

CITY OF LEBANON
WARREN COUNTY
SINGLE AUDIT
JANUARY 1, 2020 – DECEMBER 31, 2020



OHIO AUDITOR OF STATE
KEITH FABER



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

Members of Council
City of Lebanon
50 South Broadway
Lebanon, Ohio 45036

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

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Lebanon 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

July 12, 2021

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**CITY OF LEBANON
WARREN COUNTY**

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**CITY OF LEBANON
WARREN COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/ Pass Through Grantor/ Program Grant Title	Pass Through Entity Number	CFDA Number	Pass-Through to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation				
<i>Passed through Ohio Department of Transportation</i>				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	108639	20.205	\$ -	\$ 473,820
Total Department of Transportation			<u>-</u>	<u>473,820</u>
U.S. Department of Homeland Security; Federal Emergency Management Agency				
Direct Program				
Staffing for Adequate Fire and Emergency Response Grant	N/A	97.083	-	193,539
Total Department of Homeland Security (FEMA)			<u>-</u>	<u>193,539</u>
U.S. Department of Treasury				
<i>Passed through Ohio Office of Budget and Management:</i>				
COVID-19 Coronavirus Relief Fund	HB481-CRF-Local	21.019	141,900	1,284,625
Total Department of Treasury			<u>141,900</u>	<u>1,284,625</u>
Total Expenditures of Federal Awards			<u>\$ 141,900</u>	<u>\$ 1,951,984</u>

See accompanying notes to the schedule of expenditures of federal awards.

**CITY OF LEBANON
WARREN COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE D - SUBRECIPIENTS

The City passes certain federal awards received from the Ohio Office of Budget and Management to other governments or not-for-profit agencies (subrecipients). As Note B describes, the City reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS**

City of Lebanon
Warren County
50 South Broadway
Lebanon, Ohio 45036

To City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lebanon, Warren County, (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 23, 2021, wherein we noted the City considered the financial impact of COVID-19 as disclosed in Note 25.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Newark, Ohio
June 23, 2021

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

City of Lebanon
Warren County
50 South Broadway
Lebanon, Ohio 45036

To the City Council:

Report on Compliance for The Major Federal Program

We have audited the City of Lebanon's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City of Lebanon's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on The Major Federal Program

In our opinion, the City of Lebanon complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

Report on Internal Control over Compliance

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

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

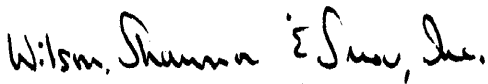
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

City of Lebanon
Warren County
Independent Auditor's Report on Compliance With Requirements
Applicable to the Major Federal Program and On Internal Control
Over Compliance And the Schedule of Expenditures of
Federal Awards Required by Uniform Guidance
Page 3

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Lebanon (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 unmodified report thereon dated June 23, 2021, wherein we noted the City considered the financial impact of COVID-19 as disclosed in Note 25. We conducted our audit to opine on the City's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Newark, Ohio
June 23, 2021

**CITY OF LEBANON
WARREN COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515**

DECEMBER 31, 2020

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Coronavirus Relief Fund/CFDA #21.019
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	No

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

CITY OF LEBANON, OHIO

Comprehensive Annual Financial Report

For the Year Ended December 31, 2020

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INTRODUCTORY SECTION

**CITY OF LEBANON, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020**

**Issued by:
Office of the Auditor**

**Dan Burke
City Auditor**

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

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Department of Finance
50 South Broadway
Lebanon, Ohio 45036
P: 513-932-3060
F: 513-228-3902

June 23, 2021

Citizens of Lebanon
Mayor and Members of Council
City of Lebanon, Ohio

We are pleased to present the thirty-third Comprehensive Annual Financial Report for the City of Lebanon. This report for the year ended December 31, 2020, contains the financial statements and other financial and statistical information and conforms to accounting principles generally accepted in the United States of America as applicable to governmental entities. It provides complete and full disclosure of all material financial aspects of the City of Lebanon (“the City”).

This report enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (accounting principles generally accepted in the United State of America) basis, and Ohio Revised Code Section 117.38, which requires that cities reporting on a GAAP basis file an unaudited annual report with the Auditor of State within 150 days of year-end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than an absolute, assurance that the financial statements are free of any material misstatements.

Wilson, Shannon & Snow, Inc. performed the audit for the year ended December 31, 2020, and included in this report is their unmodified opinion rendered on the City’s basic financial statements. The Independent Auditor’s Report is located at the front of the Financial Section of this report.

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

PROFILE OF THE GOVERNMENT AND REPORTING ENTITY

The City of Lebanon is located in Southwestern Ohio, approximately halfway between the cities of Cincinnati and Dayton. The first settlers came to Lebanon in 1796. The town was platted in 1802 and was incorporated as a village in 1803. Centrally located in Warren County, the City has served as the county seat since 1806. Lebanon grew large enough to become a City in 1960 and, pursuant to Section 7 of Article XVIII of the Ohio Constitution, adopted a charter form of government in 1961.

A current Charter provides for a Council/Manager form of government. The voters elect a seven-member council, who, in turn, elects a Mayor and Vice Mayor from its members. Council members serve a four-year term and appoint the City Manager, City Auditor, and City Attorney.

A reporting entity is comprised of the primary government. The primary government of the City consists of all funds, departments, and activities which are not legally separate from the City. They provide various services including police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, community development, public health and welfare, water, sewer, electric, storm water management and refuse collection. Council and the City Manager have direct responsibility for these activities.

The City considered potential component units for inclusion in the reporting entity. Component units are 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 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 has no component units.

The City participates in the Warren County Combined Health District. This is a jointly governed organization, for which the City has no financial responsibility or interest. Information regarding this entity may be found in the notes to the basic financial statements.

Council is required to adopt an initial budget no later than April 1, Council may adopt a temporary budget to cover the first three months of the year. Upon presentation by the City Manager of a proposed budget document to Council, Council calls and publicizes a public hearing. Council will subsequently adopt such budget, as it may have been amended, as the City's annual budget effective April 1, for the remainder of the year.

MAJOR INITIATIVES

The City remains committed to providing a high quality of life for its citizens and businesses. Lebanon initiated and completed several key roadway improvement projects in 2020. These projects totaled over \$5.1 million and included the start of a complete reconstruction of Summit Avenue that will conclude in 2021. The resurfacing of several streets and budgeted sidewalk repairs also occurred on schedule. Several of these projects included improvements or replacements of the water distribution system, rehabilitation of the sanitary sewer mains, and the installation of a new storm drainage system. City funds were supplemented with grants from the Ohio Public Works Commission.

A downtown pedestrian safety program was completed with a grant from the Ohio Department of Transportation. This project included traffic signal enhancements, pedestrian accessibility improvements, new signage and a mid-block pedestrian crossing on South Broadway.

The City continues to focus on replacing aging sanitary sewer and water mains throughout the City. The City has structured the water and sanitary sewer rates to ensure that this aging infrastructure will be replaced in a planned manner.

The City's Electric Department continued to operate debt free while several transmission system improvements were completed throughout the City.

LOCAL ECONOMY

All of the major TV networks and several independent facilities, including several educational television channels are available to the City from Dayton and Cincinnati. Major daily, Sunday, and on-line newspapers from Cincinnati and Dayton are available in the City. The City also owns and operates "The Lebanon Channel 6". The channel broadcasts programming that is relevant to the Lebanon community.

Programming includes City Council and Planning Commission meetings, “The City Show”, and local events. The City also utilizes a variety of social media platforms to promote local businesses and events. The Lebanon Chamber of Commerce and Main Street Lebanon business associations partner with the City to promote a business-friendly environment.

Residential Housing

Overall, the number of residential permits issued in 2020 (242) increased by 5% percent as compared to 2019 (230). The residential sector continues to see investment in relation to new housing starts, as reflected by new construction permits issued during 2020 for 41 new housing units. The total construction valuation of residential development as reflected in the permit data for 2020 was \$14.65 million which more than doubled compared to 2019.

Commercial and Industrial

Lebanon has experienced sustained growth, both residential and nonresidential, over the past two decades. The City's growth can be attributed to several factors including its ideal location along the I-71 corridor, business-friendly environment, high-quality workforce, excellent school system, and great quality of life.

Lebanon continues to position itself to capitalize on new and emerging business opportunities as the market strengthens through long term investments in land and infrastructure. Lebanon maintains a strategic focus to leverage available economic development inducement programs to recruit new businesses and industry. The City has used economic development incentives to attract new business and to assist existing business expansions. TIFs have been successfully used as a mechanism to provide a funding source for public infrastructure improvements needed to provide access to undeveloped sites or to improve existing infrastructure to accommodate new development.

City Council and the administration management will continue to closely monitor the regional and local economy for impacts on Lebanon's financial position. The existing tax base, along with continued proactive development efforts, will not only allow the City to remain financially strong, but will strengthen its financial position in the future.

In recent years the City has consistently attracted new investment into the community. The City had quality growth in both the industrial and commercial sectors. These sectors continue to experience new development and investment. The commercial sector has also seen expansion in terms of new construction, and more importantly adaptive reuse of existing facilities. The growth in both sectors is encouraging and created significant momentum heading into 2021.

The following are notable Economic Development projects from 2020:

Traditions of Lebanon

Construction began on an 18 acre site on Neil Armstrong Way and will be completed in 2021. This new senior housing development includes memory care and assisted living units in a single building plus a variety of independent living villas.

Vance Outdoors

The Columbus Ohio based company opened their first location in the Cincinnati region at 930 Columbus Avenue. This 30,000 square foot retail space caters to outdoor sporting enthusiasts and their significant investment will serve as a catalyst to spur growth along the City's Columbus Avenue corridor.

511 North Broadway

Construction began at the luxury apartments and modern retail space to complement the northern gateway into historic Downtown Lebanon. Occupancy of the 28 new townhomes and 88 new apartment units is expected to begin in January of 2022. The project includes 2 new restaurants and streetscape, sidewalk and greenspace improvements along the corridor.

Mulberry Street Entertainment District

The City hosts several large outdoor festivals along Mulberry Street every year. In 2019 the street was reconstructed and all of the utility infrastructure was improved. City Council collaborated with small business owners and business associations to establish the area surrounding Mulberry Street as a Designated Outdoor Refreshment Area (D.O.R.A.) The D.O.R.A. district is scheduled for expansion along the North Broadway corridor in 2021.

