the amount it may invest in any one issuer. The City has 14% of its investments in U.S. Government Notes.

Fair Value Measurement – The City’s recurring fair value measurement of its investment in U.S. Government Notes and negotiable CDs of \$2,518,827 and \$10,723,344, respectively, were valued using pricing sources as provided by investment managers (Level 2 inputs). The City’s investment in money market mutual and STAR Ohio funds are excluded from fair value measurement requirements under GASB Statement No. 72, and instead are reported at amortized cost.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Note 5 - Property Taxes

Property taxes include amounts levied against all real estate and public utility property located in the City. Real property taxes (other than public utility) collected during 2020 were levied after October 1, 2019, on assessed values as of January 1, 2019, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 31; if paid semi-annually, the first payment is due by February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31st of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 88% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

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

Category	Assessed Value
Real Property Valuation	\$ 348,092,980
Public Utility Tangible Personal Property	91,464,930
Total	<u>\$ 439,557,910</u>

Note 6 - Income Tax

The City levies a municipal income tax of 2% on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate, and City residents that also own property inside the City are eligible for a reduced rate of 1.50%.

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

The first 1.5% (of the City's gross income tax rate of 2.0%) of income taxes are to be used to pay the cost of administering the tax, general fund operations, capital improvements, debt service and other governmental functions when needed, as determined by Council. The remaining .35% and .15% of income taxes are restricted for public safety and capital improvements, respectively.

Note 7 - Receivables

Receivables at December 31, 2020 consisted of property and other taxes, income taxes, utility accounts (shown net of an allowance for uncollectible accounts), special assessments, payments in lieu of taxes, and intergovernmental receivables and shared revenues arising from entitlements.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Note 8 - Capital Assets

A summary of the changes in capital assets during the year ended December 31, 2020, follows:

	12/31/2019	Increases	Decreases	12/30/2020
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land and Easements	\$ 1,850,276	\$ -	\$ -	\$ 1,850,276
Construction in Progress	4,047,688	6,841,427	-	10,889,115
Total Capital Assets, Not Being Depreciated	5,897,964	6,841,427	-	12,739,391
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	11,317,541	285,535	-	11,603,076
Machinery, Equipment and Vehicles	9,788,444	793,407	-	10,581,851
Infrastructure – Streets	74,716,617	33,668	-	74,750,285
Total Capital Assets, Being Depreciated	95,822,602	1,112,610	-	96,935,212
Accumulated Depreciation				
Buildings and Building Improvements	(4,748,195)	(333,337)	-	(5,081,532)
Machinery, Equipment and Vehicles	(7,395,314)	(433,546)	-	(7,828,860)
Infrastructure – Streets	(29,622,988)	(1,392,219)	-	(31,015,207)
Less Accumulated Depreciation	(41,766,497)	(2,159,102)	-	(43,925,599)
Total Capital Assets, Being Depreciated, Net	54,056,105	(1,046,492)	-	53,009,613
Governmental Activities Capital Assets, Net	\$ 59,954,069	\$ 5,794,935	\$ -	\$ 65,749,004
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 563,741	\$ -	\$ -	\$ 563,741
Total Capital Assets, Not Being Depreciated	563,741	-	-	563,741
Capital Assets, Being Depreciated				
Buildings and Building Improvements	1,464,986	-	-	1,464,986
Machinery and Equipment	2,029,845	75,000	-	2,104,845
Infrastructure – Water Lines/Storm Sewers	11,211,395	685,248	-	11,896,643
Total Capital Assets, Being Depreciated	14,706,226	760,248	-	15,466,474
Accumulated Depreciation				
Buildings and Building Improvements	(1,063,145)	(30,522)	-	(1,093,667)
Machinery and Equipment	(1,284,104)	(100,932)	-	(1,385,036)
Infrastructure – Water Lines/Storm Sewers	(6,046,595)	(437,845)	-	(6,484,440)
Less Accumulated Depreciation	(8,393,844)	(569,299)	-	(8,963,143)
Total Capital Assets, Being Depreciated, Net	6,312,382	190,949	-	6,503,331
Business-Type Activities Capital Assets, Net	\$ 6,876,123	\$ 190,949	\$ -	\$ 7,067,072

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Depreciation expense was charged to governmental functions as follows:

Governmental Activities:

Security of Persons and Property	\$ 422,596
Transportation, Including Depreciation of General Infrastructure Assets	1,515,741
Leisure Time Activities	56,272
General Government	164,493
Total Depreciation Expense - Governmental Activities	<u>\$ 2,159,102</u>

Business-Type Activities:

Water	\$ 509,914
Sewer	12,595
Stormwater Management	42,290
Cemetery	4,500
Total Depreciation Expense – Business-Type Activities	<u>\$ 569,299</u>

Note 9 - 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.

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

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

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

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS Comprehensive Annual Financial Report 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 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

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 percent 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 percent.

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$480,702 for 2020. Of this amount, \$40,059 is reported as accrued wages and benefits payable.

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

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

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

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$1,279,505 for 2020. Of this amount \$106,625 is reported as accrued wages and benefits payable.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$ 4,507,622	\$ 16,262,105	\$ 20,769,727
Proportion of the Net Pension Liability			
Current Measurement Date	0.022805%	0.241402%	
Prior Measurement Date	<u>0.021689%</u>	<u>0.241981%</u>	
Change in Proportionate Share	<u>0.001116%</u>	<u>-0.000579%</u>	
Pension Expense	\$ 967,360	\$ 2,641,860	\$ 3,609,220

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in employer proportion and differences between contributions and proportionate share of contributions	\$ 243,385	\$ 1,317,565	\$ 1,560,950
Differences between expected and actual experience	-	611,845	611,845
Change in Assumptions	240,760	385,557	626,317
Contributions subsequent to the measurement date	<u>480,702</u>	<u>1,279,505</u>	<u>1,760,207</u>
Total Deferred Outflows of Resources	<u>\$ 964,847</u>	<u>\$ 3,594,472</u>	<u>\$ 4,559,319</u>

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$ 899,169	\$ 745,157	\$ 1,644,326
Differences between expected and actual experience	56,992	837,806	894,798
Changes in employer proportion and differences between contributions and proportionate share of contributions	-	150,716	150,716
Total Deferred Inflows of Resources	<u>\$ 956,161</u>	<u>\$ 1,733,679</u>	<u>\$ 2,689,840</u>

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

The City reported \$1,760,207 as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2021	\$ 78,801	\$ 440,014	\$ 518,815
2022	(231,023)	271,627	40,604
2023	37,234	604,663	641,897
2024	(357,028)	(659,774)	(1,016,802)
2025	-	(75,242)	(75,242)
Total	<u>\$ (472,016)</u>	<u>\$ 581,288</u>	<u>\$ 109,272</u>

Actuarial Assumptions - OPERS

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

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

Measurement and Valuation Date	December 31, 2019
Experience Study	5-Year Period Ended December 31, 2015
Actuarial Cost Method	Individual Entry Age
Actuarial Assumptions:	
Investment Rate of Return	7.2 percent
Wage Inflation	3.25%
Projected Salary Increases	3.25% to 10.75% (including wage inflation at 3.25%)
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3% simple Post-1/7/2013 Retirees: 1.40% simple through 2020, then 2.15% simple

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

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

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

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

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 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.2% for 2019.

Discount Rate The discount rate used to measure the total pension liability was 7.2%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future 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 presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.2 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Entity's proportionate share of the net pension liability	\$ 7,434,430	\$ 4,507,622	\$ 1,876,395

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Actuarial Assumptions – OPF

OPF’s total pension liability as of December 31, 2019 is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of 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.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2019, are presented below:

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	8.00%
Cost of Living Increases (COLA)	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%
Salary Increases	3.75% to 10.50%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.5%

Healthy Mortality – 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%

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

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

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

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

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

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

Note: Assumptions are geometric
 * levered 2X

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

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

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Entity’s proportionate share of the net pension liability	\$ 22,538,744	\$ 16,262,105	\$ 11,012,361

The City of Monroe

Notes to the Basic Financial Statements – December 31, 2020

Note 10 – Defined Benefit OPEB Plans

Net OPEB Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

The City of Monroe

Notes to the Basic Financial Statements – December 31, 2020

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of Traditional Pension and Combined plans' employer contributions allocated to health care was zero in 2020 and is expected to remain at that level. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.0%.

The City's contractually required contribution was \$0 for 2020.

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

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

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

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

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

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

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

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OP&F maintains funds for health care in two separate accounts: 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. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

The City’s contractually required contribution to OP&F was \$30,145 for 2020. Of this amount, \$2,512 is reported as accrued wages and benefits payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F’s total OPEB liability was measured as of December 31, 2019, and was determined by rolling forward the total OPEB liability as of January 1, 2019, to December 31, 2019. The City’s proportion of the net OPEB liability was based on the City’s share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability:	\$ 3,036,544	\$ 2,384,500	\$ 5,421,044
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.021984%	0.241402%	
Prior Measurement Date	<u>0.020901%</u>	<u>0.241981%</u>	
Change in Proportionate Share	<u>0.001083%</u>	<u>-0.000579%</u>	
 OPEB Expense	 \$ 428,478	 \$ 417,554	 \$ 846,032

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in employer proportion and differences between contributions and proportionate share of contributions	\$ 114,039	\$ 899,071	\$ 1,013,110
Differences between expected and actual experience	81	-	81
Change in Assumptions	480,653	1,361,815	1,842,468
Contributions subsequent to the measurement date	-	30,145	30,145
Total Deferred Outflows of Resources	<u>\$ 594,773</u>	<u>\$ 2,291,031</u>	<u>\$ 2,885,804</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on OPEB plan investments	\$ 154,620	\$ 107,933	\$ 262,553
Differences between expected and actual experience	277,706	254,763	532,469
Change in Assumptions	-	509,393	509,393
Changes in employer proportion and differences between contributions and proportionate share of contributions	-	4,585	4,585
Total Deferred Inflows of Resources	<u>\$ 432,326</u>	<u>\$ 876,674</u>	<u>\$ 1,309,000</u>

\$30,145 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2021	\$ 158,815	\$ 267,936	\$ 426,751
2022	69,580	267,936	337,516
2023	123	289,675	289,798
2024	(66,071)	254,104	188,033
2025	-	250,427	250,427
Thereafter	-	54,134	54,134
Total	<u>\$ 162,447</u>	<u>\$ 1,384,212</u>	<u>\$ 1,546,659</u>

Actuarial Assumptions - OPERS

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

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

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current Measurement Date	3.16 percent
Prior Measurement Date	3.96 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate - Current Year	2.75 percent
Municipal Bond Rate - Prior Year	3.71 percent
Health Care Cost Trend Rate - Current Year	10.50 percent, initial 3.50 percent, ultimate in 2030
Health Care Cost Trend Rate - Prior Year	10.00 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age

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

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

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 19.7 percent for 2019.

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

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

Discount Rate A single discount rate of 3.16% was used to measure the OPEB liability on the measurement date of December 31, 2019. 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) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.75%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2034. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
Entity's proportionate share of the net OPEB liability	\$ 3,973,828	\$ 3,036,544	\$ 2,286,116

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

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Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.5 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries' project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	Current Health Care Cost Trend Rate		
	1% Decrease	Assumption	1% Increase
Proportionate share of the net OPEB liability	\$ 2,946,955	\$ 3,036,544	\$ 3,125,026

Actuarial Assumptions – OP&F

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

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

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

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

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Municipal Bond Rate - Current Year	2.75 percent
Municipal Bond Rate - Prior Year	4.13 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Single Discount Rate:	
Current Measurement Date	3.56 percent
Prior Measurement Date	4.66 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increase based on the lesser of the increase in CPI and 3 percent

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

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

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the 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%

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

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

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

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 the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

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Discount Rate Total OPEB liability was calculated using the discount rate of 3.56 percent. 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 8.00 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, a municipal bond rate of 2.75 percent at December 31, 2019 and 4.13 percent at December 31, 2018 was blended with the long-term rate of 8.00 percent, which resulted in a blended discount rate of 3.56 percent at December 31, 2019 and 4.66 percent at December 31, 2018.

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 3.56 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.56 percent), or one percentage point higher (4.56 percent) than the current rate.

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
Proportionate share of the net OPEB liability	\$ 2,956,631	\$ 2,384,500	\$ 1,909,106

Note 11 - Other Employee Benefits

Compensated Absences

Accumulated Unpaid Sick Leave

All non-contract employees earn ten hours of sick leave for each full month worked. City employees can receive payment of twenty-five percent of accrued sick leave up to 240 hours (maximum sixty hours) after ten years with the City.

Accumulated Unpaid Vacation

Non-union employees earn vacation leave at varying rates based on length of service. On January 1 following the date of hire, employees receive two weeks of vacation leave prorated by the portion of the previous calendar year worked. Employees earn two weeks up to the completion of five years of service, three weeks after five years, four weeks after ten years and five weeks after twenty years of service. All vacation time must be used within the calendar year earned or is forfeited unless the employee has received special permission from the City Manager. Upon departure from City employment, an employee (or his or her estate) will be paid for unused vacation leave. Union employees earn, use and accumulate vacation leave per the terms of their particular contract.

Health Care Benefits

The City provides life insurance and accidental death and dismemberment insurance to most employees through various life insurance companies. The City has elected to provide employee medical/surgical benefits through Anthem. Non-union employees pay 16 percent of the premium. The City Manager and Law Director pay twenty percent of the health and dental insurance premiums. For union employees, the health and dental premium contribution varies depending on the terms of the applicable union contract. The City also provides a portion of the deductible: \$1,800 for employees on the single plan and \$3,600 for employees on the family plan. The City provides vision insurance to all employees through VSP and dental insurance is provided through Dental Care Plus.

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Notes to the Basic Financial Statements – December 31, 2020

Note 12 - Risk Management

The City is exposed to various risks of property and casualty losses, and injuries to employees.

The City insures against injuries to employees through the Ohio Bureau of Worker’s Compensation.

The City belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members’ deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2020, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge PEP’s primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

PEP’s financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2019, the most recent information available:

	2019
Assets	\$ 38,432,610
Liabilities	(14,705,917)
Net Position	\$ 23,726,693

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year’s contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

Settled claims have not exceeded insurance coverage in any of the past three years. There was no significant decline in the level of coverage from the prior year.

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Note 13 –Long-Term Obligations

A summary of the changes in long-term obligations during the year ended December 31, 2020 follows:

	12/31/2019	Increase	Decrease	12/31/2020	Due Within One Year
Governmental Activities					
Special Assessment Bonds					
4.45% - 5.70% 2002 Limited Edition	\$ 60,000	\$ -	\$ (60,000)	\$ -	\$ -
Total - Special Assessment Bonds	60,000	-	(60,000)	-	-
General Obligation Bonds (Unvoted)					
1.80% 2020 Bonds	-	736,000	(12,000)	724,000	12,000
3% - 4% 2019 Bonds	11,555,000	-	(215,000)	11,340,000	225,000
Premium	622,487	-	(20,807)	601,680	-
3% - 4% 2018 VP Bonds	3,255,000	-	(10,000)	3,245,000	330,000
Premium	251,503	-	(23,216)	228,287	-
1.50% - 3.50% 2013 VP Bonds	475,000	-	(90,000)	385,000	90,000
Premium	18,998	-	(3,999)	14,999	-
6.15% 2010 Building America Bonds	715,000	-	(715,000)	-	-
2 - 4.25% 2010 VP Bonds	320,000	-	(320,000)	-	-
Premium	4,554	-	(4,554)	-	-
2% - 4% 2014 VP Bonds	1,890,000	-	(185,000)	1,705,000	190,000
Premium	95,165	-	(6,380)	88,785	-
Total - General Obligation Bonds	19,202,707	736,000	(1,605,956)	18,332,751	847,000
Compensated Absences	322,412	68,520	(48,363)	342,569	51,368
Net Pension Liability:					
OPERS	4,140,239	-	(998,457)	3,141,782	-
OP&F	19,752,072	-	(3,489,967)	16,262,105	-
Total Net Pension Liability	23,892,311	-	(4,488,424)	19,403,887	-
Net OPEB Liability:					
OPERS	1,899,329	217,123	-	2,116,452	-
OP&F	2,203,611	180,889	-	2,384,500	-
Total Net OPEB Liability	4,102,940	398,012	-	4,500,952	-
Total - Governmental Activities	47,580,370	1,202,532	(6,202,743)	42,580,159	898,368
Business-Type Activities					
1.62% 2020 Bonds	-	3,319,000	(17,000)	3,302,000	331,000
5.9-6.35% 2010 Series A Bonds	3,590,000	-	(3,590,000)	-	-
2-3.75% 2010 Series B Bonds	250,000	-	(250,000)	-	-
Premium	20,479	-	(20,479)	-	-
5.02% 2001 Loan Payable	74,951	-	(74,951)	-	-
Compensated Absences	16,803	2,910	(2,520)	17,193	2,579
Net Pension Liability - OPERS	1,799,903	-	(434,063)	1,365,840	-
Net OPEB Liability - OPERS	825,702	94,390	-	920,092	-
Total - Business-Type Activities	6,577,838	3,416,300	(4,389,013)	5,605,125	333,579
Total - All Activities	\$ 54,158,208	\$ 4,618,832	\$ (10,591,756)	\$ 48,185,284	\$ 1,231,947

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The Limited Edition special assessment bond was issued at varying interest rates from 4.45 to 5.70 percent. The debt was issued on September 15, 2002 for the purpose of making improvements around the Mount Pleasant Retirement home area.

The special assessment bond issues are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt. The special assessment bonds were paid from the bond retirement fund.