Lebanon's positive economic outlook reflects its strong and growing nonresidential tax base. The City continues to attract new business investment into the community while maintaining a focus on business retention and expansion of corporate workforces. In light of the City's reliance on income tax revenues, nonresidential development is critical to funding the services and facilities required by residential growth and is an integral part of the City's quality of life for all residents. The City continues its efforts to improve the mix of residential and nonresidential development, which is crucial to sustaining a diversified tax base. The financial health of the City is a direct result of the strength of the City's corporate investments.

FINANCIAL TRENDS

The City continues to benefit from its location within the Cincinnati – Dayton growth corridor, and has experienced moderate tax base expansion. City government has renewed its focus on the delivery of core services, reduced or eliminated non-essential programs, and increased General Fund reserves. Through the elimination of lower priority programs and the aggressive use of State and federal grants, the City has been able to sustain an effective capital improvement program to address the community's infrastructure improvement requirements. Although the Coronavirus disruption impacted some businesses, the City's 2020 gross earnings tax revenue was only down 1.00% compared to the gross earnings tax revenue collections in 2019. Flexible, targeted budget cuts in 2020 allowed the City to maintain a four year trend of General Fund cash reserve growth. User fees for zoning and permitting, water, sewer, cemetery, parking meters, and emergency medical service runs were all reviewed and increased in 2020.

FINANCIAL PLANNING AND POLICIES

It is the mission of the City to develop, maintain and implement financial accounting policies and procedures and protect and optimize the financial resources of the City. The City provides a sound accounting system for safeguarding the City's assets through the recording and reporting of financial transactions according to mandated laws and guidelines of Federal law, Ohio Revised Code, accounting principles generally accepted in the United States of America (GAAP), and the City of Lebanon Codified Ordinances. The departmental goals are to develop sound fiscal policies, provide solid fiscal management for the City, maintain reserves and fiscal integrity, and protect the assets of the Citizens of Lebanon. The City participates in the State Treasurer's Open Checkbook transparency program.

The City maintained a five-year capital improvement plan which drives the City's annual operating budget; a fiscal policy on cash reserves for the General Fund, the Capital Improvement Fund and the Debt Service Fund; and a conservative investment policy for the safe-guarding of investment income. In 2020 the City began updating its Comprehensive Plan and the process will conclude in 2021. The Comprehensive Plan is a professionally created planning document that will be used as the City's guide for continued growth and sustainability by identifying market trends and resource demands throughout the region.

OTHER INFORMATION

Independent Audit

An audit team from Wilson, Shannon & Snow, Inc. has performed this year's audit. The results of the audit are presented in the Independent Auditor's Report.

AWARDS AND ACKNOWLEDGEMENTS

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 Lebanon for its comprehensive annual financial report for the year ended December 31, 2019. This was the thirty-second consecutive year that the City has received this prestigious award. 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. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is valid for one year. We believe our current report continues to conform to the Certificate of Achievement program requirements; thus, we are submitting it to GFOA for review.

Acknowledgements

A special thanks is extended to our staff for their hard work and dedication in compiling cash reports, accrual information and capital assets information. We also would like to thank the Local Government Services personnel from the Auditor of State's office for their assistance in preparing this report.



Daniel Burke
City Auditor



Amy Brewer
Mayor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Lebanon
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF LEBANON, OHIO
LIST OF PRINCIPAL OFFICIALS
AS OF DECEMBER 31, 2020

ELECTED OFFICIALS

MAYOR

Amy Brewer

VICE MAYOR

Mark Messer

COUNCIL MEMBERS:

Wendy Monroe
Douglas Shope
Krista Wyatt
Adam Mathews
Joe Shafer

APPOINTED OFFICIALS

CITY MANAGER

Scott Brunka

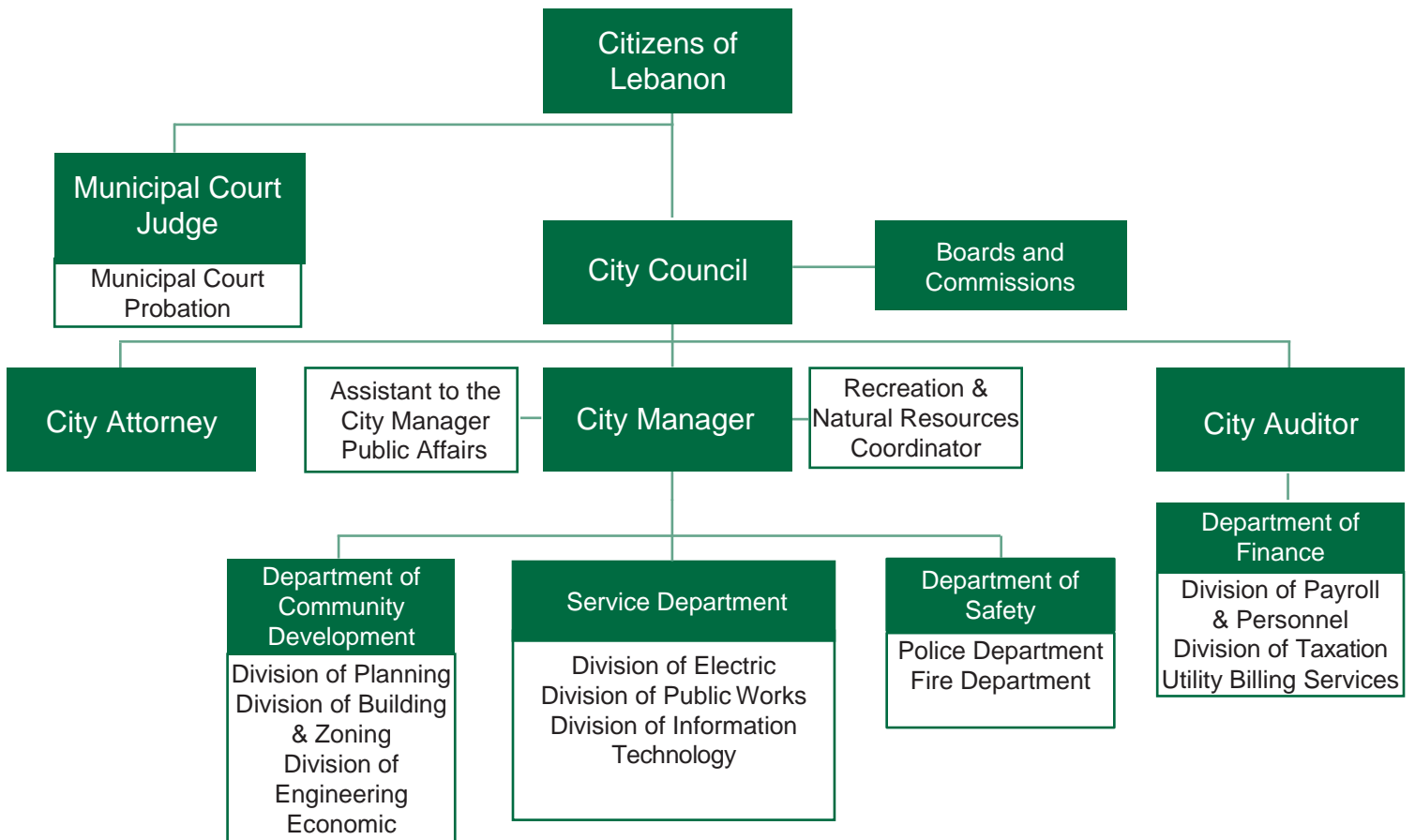
CITY AUDITOR

Dan Burke

CITY ATTORNEY

Mark S. Yurick

City of Lebanon Organizational Chart



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FINANCIAL SECTION

City of Lebanon
Warren County
50 South Broadway
Lebanon, Ohio 45036

INDEPENDENT AUDITOR'S REPORT

To the City Council and Management:

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

Auditor's Responsibility

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

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

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

Opinion

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

Emphasis of Matter

As discussed in Note 25 to the financial statements, during 2020, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

City of Lebanon
Warren County
Independent Auditor's Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2021 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Wilson, Shannon & Sons, Inc.

Newark, Ohio
June 23, 2021

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CITY OF LEBANON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
UNAUDITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the City of Lebanon's (the "City") financial performance provides an overview of the City's financial activities for the year ended December 31, 2020. The intent of this discussion and analysis is to look at the City's financial performance as a whole, and readers are encouraged to review the transmittal letter and the basic financial statements and notes to enhance their understanding of the City's overall financial performance.

FINANCIAL HIGHLIGHTS

The City's total net position increased \$5,973,744. Net position of Governmental Activities decreased \$125,985, and net position of Business-Type Activities increased \$6,099,729.

In accordance with the requirements of GASB Statement 68 and GASB Statement 75, the City was required to report a net pension liability (asset) and a net other post-employment benefit (OPEB) liability. For the reasons discussed below in the Reporting the City as a Whole and detailed in Notes 12 and 13, reporting the net pension liability (asset) and the net OPEB liability causes a significant reduction to the net position of governmental and business-type activities. During 2020, the net pension liability for governmental activities decreased \$3,669,659 and the net OPEB liability increased \$478,697. The net pension liability for business-type activities decreased \$1,035,745, and the net OPEB liability increased \$153,550.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements that are presented to allow readers to understand the City's general financial situation, as well as provide a detailed view of the City's fiscal condition.

The statement of net position and the statement of activities provide information about the activities of the City and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail. For governmental funds, these statements indicate how services were financed in the short-term as well as the amount of funds available for future requirements. 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 THE CITY AS A WHOLE

Statement of Net Position and the Statement of Activities

The analysis of the City as a whole begins with the statement of net position and the statement of activities. These statements provide information that will help the reader to determine if the City is financially stable or if its financial situation has deteriorated from the previous year's activities. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or disbursed.

The purpose of these two statements is to report the City's net position and any changes that have occurred to those net positions. These changes inform the reader whether the City's financial position, as a whole, has changed or diminished. In evaluating the overall financial health, the readers of these financial statements should take into consideration non-financial factors that may impact the City's financial stability. These factors include the City's tax structure, the condition of its infrastructure, as well as other capital asset needs.

In the statement of net position and the statement of activities, the City is divided into two types of activities.

Governmental Activities – These services include police, fire, leisure time services, community and economic development, public health, transportation, and general government.