The 2013 Various Purpose bonds were issued in 2013 to currently refund the outstanding balance of certain legacy debt. The bonds bear interest at rates varying from 1.50% to 3.50% and have a final maturity of December 1, 2024.

During 2014, the City issued General Obligation Bonds of \$2,775,000 to finance certain energy improvements to the City's buildings and infrastructure. The bonds bear interest at rates varying from 2% to 4% and have a final maturity of December 1, 2034.

During 2018, the City issued General Obligation Bonds of \$3,320,000 to refund bonds that were previously outstanding. The bonds bear interest at rates varying from 3% to 4% and have a final maturity of December 1, 2030.

During 2019, the City issued General Obligation Bonds of \$11,555,000 to finance the acquisition and construction of new police station and to make certain other long-term capital improvements. The bonds bear interest at rates varying from 3% to 4% and have a final maturity of December 1, 2049.

During 2020, the City issued General Obligation Bonds of \$736,000 to refund previously outstanding bonds. The bonds bear interest at 1.80% and have a final maturity of December 1, 2030. The refunding reduced the amount of cash required for debt service in the amount of \$149,673. The refunding resulted in an economic gain (difference between the present values of the old and new bond payments) of \$130,701.

In 2010, the City issued \$6,845,000 of various purpose bonds, including \$715,000 in Build America Bonds that carry an interest subsidy of thirty-five percent. The bonds were issued for several purposes including State Route 63 right of way, interchange improvements and work on State Route 63 and Toddhunter Road. The bonds also financed the acquisition of a fire truck and improvements to Gallaher Road. The \$715,000 in Build America Bonds were refunded in 2020 with the 2020 Bonds.

The unvoted general obligation bond issues will be paid out of the Bond Retirement and Police Station Debt Service Funds.

Compensated absences and the net pension/OPEB liabilities will be paid from the fund from which the employees' salaries are paid, mainly the General and Water funds.

During 2020, the City issued Revenue Bonds of \$3,319,000 to refund previously outstanding bonds. The bonds bear interest at 1.62% and have a final maturity of December 1, 2030. The refunding reduced the amount of cash required for debt service in the amount of \$923,453. The refunding resulted in an economic gain (difference between the present values of the old and new bond payments) of \$845,549.

During 2010, the City issued \$5,825,000 in waterworks system improvements and refunding revenue bonds. The bonds were issued as two series. The 2010A series was for \$3,590,000 as Build America Bonds that carry a thirty-five percent interest subsidy. The 2010B series was for \$2,235,000. These bonds were refunded in 2020 with 2020 bonds.

The Loan payable was issued at an interest of 5.02 percent in December 2001 for the purpose of the paying the City's portion of a water tower used with the City of Middletown. The loan was paid from the water fund charges for services.

As of December 31, 2020, the City's legal debt margin was approximately \$46 million for total debt and \$24 million for unvoted debt.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2020 are:

Governmental Activities			
General Obligation Bonds			
Year	Principal	Interest	Total
2021	\$ 847,000	\$ 588,207	\$ 1,435,207
2022	872,000	560,466	1,432,466
2023	908,000	531,913	1,439,913
2024	928,000	498,429	1,426,429
2025	773,000	463,120	1,236,120
2026-2030	4,181,000	1,891,782	6,072,782
2031-2035	1,985,000	1,312,913	3,297,913
2036-2040	2,145,000	932,663	3,077,663
2041-2045	2,480,000	587,563	3,067,563
2046-2049	2,280,000	180,781	2,460,781
Totals	\$ 17,399,000	\$ 7,547,837	\$ 24,946,837

2020 Revenue Bonds			
Year	Principal	Interest	Total
2021	\$ 331,000	\$ 220,675	\$ 551,675
2022	331,000	202,975	533,975
2023	330,000	184,685	514,685
2024	330,000	165,510	495,510
2025	330,000	-	330,000
2026-2030	1,650,000	-	1,650,000
Totals	\$ 3,302,000	\$ 773,845	\$ 4,075,845

Note 14 – Notes Payable

On February 28, 2019, the City issued \$1,300,000 in one-year notes at 3.0% interest. The notes were retired on February 27, 2020.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Note 15 - Interfund Transactions

Interfund transfers during 2020 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
Governmental Funds:		
General	\$ -	\$ 7,612,259
2004 TIFs	-	262,000
2004 RIDs	-	180,000
Fire & EMS Levy	2,249,999	-
Police Law Enforcement	2,560,260	-
Capital Improvement	2,714,000	-
Bond Retirement	820,000	1,300,000
Total Major Governmental Funds	<u>8,344,259</u>	<u>9,354,259</u>
Nonmajor Funds:		
Governmental Funds:		
Street	850,000	-
Income Tax Public Safety	-	445,750
Income Tax Capital Project	-	166,700
Police Station Debt Service	612,450	-
Total Nonmajor Governmental Funds	<u>1,462,450</u>	<u>612,450</u>
Enterprise Fund:		
Stormwater Management	<u>160,000</u>	<u>-</u>
Total All Funds	<u>\$ 9,966,709</u>	<u>\$ 9,966,709</u>

The transfers out of the General Fund were to supplement the operations of other funds. Transfers out of the 2004 TIFs and 2004 RIDs were to the Bond Retirement Fund for required debt service. Transfers out of the Income Tax Public Safety Fund and Income Tax Capital Project Fund were made to the Police Station Debt Service Fund for required debt service. The Bond Retirement Fund transferred out funds to the Capital Improvement Fund so that the \$1,300,000 note payable could be retired.

At December 31, 2020 interfund loans totaled \$82,000 – owed to the General Fund from the Capital Improvement Fund. The interfund loan was made to assist the borrower-funds with cash flow needs. The City anticipates that the Capital Improvement Fund advance of \$82,000 will be repaid within one year.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Note 16 - Jointly Governed Organizations

The Center for Local Government, a jointly governed organization, was established to improve public service delivery by the cities, townships and villages in the Greater Cincinnati metropolitan area, especially among its member jurisdictions, through improved information exchange, cost reductions, shared resources, interjurisdictional collaboration, and new approaches to capital equipment and skills acquisition. The Board of Trustees consists of eight members made up of elected representatives from the participating governments. The City does not have any financial interest in or responsibility for the Center. The City made no financial contribution during 2020. Information can be obtained from the Center by writing to Director of the Center for Local Government, 10979 Reed Hartman Highway, Suite 239, Cincinnati, Ohio 45242.

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI), a jointly governed organization, was established to provide coordinated planning services to the appropriate federal, state and local governments, their political subdivisions, agencies, departments, instrumentalities, and special districts, in connection with the preparation and development of comprehensive and continuing regional transportation and development plans within the OKI Region. OKI members include Butler, Clermont and Warren Counties in Ohio, Boone, Campbell and Kenton Counties in Kentucky and Dearborn and Ohio Counties in Indiana. OKI also serves as an area wide review agency in conjunction with comprehensive planning within the OKI Region.

OKI contracts periodically for local funds and other support with the governing board of each of the governments who are members of OKI or with such other persons as may be appropriate to provide such funds and support. The support is based on the population of the area represented. A Board of Trustees was created for conducting the activities of the OKI. This Board consists of one elected official of each City and municipal corporation, one individual selected by each City planning agency or commission and one person selected by each planning agency or commission of each municipal corporation located in each member City. This Board of Trustees then selects not more than ten residents of the OKI Region. The total membership of the Board of Trustees shall not exceed 100. Any member of OKI may withdraw its membership upon written notice to OKI to be effective two years after receipt of the notice by OKI. The City made no financial contribution during 2020. To obtain financial information, write to Director of Finance and Administration of the Ohio-Kentucky-Indiana Regional Council of Governments at 920 Pete Rose Way Suite 420, Cincinnati, Ohio, 45202.

Note 17 - Contingent Liabilities

Litigation

From time to time, the City may be subject to various lawsuits and/or claims over which litigation has not yet commenced. Although the outcomes of any such matters are not presently determinable, in the opinion of management, the resolution of these matters will not have a materially adverse effect on the financial condition of the City.

Federal and State Grants

The City receives federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Note 18 – Purchase Commitments

The City had the following in outstanding encumbrances by fund as of December 31, 2020:

Fund	Outstanding Encumbrances
Governmental	
General	\$ 484,243
Fire & EMS Levy	47,128
Police Law Enforcement	15,376
2004 RIDs	3,037
Capital Improvement	1,149,566
Nonmajor Governmental Funds	856,820
Enterprise	
Water	388,034
Nonmajor Enterprise Funds	59,720
	<u>\$ 3,003,924</u>

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Note 19 – Fund Balance

The fund balances for all governmental funds are 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. The constraints placed on the fund balance for the major governmental funds and all other non-major governmental funds are presented as follows:

	Fire & EMS		Police Law		Capital		Non-major		Total Governmental Funds
	General	Levy	Enforcement	2004 TIFs	2004 RIDs	Improvement	Bond Retirement	Governmental Funds	
Restricted for:									
Public safety	\$ -	\$ 393,311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 934,558	\$ 1,327,869
Public Works	-	-	-	-	-	-	-	1,441,724	1,441,724
Capital Improvements	-	-	-	-	-	500,000	-	3,859,806	4,359,806
Debt Service	-	-	-	-	-	-	374,484	338,632	713,116
Purposes Permitted by									
TIF/RID Agreements	-	-	-	1,343,857	1,483,494	-	-	149,821	2,977,172
Public Health	-	-	-	-	-	-	-	68,726	68,726
Other Purposes	-	-	-	-	-	-	-	2,473	2,473
Total Restricted	-	393,311	-	1,343,857	1,483,494	500,000	374,484	6,795,740	10,890,886
Committed for:									
Capital Improvements	-	-	-	-	-	923,967	-	-	923,967
Parks and Recreation	-	-	-	-	-	-	-	257,198	257,198
Total Committed	-	-	-	-	-	923,967	-	257,198	1,181,165
Assigned:									
Purchase Commitments	411,210	-	-	-	-	-	-	-	411,210
2021 Budgeted Use of Carryover Balance	3,037,123	-	-	-	-	-	-	-	3,037,123
Total Assigned	3,448,333	-	-	-	-	-	-	-	3,448,333
Unassigned (Deficit)	5,677,988	-	(193,041)	-	-	-	-	-	5,484,947
Total Fund Balances	\$ 9,126,321	\$ 393,311	\$ (193,041)	\$ 1,343,857	\$ 1,483,494	\$ 1,423,967	\$ 374,484	\$ 7,052,938	\$ 21,005,331

The City of Monroe

Notes to the Basic Financial Statements – December 31, 2020

Note 20 – Joint Economic Development District

Effective January 1, 2015, the City of Monroe began participating in a Joint Economic Development District (JEDD) with Turtle Creek Township. The JEDD is located entirely within Turtle Creek Township, Butler County, Ohio along State Route 63 on the East Side of Interstate 75. The purpose of the JEDD is to facilitate the development of jobs and employment opportunities along with improving the welfare of people in the District. The JEDD is governed by a Board of Directors which consists of a municipal member, a township member, a member who represents the owners of the businesses within the JEDD, a member who represents the persons working within the JEDD, and one member who is selected by the above members who serves as chairperson.

The proceeds of the JEDD are used to pay a portion of the costs associated with the District, the provision of public services such as police and fire protection, and to provide for improvements in connector roads that benefit the JEDD.

Under the terms of the agreement with the JEDD, City of Monroe and Turtle Creek Township:

- The JEDD will receive 4% of income tax revenues collected.
- Turtle Creek Township receives 50% of the net income tax revenues collected.
- The City of Monroe receives 50% of the net income tax revenues collected and \$80,000 for interchange maintenance.

The City of Monroe administers and collects income tax for the JEDD and reports quarterly to the JEDD. The City of Monroe receives an additional fee for the collection of the gross income tax collected and absorbs all reasonable costs associated with the collection of these income taxes.

Note 21 – Tax Abatements

The City has granted tax abatements to entities located within the City's community reinvestment areas and created under Chapter 3735 of the Ohio Revised Code. The agreements vary in lengths of five to fifteen years and allow for a 45% to 100% real property tax exemption on the value of new buildings constructed within the community reinvestment areas and pursuant to Section 3735.67 of the Ohio Revised Code. The purpose of the development incentives are to promote economic growth and job generation within the community. The Tax Incentive Review Council of the City of Monroe reviews the agreements annually for compliance. If an entity fails to meet the requirements of the agreement, the exemptions from taxation granted under the agreement may be revoked. The value of real property tax dollars abated in fiscal year 2020 from such agreements was approximately \$800,000.

Note 22 – Change in Accounting Principle

During the year, the City implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities for all state and local governments. This Statement also requires the presentation of a statement of fiduciary net position and statement of changes in net position. For the City, the changes included renaming its agency funds as custodial funds under the new criteria and presenting a statement of changes in fiduciary net position for the custodial funds. The City also began reporting a debt-related special assessment that it collects and remits to another government in a custodial fund that was previously reported in a debt service fund. The adoption of GASB No. 84 had no impact on the City's beginning or ending net position.

Note 23 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2020

Note 24 – Custodial Funds Special Assessment Receivable and Intergovernmental Payable

The City has entered into intergovernmental agreements with the Warren County Port Authority for the purpose of furthering commercial and industrial development that is mutually economically beneficial to both the City and Warren County. There are currently two such intergovernmental agreements covering two projects and their related TIF Districts – the VH Monroe Project and the Cincinnati Premium Outlets Project.

The general terms of these two intergovernmental agreements directed the Warren County Port Authority to issue debt for the purpose of constructing infrastructure that would entice commercial and industrial development to be located within certain designated sections (TIF Districts) of the City. These agreements further directed the City to pledge service payments (payments in lieu of taxes) to the Warren County Port Authority to cover the principal and interest payments on the related debt issued by the Port Authority as well as amounts required to cover the administrative costs of the Port Authority related to these projects. Additionally, property owners in these two Districts are subject to a special assessment in the event that in any year the service payments collected are not sufficient to cover the debt service and administrative costs of the Warren County Port Authority.

At December 31, 2020, the City estimated that the future service payments were sufficient to cover the debt service payments and administrative charges of the Cincinnati Premium Outlets Project, but not sufficient to cover the debt service payments and the administrative charges of the VH Monroe Project.

Since the future service payments of the VH Monroe Project are estimated to be less than the amount of debt service and administrative charges required by the intergovernmental agreement with the Warren County Port Authority, the City has reported a special assessment receivable from property owners in the VH Monroe Project TIF District and an intergovernmental payable to the Warren County Port Authority for estimated future value of the deficiency of service payments under debt service payments and administrative expenses as of December 31, 2020, that is estimated based on the assumptions in the table below, and is reported in the City’s custodial funds per GASB 84.

**VH Monroe Project - Estimated Special Assessment Receivable and Estimated
Intergovernmental Payable Calculation**

Cash Inflows:	
Estimated Service Payments, 2021 to 2034	\$ 4,838,840
Estimated Interest Income on Debt Reserve Balance, 2021 to 2034	1,055,412
Total, Future Value of Cash Inflows	5,894,252
 Cash Outflows:	
Public Improvement Bonds, Principal due from 2021 to 2034	9,735,000
Public Improvement Bonds, Interest due from 2021 to 2034	3,165,000
Estimated Administrative Expenses, due from 2021 to 2034	1,068,600
Total, Future Value of Cash Outflows	13,968,600
Special Assessment Receivable/Intergovernmental Payable	\$ (8,074,348)

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REQUIRED
SUPPLEMENTARY
INFORMATION

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2020

	GENERAL FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 878,200	\$ 879,200	\$ 846,825	\$ (32,375)
Income Taxes	10,178,555	12,139,687	10,593,225	(1,546,462)
Charges for Services	89,600	174,600	161,794	(12,806)
Fees, Licenses, and Permits	671,800	671,800	609,238	(62,562)
Fines and Forfeitures	86,100	90,100	89,665	(435)
Intergovernmental	772,700	847,700	837,860	(9,840)
Interest	220,600	220,600	337,616	117,016
Other	218,900	761,000	1,141,593	380,593
Total Revenues	13,116,455	15,784,687	14,617,816	(1,166,871)
Expenditures:				
Current:				
General Government				
Council				
Personal Services	113,510	113,510	111,416	2,094
Other	159,364	134,604	87,056	47,548
Total Council	272,874	248,114	198,472	49,642
Mayor's Court				
Personal Services	93,822	93,822	89,731	4,091
Other	29,305	26,480	19,087	7,393
Total Mayor's Court	123,127	120,302	108,818	11,484
Human Resources				
Personal Services	236,500	243,400	235,996	7,404
Other	193,705	308,655	283,093	25,562
Total Human Resources	430,205	552,055	519,089	32,966
Development				
Personal Services	638,754	542,754	497,533	45,221
Other	1,313,779	1,299,029	1,009,592	289,437
Total Development	1,952,533	1,841,783	1,507,125	334,658
Finance				
Personal Services	568,709	518,709	516,025	2,684
Other	951,935	1,545,485	1,545,485	-
Total Finance	1,520,644	2,064,194	2,061,510	2,684
City Manager's Office				
Personal Services	334,386	310,086	290,330	19,756
Other	565,365	546,865	437,401	109,464
Total City Manager's Office	899,751	856,951	727,731	129,220
Total General Government	5,199,134	5,683,399	5,122,745	560,654

(continued)

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2020

	GENERAL FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Security of Persons and Property				
Police Law Enforcement				
Personal Services	549,137	488,037	418,054	69,983
Other	115,555	97,525	52,772	44,753
Total Security of Persons and Property	664,692	585,562	470,826	114,736
Transportation				
Service Buildings and Grounds				
Other	423,579	413,494	303,256	110,238
Total Transportation	423,579	413,494	303,256	110,238
Leisure Time Activities				
Parks				
Personal Services	298,181	249,881	216,266	33,615
Other	234,384	208,954	132,584	76,370
Total Leisure Time Activities	532,565	458,835	348,850	109,985
Total Expenditures	6,819,970	7,141,290	6,245,677	895,613
Excess of Revenues Over Expenditures	6,296,485	8,643,397	8,372,139	(271,258)
Other Financing Sources (Uses):				
Transfers - Out	(8,228,000)	(7,642,259)	(7,612,259)	30,000
Advances - In	-	-	415,000	415,000
Total Other Financing Sources (Uses)	(8,228,000)	(7,642,259)	(7,197,259)	445,000
Net Change in Fund Balance	(1,931,515)	1,001,138	1,174,880	173,742
Fund Balance at Beginning of Year	5,372,059	5,372,059	5,372,059	-
Prior Year Encumbrances Appropriated	480,016	480,016	480,016	-
Fund Balance at End of Year	\$ 3,920,560	\$ 6,853,213	\$ 7,026,955	\$ 173,742

See accompanying notes to the required supplementary information

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2020

	FIRE & EMS LEVY FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 604,000	\$ 604,000	\$ 892,424	\$ 288,424
Charges for Services	544,000	544,000	524,891	(19,109)
Intergovernmental	36,100	36,100	73,341	37,241
Other	6,000	6,000	185,235	179,235
Total Revenues	1,190,100	1,190,100	1,675,891	485,791
Expenditures:				
Current:				
Security of Persons and Property				
Personal Services	2,658,222	2,980,652	2,948,198	32,454
Other	716,513	589,753	549,425	40,328
Total Expenditures	3,374,735	3,570,405	3,497,623	72,782
Deficiency of Revenues				
Under Expenditures	(2,184,635)	(2,380,305)	(1,821,732)	558,573
Other Financing Sources:				
Transfers In	3,877,450	2,598,630	2,249,999	(348,631)
Total Other Financing Sources	3,877,450	2,598,630	2,249,999	(348,631)
Net Change in Fund Balance	1,692,815	218,325	428,267	209,942
Fund Balance at Beginning of Year	56,145	56,145	56,145	-
Prior Year Encumbrances Appropriated	68,248	68,248	68,248	-
Fund Balance at End of Year	\$ 1,817,208	\$ 342,718	\$ 552,660	\$ 209,942

See accompanying notes to the required supplementary information

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2020

	POLICE LAW ENFORCEMENT FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 606,000	\$ 606,000	\$ 561,420	\$ (44,580)
Charges for Services	202,600	202,600	56,469	(146,131)
Intergovernmental	73,900	73,900	84,273	10,373
Other	2,200	2,200	4,903	2,703
Total Revenues	884,700	884,700	707,065	(177,635)
Expenditures:				
Current:				
Security of Persons and Property				
Personal Services	2,870,075	2,918,575	2,759,195	159,380
Other	691,837	547,097	484,329	62,768
Total Security of Persons and Property	3,561,912	3,465,672	3,243,524	222,148
Total Expenditures	3,561,912	3,465,672	3,243,524	222,148
Deficiency of Revenues Under Expenditures	(2,677,212)	(2,580,972)	(2,536,459)	44,513
Other Financing Sources:				
Transfers - In	3,411,190	2,550,500	2,560,260	9,760
Total Other Financing Sources	3,411,190	2,550,500	2,560,260	9,760
Net Change in Fund Balance	733,978	(30,472)	23,801	54,273
Fund Balance at Beginning of Year	51,802	51,802	51,802	-
Prior Year Encumbrances Appropriated	23,062	23,062	23,062	-
Fund Balance at End of Year	\$ 808,842	\$ 44,392	\$ 98,665	\$ 54,273

See accompanying notes to the required supplementary information

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2020

	2004 TIFs			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Payment in Lieu of Taxes	\$ 2,163,350	\$ 2,606,955	\$ 2,597,517	\$ (9,438)
Intergovernmental	271,852	272,300	-	(272,300)
Total Revenues	<u>2,435,202</u>	<u>2,879,255</u>	<u>2,597,517</u>	<u>(281,738)</u>
Expenditures:				
Current:				
Miscellaneous	1,870	540	520	20
Payment to Schools	1,932,420	2,119,840	2,119,749	91
Capital Outlay	24,288	475,913	475,001	912
Total Expenditures	<u>1,958,578</u>	<u>2,596,293</u>	<u>2,595,270</u>	<u>1,023</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	476,624	282,962	2,247	(280,715)
Other Financing Uses:				
Transfers - Out	(300,000)	(262,000)	(262,000)	-
Total Other Financing Uses	<u>(300,000)</u>	<u>(262,000)</u>	<u>(262,000)</u>	<u>-</u>
Net Change in Fund Balance	176,624	20,962	(259,753)	(280,715)
Fund Balance at Beginning of Year	1,603,002	1,603,002	1,603,002	-
Prior Year Encumbrances Appropriated	608	608	608	-
Fund Balance at End of Year	<u>\$ 1,780,234</u>	<u>\$ 1,624,572</u>	<u>\$ 1,343,857</u>	<u>\$ (280,715)</u>

See accompanying notes to the required supplementary information

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Funds
For the Year Ended December 31, 2020

	2004 RIDs			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Payment in Lieu of Taxes	\$ 3,689,300	\$ 3,760,875	\$ 3,766,977	\$ 6,102
Intergovernmental	4,676	10,000	10,000	-
Total Revenues	<u>3,693,976</u>	<u>3,770,875</u>	<u>3,776,977</u>	<u>6,102</u>
Expenditures:				
Current:				
Payments to Schools	2,654,000	2,658,280	2,627,997	30,283
Other	59,272	540,617	539,443	1,174
Total Expenditures	<u>2,713,272</u>	<u>3,198,897</u>	<u>3,167,440</u>	<u>31,457</u>
Excess of Revenues Over Expenditures	980,704	571,978	609,537	37,559
Other Financing Uses:				
Transfers - Out	(475,000)	(180,000)	(180,000)	-
Total Other Financing Uses	<u>(475,000)</u>	<u>(180,000)</u>	<u>(180,000)</u>	<u>-</u>
Net Change in Fund Balance	505,704	391,978	429,537	37,559
Fund Balance at Beginning of Year	1,023,488	1,023,488	1,023,488	-
Prior Year Encumbrances Appropriated	9,952	9,952	9,952	-
Fund Balance at End of Year	<u><u>\$ 1,539,144</u></u>	<u><u>\$ 1,425,418</u></u>	<u><u>\$ 1,462,977</u></u>	<u><u>\$ 37,559</u></u>

See accompanying notes to the required supplementary information

City of Monroe
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System
Last Seven Years *

	2020	2019	2018	2017	2016
City's Proportion of the Net Pension Liability	0.022805%	0.021689%	0.020578%	0.020167%	0.017991%
City's Proportionate Share of the Net Pension Liability	\$ 4,507,622	\$ 5,940,142	\$ 3,228,357	\$ 4,579,516	\$ 3,116,265
City's Covered Payroll	\$ 3,326,605	\$ 3,026,450	\$ 2,844,608	\$ 2,547,925	\$ 2,293,564
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	135.50%	196.27%	113.49%	179.74%	135.87%
Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	82.17%	74.70%	84.66%	77.25%	81.08%
	2015	2014			
City's Proportion of the Net Pension Liability	0.017091%	0.017091%			
City's Proportionate Share of the Net Pension Liability	\$ 2,061,373	\$ 2,014,815			
City's Covered Payroll	\$ 2,102,308	\$ 2,104,293			
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	98.05%	95.75%			
Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	86.45%	86.36%			

* Information prior to 2014 is not available.
Amounts presented as of the Entity's measurement date which is the prior fiscal 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%.

In 2020, a reduction in the COLA from 3.0% to 1.4% for post 1/7/2013 retirees.

City of Monroe
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund
Last Seven Years *

	2020	2019	2018	2017	2016
City's Proportion of the Net Pension Liability	0.241402%	0.241981%	0.233156%	0.214705%	0.219769%
City's Proportionate Share of the Net Pension Liability	\$ 16,262,105	\$ 19,752,072	\$ 14,309,865	\$ 13,599,200	\$ 14,137,886
City's Covered Payroll	\$ 5,572,718	\$ 5,388,962	\$ 5,012,836	\$ 4,600,964	\$ 4,053,430
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	291.82%	366.53%	285.46%	295.57%	348.79%
Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	69.89%	63.07%	70.91%	68.36%	66.77%
	2015	2014			
City's Proportion of the Net Pension Liability	0.182626%	0.182626%			
City's Proportionate Share of the Net Pension Liability	\$ 9,460,802	\$ 8,894,472			
City's Covered Payroll	\$ 3,848,251	\$ 3,785,546			
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	245.85%	234.96%			
Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	72.20%	73.00%			

* Information prior to 2014 is not available.

Amounts presented as of the Entity's measurement date which is the prior fiscal 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.

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

City of Monroe
Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System
Last Eight Years *

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 480,702	\$ 465,725	\$ 424,434	\$ 369,799	\$ 305,751
Contributions in Relation to the Contractually Required Contribution	<u>(480,702)</u>	<u>(465,725)</u>	<u>(424,434)</u>	<u>(369,799)</u>	<u>(305,751)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 3,433,580	\$ 3,326,605	\$ 3,026,450	\$ 2,844,608	\$ 2,547,925
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	13.00%	12.00%
	<u>2015</u>	<u>2014</u>	<u>2013</u>		
Contractually Required Contribution	\$ 275,141	\$ 252,277	\$ 273,558		
Contributions in Relation to the Contractually Required Contribution	<u>(275,141)</u>	<u>(252,277)</u>	<u>(273,558)</u>		
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
City Covered Payroll	\$ 2,293,564	\$ 2,102,308	\$ 2,104,293		
Contributions as a Percentage of Covered Payroll	12.00%	12.00%	13.00%		

* Information prior to 2013 is not available.

City of Monroe
Required Supplementary Information
Schedule of City Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 1,279,505	\$ 1,212,907	\$ 1,158,314	\$ 1,078,119	\$ 948,018
Contributions in Relation to the Contractually Required Contribution	<u>(1,279,505)</u>	<u>(1,212,907)</u>	<u>(1,158,314)</u>	<u>(1,078,119)</u>	<u>(948,018)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 6,167,191	\$ 5,572,718	\$ 5,388,962	\$ 5,012,836	\$ 4,600,964
Contributions as a Percentage of Covered Payroll	20.75%	21.77%	21.49%	21.51%	20.60%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 875,608	\$ 764,280	\$ 718,281	\$ 554,536	\$ 561,742
Contributions in Relation to the Contractually Required Contribution	<u>(875,608)</u>	<u>(764,280)</u>	<u>(718,281)</u>	<u>(554,536)</u>	<u>(561,742)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 4,053,430	\$ 3,848,251	\$ 3,785,556	\$ 3,794,415	\$ 3,832,793
Contributions as a Percentage of Covered Payroll	21.60%	19.86%	18.97%	14.61%	14.66%

City of Monroe
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Ohio Public Employees Retirement System
Last Four Years *

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.021984%	0.020901%	0.019909%	0.019487%
City's Proportionate Share of the Net OPEB Liability	\$ 3,036,544	\$ 2,725,031	\$ 2,161,965	\$ 1,968,269
City's Covered Payroll	\$ 3,326,605	\$ 3,026,450	\$ 2,844,608	\$ 2,547,925
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	91.28%	90.04%	76.00%	77.25%
Plan Fiduciary Net Position as a Percentage of the Total Net OPEB Liability	47.80%	46.33%	54.14%	54.04%

* Information prior to 2017 is not available.
Amounts presented as of the measurement date which is the prior fiscal year end.

Notes to Schedule:

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

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

In 2020, the single discount rate changed from 3.96% to 3.16%. The municipal bond rate changed from 3.71% to 2.75%, and the health care cost trend rate changed from 10.0% initial, 3.25% ultimate in 2029 to 10.5% initial, 3.50% ultimate in 2030.

City of Monroe
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net OPEB Liability
 Ohio Police and Fire Pension Fund
 Last Four Years *

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.241402%	0.241981%	0.233156%	0.214705%
City's Proportionate Share of the Net OPEB Liability	\$ 2,384,500	\$ 2,203,611	\$ 13,210,319	\$ 10,191,564
City's Covered Payroll	\$ 5,572,718	\$ 5,388,962	\$ 5,012,836	\$ 4,600,964
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	42.79%	40.89%	263.53%	221.51%
Plan Fiduciary Net Position as a Percentage of the Total Net OPEB Liability	47.08%	46.57%	14.13%	15.96%

* Information prior to 2017 is not available.

Amounts presented as of the Entity's measurement date which is the prior fiscal 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 in Benefit Terms - Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model, depositing stipends into health reimbursement accounts that retirees will use to be reimbursed for health care expenses.

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

City of Monroe
 Required Supplementary Information
 Schedule of City Contributions - OPEB
 Ohio Public Employees Retirement System
 Last Five Years *

	2020	2019	2018	2017	2016
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ 25,001	\$ 44,339
Contributions in Relation to the Contractually Required Contribution	-	-	-	(25,001)	(44,339)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered Payroll	\$ 3,433,580	\$ 3,326,605	\$ 3,026,450	\$ 2,844,608	\$ 2,547,925
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	1.00%	2.00%

* Information prior to 2016 is not available.

City of Monroe
Required Supplementary Information
Schedule of City Contributions - OPEB
Ohio Police and Fire Pension Fund
Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 30,145	\$ 28,566	\$ 27,233	\$ 25,331	\$ 22,815
Contributions in Relation to the Contractually Required Contribution	<u>(30,145)</u>	<u>(28,566)</u>	<u>(27,233)</u>	<u>(25,331)</u>	<u>(22,815)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 6,167,191	\$ 5,572,718	\$ 5,388,962	\$ 5,012,836	\$ 4,600,964
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%	0.50%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 21,066	\$ 20,644	\$ 145,167	\$ 246,264	\$ 249,089
Contributions in Relation to the Contractually Required Contribution	<u>(21,066)</u>	<u>(20,644)</u>	<u>(145,167)</u>	<u>(246,264)</u>	<u>(249,089)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 4,053,430	\$ 3,848,251	\$ 3,785,556	\$ 3,794,415	\$ 3,832,793
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	3.83%	6.49%	6.50%

Note 1 - Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than the agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level (personal services and other expenditures) within each department. Budgetary modifications may only be made by ordinance of the City Council.

Tax Budget

A tax budget of estimated revenues and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the fiscal officer and the Budget Commission agree that the estimate needs to be increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2020, while the original budget column reflects amounts in the original official certificate of estimated resources.

Appropriations

A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the fund, department and object level. The appropriation ordinance may be amended during the year, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by ordinance of City Council. During the year several supplemental appropriation measures were passed; however, none of them were significant. The budget figures that appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

The City of Monroe

Notes to the Required Supplementary Information – December 31, 2020

Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the “Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund and major Special Revenue Funds are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications. Budget figures appearing in the statement of budgetary comparisons are based upon the following:

Initial Budget is the legally adopted amount of appropriation originally passed by City Council through the original appropriation ordinance.

Final Budget represents the final appropriation amounts, including all amendments and modifications.

Encumbrances

As part of the formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities for governmental funds in the basic financial statements.

Lapsing of Appropriations

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

The City of Monroe

Notes to the Required Supplementary Information – December 31, 2020

Note 2 - Budget to GAAP Reconciliation

Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Schedules of Revenues, Expenditures, and Changes in Fund Balances — Budget and Actual (Budget Basis) — Major Funds are presented on the budgetary basis 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 basis) as opposed to when susceptible to accrual (GAAP basis).
2. The retirement of short-term debt is recorded when paid in cash (budget basis) as opposed to reducing the liability (GAAP basis).
3. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when a liability is incurred (GAAP basis).
4. Outstanding year-end encumbrances are treated as expenditures on the budget basis.

The adjustments necessary to convert the results of operations for the year ended December 31, 2020, on the GAAP basis to the budget basis for the General Fund and Major Special Revenue Funds are as follows:

	General	Fire & EMS Levy	Police Law Enforcement	2004 TIFs	2004 RIDs
GAAP Basis	\$ 1,823,977	\$ 489,589	\$ (21,680)	\$ (259,753)	\$ 425,054
Adjustments:					
Revenue Accruals	(368,280)	(177,762)	(128,339)	-	7,520
Expenditure Accruals	(211,574)	163,568	189,196	-	-
Advances	415,000	-	-	-	-
Encumbrances	(484,243)	(47,128)	(15,376)	-	(3,037)
Budget Basis	<u>\$ 1,174,880</u>	<u>\$ 428,267</u>	<u>\$ 23,801</u>	<u>\$ (259,753)</u>	<u>\$ 429,537</u>

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CITY OF MONROE, OHIO
NONMAJOR FUND DESCRIPTIONS
DECEMBER 31, 2020

GOVERNMENTAL FUNDS

Special Revenue Funds

Street

To account for that portion of the state gasoline tax and motor vehicle registration fees restricted for maintenance and repair of streets within the City.

State Highway

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

Motor Vehicle License

To account for additional motor vehicle license taxes levied for routine street maintenance and repairs.

DARE Grant

To account for grant money related to the cost associated with administrating the DARE officer and other resources.

Enforcement and Education

To account for a portion of fines collected in DUI cases used to enforce DUI laws and teach the public about the dangers of driving under the influence.