Business-Type Activities – These services include electric, sanitation, sewer, telecommunications, water and storm water. Service fees for electric, sanitation, sewer and water operations are charged based upon the amounts of usage. The storm water utility service fee is based on a calculation of impervious area for businesses and a flat fee for residential usage which will allow the City to address the backlog of storm water infrastructure requirements to support Ohio Environmental Protection Agency mandates associated with storm water management.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Information about the City's major funds begins on page 13. Fund financial statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants while other funds may be established by Council at the suggestion of the City Manager or City Auditor. These funds help management control, manage, and report money received for a particular purpose or to show that the City is meeting its legal obligations. The City's major funds are General, Fire and Life Squad, Capital Improvement, Electric, Sanitation, Sewer, Telecommunications, Water and Storm Water Utility.

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

City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be expended in the near future on services provided to our residents. The relationship (or differences) between governmental activities that is reported in the statement of net position and the statement of activities is explained in the reconciliations in the governmental fund financial statements.

Enterprise Funds – When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in enterprise funds. Enterprise funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

THE CITY AS A WHOLE

As stated previously, the statement of net position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2020 compared to 2019.

Table 1
Net Position

	Governmental Activities		Business-type Activities		Total		
	2020	2019	2020	2019	2020	2019	Change
Assets:							
Current and Other Assets	\$47,251,032	\$36,495,600	\$60,683,774	\$55,827,125	\$107,934,806	\$92,322,725	\$15,612,081
Capital Assets	56,462,521	57,529,808	95,559,413	94,792,054	152,021,934	152,321,862	(299,928)
<i>Total Assets</i>	<u>103,713,553</u>	<u>94,025,408</u>	<u>156,243,187</u>	<u>150,619,179</u>	<u>259,956,740</u>	<u>244,644,587</u>	<u>15,312,153</u>
<i>Deferred Outflows of Resources</i>							
Deferred Charge on Refunding	22,084	31,686	190,588	229,468	212,672	261,154	(48,482)
Pension	3,928,696	6,882,293	548,889	1,239,540	4,477,585	8,121,833	(3,644,248)
OPEB	2,725,890	2,377,472	357,717	165,042	3,083,607	2,542,514	541,093
<i>Total Deferred Outflows of Resources</i>	<u>6,676,670</u>	<u>9,291,451</u>	<u>1,097,194</u>	<u>1,634,050</u>	<u>7,773,864</u>	<u>10,925,501</u>	<u>(3,151,637)</u>
Liabilities:							
Current and Other Liabilities	3,124,675	2,298,788	1,261,105	1,222,269	4,385,780	3,521,057	864,723
Long-Term Liabilities							
Net Pension Liability	16,275,634	19,945,293	3,011,581	4,047,326	19,287,215	23,992,619	(4,705,404)
Net OPEB Liability	5,556,695	5,077,998	2,074,724	1,921,173	7,631,419	6,999,171	632,248
Other Amounts	15,777,820	8,832,535	13,357,268	14,399,512	29,135,088	23,232,047	5,903,041
<i>Total Liabilities</i>	<u>40,734,824</u>	<u>36,154,614</u>	<u>19,704,678</u>	<u>21,590,280</u>	<u>60,439,502</u>	<u>57,744,894</u>	<u>2,694,608</u>
<i>Deferred Inflows of Resources</i>							
Property Tax	5,389,502	5,317,272	0	0	5,389,502	5,317,272	72,230
Payment in Lieu of Taxes	178,394	368,322	0	0	178,394	368,322	(189,928)
Deferred Charge on Refunding	861	984	0	0	861	984	(123)
Pension	2,524,536	502,095	658,279	75,428	3,182,815	577,523	2,605,292
OPEB	1,134,145	419,626	295,388	5,213	1,429,533	424,839	1,004,694
<i>Total Deferred Inflows of Resources</i>	<u>9,227,438</u>	<u>6,608,299</u>	<u>953,667</u>	<u>80,641</u>	<u>10,181,105</u>	<u>6,688,940</u>	<u>3,492,165</u>
Net Position:							
Net Investment in Capital Assets	48,004,730	49,340,377	82,678,943	80,711,145	130,683,673	130,051,522	632,151
Restricted	7,596,937	6,980,172	1,028,241	1,029,212	8,625,178	8,009,384	615,794
Unrestricted	4,826,294	4,233,397	52,974,853	48,841,951	57,801,147	53,075,348	4,725,799
<i>Total Net Position</i>	<u>\$60,427,961</u>	<u>\$60,553,946</u>	<u>\$136,682,037</u>	<u>\$130,582,308</u>	<u>\$197,109,998</u>	<u>\$191,136,254</u>	<u>\$5,973,744</u>

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2020, and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The City also adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment

benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net pension/OPEB asset and deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that

contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

Total governmental liabilities increased mainly due to the issuance of the general obligated bonds for a new fire house.

Net position of the City's governmental activities decreased \$125,985 from the prior year.

The net position of the City's business-type activities increased \$6,099,729. Unrestricted net position increased \$4,132,902 mainly due to a significant decrease in electrical power usage expense due to a decrease in service demand. The City still strives to control operational expenses for business-type activities in order to maintain stability in charges for services and closely monitors the trends of the growing community in order to adjust for changes in City policy where necessary. City Council and administration are diligent in keeping the City fiscally strong, as indicated by the continued effort to achieve the goals set forth in the City's fiscal policy. The City's administration has developed a strategic planning process that utilizes a five-year capital improvement plan, which drives our operating budget and department superintendents are all involved in the entire process. The City's budget is developed from the bottom up with emphasis on good stewardship of our ratepayers' and taxpayers' money.

Table 2 shows the changes in net position for the years ended December 31, 2020 and 2019.

Table 2
Changes in Net Position

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues:						
Charges for Services and Sales	\$4,783,028	\$4,335,243	\$43,463,128	\$44,782,819	\$48,246,156	\$49,118,062
Operating Grants,						
Contributions and Interest	3,098,784	1,832,845	0	0	3,098,784	1,832,845
Capital Grants,						
Contributions and Interest	1,775,117	2,492,506	95,890	118,609	1,871,007	2,611,115
Total Program Revenues	<u>9,656,929</u>	<u>8,660,594</u>	<u>43,559,018</u>	<u>44,901,428</u>	<u>53,215,947</u>	<u>53,562,022</u>
General Revenues:						
Property Taxes	5,921,407	4,108,281	0	0	5,921,407	4,108,281
Income Taxes	10,113,404	10,580,698	0	0	10,113,404	10,580,698
Other Local Taxes	1,502,883	1,531,496	0	0	1,502,883	1,531,496
Payments in Lieu of Taxes	270,425	1,617,904	0	0	270,425	1,617,904
Grants and Entitlements Not						
Restricted to Specific Programs	461,333	498,567	0	0	461,333	498,567
Investment Earnings	961,344	751,257	393,571	852,746	1,354,915	1,604,003
Other	670,490	275,323	258,855	253,024	929,345	528,347
Total General Revenues	<u>19,901,286</u>	<u>19,363,526</u>	<u>652,426</u>	<u>1,105,770</u>	<u>20,553,712</u>	<u>20,469,296</u>
Total Revenues	<u>29,558,215</u>	<u>28,024,120</u>	<u>44,211,444</u>	<u>46,007,198</u>	<u>73,769,659</u>	<u>74,031,318</u>
Program Expenses:						
General Government						
Primary Government	5,807,787	5,389,856	0	0	5,807,787	5,389,856
Intergovernmental	402,687	891,445	0	0	402,687	891,445
Security of Persons and Property:						
Police	5,995,882	1,860,634	0	0	5,995,882	1,860,634
Fire	5,288,833	1,727,750	0	0	5,288,833	1,727,750
Public Health Services	192,502	241,369	0	0	192,502	241,369
Leisure Time Services	1,042,114	1,791,839	0	0	1,042,114	1,791,839
Community and Economic						
Development	1,748,686	1,413,635	0	0	1,748,686	1,413,635
Transportation	7,998,060	4,985,093	0	0	7,998,060	4,985,093
Interest and Fiscal Charges	372,476	206,733	0	0	372,476	206,733
Electric	0	0	28,219,233	28,561,167	28,219,233	28,561,167
Sanitation	0	0	1,771,721	1,755,902	1,771,721	1,755,902
Sewer	0	0	3,611,975	3,556,030	3,611,975	3,556,030
Telecommunications	0	0	49,528	48,610	49,528	48,610
Water	0	0	4,385,121	4,737,953	4,385,121	4,737,953
Storm Water Utility	0	0	909,310	826,067	909,310	826,067
Total Expenses	<u>28,849,027</u>	<u>18,508,354</u>	<u>38,946,888</u>	<u>39,485,729</u>	<u>67,795,915</u>	<u>57,994,083</u>
Change in Net Position						
Before Transfers	709,188	9,515,766	5,264,556	6,521,469	5,973,744	16,037,235
Transfers	(835,173)	(142,961)	835,173	142,961	0	0
Change in Net Position	<u>(125,985)</u>	<u>9,372,805</u>	<u>6,099,729</u>	<u>6,664,430</u>	<u>\$5,973,744</u>	<u>\$16,037,235</u>
Net Position, January 1	<u>60,553,946</u>	<u>51,181,141</u>	<u>130,582,308</u>	<u>123,917,878</u>		
Net Position, December 31	<u>\$60,427,961</u>	<u>\$60,553,946</u>	<u>\$136,682,037</u>	<u>\$130,582,308</u>		

Governmental Activities

The City’s income tax was established in 1970 at a rate of one percent. The rate has not been increased even though this rate is much lower than the State average for municipalities. The City provides tax relief for taxes paid to another municipality. However, in 2017, the City decreased the tax relief from a full tax credit by 0.5 percent. The City’s income tax is the largest source of revenue for the City’s General Fund, Debt Service Fund, and Capital Improvement Fund. The City has mandatory filing for all residents that work regardless of their age. The revenues are allocated in the following manner: 58 percent General Fund, 36 percent Capital Improvement Fund, and 6 percent to the Debt Service Fund. This allocation begins after administration costs for the Division of Taxation have been obtained for the current operating year.

Table 3
Governmental Activities

	Total Cost of Services 2020	Net Cost of Services 2020	Total Cost of Services 2019	Net Cost of Services 2019
General Government				
Primary Government	\$5,807,787	\$4,176,978	\$5,389,856	\$4,252,794
Intergovernmental	402,687	81,553	891,445	891,445
Security of Persons and Property:				
Police	5,995,882	4,219,696	1,860,634	605,414
Fire	5,288,833	4,074,906	1,727,750	723,186
Public Health Services	192,502	44,950	241,369	79,454
Leisure Time Services	1,042,114	(98,530)	1,791,839	645,803
Community and				
Economic Development	1,748,686	1,288,372	1,413,635	1,156,130
Transportation	7,998,060	5,031,697	4,985,093	1,286,801
Interest and Fiscal Charges	372,476	372,476	206,733	206,733
Total Expenses	<u>\$28,849,027</u>	<u>\$19,192,098</u>	<u>\$18,508,354</u>	<u>\$9,847,760</u>

When looking at the sources of income to support governmental activities, it should be noted that total program revenues are 32.6 percent of total revenues. The remaining revenues are primarily generated locally through property taxes, City income taxes, State distributions, grants and other miscellaneous income. City Council relies on these taxes and grants to furnish the quality of life to businesses and citizens to which they have always been committed.

Overall, the City’s governmental expenses increased \$10,340,673 from the prior year. Security of persons and property expenses increased \$7,696,331. For 2019, OP&F recognized a change in benefit terms for their OPEB plans. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years. These changes contributed to OP&F OPEB expense decreasing from \$628,200 in 2018 to a negative OPEB expense of \$6,423,850 for 2019. OP&F OPEB expense has now recovered and is \$376,183 for 2020.

Business-Type Activities

The City’s business-type activities include Electric, Sanitation, Sewer, Telecommunications, Water, and Storm Water Utility operations.

Electric operations generate fees associated with the sale and delivery of electricity within Lebanon. Various electric service charges, not associated with the sale and delivery of electricity, are also generated by these operations. The fees collected are then used to purchase power, maintain and operate the electric generation, transmission, and distribution systems of the City, fund capital improvement projects and pay off debt service. Electric operating revenues decreased \$2,344,024, as operating expenses decreased \$358,211. The primary cause of the overall decrease was due to the decrease in purchased power expenses related to a decrease in service demand in 2020.

Sanitation operations generate fees from citizens for the collection of residential garbage. The City outsources the actual collection by bidding the contract for services every three years. Revenues exceeded expenses causing an overall increase in net position for 2020 of \$155,258.

Sewer operations provide the City's wastewater collection and treatment system; this includes the Regional Wastewater Treatment Facility. Money that is collected from the fees that are billed, based upon number of gallons of water used, are used in the maintenance of the collection system, improvements to the Treatment Plant, and the payment of the debt incurred for the expansion of the facility. An important aspect of this fund's mission is to maintain the quality of the environment. As such, it is the policy of City Council, carried out by this operation, that all Ohio Environmental Protection Agency standards be met or exceeded. Sewer operating revenues increased \$306,177, and operating expenses increased \$163,391. The City continues to monitor the costs associated with wastewater treatment. The City Wastewater Department has a track record of receiving the National Associations of Clear Water Agencies Silver Award, given to facilities that have less than five National Pollutant Discharge Elimination System violations in a calendar year.

The Telecommunications Fund accounts for charges collected and utilized for the operation of the community access cable channel. For 2020, the net position of this fund decreased \$19,349.

Water operations generate the fees charged for the sale of water within Lebanon and in several subdivisions in Turtlecreek and Union Townships. Those fees are then used to maintain lines for delivery and to treat water for further consumption. The City Council adopted legislation in 2009 to build a connection and begin purchasing water from the Greater Cincinnati Water Works in 2013. The City maintains four water towers within its jurisdiction and will continue to service all its infrastructure needs for distribution. This fund's mission from City Council is to maintain a high level of service while meeting all applicable Ohio Environmental Protection Agency standards. Water operating revenues increased \$482,335, and operating expenses increased \$137,383.

Storm Water Utility operations manage the backlog of storm water infrastructure requirements, as well as to provide a funding mechanism to support unfunded Ohio Environmental Protection Agency mandates associated with storm water management. Each residential dwelling unit is billed at a flat fee of \$3.50 per month. For all other nonresidential properties, the rate is computed based on total impervious area of property divided by the average impervious area of an equivalent residential unit. In conjunction with the implementation of the Storm Water Utility, the City is programmed to take over responsibility for the repair and replacement of defective curbs and gutters along public streets. Storm Water Utility operating revenues increased \$96,593 from 2019, and operating expenses increased \$79,468.

THE CITY'S FUNDS

Information about the City's governmental funds begins on page 20. These funds are reported using the modified accrual basis of accounting. All governmental funds had total revenues of \$28,585,256 and expenditures of \$27,396,378. The General Fund balance increased \$3,002,012, which is mainly due a decrease in expenses from the local coronavirus money offsetting some of the expenditures throughout the year.

Lebanon continues to position itself to capitalize on new and emerging business opportunities as the market strengthens through long term investments in land and infrastructure. Lebanon continues to leverage available economic development inducement programs to recruit new businesses and industry. The City's economic strengths come from within the community. The business-friendly environment, high-quality workforce, excellent school system, and great quality of life that have become synonymous with Lebanon will continue to drive our success in 2020.

The Fire and Life Squad Fund balance increased \$7,064,315. The Fire department operates on monies from its 7.0 mill levy, which has allowed the Fire Department to operate two facilities, including additional staff requirements. Lebanon Fire Division hosts two stations: one on Silver Street in Lebanon's central business district, while the other station is located near State Route 48 close to Interstate I-71 and the surrounding industrial parks. The fund balance increased due to the issuance of the general obligated bonds for a new fire house building.

The Capital Improvement Fund balance decreased \$890,637. Intergovernmental revenue decreased mainly due to the City receiving less OPWC grants during the year related to capital projects.

General Fund Budgeting Highlights

The City's budget is prepared according to the provision of the City Charter and State law and is based on accounting for certain transactions on a basis of receipts, disbursements, and encumbrances. The City's budget is adopted on an object level basis by City Council in the form of an Appropriation Ordinance. It is the mission of this City to enhance the quality of life in our community by providing high quality and cost effective services, while maintaining the public trust through sound stewardship of our resources.

Original General Fund budgeted revenues and other financing sources were \$13,499,960. Final General Fund budgeted revenues and other financing sources were \$14,858,236. The variance between original and final budgeted revenues and other financing sources was \$1,358,276. This was primarily due to an increase in transfers in that were not originally anticipated. Actual revenues and other financing sources were \$839,361 less than final budgeted revenues and other financing sources. Original appropriations and other financing uses were \$13,672,942, and final appropriations and other financing uses were \$14,912,221. The variance between original and final appropriations and other financing uses was \$1,239,279. Actual expenditures and other financing uses were \$2,881,836 less than final appropriations. This is mainly attributed to careful cost containment by the City.

CAPITAL ASSETS

Table 4 presents the net book value of the City's capital assets for governmental and business-type activities for 2020 compared to 2019:

Table 4
Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$15,445,201	\$15,585,023	\$3,067,140	\$3,067,140	\$18,512,341	\$18,652,163
Construction in Progress	2,337,987	4,226,017	1,120,208	3,027,608	3,458,195	7,253,625
Land Improvements	1,087,333	1,168,375	0	0	1,087,333	1,168,375
Buildings and Improvements	5,750,453	5,979,575	11,010,991	10,172,535	16,761,444	16,152,110
Equipment	1,009,356	821,097	1,277,148	1,307,758	2,286,504	2,128,855
Vehicles	3,261,829	2,875,889	1,614,613	1,560,036	4,876,442	4,435,925
Infrastructure	27,570,362	26,873,832	77,469,313	75,656,977	105,039,675	102,530,809
Totals	<u>\$56,462,521</u>	<u>\$57,529,808</u>	<u>\$95,559,413</u>	<u>\$94,792,054</u>	<u>\$152,021,934</u>	<u>\$152,321,862</u>

Administration and Council have a quality of life commitment to the citizens and businesses located in the City of Lebanon. Lebanon has continued an aggressive roadway reconstruction program to address its roadway improvement needs.

For more information on capital assets, refer to Note 10 of the notes to the basic financial statements.

DEBT

Table 5 summarizes bonds and notes outstanding at December 31, 2020 and 2019:

Table 5
Outstanding Long-Term Debt at Year-End

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds	\$13,616,618	\$6,837,204	\$2,965,000	\$3,620,000	\$16,581,618	\$10,457,204
Police Pension - Specific Liability	13,565	14,233	0	0	13,565	14,233
Mortgage Revenue Bonds	0	0	10,007,813	10,463,768	10,007,813	10,463,768
Ohio Department of Transportation SIB Loan	302,000	302,000	0	0	302,000	302,000
	<u>\$13,932,183</u>	<u>\$7,153,437</u>	<u>\$12,972,813</u>	<u>\$14,083,768</u>	<u>\$26,904,996</u>	<u>\$21,237,205</u>

General obligation bond issues will be paid through the Debt Service Fund with income tax revenues and the Tax Increment Financing Fund with payment in lieu of taxes or the sewer fund with charges for services. The police pension specific liability will be paid from the General Fund from general property tax revenue. The mortgage revenue bonds will be paid from the water fund. The City's other long-term obligations include compensated absences and the net pension/OPEB liability.

As of December 31, 2020, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$53,143,022, and the unvoted debt margin was \$27,836,821. For more information regarding long-term obligations and short-term bond anticipation notes, refer to Note 17 of the notes to the basic financial statements.

CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the City Auditor, 50 South Broadway, Lebanon, Ohio 45036.