Fire Levy

To account for certain property taxes levied for operating purposes received prior to 2020.

Street Lighting

To account for an assessment received by the City to pay for street lighting.

Cemetery Trust Fund

To account for monies that were donated for the purposes of maintenance and cemetery improvements.

Longstreet Trust Fund

To account for monies that were donated for purposes of using the donation to repair and maintain the Long Street area.

Law Enforcement

To account for monies received from the sale of forfeited goods and property that is spent on law enforcement.

Fire Escrow Deposit

To account for monies that are recovered from insurance proceeds related to City fire damage and controlled disbursements to applicable residents. The City did not adopt a budget for this fund for 2020, and accordingly, a budgetary comparison schedule is not included.

Fire Historical Preservation Fund

To account for monies that are recovered from insurance proceeds related to City fire damage and controlled disbursements to applicable residents. The City did not adopt a budget for this fund for 2020, and accordingly, a budgetary comparison schedule is not included.

CITY OF MONROE, OHIO
NONMAJOR FUND DESCRIPTIONS
DECEMBER 31, 2020

FEMA Fund

To account for monies received from the Federal Emergency Management Agency.

Income Tax Public Safety Fund

To account for monies received from the City's .35% public safety income tax.

CARES Act Fund

To account for monies received under the CARES Act from the Federal Government to mitigate the impact of the COVID-19 Pandemic.

Debt Service Funds

Corridor I-75

To account for monies received primarily from a special taxing district in the City's attempt to create a business district along the Interstate 75 corridor of State Route 63 and used strictly for the retirement of special obligations bonds.

Police Station Debt Service Fund

To account for debt service associated with the City's acquisition and construction of a new police station.

Capital Project Funds

Park Improvement

To account for user fees related to use of the City's various parks. Expenditures relate to the upkeep and maintenance of the parks.

Court Technology Improvement

To account for collection of certain fines that will enable the City to update certain technology within the court system.

CPO TIF

To account for monies received from tax incremental financing in the Cincinnati Premium Outlets development that will be used to fund infrastructure improvements in and around the development. The City did not adopt a budget for this fund for 2020, and accordingly, a budgetary comparison schedule is not included.

Income Tax Capital Projects Fund

To account for monies received from the City's .15% capital improvement income tax.

Enterprise Funds

Storm Water Management

To account for the collection of user charges and maintain the City's storm water system.

Garbage

To account for the provision of trash collection services to the residents and commercial users in the City.

Cemetery

To account for the provision of cemetery plats and burials to the residents in the City.

Street Lighting

To account for the provision of street lighting to the residents of lighting districts within the City.

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$ 2,249,780	\$ 463,573	\$ 4,067,560	\$ 6,780,913
Receivables (Net of Allowance for Doubtful Accounts):				
Taxes-Municipal Income	598,228	-	239,981	838,209
Accounts	263	-	-	263
Due from Other Governments	660,034	-	-	660,034
Total Assets	\$ 3,508,305	\$ 463,573	\$ 4,307,541	\$ 8,279,419
Liabilities:				
Accounts Payable	\$ 142,288	\$ -	\$ -	\$ 142,288
Accrued Wages and Benefits	70,647	-	-	70,647
Due to Other Governments	32,300	-	-	32,300
Total Liabilities	245,235	-	-	245,235
Deferred Inflows of Resources:				
Revenues Levied for the Next Year and Unavailable Revenue	824,255	-	156,991	981,246
Total Deferred Inflows of Resources	824,255	-	156,991	981,246
Fund Balances:				
Restricted	2,438,815	463,573	3,893,352	6,795,740
Committed	-	-	257,198	257,198
Total Fund Balances	2,438,815	463,573	4,150,550	7,052,938
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,508,305	\$ 463,573	\$ 4,307,541	\$ 8,279,419

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Income Taxes	\$ 2,393,515	\$ -	\$ 1,020,119	\$ 3,413,634
Property and Other Taxes	78,976	-	-	78,976
Payment in Lieu of Taxes	-	302,685	-	302,685
Intergovernmental	1,955,195	-	-	1,955,195
Charges for Services	105,745	-	-	105,745
Licenses and Permits	-	-	22,934	22,934
Investment Earnings	29,492	-	-	29,492
Fines and Forfeitures	24,118	-	7,940	32,058
Special Assessments	2,649	-	-	2,649
Miscellaneous	18,714	1,888	-	20,602
Total Revenues	4,608,404	304,573	1,050,993	5,963,970
Expenditures:				
Current:				
Security of Persons and Property	3,257,557	-	-	3,257,557
Leisure Time Activities	-	-	42,884	42,884
Transportation	1,865,141	-	-	1,865,141
General Government	287,858	-	7,451	295,309
Miscellaneous	-	216	-	216
Capital Outlay	53,116	-	421,869	474,985
Debt Service:				
Principal Retirement	-	215,000	-	215,000
Interest and Fiscal Charges	-	397,324	-	397,324
Total Expenditures	5,463,672	612,540	472,204	6,548,416
Excess (Deficiency) of Revenues Over (Under) Expenditures	(855,268)	(307,967)	578,789	(584,446)
Other Financing Sources (Uses):				
Transfers - In	850,000	612,450	-	1,462,450
Transfers - Out	(445,750)	-	(166,700)	(612,450)
Total Other Financing Sources (Uses)	404,250	612,450	(166,700)	850,000
Net Change in Fund Balances	(451,018)	304,483	412,089	265,554
Fund Balances at Beginning of Year	2,889,833	159,090	3,738,461	6,787,384
Fund Balances at End of Year	<u>\$ 2,438,815</u>	<u>\$ 463,573</u>	<u>\$ 4,150,550</u>	<u>\$ 7,052,938</u>

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2020

	Street	State Highway	Motor Vehicle License	DARE Grant	Enforcement and Education	Fire Levy	Street Lighting
Assets:							
Equity in Pooled Cash and Investments	\$ 515,735	\$ 297,662	\$ 532,722	\$ 2,318	\$ 8,843	\$ -	\$ 6,755
Receivables (Net of Allowance for Doubtful Accounts):							
Taxes-Municipal Income	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Due from Other Governments	557,569	40,676	61,789	-	-	-	-
Total Assets	\$ 1,073,304	\$ 338,338	\$ 594,511	\$ 2,318	\$ 8,843	\$ -	\$ 6,755
Liabilities:							
Accounts Payable	\$ 27,126	\$ 2,911	\$ 5,294	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	70,647	-	-	-	-	-	-
Due to Other Governments	32,300	-	-	-	-	-	-
Total Liabilities	130,073	2,911	5,294	-	-	-	-
Deferred Inflows of Resources:							
Revenues Levied for the Next Year and Unavailable Revenue	363,849	29,327	39,730	-	-	-	-
Total Deferred Inflows of Resources	363,849	29,327	39,730	-	-	-	-
Fund Balances:							
Restricted	579,382	306,100	549,487	2,318	8,843	-	6,755
Total Fund Balances	579,382	306,100	549,487	2,318	8,843	-	6,755
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,073,304	\$ 338,338	\$ 594,511	\$ 2,318	\$ 8,843	\$ -	\$ 6,755

**THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2020**

Cemetery Trust	Longstreet Trust	Law Enforcement	Fire Escrow Deposit	Fire Historical Preservation	FEMA	Income Tax Public Safety	CARES Act	Total
\$ 68,726	\$ 2,473	\$ 80,448	\$ 21,371	\$ 1,471	\$ 13,943	\$ 591,306	\$ 106,007	\$ 2,249,780
-	-	-	-	-	-	598,228	-	598,228
-	-	263	-	-	-	-	-	263
-	-	-	-	-	-	-	-	660,034
<u>\$ 68,726</u>	<u>\$ 2,473</u>	<u>\$ 80,711</u>	<u>\$ 21,371</u>	<u>\$ 1,471</u>	<u>\$ 13,943</u>	<u>\$ 1,189,534</u>	<u>\$ 106,007</u>	<u>\$ 3,508,305</u>
\$ -	\$ -	\$ 50	\$ -	\$ -	\$ 900	\$ -	\$ 106,007	\$ 142,288
-	-	-	-	-	-	-	-	70,647
-	-	-	-	-	-	-	-	32,300
-	-	50	-	-	900	-	106,007	245,235
-	-	-	-	-	-	391,349	-	824,255
-	-	-	-	-	-	391,349	-	824,255
68,726	2,473	80,661	21,371	1,471	13,043	798,185	-	2,438,815
68,726	2,473	80,661	21,371	1,471	13,043	798,185	-	2,438,815
<u>\$ 68,726</u>	<u>\$ 2,473</u>	<u>\$ 80,711</u>	<u>\$ 21,371</u>	<u>\$ 1,471</u>	<u>\$ 13,943</u>	<u>\$ 1,189,534</u>	<u>\$ 106,007</u>	<u>\$ 3,508,305</u>

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Street	State Highway	Motor Vehicle License	DARE Grant	Enforcement and Education	Fire Levy	Street Lighting
Revenues:							
Income Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property and Other Taxes	-	-	78,976	-	-	-	-
Intergovernmental	913,083	69,072	38,071	1,929	-	-	-
Charges for Services	105,745	-	-	-	-	-	-
Investment Earnings	3,756	7,132	13,035	-	-	-	-
Fines and Forfeitures	-	-	-	-	2,306	-	-
Special Assessments	2,228	-	-	-	-	-	421
Miscellaneous	18,714	-	-	-	-	-	-
Total Revenues	1,043,526	76,204	130,082	1,929	2,306	-	421
Expenditures:							
Current:							
Security of Persons and Property	-	-	-	2,054	-	250	-
Transportation	1,728,661	36,223	80,989	-	-	-	4,184
General Government	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	1,728,661	36,223	80,989	2,054	-	250	4,184
Excess (Deficiency) of Revenues Over (Under) Expenditures	(685,135)	39,981	49,093	(125)	2,306	(250)	(3,763)
Other Financing Sources (Uses):							
Transfers - In	850,000	-	-	-	-	-	-
Transfers - Out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	850,000	-	-	-	-	-	-
Net Change in Fund Balances	164,865	39,981	49,093	(125)	2,306	(250)	(3,763)
Fund Balances at Beginning of Year	414,517	266,119	500,394	2,443	6,537	250	10,518
Fund Balances at End of Year	\$ 579,382	\$ 306,100	\$ 549,487	\$ 2,318	\$ 8,843	\$ -	\$ 6,755

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Cemetery Trust	Longstreet Trust	Law Enforcement	Fire Escrow Deposit	Fire Historical Preservation	FEMA	Income Tax Public Safety	CARES Act	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,393,515	\$ -	\$ 2,393,515
-	-	-	-	-	-	-	-	78,976
-	-	-	-	-	-	-	933,040	1,955,195
-	-	-	-	-	-	-	-	105,745
1,280	64	-	-	-	-	-	4,225	29,492
-	-	21,812	-	-	-	-	-	24,118
-	-	-	-	-	-	-	-	2,649
-	-	-	-	-	-	-	-	18,714
<u>1,280</u>	<u>64</u>	<u>21,812</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,393,515</u>	<u>937,265</u>	<u>4,608,404</u>
-	-	15,520	-	-	8,526	2,650,000	581,207	3,257,557
-	-	-	-	-	-	-	15,084	1,865,141
-	-	-	-	-	-	-	287,858	287,858
-	-	-	-	-	-	-	53,116	53,116
<u>-</u>	<u>-</u>	<u>15,520</u>	<u>-</u>	<u>-</u>	<u>8,526</u>	<u>2,650,000</u>	<u>937,265</u>	<u>5,463,672</u>
1,280	64	6,292	-	-	(8,526)	(256,485)	-	(855,268)
-	-	-	-	-	-	-	-	850,000
-	-	-	-	-	-	(445,750)	-	(445,750)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(445,750)</u>	<u>-</u>	<u>404,250</u>
1,280	64	6,292	-	-	(8,526)	(702,235)	-	(451,018)
67,446	2,409	74,369	21,371	1,471	21,569	1,500,420	-	2,889,833
<u>\$ 68,726</u>	<u>\$ 2,473</u>	<u>\$ 80,661</u>	<u>\$ 21,371</u>	<u>\$ 1,471</u>	<u>\$ 13,043</u>	<u>\$ 798,185</u>	<u>\$ -</u>	<u>\$ 2,438,815</u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	STREET FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,164,045	\$ 1,009,275	\$ 944,478	\$ (64,797)
Interest	4,100	4,100	3,756	(344)
Special Assessment	1,500	1,500	2,228	728
Charges for Services	106,500	106,500	52,220	(54,280)
Other	9,100	9,100	18,489	9,389
Total Revenues	1,285,245	1,130,475	1,021,171	(109,304)
Expenditures:				
Current:				
Transportation				
Street Maintenance and Repair				
Personal Services	1,553,147	1,539,047	1,344,985	194,062
Other	843,705	794,835	596,023	198,812
Total Transportation	2,396,852	2,333,882	1,941,008	392,874
Total Expenditures	2,396,852	2,333,882	1,941,008	392,874
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,111,607)	(1,203,407)	(919,837)	283,570
Other Financing Sources:				
Transfers - In	1,100,000	866,810	850,000	(16,810)
Total Other Financing Sources	1,100,000	866,810	850,000	(16,810)
Net Change in Fund Balance	(11,607)	(336,597)	(69,837)	266,760
Fund Balance at Beginning of Year	206,517	206,517	206,517	-
Prior Year Encumbrances Appropriated	156,915	156,915	156,915	-
Fund Balance at End of Year	\$ 351,825	\$ 26,835	\$ 293,595	\$ 266,760

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	STATE HIGHWAY FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Intergovernmental	\$ 60,700	\$ 81,625	\$ 71,617	\$ (10,008)
Interest	7,000	7,000	7,132	132
Total Revenues	<u>67,700</u>	<u>88,625</u>	<u>78,749</u>	<u>(9,876)</u>
Expenditures:				
Current:				
Transportation				
State Highway Maintenance				
Other	91,293	77,293	68,750	8,543
Capital Outlay	200,000	200,000	-	200,000
Total Expenditures	<u>291,293</u>	<u>277,293</u>	<u>68,750</u>	<u>208,543</u>
Net Change in Fund Balance	(223,593)	(188,668)	9,999	198,667
Fund Balance at Beginning of Year	251,872	251,872	251,872	-
Prior Year Encumbrances Appropriated	<u>2,793</u>	<u>2,793</u>	<u>2,793</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 31,072</u>	<u>\$ 65,997</u>	<u>\$ 264,664</u>	<u>\$ 198,667</u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	MOTOR VEHICLE LICENSE FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Other Taxes	\$ 74,500	\$ 80,000	\$ 78,976	\$ (1,024)
Intergovernmental	39,800	39,800	39,487	(313)
Interest	15,000	15,000	13,035	(1,965)
Total Revenues	129,300	134,800	131,498	(3,302)
Expenditures:				
Current:				
Transportation				
State Highway Maintenance				
Other	169,087	129,087	114,024	15,063
Capital Outlay	307,000	307,000	-	307,000
Total Expenditures	476,087	436,087	114,024	322,063
Net Change in Fund Balance	(346,787)	(301,287)	17,474	318,761
Fund Balance at Beginning of Year	440,113	440,113	440,113	-
Prior Year Encumbrances Appropriated	40,287	40,287	40,287	-
Fund Balance at End of Year	\$ 133,613	\$ 179,113	\$ 497,874	\$ 318,761

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	DARE GRANT FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Intergovernmental	\$ 9,000	\$ 6,000	\$ 3,603	\$ (2,397)
Total Revenues	9,000	6,000	3,603	(2,397)
Expenditures:				
Current:				
Security of Persons and Property				
Other	8,500	6,500	2,054	4,446
Total Expenditures	8,500	6,500	2,054	4,446
Net Change in Fund Balance	500	(500)	1,549	2,049
Fund Balance at Beginning of Year	769	769	769	-
Fund Balance at End of Year	\$ 1,269	\$ 269	\$ 2,318	\$ 2,049

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	ENFORCEMENT AND EDUCATION FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 1,140	\$ 2,450	\$ 2,356	\$ (94)
Total Revenues	1,140	2,450	2,356	(94)
Total Expenditures	-	-	-	-
Net Change in Fund Balance	1,140	2,450	2,356	(94)
Fund Balance at Beginning of Year	6,487	6,487	6,487	-
Fund Balance at End of Year	<u>\$ 7,627</u>	<u>\$ 8,937</u>	<u>\$ 8,843</u>	<u>\$ (94)</u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	FIRE LEVY FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Security of Persons and Property				
Other	250	250	250	-
Total Expenditures	250	250	250	-
Net Change in Fund Balance	(250)	(250)	(250)	-
Fund Balance at Beginning of Year	250	250	250	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	STREET LIGHTING FUND			Variance Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Special Assessments	\$ 280	\$ 420	\$ 421	\$ 1
Total Revenues	280	420	421	1
Expenditures:				
Current:				
Transportation				
Other	50	10,750	8,343	2,407
Total Expenditures	50	10,750	8,343	2,407
Net Change in Fund Balance	230	(10,330)	(7,922)	2,408
Fund Balance at Beginning of Year	10,518	10,518	10,518	-
Fund Balance at End of Year	\$ 10,748	\$ 188	\$ 2,596	\$ 2,408

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	CEMETERY TRUST FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 1,200	\$ 1,400	\$ 1,280	\$ (120)
Total Revenues	1,200	1,400	1,280	(120)
Expenditures:				
Public Health and Welfare				
Cemetery				
Other	10,000	10,000	-	10,000
Total Expenditures	10,000	10,000	-	10,000
Net Change in Fund Balance	(8,800)	(8,600)	1,280	9,880
Fund Balance at Beginning of Year	67,446	67,446	67,446	-
Fund Balance at End of Year	\$ 58,646	\$ 58,846	\$ 68,726	\$ 9,880