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CITY OF LEBANON, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Governmental Activities	Business-Type Activities	Totals
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$34,440,305	\$49,147,701	\$83,588,006
Accounts Receivable, Net	0	7,196,849	7,196,849
Intergovernmental Receivable	2,456,714	114,510	2,571,224
Accrued Interest Receivable	83,113	61,483	144,596
Prepaid Items	156,836	59,887	216,723
Internal Balances	(615,538)	615,538	0
Materials and Supplies Inventory	283,173	2,579,915	2,863,088
Income Taxes Receivable	4,096,359	0	4,096,359
Property Taxes Receivable	5,731,276	0	5,731,276
Other Local Taxes Receivable	4,604	0	4,604
Payment in Lieu of Taxes Receivable	178,394	0	178,394
Special Assessments Receivable	344,607	0	344,607
Cash and Cash Equivalents with Fiscal Agents	0	860,912	860,912
Net Pension Asset	91,189	46,979	138,168
Nondepreciable Capital Assets	17,783,188	4,187,348	21,970,536
Depreciable Capital Assets, Net	38,679,333	91,372,065	130,051,398
Total Assets	103,713,553	156,243,187	259,956,740
Deferred Outflows of Resources:			
Deferred Charge on Refunding	22,084	190,588	212,672
Pension	3,928,696	548,889	4,477,585
OPEB	2,725,890	357,717	3,083,607
Total Deferred Outflows of Resources:	6,676,670	1,097,194	7,773,864
Liabilities:			
Accounts Payable	170,604	263,057	433,661
Accrued Wages Payable	449,602	114,482	564,084
Intergovernmental Payable	370,765	81,548	452,313
Contracts Payable	804,307	155,383	959,690
Retainage Payable	197,123	3,736	200,859
Accrued Interest Payable	30,038	37,688	67,726
Claims Payable	216,105	0	216,105
Unearned Revenue	82,651	0	82,651
Notes Payable	803,480	0	803,480
Refundable Deposits	0	605,211	605,211
Long-Term Liabilities:			
Due Within One Year	1,834,693	1,206,861	3,041,554
Due in More Than One Year:			
Net Pension Liability (See Note 12)	16,275,634	3,011,581	19,287,215
Net OPEB Liability (See Note 13)	5,556,695	2,074,723	7,631,418
Other Amounts	13,943,127	12,150,407	26,093,534
Total Liabilities	40,734,824	19,704,677	60,439,501
Deferred Inflows of Resources:			
Property Taxes	5,389,502	0	5,389,502
Payment in Lieu of Taxes	178,394	0	178,394
Deferred Charge on Refunding	861	0	861
Pension	2,524,536	658,279	3,182,815
OPEB	1,134,145	295,388	1,429,533
Total Deferred Inflows of Resources	9,227,438	953,667	10,181,105
Net Position:			
Net Investment in Capital Assets	48,004,730	82,678,943	130,683,673
Restricted for:			
Debt Service	7,370	828,241	835,611
Capital Outlay	974,394	0	974,394
Security of Persons and Property	3,363,728	0	3,363,728
Public Health Services	983,744	0	983,744
Community and Economic Development	22,313	0	22,313
Transportation	2,245,388	0	2,245,388
Revenue Bonds Replacement and Improvement	0	200,000	200,000
Unrestricted	4,826,294	52,974,853	57,801,147
Total Net Position	\$60,427,961	\$136,682,037	\$197,109,998

See Accompanying Notes to the Basic Financial Statements

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

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
Governmental Activities:				
General Government:				
Primary Government	\$5,807,787	\$1,494,913	\$135,896	\$0
Intergovernmental	402,687	0	321,134	0
Security of Persons and Property:				
Police	5,995,882	1,245,706	530,480	0
Fire	5,288,833	578,741	635,186	0
Public Health Services	192,502	137,378	504	9,670
Leisure Time Services	1,042,114	676,258	39,663	424,723
Community and Economic Development	1,748,686	316,095	144,219	0
Transportation	7,998,060	333,937	1,291,702	1,340,724
Interest and Fiscal Charges	372,476	0	0	0
Total Governmental Activities	<u>28,849,027</u>	<u>4,783,028</u>	<u>3,098,784</u>	<u>1,775,117</u>
Business-Type Activities:				
Electric	28,219,233	31,128,666	0	95,890
Sanitation	1,771,721	1,908,450	0	0
Sewer	3,611,975	4,122,001	0	0
Telecommunications	49,528	25,405	0	0
Water	4,385,121	5,284,141	0	0
Storm Water Utility	909,310	994,465	0	0
Total Business-Type Activities	<u>38,946,888</u>	<u>43,463,128</u>	<u>0</u>	<u>95,890</u>
Total Activities	<u>\$67,795,915</u>	<u>\$48,246,156</u>	<u>\$3,098,784</u>	<u>\$1,871,007</u>

General Revenues and Transfers:

Taxes:

Property Taxes:

 General Purposes

 Fire and Life Squad

Income Taxes

Other Local Taxes

Payments in Lieu of Taxes

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Other

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
(\$4,176,978)	\$0	(\$4,176,978)
(81,553)	0	(81,553)
(4,219,696)	0	(4,219,696)
(4,074,906)	0	(4,074,906)
(44,950)	0	(44,950)
98,530	0	98,530
(1,288,372)	0	(1,288,372)
(5,031,697)	0	(5,031,697)
(372,476)	0	(372,476)
<u>(19,192,098)</u>	<u>0</u>	<u>(19,192,098)</u>
0	3,005,323	3,005,323
0	136,729	136,729
0	510,026	510,026
0	(24,123)	(24,123)
0	899,020	899,020
0	85,155	85,155
<u>0</u>	<u>4,612,130</u>	<u>4,612,130</u>
<u>(19,192,098)</u>	<u>4,612,130</u>	<u>(14,579,968)</u>
1,298,119	0	1,298,119
4,623,288	0	4,623,288
10,113,404	0	10,113,404
1,502,883	0	1,502,883
270,425	0	270,425
461,333	0	461,333
961,344	393,571	1,354,915
670,490	258,855	929,345
(835,173)	835,173	0
<u>19,066,113</u>	<u>1,487,599</u>	<u>20,553,712</u>
(125,985)	6,099,729	5,973,744
<u>60,553,946</u>	<u>130,582,308</u>	<u>191,136,254</u>
<u>\$60,427,961</u>	<u>\$136,682,037</u>	<u>\$197,109,998</u>

**CITY OF LEBANON, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General Fund	Fire and Life Squad Fund	Capital Improvement Fund
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$11,472,121	\$8,883,069	\$2,239,640
Materials and Supplies Inventory	30,741	0	0
Prepaid Items	102,706	27,047	2,026
Income Taxes Receivable	2,547,028	0	1,246,200
Property Taxes Receivable	1,263,989	4,467,287	0
Other Local Taxes Receivable	4,604	0	0
Payment in Lieu of Taxes Receivable	0	0	0
Accrued Interest Receivable	65,473	0	7,331
Intergovernmental Receivable	238,455	227,227	1,389,303
Special Assessments Receivable	0	0	344,607
Advances to Other Funds	35,683	0	0
Total Assets	\$15,760,800	\$13,604,630	\$5,229,107
Liabilities:			
Accounts Payable	\$85,002	\$49,253	\$18,100
Accrued Wages Payable	298,886	122,903	0
Contracts Payable	88,120	588,249	86,587
Intergovernmental Payable	162,391	38,200	80,703
Accrued Interest Payable	0	1,903	0
Retainage Payable	852	14,722	128,339
Unearned Revenue	0	0	0
Notes Payable	0	803,480	0
Interfund Payable	312,500	0	0
Advances From Other Funds	0	0	0
Total Liabilities	947,751	1,618,710	313,729
Deferred Inflows of Resources:			
Property Taxes	1,185,599	4,203,903	0
Payment in Lieu of Taxes	0	0	0
Unavailable Revenue	1,994,028	490,611	2,874,534
Total Deferred Inflows of Resources	3,179,627	4,694,514	2,874,534
Fund Balances:			
Nonspendable	133,447	27,047	2,026
Restricted	0	7,264,359	0
Committed	0	0	2,038,818
Assigned	4,521,506	0	0
Unassigned	6,978,469	0	0
Total Fund Balances	11,633,422	7,291,406	2,040,844
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$15,760,800	\$13,604,630	\$5,229,107

See Accompanying Notes to the Basic Financial Statements

Nonmajor Governmental Funds	Total Governmental Funds
\$10,314,525	\$32,909,355
191,052	221,793
17,076	148,855
303,131	4,096,359
0	5,731,276
0	4,604
178,394	178,394
8,328	81,132
601,729	2,456,714
0	344,607
0	35,683
<u>\$11,614,235</u>	<u>\$46,208,772</u>
\$15,220	\$167,575
19,439	441,228
41,351	804,307
84,388	365,682
0	1,903
53,210	197,123
82,651	82,651
0	803,480
0	312,500
35,683	35,683
<u>331,942</u>	<u>3,212,132</u>
0	5,389,502
178,394	178,394
776,266	6,135,439
<u>954,660</u>	<u>11,703,335</u>
208,128	370,648
4,278,011	11,542,370
5,841,494	7,880,312
0	4,521,506
0	6,978,469
<u>10,327,633</u>	<u>31,293,305</u>
<u>\$11,614,235</u>	<u>\$46,208,772</u>

**CITY OF LEBANON, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2020**

Total Governmental Fund Balances \$31,293,305

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	15,445,201	
Construction in Progress	2,337,987	
Other Capital Assets	21,113,297	
Infrastructure	81,244,780	
Accumulated Depreciation	<u>(63,678,744)</u>	
Total Capital Assets		56,462,521

Internal service funds are used by management to charge the costs of insurance and automotive maintenance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.

Net Position	1,147,001	
Net Pension Asset	(2,763)	
Capital Assets	(116,781)	
Deferred Outflows - Pension	(32,289)	
Deferred Outflows - OPEB	(21,042)	
Deferred Inflows - Pension	38,722	
Deferred Inflows - OPEB	17,376	
Net Pension Liability	177,154	
Net OPEB Liability	122,042	
Compensated Absences	<u>40,281</u>	
Total		1,369,701

Adjustment to reflect the consolidation of internal service fund activities related to enterprise activity. (303,038)

Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:

Income Taxes	3,067,006	
Property Taxes	341,774	
Interest Revenue	64,542	
Intergovernmental	2,309,449	
Special Assessments	344,607	
Charges for Services	<u>8,061</u>	
Total		6,135,439

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (28,135)

Deferred Outflows/Inflows of Resources represent deferred charges on refundings which do not provide current financial resources and therefore are not reported in the funds.