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	LONGSTREET TRUST FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 70	\$ 100	\$ 64	\$ (36)
Total Revenues	70	100	64	(36)
Expenditures:				
Public Health and Welfare Cemetery Other	250	250	-	250
Total Expenditures	250	250	-	250
Net Change in Fund Balance	(180)	(150)	64	214
Fund Balance at Beginning of Year	2,409	2,409	2,409	-
Fund Balance at End of Year	\$ 2,229	\$ 2,259	\$ 2,473	\$ 214

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	LAW ENFORCEMENT FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Fines, licenses, and permits	\$ 17,620	\$ 20,800	\$ 24,390	\$ 3,590
Other	3,000	3,000	-	(3,000)
Total Revenues	<u>20,620</u>	<u>23,800</u>	<u>24,390</u>	<u>590</u>
Expenditures:				
Current:				
Security of Persons and Property				
Other	20,000	20,000	15,470	4,530
Total Security of Persons and Property	<u>20,000</u>	<u>20,000</u>	<u>15,470</u>	<u>4,530</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>15,470</u>	<u>4,530</u>
Net Change in Fund Balance	620	3,800	8,920	5,120
Fund Balance at Beginning of Year	71,453	71,453	71,453	-
Prior Year Encumbrances Appropriated	<u>75</u>	<u>75</u>	<u>75</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 72,148</u>	<u>\$ 75,328</u>	<u>\$ 80,448</u>	<u>\$ -</u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	FEMA FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,700	\$ 2,765	\$ 2,765	\$ -
Total Revenues	2,700	2,765	2,765	-
Expenditures:				
Current:				
Security of Persons and Property				
Other	8,000	8,000	7,626	374
Total Expenditures	8,000	8,000	7,626	374
Net Change in Fund Balance	(5,300)	(5,235)	(4,861)	374
Fund Balance at Beginning of Year	18,804	18,804	18,804	-
Fund Balance at End of Year	\$ 13,504	\$ 13,569	\$ 13,943	\$ 374

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	INCOME TAX PUBLIC SAFETY FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Income Taxes	\$ 2,114,000	\$ 2,620,128	\$ 2,381,586	\$ (238,542)
Total Revenues	<u>2,114,000</u>	<u>2,620,128</u>	<u>2,381,586</u>	<u>(238,542)</u>
Expenditures:				
Current:				
Security of Persons and Property				
Personal Services	<u>2,650,000</u>	<u>2,650,000</u>	<u>2,650,000</u>	<u>-</u>
Total Expenditures	<u>2,650,000</u>	<u>2,650,000</u>	<u>2,650,000</u>	<u>-</u>
Excess of Revenues Over Expenditures	(536,000)	(29,872)	(268,414)	(238,542)
Other Financing (Uses:)				
Transfers - Out	<u>(445,750)</u>	<u>(445,750)</u>	<u>(445,750)</u>	<u>-</u>
Total Other Financing (Uses)	<u>(445,750)</u>	<u>(445,750)</u>	<u>(445,750)</u>	<u>-</u>
Net Change in Fund Balance	(981,750)	(475,622)	(714,164)	(238,542)
Fund Balance at Beginning of Year	<u>1,305,470</u>	<u>1,305,470</u>	<u>1,305,470</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 323,720</u>	<u>\$ 829,848</u>	<u>\$ 591,306</u>	<u>\$ (238,542)</u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	CARES ACT FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Intergovernmental	\$ 979,070	\$ 979,070	\$ 933,040	\$ (46,030)
Investment Earnings	-	-	4,225	4,225
Total Revenues	979,070	979,070	937,265	(41,805)
Expenditures:				
Current:				
General Government				
Personal Services	7,764	7,764	7,610	154
Other	327,878	327,878	315,966	11,912
Public Safety				
Personal Services	375,315	375,315	367,648	7,667
Other	214,993	214,993	192,670	22,323
Capital Outlay	53,120	53,120	53,116	4
Total Expenditures	979,070	979,070	937,010	42,060
Net Change in Fund Balance	-	-	255	255
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ 255	\$ 255

**THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2020**

	Nonmajor Corridor I-75 Debt Service Fund	Nonmajor Police Station Debt Service Fund	Total Nonmajor Debt Service Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 124,941	\$ 338,632	\$ 463,573
Total Assets	<u>\$ 124,941</u>	<u>\$ 338,632</u>	<u>\$ 463,573</u>
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances:			
Restricted	<u>124,941</u>	<u>338,632</u>	<u>463,573</u>
Total Fund Balances	<u>124,941</u>	<u>338,632</u>	<u>463,573</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 124,941</u>	<u>\$ 338,632</u>	<u>\$ 463,573</u>

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Nonmajor Corridor I-75 Debt Service Fund	Nonmajor Police Station Debt Service Fund	Total Nonmajor Debt Service Funds
Revenues:			
Payment in Lieu of Taxes	\$ 302,685	\$ -	\$ 302,685
Miscellaneous	-	1,888	1,888
Total Revenues	<u>302,685</u>	<u>1,888</u>	<u>304,573</u>
Expenditures:			
Current:			
Miscellaneous	216	-	216
Debt Service:			
Principal Retirement	-	215,000	215,000
Interest and Fiscal Charges	-	397,324	397,324
Total Expenditures	<u>216</u>	<u>612,324</u>	<u>612,540</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	302,469	(610,436)	(307,967)
Other Financing Sources (Uses):			
Transfers - In	-	612,450	612,450
Total Other Financing Sources (Uses)	<u>-</u>	<u>612,450</u>	<u>612,450</u>
Net Change in Fund Balances	302,469	2,014	304,483
Fund Balances at Beginning of Year	(177,528)	336,618	159,090
Fund Balances at End of Year	<u>\$ 124,941</u>	<u>\$ 338,632</u>	<u>\$ 463,573</u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2020

	BOND RETIREMENT FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Special Assessments	\$ 903,924	\$ 15,849	\$ 15,842	\$ (7)
Intergovernmental	14,500	14,500	1,283	(13,217)
Total Revenues	<u>918,424</u>	<u>30,349</u>	<u>17,125</u>	<u>(13,224)</u>
Expenditures:				
Debt Service:				
Principal Retirement	1,965,000	1,957,599	1,957,599	-
Interest and Fiscal Charges	291,429	311,400	308,705	2,695
Total Expenditures	<u>2,256,429</u>	<u>2,268,999</u>	<u>2,266,304</u>	<u>2,695</u>
Deficiency of Revenues Under Expenditures	(1,338,005)	(2,238,650)	(2,249,179)	(10,529)
Other Financing Sources:				
Proceeds From Sale of Bonds	736,000	736,000	736,000	-
Payment to Refunded Debt Escrow Agent	-	(736,000)	(736,000)	-
Transfers - In	820,000	820,000	820,000	-
Total Other Financing Sources	<u>1,556,000</u>	<u>820,000</u>	<u>820,000</u>	<u>-</u>
Net Change in Fund Balance	217,995	(1,418,650)	(1,429,179)	(10,529)
Fund Balances at Beginning of Year	<u>1,803,663</u>	<u>1,803,663</u>	<u>1,803,663</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 2,021,658</u>	<u>\$ 385,013</u>	<u>\$ 374,484</u>	<u>\$ (10,529)</u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	CORRIDOR I-75 FUND			
	Budget Original	Final	Actual	Variance Positive (Negative)
Revenues:				
Payment in Lieu of Taxes	\$ 668,771	\$ 30,685	\$ 30,685	\$ -
Total Revenues	668,771	30,685	30,685	-
Expenditures:				
Other	3,000	3,000	216	2,784
Total Expenditures	3,000	3,000	216	2,784
Net Change in Fund Balance	665,771	27,685	30,469	2,784
Fund Balance at Beginning of Year	94,472	94,472	94,472	-
Fund Balance at End of Year	\$ 760,243	\$ 122,157	\$ 124,941	\$ 2,784

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	POLICE STATION DEBT SERVICE FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 1,888	\$ 1,888
Total Revenues	-	-	1,888	1,888
Expenditures:				
Debt Service:				
Principal Retirement	215,000	215,000	215,000	-
Interest and Fiscal Charges	397,350	397,350	397,324	26
Total Expenditures	612,350	612,350	612,324	26
Deficiency of Revenues Under Expenditures	(612,350)	(612,350)	(610,436)	1,914
Other Financing Sources:				
Transfers In	363,060	612,450	612,450	-
Total Other Financing Sources	363,060	612,450	612,450	-
Net Change in Fund Balance	(249,290)	100	2,014	1,914
Fund Balance at Beginning of Year	336,618	336,618	336,618	-
Fund Balance at End of Year	<u>\$ 87,328</u>	<u>\$ 336,718</u>	<u>\$ 338,632</u>	<u>\$ 1,914</u>

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2020

	Park Improvement	Court Technology Improvement	CPO TIF	Income Tax Capital Projects	Total
Assets:					
Equity in Pooled Cash and Investments	\$ 2,459,850	\$ 8,666	\$ 24,880	\$ 1,574,164	\$ 4,067,560
Receivables (Net of Allowance for Doubtful Accounts):					
Taxes-Municipal Income	-	-	-	239,981	239,981
Total Assets	\$ 2,459,850	\$ 8,666	\$ 24,880	\$ 1,814,145	\$ 4,307,541
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred Inflows of Resources:					
Revenues Levied for the Next Year and Unavailable Revenue	-	-	-	156,991	156,991
Total Deferred Inflows of Resources	-	-	-	156,991	156,991
Fund Balances:					
Restricted	2,202,652	8,666	24,880	1,657,154	3,893,352
Committed	257,198	-	-	-	257,198
Total Fund Balances	2,459,850	8,666	24,880	1,657,154	4,150,550
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,459,850	\$ 8,666	\$ 24,880	\$ 1,814,145	\$ 4,307,541

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Park Improvement	Court Technology Improvement	CPO TIF	Income Tax Capital Projects	Total
Revenues:					
Income Taxes	\$ -	\$ -	\$ -	\$ 1,020,119	\$ 1,020,119
Licenses and Permits	22,934	-	-	-	22,934
Fines and Forfeitures	-	7,940	-	-	7,940
Total Revenues	22,934	7,940	-	1,020,119	1,050,993
Expenditures:					
Current:					
Leisure Time Activities	42,884	-	-	-	42,884
General Government	-	7,451	-	-	7,451
Capital Outlay	370,476	-	-	51,393	421,869
Total Expenditures	413,360	7,451	-	51,393	472,204
Excess (Deficiency) of Revenues Over (Under) Expenditures	(390,426)	489	-	968,726	578,789
Other Financing Sources:					
Transfers - Out	-	-	-	(166,700)	(166,700)
Total Other Financing Sources	-	-	-	(166,700)	(166,700)
Change in Fund Balance	(390,426)	489	-	802,026	412,089
Fund Balances at Beginning of Year	2,850,276	8,177	24,880	855,128	3,738,461
Fund Balances at End of Year	<u>\$ 2,459,850</u>	<u>\$ 8,666</u>	<u>\$ 24,880</u>	<u>\$ 1,657,154</u>	<u>\$ 4,150,550</u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	PARK IMPROVEMENT FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Fees, Licenses, and Permits	\$ 41,200	\$ 22,500	\$ 22,934	\$ 434
Intergovernmental	175,000	-	-	-
Total Revenues	<u>216,200</u>	<u>22,500</u>	<u>22,934</u>	<u>434</u>
Expenditures:				
Current:				
Leisure Time Activities				
Other	114,139	214,139	106,315	107,824
Capital Outlay	<u>2,381,045</u>	<u>2,106,045</u>	<u>767,729</u>	<u>1,338,316</u>
Total Expenditures	<u>2,495,184</u>	<u>2,320,184</u>	<u>874,044</u>	<u>1,446,140</u>
Deficiency of Revenues Under Expenditures	(2,278,984)	(2,297,684)	(851,110)	1,446,574
Other Financing Sources:				
Operating Transfer - In	<u>2,778,465</u>	-	-	-
Total Other Financing Sources	<u>2,778,465</u>	-	-	-
Net Change in Fund Balance	499,481	(2,297,684)	(851,110)	1,446,574
Fund Balance at Beginning of Year	2,784,592	2,784,592	2,784,592	-
Prior Year Encumbrances Appropriated	<u>65,684</u>	<u>65,684</u>	<u>65,684</u>	-
Fund Balance at End of Year	<u><u>\$ 3,349,757</u></u>	<u><u>\$ 552,592</u></u>	<u><u>\$ 1,999,166</u></u>	<u><u>\$ 1,446,574</u></u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	COURT TECHNOLOGY IMPROVEMENT FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 8,020	\$ 8,800	\$ 8,530	\$ (270)
Total Revenues	8,020	8,800	8,530	(270)
Expenditures:				
Current:				
General Government				
Other	13,008	13,008	8,034	4,974
Total Expenditures	13,008	13,008	7,849	5,159
Net Change in Fund Balance	(4,988)	(4,208)	681	4,889
Fund Balance at Beginning of Year	7,379	7,379	7,379	-
Prior Year Encumbrances Appropriated	208	208	208	-
Fund Balance at End of Year	<u>\$ 2,599</u>	<u>\$ 3,379</u>	<u>\$ 8,268</u>	<u>\$ 4,889</u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Funds
For the Year Ended December 31, 2020

	CAPITAL IMPROVEMENT FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Special Assessments	\$ 19,000	\$ 19,000	\$ 36,759	\$ 17,759
Intergovernmental	698,333	493,000	-	(493,000)
Total Revenues	<u>717,333</u>	<u>512,000</u>	<u>36,759</u>	<u>(475,241)</u>
Expenditures:				
Capital Outlay	9,500,212	8,961,212	8,166,381	794,831
Total Expenditures	<u>9,500,212</u>	<u>8,961,212</u>	<u>8,166,381</u>	<u>794,831</u>
Deficiency of Revenues Under Expenditures	(8,782,879)	(8,449,212)	(8,129,622)	319,590
Other Financing Sources (Uses):				
Transfers - In	9,369,567	808,800	1,414,000	605,200
Advances - Out	-	(415,000)	(415,000)	-
Total Other Financing Sources	<u>9,369,567</u>	<u>393,800</u>	<u>999,000</u>	<u>605,200</u>
Net Change in Fund Balance	586,688	(8,055,412)	(7,130,622)	924,790
Fund Balance at Beginning of Year	7,360,879	7,360,879	7,360,879	-
Prior Year Encumbrances Appropriated	695,779	695,779	695,779	-
Fund Balance at End of Year	<u>\$ 8,643,346</u>	<u>\$ 1,246</u>	<u>\$ 926,036</u>	<u>\$ 924,790</u>

The City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	INCOME TAX CAPITAL PROJECTS FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Income Taxes	\$ -	\$ -	\$ 1,447,713	\$ 1,447,713
Total Revenues	-	-	1,447,713	1,447,713
Expenditures:				
Capital Outlay	650,000	650,000	51,393	598,607
Total Expenditures	650,000	650,000	51,393	598,607
Excess of Revenues Over Expenditures	(650,000)	(650,000)	1,396,320	2,046,320
Other Financing (Uses:)				
Transfers - In	906,000	1,122,912	-	(1,122,912)
Transfers - Out	(166,700)	(166,700)	(166,700)	-
Total Other Financing (Uses)	739,300	956,212	(166,700)	(1,122,912)
Net Change in Fund Balance	89,300	306,212	1,229,620	923,408
Fund Balance at Beginning of Year	344,544	344,544	344,544	-
Fund Balance at End of Year	\$ 433,844	\$ 650,756	\$ 1,574,164	\$ 923,408

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2020

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

	Stormwater Management	Garbage	Cemetery	Street Lighting	Totals
Assets:					
Current Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 258,924	\$ 155,211	\$ 176,157	\$ 34,544	\$ 624,836
Accounts Receivable (Net of Allowance for Doubtful Accounts)	6,600	19,700	-	6,700	33,000
Total Current Assets	<u>265,524</u>	<u>174,911</u>	<u>176,157</u>	<u>41,244</u>	<u>657,836</u>
Noncurrent Assets:					
Capital Assets:					
Depreciable Assets	569,016	-	12,000	-	581,016
Total Noncurrent Assets	<u>569,016</u>	<u>-</u>	<u>12,000</u>	<u>-</u>	<u>581,016</u>
Total Assets	<u>834,540</u>	<u>174,911</u>	<u>188,157</u>	<u>41,244</u>	<u>1,238,852</u>
Deferred Outflows of Resources:					
Pension	82,229	31,256	9,645	-	123,130
OPEB	48,340	18,374	5,670	-	72,384
Total Deferred Outflows of Resources	<u>130,569</u>	<u>49,630</u>	<u>15,315</u>	<u>-</u>	<u>195,514</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 965,109</u>	<u>\$ 224,541</u>	<u>\$ 203,472</u>	<u>\$ 41,244</u>	<u>\$ 1,434,366</u>
Liabilities					
Current Liabilities:					
Accounts Payable	\$ 6,172	\$ -	\$ 755	\$ 750	\$ 7,677
Compensated Absences Payable	1,008	-	-	-	1,008
Total Current Liabilities	<u>7,180</u>	<u>-</u>	<u>755</u>	<u>750</u>	<u>8,685</u>
Noncurrent Liabilities:					
Compensated Absences Payable	5,713	-	-	-	5,713
Net Pension Liability	366,353	139,247	42,968	-	548,568
Net OPEB Liability	246,792	93,804	28,947	-	369,543
Total Noncurrent Liabilities	<u>618,858</u>	<u>233,051</u>	<u>71,915</u>	<u>-</u>	<u>923,824</u>
Total Liabilities	<u>626,038</u>	<u>233,051</u>	<u>72,670</u>	<u>750</u>	<u>932,509</u>
Deferred Inflows of Resources:					
Pension	77,709	29,538	9,115	-	116,362
OPEB	35,137	13,355	4,122	-	52,614
Total Deferred Inflows of Resources	<u>112,846</u>	<u>42,893</u>	<u>13,237</u>	<u>-</u>	<u>168,976</u>
Net Position					
Investment in Capital Assets	569,016	-	12,000	-	581,016
Unrestricted	(342,791)	(51,403)	105,565	40,494	(248,135)
Total Net Position	<u>226,225</u>	<u>(51,403)</u>	<u>117,565</u>	<u>40,494</u>	<u>332,881</u>
Total Net Position, Liabilities and Deferred Inflows of Resources	<u>\$ 965,109</u>	<u>\$ 224,541</u>	<u>\$ 203,472</u>	<u>\$ 41,244</u>	<u>\$ 1,434,366</u>