Deferred Loss	22,084	
Deferred Gain	<u>(861)</u>	
		\$21,223

(continued)

CITY OF LEBANON, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2020
(continued)

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

Net Pension Asset	\$91,189	
Deferred Outflows - Pension	3,928,696	
Deferred Outflows - OPEB	2,725,890	
Net Pension Liability	(16,275,634)	
Net OPEB Liability	(5,556,695)	
Deferred Inflows - Pension	(2,524,536)	
Deferred Inflows - OPEB	(1,134,145)	
Total		(18,745,235)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Premium on Bonds	(653,185)	
Bonds	(12,963,433)	
Loans	(302,000)	
Police Pension-Specific Liability	(13,565)	
Compensated Absences	(1,845,637)	
Total Liabilities		(15,777,820)
Net Position of Governmental Activities		<u>\$60,427,961</u>

See Accompanying Notes to the Basic Financial Statements

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

	General Fund	Fire and Life Squad Fund	Capital Improvement Fund
Revenues:			
Property Taxes	\$1,260,312	\$4,458,569	\$0
Income Taxes	6,034,529	0	3,747,144
Other Local Taxes	1,502,883	0	0
Payments in Lieu of Taxes	0	0	0
Special Assessments	0	0	89,828
Charges for Services	2,725,904	578,741	0
Fines, Licenses and Permits	841,283	0	0
Intergovernmental	900,217	17,484	318,167
Interest	794,325	0	150,269
Contributions and Donations	1,000	0	0
Other	399,473	131,454	115,520
Total Revenues	14,459,926	5,186,248	4,420,928
Expenditures:			
Current:			
General Government	4,961,246	0	24,404
Security of Persons and Property:			
Police	4,247,820	0	0
Fire	0	4,046,781	0
Public Health Services	0	0	0
Leisure Time Services	725,078	0	0
Community and Economic Development	1,186,552	0	0
Transportation	0	0	2,505,443
Intergovernmental	0	0	0
Capital Outlay	852	1,477,215	1,152,804
Debt Service:			
Principal Retirement	668	0	0
Interest and Fiscal Charges	598	153,592	0
Total Expenditures	11,122,814	5,677,588	3,682,651
Excess of Revenues Over (Under) Expenditures	3,337,112	(491,340)	738,277
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	44,900	67,025	71,086
Transfers In	0	0	300,000
Transfers Out	(380,000)	0	(2,000,000)
Bonds Issued	0	7,350,000	0
Premium on Debt Issued	0	138,630	0
Total Other Financing Sources (Uses)	(335,100)	7,555,655	(1,628,914)
Net Change in Fund Balances	3,002,012	7,064,315	(890,637)
Fund Balances at Beginning of Year	8,631,410	227,091	2,931,481
Fund Balances at End of Year	\$11,633,422	\$7,291,406	\$2,040,844

See Accompanying Notes to the Basic Financial Statements

Nonmajor Governmental Funds	Total Governmental Funds
\$0	\$5,718,881
674,152	10,455,825
0	1,502,883
270,425	270,425
0	89,828
153,588	3,458,233
342,859	1,184,142
2,991,808	4,227,676
61,279	1,005,873
0	1,000
24,043	670,490
<u>4,518,154</u>	<u>28,585,256</u>
165,697	5,151,347
576,241	4,824,061
411,149	4,457,930
140,509	140,509
95,524	820,602
236,723	1,423,275
1,571,973	4,077,416
402,687	402,687
2,056,564	4,687,435
1,030,000	1,030,668
226,258	380,448
<u>6,913,325</u>	<u>27,396,378</u>
<u>(2,395,171)</u>	<u>1,188,878</u>
0	183,011
2,080,000	2,380,000
0	(2,380,000)
0	7,350,000
352,212	490,842
<u>2,432,212</u>	<u>8,023,853</u>
37,041	9,212,731
<u>10,290,592</u>	<u>22,080,574</u>
<u><u>\$10,327,633</u></u>	<u><u>\$31,293,305</u></u>

**CITY OF LEBANON, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Net Change in Fund Balances - Total Governmental Funds \$9,212,731

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense and donated assets are reported as revenue. In the current period, these amounts are:

Capital Asset Additions	4,687,435	
Current Year Depreciation	<u>(4,540,607)</u>	
Excess of Capital Outlay over Depreciation Expense		146,828

When capital assets are disposed of, the cost of the capital assets is removed from the capital asset account in the statement of net position resulting in a gain/loss on sale of capital assets in the statement of activities.

Proceeds from Sale of Capital Assets	(183,011)	
Loss on Sale of Capital Assets	<u>(195,931)</u>	
Total		(378,942)

Assets transferred from governmental activities during the year to enterprise funds (835,173)

Because some revenues will not be collected for several months after the City's year end, they are not considered "available" revenues and are deferred in the governmental funds.

Property Taxes	202,526	
Income Taxes	(342,421)	
Special Assessments	50,629	
Charges for Services	196	
Intergovernmental	1,086,597	
Interest	<u>(6,185)</u>	
Total		991,342

Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Bond Principal Retirement	1,030,000	
Police Pension Principal Retirement	<u>668</u>	
Total Long-Term Obligation Repayment		1,030,668

In the statement of activities, interest accrued on outstanding bonds and bond accretion, bond premium, bond issuance costs and gain/loss on refunding are amortized over the terms of the bonds, whereas in the governmental funds, the expenditure is reported when the bonds are issued.

Accretion on Bonds	(1,185)	
Amortization of Bond Premium	32,613	
Amortization of Loss/Gain on Refunding	(9,479)	
Accrued Interest	<u>(13,977)</u>	
Total		7,972

Debt Proceeds are reported as other financing sources in governmental funds and thus contribute to the change in fund balances. In the government-wide statements, however issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities.

Bond Proceeds	(7,350,000)	
Premium on Bonds	<u>(490,842)</u>	
Total		(\$7,840,842)

(continued)

CITY OF LEBANON, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

(continued)

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

Pension	\$1,379,068	
OPEB	20,678	
Total	<u>1,399,746</u>	1,399,746

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

Pension	(2,652,930)	
OPEB	(865,474)	
Total	<u>(3,518,404)</u>	(3,518,404)

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

Compensated Absences		(166,539)
----------------------	--	-----------

Internal service funds used by management to charge the costs of insurance and automotive maintenance to individuals funds are not reported in the entity-wide statement of activities. The net income of the internal service funds is reported with governmental activities, net of the adjustment to reflect the consolidation of internal service fund activities related to business type activities.

Change in Net Position	(389,353)	
Depreciation of Capital Assets	14,485	
Loss on Sale of Capital Assets	64,666	
Contractually Required Contributions for Pension	(18,431)	
Contractually Required Contributions for OPEB	(59)	
Pension Expense	31,434	
OPEB Expense	14,825	
Increase in Compensated Absences	2,195	
Adjustment to Business Type Activities	104,866	
Total	<u>(175,372)</u>	(175,372)

Change in Net Position of Governmental Activities (\$125,985)

See Accompanying Notes to the Basic Financial Statements

CITY OF LEBANON, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues:				
Property Taxes	\$1,308,000	\$1,260,312	\$1,260,312	\$0
Income Taxes	6,028,800	5,986,902	5,986,902	0
Other Local Taxes	1,533,000	1,502,048	1,502,048	0
Charges for Services	3,041,900	2,725,904	2,725,904	0
Fines, Licenses and Permits	614,200	855,257	855,257	0
Intergovernmental	379,300	893,078	893,078	0
Interest	329,560	225,001	225,001	0
Contributions and Donations	3,000	1,000	1,000	0
Other	262,200	524,471	524,473	2
Total Revenues	13,499,960	13,973,973	13,973,975	2
Expenditures:				
Current:				
General Government	4,954,840	5,625,140	4,992,402	632,738
Security of Persons and Property	5,381,396	5,694,754	4,291,781	1,402,973
Leisure Time Services	999,633	1,104,151	914,832	189,319
Community and Economic Development	1,957,073	2,108,176	1,451,370	656,806
Total Expenditures	13,292,942	14,532,221	11,650,385	2,881,836
Excess of Revenues Over (Under) Expenditures	207,018	(558,248)	2,323,590	2,881,838
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	0	44,900	44,900	0
Transfers In	0	839,363	0	(839,363)
Transfers Out	(380,000)	(380,000)	(380,000)	0
Total Other Financing Sources (Uses)	(380,000)	504,263	(335,100)	(839,363)
Net Change in Fund Balance	(172,982)	(53,985)	1,988,490	2,042,475
Fund Balances at Beginning of Year	6,831,806	6,831,806	6,831,806	0
Prior Year Encumbrances Appropriated	212,723	212,723	212,723	0
Fund Balance at End of Year	\$6,871,547	\$6,990,544	\$9,033,019	\$2,042,475

See Accompanying Notes to the Basic Financial Statements

CITY OF LEBANON, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIRE AND LIFE SQUAD SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues:				
Property Taxes	\$4,317,500	\$4,458,569	\$4,458,569	\$0
Charges for Services	500,000	578,741	578,741	0
Intergovernmental	214,350	387,182	387,182	0
Other	40,000	131,454	131,454	0
Total Revenues	<u>5,071,850</u>	<u>5,555,946</u>	<u>5,555,946</u>	<u>0</u>
Expenditures:				
Current:				
Security of Persons and Property	3,892,207	4,331,596	3,470,583	861,013
Capital Outlay	8,385,000	9,091,177	8,450,764	640,413
Debt Service				
Principal Retirement	400,000	1,000,000	1,000,000	0
Interest and Fiscal Charges	259,000	257,730	172,143	85,587
Total Debt Service	<u>659,000</u>	<u>1,257,730</u>	<u>1,172,143</u>	<u>85,587</u>
Total Expenditures	<u>12,936,207</u>	<u>14,680,503</u>	<u>13,093,490</u>	<u>1,587,013</u>
Excess of Revenues Over (Under) Expenditures	<u>(7,864,357)</u>	<u>(9,124,557)</u>	<u>(7,537,544)</u>	<u>1,587,013</u>
Other Financing Sources:				
Proceeds from Sale of Capital Assets	40,000	67,025	67,025	0
Transfers In	0	424,645	0	(424,645)
Bonds Issued	7,350,000	7,350,000	7,350,000	0
Bond Anticipation Notes Issued	900,000	1,400,000	1,400,000	0
Premium on Debt Issued	0	149,330	149,330	0
Total Other Financing Sources	<u>8,290,000</u>	<u>9,391,000</u>	<u>8,966,355</u>	<u>(424,645)</u>
Net Change in Fund Balance	425,643	266,443	1,428,811	1,162,368
Fund Balance at Beginning of Year	271,342	271,342	271,342	0
Prior Year Encumbrances Appropriated	<u>726,680</u>	<u>726,680</u>	<u>726,680</u>	<u>0</u>
Fund Balance at End of Year	<u>\$1,423,665</u>	<u>\$1,264,465</u>	<u>\$2,426,833</u>	<u>\$1,162,368</u>

See Accompanying Notes to the Basic Financial Statements

CITY OF LEBANON, OHIO
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

	Business-Type Activities		
	Electric Fund	Sanitation Fund	Sewer Fund
Assets:			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$34,773,485	\$661,422	\$5,184,906
Accounts Receivable, Net	4,408,309	264,203	470,858
Intergovernmental Receivable	95,890	0	18,620
Accrued Interest Receivable	42,916	1,099	6,926
Prepaid Items	27,721	0	15,282
Materials and Supplies Inventory	2,329,484	0	72,427
Interfund Receivable	28,558	0	0
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Total Current Assets	41,706,363	926,724	5,769,019
Noncurrent Assets:			
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	555,536	0	0
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Net Pension Asset	30,398	0	11,053
Nondepreciable Capital Assets	1,788,459	9,000	728,060
Depreciable Capital Assets, Net	15,968,986	173,228	23,190,434
Total Noncurrent Assets	18,343,379	182,228	23,929,547
Total Assets	60,049,742	1,108,952	29,698,566
Deferred Outflows of Resources:			
Deferred Charge on Refunding	0	0	150,568
Pension	355,163	0	129,151
OPEB	231,461	0	84,170
Total Deferred Outflows of Resources	\$586,624	\$0	\$363,889

See Accompanying Notes to the Basic Financial Statements

Enterprise Funds				Governmental
Telecommunications	Water	Storm Water	Totals	Activities
Fund	Fund	Utility		Internal
		Fund		Service Funds
\$216,230	\$6,858,760	\$647,687	\$48,342,490	\$1,530,950
1,375,000	576,004	102,475	7,196,849	0
0	0	0	114,510	0
0	9,486	1,056	61,483	1,981
2,413	14,471	0	59,887	7,981
0	178,004	0	2,579,915	61,380
312,500	0	0	341,058	0
0	487,672	0	487,672	0
1,906,143	8,124,397	751,218	59,183,864	1,602,292
0	249,675	0	805,211	0
0	373,240	0	373,240	0
0	5,528	0	46,979	2,763
0	1,600,437	61,392	4,187,348	0
16,267	27,494,939	24,528,211	91,372,065	116,781
16,267	29,723,819	24,589,603	96,784,843	119,544
1,922,410	37,848,216	25,340,821	155,968,707	1,721,836
0	40,020	0	190,588	0
0	64,575	0	548,889	32,289
0	42,086	0	357,717	21,042
\$0	\$146,681	\$0	\$1,097,194	\$53,331

(continued)

CITY OF LEBANON, OHIO
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020
(continued)

	Business-Type Activities		
	Electric Fund	Sanitation Fund	Sewer Fund
Liabilities:			
Current Liabilities:			
Accounts Payable	\$76,690	\$125,043	\$36,531
Accrued Wages Payable	76,423	34	22,015
Contracts Payable	121,759	0	2,925
Retainage Payable	3,736	0	0
Intergovernmental Payable	46,577	159	18,616
Accrued Interest Payable	0	0	5,016
Interfund Payable	0	0	26,503
Claims Payable	0	0	0
Compensated Absences Payable	59,765	0	15,397
General Obligation Bonds Payable	0	0	665,000
Mortgage Revenue Bonds Payable	0	0	0
Total Current Liabilities	<u>384,950</u>	<u>125,236</u>	<u>792,003</u>
Long-term Liabilities:			
Refundable Deposits	555,536	0	0
Compensated Absences Payable	222,759	0	28,088
General Obligation Bonds Payable	0	0	2,300,000
Mortgage Revenue Bonds Payable	0	0	0
Net Pension Liability	1,948,671	0	708,606
Net OPEB Liability	1,342,468	0	488,171
Total Long-term Liabilities	<u>4,069,434</u>	<u>0</u>	<u>3,524,865</u>
Total Liabilities	<u>4,454,384</u>	<u>125,236</u>	<u>4,316,868</u>
Deferred Inflows of Resources:			
Pension	425,944	0	154,890
OPEB	191,133	0	69,503
Total Deferred Inflows of Resources	<u>617,077</u>	<u>0</u>	<u>224,393</u>
Net Position:			
Net Investment in Capital Assets	17,662,125	182,228	21,101,137
Restricted for:			
Debt Service	0	0	0
Revenue Bonds			
Replacement and Improvement	0	0	0
Unrestricted	<u>37,902,780</u>	<u>801,488</u>	<u>4,420,057</u>
Total Net Position	<u>\$55,564,905</u>	<u>\$983,716</u>	<u>\$25,521,194</u>

Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds
Net Position of Business-Type Activities

See Accompanying Notes to the Basic Financial Statements

Enterprise Funds				Governmental
Telecommunications	Water	Storm Water	Totals	Activities
Fund	Fund	Utility		Internal
		Fund		Service Funds
\$765	\$23,806	\$222	\$263,057	\$3,029
983	9,769	5,258	114,482	8,374
0	0	30,699	155,383	0
0	0	0	3,736	0
602	11,264	4,330	81,548	5,083
0	32,672	0	37,688	0
0	2,055	0	28,558	0
0	0	0	0	216,105
1,427	7,451	2,821	86,861	7,957
0	0	0	665,000	0
0	455,000	0	455,000	0
<u>3,777</u>	<u>542,017</u>	<u>43,330</u>	<u>1,891,313</u>	<u>240,548</u>
0	49,675	0	605,211	0
6,938	25,896	13,913	297,594	32,324
0	0	0	2,300,000	0
0	9,552,813	0	9,552,813	0
0	354,304	0	3,011,581	177,154
0	244,084	0	2,074,723	122,042
<u>6,938</u>	<u>10,226,772</u>	<u>13,913</u>	<u>17,841,922</u>	<u>331,520</u>
<u>10,715</u>	<u>10,768,789</u>	<u>57,243</u>	<u>19,733,235</u>	<u>572,068</u>
0	77,445	0	658,279	38,722
0	34,752	0	295,388	17,376
<u>0</u>	<u>112,197</u>	<u>0</u>	<u>953,667</u>	<u>56,098</u>
16,267	19,127,583	24,589,603	82,678,943	116,781
0	828,241	0	828,241	0
0	200,000	0	200,000	0
1,895,428	6,958,087	693,975	52,671,815	1,030,220
<u>\$1,911,695</u>	<u>\$27,113,911</u>	<u>\$25,283,578</u>	<u>136,378,999</u>	<u>\$1,147,001</u>
			<u>303,038</u>	
			<u>\$136,682,037</u>	

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

	Business-Type Activities		
	Electric Fund	Sanitation Fund	Sewer Fund
Operating Revenues:			
Charges for Services and Sales	\$31,128,666	\$1,908,450	\$4,122,001
Other	175,934	4,713	27,068
Total Operating Revenues	<u>31,304,600</u>	<u>1,913,163</u>	<u>4,149,069</u>
Operating Expenses:			
Personal Services	2,470,371	111,917	732,446
Contractual Services	1,416,940	1,640,050	1,493,904
Purchased Power	22,349,593	0	0
Supplies and Materials	684,173	0	38,039
Claims	0	0	0
Depreciation	1,245,167	15,748	1,223,382
Other	1,086	0	102
Total Operating Expenses	<u>28,167,330</u>	<u>1,767,715</u>	<u>3,487,873</u>
Operating Income (Loss)	<u>3,137,270</u>	<u>145,448</u>	<u>661,196</u>
Non-Operating Revenues (Expenses):			
Interest	276,002	9,810	38,324
Other Non-Operating Revenues	27,749	0	0
Interest and Fiscal Charges	0	0	(101,838)
Loss on Sale of Capital Assets	0	0	0
Total Non-Operating Revenues (Expenses)	<u>303,751</u>	<u>9,810</u>	<u>(63,514)</u>
Income (Loss) Before Capital Contributions and Transfers	3,441,021	155,258	597,682
Capital Contributions from Other Funds	0	0	0
Capital Contributions from Other Governments	95,890	0	0
Transfer Out	0	0	(405,491)
Total Capital Contributions and Transfers	95,890	0	(405,491)
Change in Net Position	3,536,911	155,258	192,191
Net Position at Beginning of Year	<u>52,027,994</u>	<u>828,458</u>	<u>25,329,003</u>
Net Position at End of Year	<u>\$55,564,905</u>	<u>\$983,716</u>	<u>\$25,521,194</u>

Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds
Change in Net Position of Business-Type Activities

See Accompanying Notes to the Basic Financial Statements

Enterprise Funds				Governmental
Telecommunications	Water	Storm Water	Total	Activities
Fund	Fund	Utility		Internal
		Fund		Service Funds
\$25,405	\$5,284,141	\$994,465	\$43,463,128	\$1,739,995
0	16,348	3,731	227,794	349,573
<u>25,405</u>	<u>5,300,489</u>	<u>998,196</u>	<u>43,690,922</u>	<u>2,089,568</u>
28,119	352,427	111,358	3,806,638	267,851
10,627	770,658	234,656	5,566,835	559,823
0	0	0	22,349,593	0
4,720	1,724,649	0	2,451,581	20,620
0	0	0	0	1,533,093
4,600	1,119,187	556,246	4,164,330	14,485
0	1,231	1,160	3,579	0
<u>48,066</u>	<u>3,968,152</u>	<u>903,420</u>	<u>38,342,556</u>	<u>2,395,872</u>
<u>(22,661)</u>	<u>1,332,337</u>	<u>94,776</u>	<u>5,348,366</u>	<u>(306,304)</u>
0	63,386	6,049	393,571	(18,383)
3,312	0	0	31,061	0
0	(397,628)	0	(499,466)	0
0	0	0	0	(64,666)
<u>3,312</u>	<u>(334,242)</u>	<u>6,049</u>	<u>(74,834)</u>	<u>(83,049)</u>
(19,349)	998,095	100,825	5,273,532	(389,353)
0	403,092	944,973	1,348,065	0
0	0	0	95,890	0
0	0	(107,401)	(512,892)	0
<u>0</u>	<u>403,092</u>	<u>837,572</u>	<u>931,063</u>	<u>0</u>
(19,349)	1,401,187	938,397	6,204,595	(389,353)
<u>1,931,044</u>	<u>25,712,724</u>	<u>24,345,181</u>		<u>1,536,354</u>
<u>\$1,911,695</u>	<u>\$27,113,911</u>	<u>\$25,283,578</u>		<u>\$1,147,001</u>
			(104,866)	
			<u>\$6,099,729</u>	