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				
	Stormwater Management	Garbage	Cemetery	Street Lighting	Totals
Operating Revenues:					
Charges for Services	\$ 319,820	\$ 788,444	\$ 105,871	\$ 120,110	\$ 1,334,245
Total Operating Revenues	319,820	788,444	105,871	120,110	1,334,245
Operating Expenses:					
Personal Services	199,029	123,873	41,018	-	363,920
Materials and Supplies	30,274	-	2,423	-	32,697
Contractual Services	99,462	851,995	51,893	125,341	1,128,691
Depreciation	42,290	-	4,500	-	46,790
Total Operating Expenses	371,055	975,868	99,834	125,341	1,572,098
Operating Income (Loss)	(51,235)	(187,424)	6,037	(5,231)	(237,853)
Non-Operating Income (Expense):					
Investment Earnings	-	-	1,792	-	1,792
Total Non-Operating Income (Expense)	-	-	1,792	-	1,792
Income (Loss) Before Transfers	(51,235)	(187,424)	7,829	(5,231)	(236,061)
Transfers In	160,000	-	-	-	160,000
Change in Net Position	108,765	(187,424)	7,829	(5,231)	(76,061)
Total Net Position - Beginning of Year	117,460	136,021	109,736	45,725	408,942
Total Net Position - End of Year	\$ 226,225	\$ (51,403)	\$ 117,565	\$ 40,494	\$ 332,881

THE CITY OF MONROE
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				
	Stormwater Management	Garbage	Cemetery	Street Lighting	Totals
Cash Flows from Operating Activities:					
Cash Received from Customers	\$ 317,416	\$ 783,764	\$ 105,872	\$ 124,310	\$ 1,331,362
Cash Paid for Employee Services and Benefits	(124,147)	(95,603)	(32,295)	-	(252,045)
Cash Paid to Suppliers for Goods and Services	(124,062)	(849,128)	(53,685)	(125,224)	(1,152,099)
Net Cash Provided (Used) by Operating Activities	69,207	(160,967)	19,892	(914)	(72,782)
Cash Flows from Noncapital Financing Activities:					
Transfers In	160,000	-	-	-	160,000
Net Cash Provided by Noncapital Financing Activities	160,000	-	-	-	160,000
Cash Flows from Capital and Related Financing Activities:					
Acquisition of Capital Assets	(185,765)	-	-	-	(185,765)
Net Cash Used by Capital and Related Financing Activities	(185,765)	-	-	-	(185,765)
Cash Flows from Investing Activities					
Interest	-	-	1,792	-	1,792
Net Cash Provided by Investing Activities	-	-	1,792	-	1,792
Net Increase (Decrease) in Cash and Cash Equivalents	43,442	(160,967)	21,684	(914)	(96,755)
Cash and Cash Equivalents at Beginning of Year	215,482	316,178	154,473	35,458	721,591
Cash and Cash Equivalents at End of Year	\$ 258,924	\$ 155,211	\$ 176,157	\$ 34,544	\$ 624,836
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ (51,235)	\$ (187,424)	\$ 6,037	\$ (5,231)	\$ (237,853)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	42,290	-	4,500	-	46,790
Change in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:					
Accounts Receivable	(1,600)	(1,800)	-	4,200	800
Deferred Outflows of Resources - Pension	84,608	32,159	9,924	-	126,691
Deferred Outflows of Resources - OPEB	(25,030)	(9,514)	(2,936)	-	(37,480)
Accounts Payable	4,870	(13)	631	117	5,605
Compensated Absences Payable	505	-	-	-	505
Net Pension Liability	(116,427)	(44,253)	(13,656)	-	(174,336)
Net OPEB Liability	25,318	9,623	2,970	-	37,911
Deferred Inflows of Resources - Pension	71,372	27,128	8,371	-	106,871
Deferred Inflows of Resources - OPEB	34,536	13,127	4,051	-	51,714
Total Adjustments	120,442	26,457	13,855	4,317	165,071
Net Cash Provided (Used) by Operating Activities	\$ 69,207	\$ (160,967)	\$ 19,892	\$ (914)	\$ (72,782)

THE CITY OF MONROE
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020

	Custodial Funds			Totals
	Mayor's Court	JEDD	Special Assessment	
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$ 8,955	\$ -	\$ -	\$ 8,955
Cash and Cash Equivalents	-	681,873	-	681,873
Special Assessments Receivable	-	-	8,302,838	8,302,838
 Total Assets	 \$ 8,955	 \$ 681,873	 \$ 8,302,838	 \$ 8,993,666
Liabilities:				
Due to Other Governments	\$ 8,955	\$ 681,873	\$ 8,302,838	\$ 8,993,666
 Total Liabilities	 \$ 8,955	 \$ 681,873	 \$ 8,302,838	 \$ 8,993,666
 Net Position	 \$ -	 \$ -	 \$ -	 \$ -

THE CITY OF MONROE
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Custodial Funds			Totals
	Mayor's Court	JEDD	Special Assessment	
Additions:				
Income Taxes Collected for Other Governments	\$ -	\$ 387,767	\$ -	\$ 387,767
Fines, Licenses and Permits Collected for Other Governments	38,994	-	-	38,994
Other Amounts Collected for Distribution	367	-	-	367
Special Assessments Collected for Other Governments	-	-	1,124,741	1,124,741
Total Additions	39,361	387,767	1,124,741	1,551,869
Deductions:				
Distributions to Other Governments	31,129	378,017	1,124,741	1,533,887
Distributions to Individuals	8,182	-	-	8,182
Other Distributions	50	9,750	-	9,800
Total Deductions	39,361	387,767	1,124,741	1,551,869
Net Increase (Decrease) in Fiduciary Net Position	-	-	-	-
Net Position Beginning of Year	-	-	-	-
Net Position End of Year	\$ -	\$ -	\$ -	\$ -

STATISTICAL SECTION



The City of Monroe, Ohio
Statistical Section Descriptions
December 31, 2020

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

<u>Contents</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader assess how the City’s financial performance and situation have changed over time.	124-129
Revenue Capacity Theses schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax and income tax.	130-134
Debt Capacity 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.	135-137
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within in which the City’s financial activities takes place.	138-139
Operating Information These schedules contain operational 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.	140-142

CITY OF MONROE, OHIO
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities										
Net Investment in Capital Assets	\$ 50,355,320	\$ 51,183,439	\$ 50,619,086	\$ 49,681,122	\$ 48,521,362	\$ 47,136,171	\$ 44,555,054	\$ 43,977,066	\$ 43,102,006	\$ 43,525,991
Restricted	10,285,366	8,061,085	6,945,357	6,035,056	5,816,316	5,409,598	6,537,503	5,084,300	2,363,223	2,204,984
Unrestricted (Deficit)	(8,617,743)	(8,184,015)	(18,013,832)	(3,253,779)	(1,515,484)	1,324,940	10,957,753	10,832,654	10,155,111	8,890,692
<i>Total Governmental Activities Net Position</i>	<u>52,022,943</u>	<u>51,060,509</u>	<u>39,550,611</u>	<u>52,462,399</u>	<u>52,822,194</u>	<u>53,870,709</u>	<u>62,050,310</u>	<u>59,894,020</u>	<u>55,620,340</u>	<u>54,621,667</u>
Business-Type Activities										
Net Investment in Capital Assets	3,857,340	2,940,693	3,299,937	3,575,375	3,544,371	3,798,267	3,843,114	3,969,466	3,843,682	2,705,389
Unrestricted	1,471,450	2,517,901	1,936,987	2,562,038	2,037,463	1,584,484	1,867,562	1,495,669	1,802,610	2,472,518
<i>Total Business-Type Activities Net Position</i>	<u>5,328,790</u>	<u>5,458,594</u>	<u>5,236,924</u>	<u>6,137,413</u>	<u>5,581,834</u>	<u>5,382,751</u>	<u>5,710,676</u>	<u>5,465,135</u>	<u>5,646,292</u>	<u>5,177,907</u>
Primary government										
Net Investment in Capital Assets	54,212,660	54,124,132	53,919,023	53,256,497	52,065,733	50,934,438	48,398,168	47,946,532	46,945,688	46,231,380
Restricted	10,285,366	8,061,085	6,945,357	6,035,056	5,816,316	5,409,598	6,537,503	5,084,300	2,363,223	2,204,984
Unrestricted	(7,146,293)	(5,666,114)	(16,076,845)	(691,741)	521,979	2,909,424	12,825,315	12,328,323	11,957,721	11,363,210
<i>Total Primary Government Net Position</i>	<u>\$ 57,351,733</u>	<u>\$ 56,519,103</u>	<u>\$ 44,787,535</u>	<u>\$ 58,599,812</u>	<u>\$ 58,404,028</u>	<u>\$ 59,253,460</u>	<u>\$ 67,760,986</u>	<u>\$ 65,359,155</u>	<u>\$ 61,266,632</u>	<u>\$ 59,799,574</u>

Source: City financial records

Note - The City adopted GASB 68 in 2015. Net position for 2014 (and prior years) has not been restated.

Note - The City adopted GASB 75 in 2018. Net position for 2017 (and prior years) has not been restated.

CITY OF MONROE, OHIO

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Program Revenues										
Governmental Activities:										
Charges for Services:										
Security of Persons and Property	\$ 735,349	\$ 864,690	\$ 677,227	\$ 678,209	\$ 719,420	\$ 767,302	\$ 964,086	\$ 963,080	\$ 1,017,588	\$ 1,039,918
Leisure Time Activities	22,934	48,302	52,327	51,855	64,313	40,916	37,320	48,828	51,967	41,609
Transportation	250,822	225,433	213,663	226,358	146,070	116,284	173,980	175,745	199,415	197,629
General Government	962,418	900,862	1,186,153	1,322,329	734,338	833,645	529,204	595,519	478,259	523,925
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	1,337,024	630,853	811,951	711,111	430,063	419,749	359,110	114,329	72,147	27,160
Capital Grants and Contributions	-	774,634	1,157,562	1,342,067	722,144	819,945	2,260,224	2,174,710	788,738	687,994
Total Governmental Activities Program Revenues	3,308,547	3,444,774	4,098,883	4,331,929	2,816,348	2,997,841	4,323,924	4,072,211	2,608,114	2,518,235
Business-Type Activities:										
Charges for Services:										
Water	3,201,353	3,304,540	3,057,606	2,906,682	2,803,030	2,637,664	2,448,785	2,198,251	2,248,759	2,371,513
Sewer	1,207,456	1,200,533	1,133,576	1,115,531	1,088,146	1,063,583	1,087,384	966,261	1,087,309	1,173,338
Stormwater Management	319,820	317,746	307,814	299,386	291,158	288,275	297,938	291,829	274,874	244,383
Garbage	788,444	794,551	808,141	800,207	705,381	745,304	732,046	763,010	705,901	668,327
Cemetery	105,871	102,028	93,203	83,645	65,009	55,205	69,480	64,987	46,370	59,027
Street Lighting	120,110	133,358	124,676	145,866	-	-	-	-	-	-
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	563,099	-
Total Business-Type Activities Program Revenues	5,743,054	5,852,756	5,525,016	5,351,317	4,952,724	4,790,031	4,635,633	4,284,338	4,926,312	4,516,588
Total Primary Government Program Revenues	9,051,601	9,297,530	9,623,899	9,683,246	7,769,072	7,787,872	8,959,557	8,356,549	7,534,426	7,034,823
Expenses										
Governmental Activities:										
Security of Persons and Property	12,945,526	1,693,495	12,133,126	10,340,340	10,319,480	7,710,538	7,195,344	7,327,943	7,081,355	7,437,553
Public Health Services	-	-	-	-	-	-	-	-	-	-
Leisure Time Activities	478,039	434,516	444,782	389,153	237,673	244,835	207,885	209,725	230,553	265,705
Transportation	4,740,298	4,503,968	4,740,788	4,213,280	3,599,347	3,703,896	3,839,052	3,444,945	3,093,607	2,839,671
General Government	10,149,315	9,518,813	9,462,391	9,192,686	7,856,366	7,214,366	9,878,101	5,391,205	4,794,068	4,936,519
Interest and Fiscal Charges	644,523	495,949	289,918	325,798	358,353	374,467	407,000	529,177	505,726	548,108
Total Governmental Activities Expenses	\$ 28,957,701	\$ 16,646,741	\$ 27,071,005	\$ 24,461,257	\$ 22,371,219	\$ 19,248,102	\$ 21,527,382	\$ 16,902,995	\$ 15,705,309	\$ 16,027,556

CITY OF MONROE, OHIO

Changes in Net Position
Last Ten Years

(accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Business-Type Activities:										
Water	\$ 3,304,743	\$ 2,908,428	\$ 3,185,756	\$ 2,603,817	\$ 2,574,356	\$ 2,449,900	\$ 2,254,150	\$ 2,412,228	\$ 2,509,165	\$ 2,625,712
Sewer	1,255,439	1,280,776	1,194,663	1,164,461	1,153,803	1,126,356	1,151,676	964,491	1,167,855	1,083,566
Stormwater Management	371,055	425,196	379,315	369,949	345,856	334,356	352,172	259,865	241,197	212,662
Garbage	975,868	978,347	955,222	773,492	686,698	695,478	640,666	708,575	558,719	769,260
Cemetery	99,834	91,220	173,282	86,073	76,274	58,982	64,281	71,155	59,463	70,790
Street Lighting	125,341	111,914	120,954	125,307	-	-	-	-	-	-
<i>Total Business-Type Activities Expenses</i>	<u>6,132,280</u>	<u>5,795,881</u>	<u>6,009,192</u>	<u>5,123,099</u>	<u>4,836,987</u>	<u>4,665,072</u>	<u>4,462,945</u>	<u>4,416,314</u>	<u>4,536,399</u>	<u>4,761,990</u>
<i>Total Primary Government Expenses</i>	<u>35,089,981</u>	<u>22,442,622</u>	<u>33,080,197</u>	<u>29,584,356</u>	<u>27,208,206</u>	<u>23,913,174</u>	<u>25,990,327</u>	<u>21,319,309</u>	<u>20,241,708</u>	<u>20,789,546</u>
Net (Expense)/Revenue										
Governmental Activities	(25,649,154)	(13,201,967)	(22,972,122)	(20,129,328)	(19,554,871)	(16,250,261)	(17,203,458)	(12,830,784)	(13,097,195)	(13,509,321)
Business-Type Activities	(389,226)	56,875	(484,176)	228,218	115,737	124,959	172,688	(131,976)	389,913	(245,402)
<i>Total Primary Government Net Expense</i>	<u>(26,038,380)</u>	<u>(13,145,092)</u>	<u>(23,456,298)</u>	<u>(19,901,110)</u>	<u>(19,439,134)</u>	<u>(16,125,302)</u>	<u>(17,030,770)</u>	<u>(12,962,760)</u>	<u>(12,707,282)</u>	<u>(13,754,723)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Income Taxes	14,161,490	13,407,727	11,451,372	10,159,419	8,964,985	8,140,236	7,701,539	7,260,322	6,181,870	6,576,423
Property Taxes	2,481,668	2,542,057	2,234,874	2,180,140	2,205,429	2,132,529	1,740,469	2,408,877	2,215,688	2,522,822
Payment in Lieu of Taxes	6,364,494	6,019,033	5,959,810	5,786,214	5,522,245	5,558,580	8,209,931	5,145,954	2,961,845	2,910,801
Other Taxes	1,227,419	1,254,908	991,653	967,185	875,067	913,713	1,257,498	1,419,366	1,185,004	1,049,360
Grants and Entitlements not Restricted to Specific Programs	2,166,347	1,005,788	943,175	820,306	742,098	604,639	348,307	960,152	339,710	900,864
Investment Earnings	370,170	567,352	86,126	81,424	196,532	159,632	102,004	131,034	52,263	260,634
Miscellaneous	-	-	-	-	-	-	-	-	1,159,488	-
Transfers	(160,000)	(85,000)	(86,000)	(225,155)	-	(80,000)	-	-	-	(134,844)
<i>Total Governmental Activities</i>	<u>\$ 26,611,588</u>	<u>\$ 24,711,865</u>	<u>\$ 21,581,010</u>	<u>\$ 19,769,533</u>	<u>\$ 18,506,356</u>	<u>\$ 17,429,329</u>	<u>\$ 19,359,748</u>	<u>\$ 17,325,705</u>	<u>\$ 14,095,868</u>	<u>\$ 14,086,060</u>

CITY OF MONROE, OHIO

Changes in Net Position
Last Ten Years

(accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Business-Type Activities:										
Investment Earnings	\$ 19,827	\$ 7,232	\$ 14,219	\$ 8,183	\$ 11,400	\$ 1,177	\$ 1,216	\$ 840	\$ 1,236	\$ -
Grants and Entitlements not Restricted to Specific Programs	79,595	72,563	72,293	94,023	71,946	-	71,637	71,096	77,236	77,236
Transfers	160,000	85,000	86,000	225,155	-	80,000	-	-	-	134,844
Total Business-Type Activities	259,422	164,795	172,512	327,361	83,346	81,177	72,853	71,936	78,472	212,080
Total Primary Government	26,871,010	24,876,660	21,753,522	20,096,894	18,589,702	17,510,506	19,432,601	17,397,641	14,174,340	14,298,140
Change in Net Position										
Governmental Activities	962,434	11,509,898	(1,391,112)	(359,795)	(1,048,515)	1,179,068	2,156,290	4,494,921	998,673	576,739
Business-Type Activities	(129,804)	221,670	(311,664)	555,579	199,083	206,136	245,541	(60,040)	468,385	(33,322)
Total Primary Government Change in Net Position	\$ 832,630	\$ 11,731,568	\$ (1,702,776)	\$ 195,784	\$ (849,432)	\$ 1,385,204	\$ 2,401,831	\$ 4,434,881	\$ 1,467,058	\$ 543,417

Source: City financial records

CITY OF MONROE, OHIO
Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2020	2019	2018	2017	2015	2015	2014	2013	2012	2011
General Fund										
Nonspendable	\$ -	\$ 497,000	\$ 567,000	\$ 957,000	\$ 1,352,000	\$ 1,352,000	\$ 1,625,000	\$ 505,000	\$ 35,000	\$ 35,000
Assigned	3,448,333	4,146,950	2,373,089	3,774,113	2,534,357	1,349,795	1,774,325	1,550,876	865,127	348,919
Unassigned	5,677,988	2,658,394	2,011,690	1,867,035	3,567,620	6,134,497	5,861,516	6,786,968	7,797,187	6,646,925
<i>Total General Fund</i>	<u>9,126,321</u>	<u>7,302,344</u>	<u>4,951,779</u>	<u>6,598,148</u>	<u>7,453,977</u>	<u>8,836,292</u>	<u>9,260,841</u>	<u>8,842,844</u>	<u>8,697,314</u>	<u>7,030,844</u>
All Other Governmental Funds										
Restricted	10,890,886	17,410,719	6,040,672	5,357,857	5,235,382	4,653,646	6,803,746	3,432,985	1,885,100	1,865,562
Committed	1,181,165	250,276	509,164	124,722	117,727	94,583	158,604	129,812	87,541	47,823
Assigned	-	-	274,079	-	-	-	-	-	-	-
Unassigned	(193,041)	(445,167)	(430,699)	(563,706)	(208,998)	(79,351)	(64,072)	(236,262)	(304,786)	(365,575)
<i>Total All Other Governmental Funds</i>	<u>11,879,010</u>	<u>17,215,828</u>	<u>6,393,216</u>	<u>4,918,873</u>	<u>5,144,111</u>	<u>4,668,878</u>	<u>6,898,278</u>	<u>3,326,535</u>	<u>1,667,855</u>	<u>1,547,810</u>
<i>Total Governmental Funds</i>	<u>\$ 21,005,331</u>	<u>\$ 24,518,172</u>	<u>\$ 11,344,995</u>	<u>\$ 11,517,021</u>	<u>\$ 12,598,088</u>	<u>\$ 13,505,170</u>	<u>\$ 16,159,119</u>	<u>\$ 12,169,379</u>	<u>\$ 10,365,169</u>	<u>\$ 8,578,654</u>

Source: City financial records

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues										
Income Taxes	\$ 14,073,875	\$ 13,044,974	\$ 11,520,127	\$ 9,668,419	\$ 8,905,985	\$ 7,917,236	\$ 7,600,866	\$ 6,918,373	\$ 6,287,100	\$ 6,600,141
Property and Other Taxes	2,664,185	2,729,522	2,471,318	2,370,887	2,353,735	2,321,009	1,910,551	2,315,935	2,462,243	2,400,487
Payment in Lieu of Taxes	6,667,179	5,941,709	5,734,449	5,786,214	5,522,245	5,558,580	9,433,275	3,922,610	2,961,845	2,910,801
Intergovernmental	4,170,026	2,638,900	2,424,828	1,986,107	1,764,800	1,618,812	1,612,435	1,931,013	1,459,844	1,757,320
Charges for Services	881,221	982,504	694,605	800,789	729,586	722,468	919,787	900,660	1,032,001	1,059,176
Licenses and Permits	632,172	683,321	960,757	1,265,061	696,393	805,478	503,195	582,054	453,761	581,733
Investment Earnings	374,395	567,352	86,126	81,424	196,532	159,632	102,004	131,034	52,263	260,634
Fines and Forfeitures	121,402	111,409	78,063	99,683	137,963	162,992	250,971	276,936	206,413	200,206
Special Assessments	55,250	824,829	1,070,314	751,546	921,684	867,671	841,894	869,640	930,613	863,556
Miscellaneous	286,430	465,226	435,180	240,989	192,487	413,109	140,974	441,481	1,224,481	33,581
Total Revenues	29,926,135	27,989,746	25,475,767	23,051,119	21,421,410	20,546,987	23,315,952	18,289,736	17,070,564	16,667,635
Expenditures										
Current:										
Security of Persons and Property	10,607,815	10,031,873	9,680,790	9,107,426	8,535,677	7,429,735	6,826,765	7,054,230	6,800,480	7,120,069
Transportation	2,131,776	2,416,090	2,546,790	1,843,370	1,917,214	1,849,330	1,883,332	1,571,217	1,313,344	1,462,501
General Government	4,785,215	3,532,000	3,544,633	3,799,043	2,822,127	2,358,614	2,247,630	1,636,046	1,821,488	2,250,755
Leisure Time Activities	384,789	373,785	402,454	342,579	191,011	198,556	161,394	163,234	190,326	224,689
Payments to Schools	4,037,225	3,676,102	3,637,550	3,466,374	3,293,366	3,304,401	6,068,047	2,227,489	1,588,445	1,358,998
Miscellaneous	72,791	59,950	42,227	70,054	66,491	70,577	60,384	32,498	34,457	31,603
Intergovernmental	710,521	1,516,863	1,756,708	1,448,956	1,418,345	1,426,529	1,395,577	1,387,840	1,259,569	1,182,660
Capital Outlay	8,970,216	3,700,783	2,286,427	2,180,635	2,431,370	4,840,166	2,062,854	864,042	697,870	1,830,107
Debt service:										
Principal Retirement	894,574	1,120,000	1,355,000	1,355,000	1,277,100	1,251,500	1,110,900	4,791,677	1,076,564	1,084,867
Interest and Fiscal Charges	684,054	483,344	309,214	390,906	375,791	391,528	411,926	571,245	501,506	532,054
Total Expenditures	33,278,976	26,910,790	25,561,793	24,004,343	22,328,492	23,120,936	22,228,809	20,299,518	15,284,049	17,078,303
Excess of Revenues Over (Under) Expenditures	(3,352,841)	1,078,956	(86,026)	(953,224)	(907,082)	(2,573,949)	1,087,143	(2,009,782)	1,786,515	(410,668)
Other Financing Sources (Uses)										
Face Value from the Sale of Bonds	736,000	11,555,000	-	3,320,000	-	-	2,775,000	3,770,000	-	-
Premium from the Sale of Bonds	-	624,221	-	301,804	-	-	127,597	43,992	-	-
Payment to Refunded Bond Escrow Agent	(736,000)	-	-	(3,524,492)	-	-	-	-	-	-
Transfers In	9,806,709	7,662,148	12,143,392	8,648,180	9,399,622	7,838,760	6,686,928	7,325,800	5,885,613	6,168,852
Transfers Out	(9,966,709)	(7,747,148)	(12,229,392)	(8,873,335)	(9,399,622)	(7,918,760)	(6,686,928)	(7,325,800)	(5,885,613)	(6,303,696)
Total Other Financing Sources (Uses)	(160,000)	12,094,221	(86,000)	(127,843)	-	(80,000)	2,902,597	3,813,992	-	(134,844)
Net Change in Fund Balances	\$ (3,512,841)	\$ 13,173,177	\$ (172,026)	\$ (1,081,067)	\$ (907,082)	\$ (2,653,949)	\$ 3,989,740	\$ 1,804,210	\$ 1,786,515	\$ (545,512)
Debt Service as a Percentage of Noncapital Expenditures	6.2%	6.8%	7.0%	8.0%	8.3%	8.9%	7.9%	27.0%	10.6%	10.7%

Source: City financial records

CITY OF MONROE, OHIO
 Assessed Value and Actual Value of Taxable Property
 Last Ten Years

YEAR	REAL PROPERTY		PERSONAL PROPERTY		PUBLIC UTILITY PERSONAL		TOTAL		TOTAL DIRECT RATE APPLIED	PERCENTAGE OF ASSESSED VALUE TO ESTIMATED ACTUAL VALUE
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE		
2011	\$ 282,027,380	\$ 805,792,514	\$ -	\$ -	\$ 79,977,540	\$ 90,883,568	\$ 362,004,920	\$ 896,676,082	9.32	40.37%
2012	\$ 256,873,460	\$ 733,924,171	\$ -	\$ -	\$ 46,622,670	\$ 52,980,307	\$ 303,496,130	\$ 786,904,478	9.32	38.57%
2013	\$ 252,538,190	\$ 721,537,686	\$ -	\$ -	\$ 60,073,130	\$ 68,264,920	\$ 312,611,320	\$ 789,802,606	9.32	39.58%
2014	\$ 253,392,610	\$ 723,978,886	\$ -	\$ -	\$ 60,612,770	\$ 68,878,148	\$ 314,005,380	\$ 792,857,033	9.32	39.60%
2015	\$ 255,429,030	\$ 729,797,229	\$ -	\$ -	\$ 61,379,410	\$ 69,749,330	\$ 316,808,440	\$ 799,546,558	9.32	39.62%
2016	\$ 258,168,230	\$ 737,623,514	\$ -	\$ -	\$ 60,066,240	\$ 68,257,091	\$ 318,234,470	\$ 805,880,605	9.32	39.49%
2017	\$ 287,725,190	\$ 822,071,971	\$ -	\$ -	\$ 60,928,470	\$ 69,236,898	\$ 348,653,660	\$ 891,308,869	9.32	39.12%
2018	\$ 294,041,000	\$ 840,117,143	\$ -	\$ -	\$ 83,007,160	\$ 94,326,318	\$ 377,048,160	\$ 934,443,461	9.32	40.35%
2019	\$ 297,735,740	\$ 850,673,543	\$ -	\$ -	\$ 82,651,980	\$ 93,922,705	\$ 380,387,720	\$ 944,596,247	9.32	40.27%
2020	\$ 348,092,980	\$ 994,551,371	\$ -	\$ -	\$ 91,464,930	\$ 103,937,420	\$ 439,557,910	\$ 1,098,488,792	9.32	40.01%

SOURCE: Butler County Auditor's Office

Note: Includes Butler and Warren County Information

CITY OF MONROE, OHIO
 Direct and Overlapping Property Tax Rates
 Last Ten Years

COLLECTION YEAR	CITY OF MONROE	BUTLER COUNTY	SCHOOL DISTRICT	OTHER (1)
	OPERATING	OPERATING	OPERATING	OPERATING
2011	\$ 9.32	\$ 9.72	\$ 41.54	\$ 3.78
2012	\$ 9.32	\$ 9.72	\$ 45.50	\$ 3.78
2013	\$ 9.32	\$ 9.72	\$ 47.20	\$ 3.78
2014	\$ 9.32	\$ 9.72	\$ 46.19	\$ 3.78
2015	\$ 9.32	\$ 9.72	\$ 48.12	\$ 3.78
2016	\$ 9.32	\$ 9.72	\$ 48.67	\$ 3.98
2017	\$ 9.32	\$ 9.72	\$ 46.87	\$ 3.98
2018	\$ 9.32	\$ 9.72	\$ 45.58	\$ 3.98
2019	\$ 9.32	\$ 9.72	\$ 45.55	\$ 3.98
2020	\$ 9.32	\$ 9.72	\$ 45.55	\$ 3.98

SOURCE: City of Monroe's Operating Budget

SOURCE: Butler County Auditor's Office

(1) Other includes Butler County Technology and Career Development School (JVS) and Township

CITY OF MONROE, OHIO
 Top Ten Principal Taxpayers
 Real and Personal Property
 Current Year and Nine Years Ago

Name of Taxpayer	2020		% of Total Assessed Valuation
	Assessed Valuation	Rank	
Duke Energy Ohio Inc	38,825,910	1	8.83%
Rockies Express Pipeline	13,034,640	2	2.97%
Worthington Steel	4,940,490	3	1.12%
Dayton Technologies	4,787,450	4	1.09%
Ohio Presbyterian Retirement	4,452,560	5	1.01%
KP Properties of Ohio LLC	3,751,930	6	0.85%
EPHS Investments LLC	3,462,870	7	0.79%
Summit Properties Partnership	2,953,310	8	0.67%
McGraw Kokosing Inc	2,557,740	9	0.58%
Monroe Terrace Apartments	2,316,890	10	0.53%
Total	\$ 81,083,790		18.45%
Total Assessed Valuation	\$ 439,557,910		

Name of Taxpayer	2011		% of Total Assessed Valuation
	Assessed Valuation	Rank	
Rockies Express Pipeline LLC	\$ 17,782,240	1	4.91%
Duke Energy Ohio	11,360,190	2	3.14%
Ohio Presbyterian Retirement	5,166,890	3	1.43%
Worthington Steel	5,051,200	4	1.40%
EPHS Investments LLC	3,419,500	5	0.94%
K.P. Properties of Ohio LLC	3,057,450	6	0.84%
Summit Properties Partnership	2,744,910	7	0.76%
Garver Road Investments LLC	1,820,000	8	0.50%
Crystal Partners LLC	1,726,530	9	0.48%
ECP Monroe LLC	1,531,000	10	0.42%
Total	\$ 53,659,910		14.82%
Total Assessed Valuation	\$ 362,004,920		

Source: Butler County Auditor's Office

CITY OF MONROE, OHIO
Property Tax Levies and Collections
Last Ten Years

COLLECTION YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENTAGE OF TOTAL TAX COLLECTIONS TO TAX LEVY	ACCUMULATED OUTSTANDING DELINQUENT TAXES	PERCENTAGE OF ACCUMULATED DELINQUENT TAXES TO TOTAL TAX LEVY
2011	\$ 2,181,406	\$ 2,001,723	\$ 76,618	\$ 2,078,341	95.28%	\$ 268,300	12.30%
2012	\$ 2,154,716	\$ 1,986,756	\$ 82,634	\$ 2,069,390	96.04%	\$ 236,325	10.97%
2013	\$ 2,108,775	\$ 1,885,586	\$ 51,200	\$ 1,936,786	91.84%	\$ 531,835	25.22%
2014	\$ 1,954,831	\$ 1,911,409	\$ 40,243	\$ 1,951,652	99.84%	\$ 531,835	27.21%
2015	\$ 1,942,178	\$ 1,916,053	\$ 26,125	\$ 1,942,178	100.00%	\$ 507,255	26.12%
2016	\$ 1,966,546	\$ 1,923,286	\$ 43,122	\$ 1,966,408	99.99%	\$ 421,223	21.42%
2017	\$ 1,996,044	\$ 1,973,906	\$ 14,768	\$ 1,988,674	99.63%	\$ 406,455	20.36%
2018	\$ 2,016,004	\$ 1,993,645	\$ 14,916	\$ 2,008,561	99.63%	\$ 410,520	20.36%
2019	\$ 2,036,164	\$ 2,013,582	\$ 15,065	\$ 2,028,646	99.63%	\$ 414,625	20.36%
2020	\$ 2,056,526	\$ 2,033,717	\$ 15,215	\$ 2,048,933	99.63%	\$ 418,771	20.36%

SOURCE: Butler County Auditor's Office

Note: Includes only Butler County Information

CITY OF MONROE, OHIO
Income Tax Revenue by Source Type
Last Ten Years

Fiscal Year	Tax Rate	Residential Income Tax	Business Income Tax	Withholding Income Tax	Grand Total
2020	2.00%	\$ 1,330,673	\$ 1,591,560	\$ 10,794,578	\$ 13,716,811
2019	2.00%	\$ 1,195,466	\$ 2,485,047	\$ 9,467,950	\$ 13,148,463
2018	2.00%	\$ 1,202,417	\$ 1,268,276	\$ 8,659,244	\$ 11,129,937
2017	1.50%	\$ 1,334,809	\$ 1,867,848	\$ 6,581,775	\$ 9,784,432
2016	1.50%	\$ 1,394,864	\$ 1,498,127	\$ 6,037,796	\$ 8,930,787
2015	1.50%	\$ 1,163,456	\$ 1,632,265	\$ 5,164,773	\$ 7,960,494
2014	1.50%	\$ 1,131,215	\$ 1,418,601	\$ 4,947,714	\$ 7,497,530
2013	1.50%	\$ 1,097,856	\$ 921,906	\$ 4,660,560	\$ 6,680,322
2012	1.50%	\$ 1,067,146	\$ 685,817	\$ 4,615,907	\$ 6,368,870
2011	1.50%	\$ 1,070,021	\$ 910,092	\$ 4,447,868	\$ 6,427,981

Source: City Financial Records

CITY OF MONROE, OHIO

Ratios of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Bonded Debt Outstanding:										
Governmental Activities - General Obligation Notes/Bonds	\$18,332,751	\$19,202,707	\$8,123,373	\$9,196,526	\$9,939,108	\$10,939,045	\$11,933,982	\$9,890,474	\$10,445,000	\$11,190,000
Governmental Activities - Special Assessment Bonds	0	60,000	120,000	175,000	225,000	287,100	343,600	399,500	460,900	521,800
Business Type Activities - Loans/Notes/Bonds Payable	3,302,000	3,935,430	4,230,543	4,513,322	4,788,880	5,057,324	5,318,756	5,573,274	5,787,465	6,026,567
Capital Leases Payable	-	-	-	-	-	-	-	-	95,277	185,941
Governmental Activities - Revenue Obligation Bonds	-	-	-	265,000	510,000	740,000	955,000	1,160,000	1,350,000	1,530,000
Total	21,634,751	23,198,137	12,473,916	14,149,848	15,462,988	17,023,469	18,551,338	17,023,248	18,138,642	19,454,308
Percentage of Estimated Actual										
Property Value	1.97%	2.46%	1.33%	1.59%	1.92%	2.13%	2.34%	2.16%	2.31%	2.17%
Assessed Property Value	439,557,910	380,387,720	377,048,160	348,653,660	318,234,470	316,808,440	314,005,380	312,611,320	303,496,130	362,004,920
Actual Property Value	1,098,488,792	944,596,247	934,443,461	891,308,869	805,880,605	799,546,558	792,857,033	789,802,606	786,904,478	896,676,082
Total Debt Per Capita	1,739	1,865	1,003	1,137	1,243	1,368	1,491	1,368	1,458	1,564
Total Debt as a Percentage of Personal Income	5.19%	7.16%	3.74%	3.75%	4.45%	5.16%	5.95%	5.52%	6.16%	6.78%
Population	12,442	12,442	12,442	12,442	12,442	12,442	12,442	12,442	12,442	12,442
Less:										
Governmental Activities - Special Assessment Bonds	0	(60,000)	(120,000)	(175,000)	(225,000)	(287,100)	(343,600)	(399,500)	(460,900)	(521,800)
Business Type Activities - Loans/Notes/Bonds Payable	(3,302,000)	(3,935,430)	(4,230,543)	(4,513,322)	(4,788,880)	(5,057,324)	(5,318,756)	(5,573,274)	(5,787,465)	(6,026,567)
Capital Leases Payable	-	-	-	-	-	-	-	-	(95,277)	(185,941)
Governmental Activities - Revenue Obligation Bonds	-	-	-	(265,000)	(510,000)	(740,000)	(955,000)	(1,160,000)	(1,350,000)	(1,530,000)
Total Net Debt Applicable to Debt Limit	18,332,751	19,202,707	8,123,373	9,196,526	9,939,108	10,939,045	11,933,982	9,890,474	10,445,000	11,190,000
Overall Legal Debt Limit										
10 1/2% of Assessed Valuation	46,153,581	39,940,711	39,590,057	36,608,634	33,414,619	33,264,886	32,970,565	32,824,189	31,867,094	38,010,517
Legal Debt Margin Within 10 1/2% Limitations	\$27,820,830	\$20,738,004	\$31,466,684	\$27,412,108	\$23,475,511	\$22,325,841	\$21,036,583	\$22,933,715	\$21,422,094	\$26,820,517
Legal Debt Margin as a Percentage of the Debt Limit	60.28%	51.92%	79.48%	74.88%	70.26%	67.12%	63.80%	69.87%	67.22%	70.56%
Unvoted Debt Limitation										
5 1/2% of Assessed Valuation	\$24,175,685	\$20,921,325	\$20,737,649	\$19,175,951	\$17,502,896	\$17,424,464	\$17,270,296	\$17,193,623	\$16,692,287	\$19,910,271
Total Debt Approved by Council	21,634,751	23,198,137	12,473,916	14,149,848	15,462,988	17,023,469	18,551,338	17,023,248	18,138,642	19,454,308
Less:										
Governmental Activities - Special Assessment Bonds	0	(60,000)	(120,000)	(175,000)	(225,000)	(287,100)	(343,600)	(399,500)	(460,900)	(521,800)
Business Type Activities - Loans/Notes/Bonds Payable	(3,302,000)	(3,935,430)	(4,230,543)	(4,513,322)	(4,788,880)	(5,057,324)	(5,318,756)	(5,573,274)	(5,787,465)	(6,026,567)
Governmental Activities - Revenue Obligation Bonds	0	0	0	(265,000)	(510,000)	(740,000)	(955,000)	(1,160,000)	(1,350,000)	(1,530,000)
Net Debt Within 5 1/2% Limitations	18,332,751	19,202,707	8,123,373	9,196,526	9,939,108	10,939,045	11,933,982	9,890,474	10,540,277	11,375,941
Unvoted Legal Debt Margin Within 5 1/2% Limitations	\$5,842,934	\$1,718,618	\$12,614,276	\$9,979,425	\$7,563,788	\$6,485,419	\$5,336,314	\$7,303,149	\$6,152,010	\$8,534,330
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	24.17%	8.21%	60.83%	52.04%	43.21%	37.22%	30.90%	42.48%	36.86%	42.86%

Source: City Financial Records

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF MONROE, OHIO
 Computation of Direct and Overlapping Debt
 December 31, 2020

JURISDICTION	NET DEBT OUTSTANDING (1)	PERCENTAGE APPLICABLE TO CITY OF MONROE (2)	AMOUNT APPLICABLE TO CITY OF MONROE
City of Monroe	\$ 21,634,751	100.00%	\$ 21,634,751
Butler County	<u>14,078,771</u>	3.42%	<u>481,494</u>
	<u>\$ 35,713,522</u>		<u>\$ 22,116,245</u>

The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

- (1) Includes all long-term debt instruments of the governmental activities.
- (2) The City is 16.1 square miles of Butler County's 470.20 square miles reported in the 2010 census.

SOURCE: Butler County Auditor's Office
 United States Census Bureau

CITY OF MONROE, OHIO
Ratio of Net General Obligation Debt
to Assessed Valuation and Net Bonded Debt per Capita
Last Ten Years

YEAR	POPULATION	ASSESSED VALUE	PERSONAL INCOME (1)	GROSS BONDED DEBT (2)	DEBT SERVICE BALANCE	DEBT PAYABLE FROM ENTERPRISE REVENUES	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUATION	NET BONDED DEBT PER CAPITA
2011	12,442	\$ 362,004,920	\$ 286,876,405	\$ 4,610,000	\$ 18,379	\$ 401,567	\$ 5,011,567	1.38%	\$ 403
2012	12,442	\$ 303,496,130	\$ 294,294,842	\$ 4,130,000	\$ 109,320	\$ 367,465	\$ 4,497,465	1.48%	\$ 361
2013	12,442	\$ 312,611,320	\$ 308,478,171	\$ 3,772,992	\$ 354,479	\$ 331,629	\$ 4,104,621	1.31%	\$ 330
2014	12,442	\$ 314,005,380	\$ 311,639,664	\$ 3,193,993	\$ 232,543	\$ 293,972	\$ 3,487,965	1.11%	\$ 280
2015	12,442	\$ 316,808,440	\$ 329,623,358	\$ 2,669,994	\$ 176,879	\$ 254,401	\$ 2,924,395	0.92%	\$ 235
2016	12,442	\$ 318,234,470	\$ 347,607,052	\$ 2,135,995	\$ 223,733	\$ 212,818	\$ 2,348,813	0.74%	\$ 189
2017	12,442	\$ 348,653,660	\$ 377,444,800	\$ 1,591,996	\$ 237,202	\$ 169,121	\$ 1,761,117	0.51%	\$ 142
2018	12,442	\$ 377,048,160	\$ 333,561,734	\$ 1,047,997	\$ 214,397	\$ 123,203	\$ 1,171,200	0.31%	\$ 94
2019	12,442	\$ 380,387,720	\$ 324,023,317	\$ 493,998	\$ 493,998	\$ 74,951	\$ 568,949	0.15%	\$ 46
2020	12,442	\$ 439,557,910	\$ 416,583,044	\$ 399,999	\$ 374,484	\$ -	\$ 399,999	0.09%	\$ 32

SOURCE: Population figures are taken from the 2000/2010 Census.

(1) From the City's tax department for taxable income.

(2) Includes only General Obligation Bonds payable from Property Taxes

CITY OF MONROE, OHIO
Principal Employers
Current Year and Nine Years Ago

2020

Employer	Nature of Business	Rank
Amazon	Distribution Center	1
Kohl's Department Stores	Distribution Center	2
Home Depot	Distribution Center	3
Kroger	Grocery	4
Ohio Living	Retirement Community	5
Monroe Local Schools	Educational Services	6
One Source	Staffing Service	7
Group Management Services	Staffing Service	8
Worthington Steel	Manufacturing	9
SSB Manufacturing Co.	Manufacturing	10
Total Employees		27,833
Total Top Ten Employers Employment Count		15,495
Percent of Total Employment		55.67%

2011

Employer	Nature of Business	Rank
CBS Personell Services, LLC	Staffing Service	1
Kohl's Department Stores	Distribution Center	2
Elite Labor Weekly, LTD	Staffing Service	3
CM Temporary Services	Staffing Service	4
DYTR Staffing and Management	Staffing Service	5
Ohio Presbyterian Retirement	Elder Care Services	6
Monroe Local Schools	Educational Services	7
Home Depot	Distribution Center	8
Crown Services	Staffing Service	9
Deceuninck North America LLC	Manufacturing	10
Total Employees		21,906
Total Top Ten Employers Employment Count		9,878
Percent of Total Employment		45.09%

Statistics are published in a form that does not disclose information with respect to particular taxpayers. 718.13(B)

Source: City Records

CITY OF MONROE, OHIO

Demographic Statistics
Last Ten Years

YEAR	POPULATION (1)	SCHOOL ENROLLMENT (2)	UNEMPLOYMENT RATE BUTLER COUNTY (3)	PER CAPITA PERSONAL INCOME
2011	12,442	2,473	8.6%	\$ 23,057
2012	12,442	2,523	6.1%	\$ 23,653
2013	12,442	2,513	4.7%	\$ 24,793
2014	12,442	2,641	5.4%	\$ 25,047
2015	12,442	2,600	4.3%	\$ 26,493
2016	12,442	2,707	3.8%	\$ 27,938
2017	12,442	2,877	3.6%	\$ 30,336
2018	12,442	2,908	3.9%	\$ 29,813
2019	12,442	2,962	3.5%	\$ 33,404
2020	12,442	2,970	12.5%	\$ 33,482

(1) SOURCE: U.S. Census, Census of population - 2000/2010 Federal Census

(2) SOURCE: Monroe Board of Education

(3) SOURCE: Ohio Bureau Employment Services - research and statistics

CITY OF MONROE, OHIO
 Capital Asset Statistics by Function
 Last Ten Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
CAPITAL ASSETS DEPRECIATION										
Governmental Activities:										
Security of Persons and Property	\$ 422,596	\$ 409,360	\$ 426,965	\$ 476,539	\$ 498,768	\$ 412,742	\$ 363,537	\$ 361,756	\$ 369,351	\$ 381,803
Leisure Time Activities	56,272	55,760	51,119	46,574	46,662	46,279	46,491	46,491	46,627	41,016
Transportation	1,515,741	1,510,045	1,546,478	1,558,462	1,513,465	1,458,947	1,399,834	1,359,674	1,338,806	1,352,020
General Government	164,493	162,633	174,536	169,661	165,687	138,266	106,326	104,768	111,025	114,818
Total Governmental Activities	<u>2,159,102</u>	<u>2,137,798</u>	<u>2,199,098</u>	<u>2,251,236</u>	<u>2,224,582</u>	<u>2,056,234</u>	<u>1,916,188</u>	<u>1,872,689</u>	<u>1,865,809</u>	<u>1,889,657</u>
Business-Type Activities:										
Water	509,914	502,018	494,614	496,396	519,022	453,121	448,326	450,922	408,544	410,692
Sewer	12,595	12,595	12,595	12,595	12,595	12,595	12,595	12,595	1,049	-
Stormwater Management	42,290	37,646	37,646	37,548	35,936	42,640	37,445	35,646	27,266	23,700
Cemetery	4,500	4,500	4,500	4,500	4,500	4,500	4,500	1,500	-	-
Total Business-Type Activities	<u>569,299</u>	<u>556,759</u>	<u>549,355</u>	<u>551,039</u>	<u>572,053</u>	<u>512,856</u>	<u>502,866</u>	<u>500,663</u>	<u>436,859</u>	<u>434,392</u>
Total	<u>\$ 2,728,401</u>	<u>\$ 2,694,557</u>	<u>\$ 2,748,453</u>	<u>\$ 2,802,275</u>	<u>\$ 2,796,635</u>	<u>\$ 2,569,090</u>	<u>\$ 2,419,054</u>	<u>\$ 2,373,352</u>	<u>\$ 2,302,668</u>	<u>\$ 2,324,049</u>

CITY OF MONROE, OHIO
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

Function/program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government										
Construction Permits Issued	417	507	532	471	496	355	311	266	275	295
Estimated Value of Construction	\$85,000,000	\$97,000,000	\$87,515,583	\$152,931,880	\$47,880,450	\$47,880,450	\$28,699,068	\$39,053,554	\$20,166,599	\$24,155,582
Zoning Certificates Approved	14	31	30	19	15	19	10	31	28	37
Property Maintenance Complaints	650	1,004	789	1,177	772	153	65	70	111	180
Utility Bills mailed	65,037	64,475	63,588	62,664	61,238	60,426	59,770	58,791	57,336	57,018
Purchase Orders Issued	337	391	363	376	408	316	185	277	304	344
Police										
Total Incidents	28,897	25,940	18,801	21,207	24,463	27,002	23,929	21,155	20,068	20,143
Number of Citations issued	1,562	1,554	1,068	849	1,444	1,928	2,268	4,814	3,901	3,264
Misdemeanor & Felony Arrests	663	727	898	768	721	761	878	1,777	1,655	1,632
DUI Arrests	70	62	65	51	61	52	51	91	132	101
Alcohol Compliance Checks	3	2	2	2	4	3	5	2	2	2
Detective Investigated Cases	162	159	53	266	142	159	130	287	377	367
Calls for Service	25,001	21,229	13,548	13,876	12,572	27,002	23,929	12,096	9,917	10,332
Fire										
Emergency responses	2,680	2,954	2,594	2,678	2,578	2,413	2,283	536	682	574
Fire hydrant inspections	142	120	1,018	1,274	1,000	1,000	1,000	1,000	823	800
Training Hours	3,768	6,419	5,728	5,870	3,109	7,002	7,200	7,230	7,330	6,002
Number of times dispatched	2,992	3,328	3,258	3,001	2,835	2,606	2,327	2,274	2,565	2,376
Community Training Programs (number of attendees)	104	3,582	1,383	2,849	2,804	1,552	250	1,612	1,560	1,300
Public Service										
Snow removal (man hours)	279	1,516	837	529	564	1,638	2,091	1,287	599	676
Leaf pick-up (man hours)	335	582	582	582	460	802	773	644	731	643
Curbs replaced (linear feet)	165	450	551	987	904	313	766	110	0	0
Drive aprons replaced (square yards)	0	125	524	270	220	525	229	81	0	0
Truckloads of leaves picked-up	52	56	84	67	54	70	78	88	91	81
Tons of snow melting salt used	499	1,967	1,461	942	706	1,267	2,166	1,734	857	1,087
Number of snow events	7	14	10	10	10	7	17	13	8	9
Cemetery burials	51	42	53	45	28	33	43	32	34	37
Water meter installations	77	167	277	950	354	640	188	125	3,301	230

Source: City department year-end reports.

CITY OF MONROE, OHIO
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Years

<u>Function/program</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Government:										
Council	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Mayor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance	10.5	10.0	9.0	7.0	7.5	7.0	3.0	3.0	2.0	2.0
Law	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
City Administration	7.5	7.0	5.0	5.0	5.0	5.0	0.0	0.0	0.0	0.0
Purchasing/Adm. Services	0.0	0.0	0.0	0.0	0.0	0.0	9.5	7.5	7.7	9.2
Planning	3.0	3.0	4.0	4.0	4.0	2.0	2.0	3.0	3.0	4.0
Police	43.0	39.0	41.0	37.5	37.0	34.0	32.0	31.5	32.5	36.0
Fire	37.0	43.0	43.0	43.0	35.0	35.0	35.0	35.0	33.0	34.0
Engineering	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utilities:										
Administration	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Service	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	4.5	4.5
Service:										
Administration	4.0	3.0	5.0	4.0	5.0	4.0	4.0	4.0	4.5	4.5
Street Maintenance	17.0	16.5	15.0	12.0	11.0	10.0	10.0	9.0	10.5	10.0
Cemetery	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Clerk of Courts	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.8	0.8
Totals:	<u>139.0</u>	<u>138.5</u>	<u>138.0</u>	<u>128.5</u>	<u>120.5</u>	<u>113.0</u>	<u>110.5</u>	<u>107.0</u>	<u>108.5</u>	<u>115.0</u>

Source: City of Monroe, Finance Department

Method: Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee

OHIO AUDITOR OF STATE KEITH FABER



CITY OF MONROE

BUTLER COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 8/31/2021

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

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