CITY OF LEBANON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Business-type Activities -		
	Electric Fund	Sanitation Fund	Sewer Fund
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>			
Cash Flows from Operating Activities:			
Cash Received from Customers	\$30,351,390	\$1,856,173	\$4,032,000
Cash Received from Interfund Services Provided	0	0	0
Cash Payments for Employee Services and Benefits	(2,119,436)	(119,911)	(597,500)
Cash Payments to Suppliers for Goods and Services	(24,268,628)	(1,636,326)	(1,651,567)
Cash Payments for Employee Medical, Dental, and Life Insurance Claims	0	0	0
Other Operating Revenues	175,934	4,713	27,068
Other Operating Expenses	(1,086)	0	(102)
Other Non-Operating Revenues	27,749	0	0
Utility Deposits Received	129,135	0	0
Utility Deposits Returned	(113,144)	0	0
Net Cash Provided by (Used For) Operating Activities	<u>4,181,914</u>	<u>104,649</u>	<u>1,809,899</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Capital Assets	(2,583,157)	0	(658,460)
Principal Paid on Mortgage Revenue Bonds	0	0	0
Interest and Fiscal Charges Paid on Mortgage Revenue Bonds	0	0	0
Principal Paid on General Obligation Bonds	0	0	(655,000)
Interest and Fiscal Charges Paid on General Obligation Bonds	0	0	(73,486)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(2,583,157)</u>	<u>0</u>	<u>(1,386,946)</u>
Cash Flows from Investing Activities:			
Interest	<u>315,289</u>	<u>10,602</u>	<u>45,275</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,914,046	115,251	468,228
Cash and Cash Equivalents at Beginning of Year	<u>33,414,975</u>	<u>546,171</u>	<u>4,716,678</u>
Cash and Cash Equivalents at End of Year	<u><u>\$35,329,021</u></u>	<u><u>\$661,422</u></u>	<u><u>\$5,184,906</u></u>

See Accompanying Notes to the Basic Financial Statements

Enterprise Funds				Governmental
Telecommunications	Water	Storm Water	Total	Activities-
Fund	Fund	Utility		Internal
		Fund		Service Funds
\$25,405	\$5,111,316	\$949,736	\$42,326,020	\$0
0	0	0	0	1,739,995
(27,866)	(88,417)	(96,922)	(3,050,052)	(236,467)
(17,241)	(2,807,912)	(223,333)	(30,605,007)	(578,903)
0	0	0	0	(1,565,327)
0	16,348	3,731	227,794	349,573
0	(1,231)	0	(2,419)	0
3,312	0	0	31,061	0
0	8,175	0	137,310	0
0	(7,500)	0	(120,644)	0
<u>(16,390)</u>	<u>2,230,779</u>	<u>633,212</u>	<u>8,944,063</u>	<u>(291,129)</u>
0	(192,544)	(662,355)	(4,096,516)	0
0	(440,000)	0	(440,000)	0
0	(405,263)	0	(405,263)	0
0	0	0	(655,000)	0
0	0	0	(73,486)	0
<u>0</u>	<u>(1,037,807)</u>	<u>(662,355)</u>	<u>(5,670,265)</u>	<u>0</u>
<u>0</u>	<u>72,099</u>	<u>7,179</u>	<u>450,444</u>	<u>(13,978)</u>
(16,390)	1,265,071	(21,964)	3,724,242	(305,107)
<u>232,620</u>	<u>6,704,276</u>	<u>669,651</u>	<u>46,284,371</u>	<u>1,836,057</u>
<u>\$216,230</u>	<u>\$7,969,347</u>	<u>\$647,687</u>	<u>\$50,008,613</u>	<u>\$1,530,950</u>

(continued)

CITY OF LEBANON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020
(CONTINUED)

	Business-type Activities -		
	Electric Fund	Sanitation Fund	Sewer Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	\$3,137,270	\$145,448	\$661,196
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	1,245,167	15,748	1,223,382
Other Non-Operating Revenues	27,749	0	0
Decrease (Increase) in Assets:			
Materials and Supplies Inventory	6,489	0	(10,147)
Accounts Receivable	(772,619)	(52,277)	(108,616)
Interfund Receivable	(4,657)	0	0
Intergovernmental Receivable	0	0	18,615
Prepays Items	(6,571)	81	559
Net Pension Asset	(4,419)	0	(1,609)
Deferred Outflows of Resources - Pension	447,470	0	162,717
Deferred Outflows of Resources - OPEB	202,996	0	73,817
Increase (Decrease) in Liabilities:			
Accounts Payable	57,253	3,643	7,189
Accrued Wages Payable	14,288	(2,990)	6,435
Contracts Payable	121,759	0	(90,875)
Intergovernmental Payable	151	(2,357)	1,568
Retainage Payable	3,736	0	(31,709)
Interfund Payable	(446)	0	5,359
Claims Payable	0	0	0
Liabilities Payable from Restricted Assets	15,991	0	0
Compensated Absences Payable	30,906	(2,647)	15,871
Net Pension Liability	44,148	0	16,054
Net OPEB Liability	81,691	0	29,705
Deferred Inflows of Resources - Pension	(344,196)	0	(125,160)
Deferred Inflows of Resources - OPEB	(122,242)	0	(44,452)
Net Cash Provided by (Used For) Operating Activities	<u>\$4,181,914</u>	<u>\$104,649</u>	<u>\$1,809,899</u>

Noncash Capital Financing Activities:

The Sewer Fund transferred assets in the net amount of \$405,491 to governmental activities.
The Water Fund received assets transferred from governmental activities in the amount of \$403,092.
The Storm Water Utility Fund received assets transferred from governmental activities in the amount of \$944,973.
The Storm Water Utility Fund transferred assets in the net amount of \$107,401 to governmental activities.

See Accompanying Notes to the Basic Financial Statements

Telecommunications Fund	Enterprise Funds			Governmental Activities- Internal Service Funds
	Water Fund	Storm Water Utility Fund	Total	
(\$22,661)	\$1,332,337	\$94,776	\$5,348,366	(\$306,304)
4,600	1,119,187	556,246	4,164,330	14,485
3,312	0	0	31,061	0
0	(35,438)	0	(39,096)	1,220
0	(172,825)	(44,729)	(1,151,066)	0
0		0	(4,657)	0
0		0	18,615	0
(2,296)	(676)	0	(8,903)	(2,071)
0	(804)	0	(6,832)	(402)
0	81,358	0	691,545	40,679
0	36,907	0	313,720	18,454
391	(1,103)	60	67,433	2,391
187	2,702	2,119	22,741	1,709
0	(55,029)	30,699	6,554	0
4	396	1,932	1,694	(289)
0	(26,506)	(19,565)	(74,044)	0
0	(1,309)	0	3,604	0
0	0	0	0	(32,234)
0	675	0	16,666	0
73	12,834	11,674	68,711	2,195
0	8,028	0	68,230	4,012
0	14,854	0	126,250	7,427
0	(62,583)	0	(531,939)	(31,288)
0	(22,226)	0	(188,920)	(11,113)
<u>(\$16,390)</u>	<u>\$2,230,779</u>	<u>\$633,212</u>	<u>\$8,944,063</u>	<u>(\$291,129)</u>

CITY OF LEBANON, OHIO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
CUSTODIAL FUNDS
DECEMBER 31, 2020

Assets:	
Equity in Pooled Cash and Cash Equivalents	\$5,575
Cash and Cash Equivalents in Segregated Accounts	31,138
Prepaid Items	1,941
	<hr/>
Total Assets	<u><u>\$38,654</u></u>
Liabilities:	
Accounts Payable	\$10,414
Intergovernmental Payable	28,240
	<hr/>
Total Liabilities	<u><u>\$38,654</u></u>

See Accompanying Notes to the Basic Financial Statements

CITY OF LEBANON, OHIO
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Additions:	
Fines and Forfeitures for Other Governments	\$528,083
Amounts Received as Fiscal Agent	<u>30,835</u>
Total Additions	<u>558,918</u>
Deductions:	
Distributions to the State of Ohio	248,451
Fines and Forfeitures Distributions to Other Governments	133,341
Distributions to Individuals	146,291
Distributions as Fiscal Agent	<u>30,835</u>
Total Deductions	<u>558,918</u>
Net Change in Fiduciary Net Position	0
Net Position Beginning of Year	<u>0</u>
Net Position End of Year	<u><u>\$0</u></u>

See Accompanying Notes to the Basic Financial Statements

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 1 - Reporting Entity

The City of Lebanon (the “City”) is a home rule municipal corporation organized under the laws of the State of Ohio, which operates under its own charter. The current Charter, which provides for a Council/Manager form of government, was adopted in 1961. The seven-member Council is elected to four-year terms. Biennially, Council selects one of its members to serve as Mayor and one of its members to serve as Vice Mayor. Council appoints the City Manager, City Auditor, and City Attorney.

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, which comprise the legal entity of the City. They provide various services, including police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, community development, public health and welfare, water, sewer, electric, telecommunications, refuse collection, and storm water management. Council and the City Manager have direct responsibility for these activities.

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 budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. The City has no component units.

The City participates in one jointly governed organization and one insurance purchasing pool. These organizations are presented in Note 19.

Jointly Governed Organizations:

Warren County Combined Health District

Insurance Purchasing Pool:

Ohio Municipal League Group Rating Program

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 2 - Summary of Significant Accounting Policies and Basis of Presentation

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

Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for the City's fiduciary funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses. The government-wide financial statements usually distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business segment is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds, rather than reporting by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined, and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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 funds of the City are divided into three categories: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the City are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes 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 and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the City's major governmental funds:

General Fund – The General Fund is the operating fund of the City and is used to account for and report all financial resources not accounted and reported for in another fund. The General Fund balance is available to the City for any purpose, provided it is expended or transferred according to the general laws of Ohio and the Charter of the City.

Fire and Life Squad Fund – This fund is used to account for and report voted property taxes restricted to the operation of the fire department and life squad.

Capital Improvement Fund – This fund is used to account for and report income tax and State and federal revenues restricted to expenditures for capital outlays, including acquisition or construction of capital facilities and other capital assets.

The nonmajor governmental funds of the City account for and report debt service, grants, and other resources whose use is restricted, committed, or assigned to a particular purpose.

Proprietary Fund Types

Proprietary funds focus on the determination of operating income, changes in net position, financial position, and cash flows. The City's proprietary funds are enterprise and internal service funds.

Enterprise Funds – Enterprise funds may be used to account for and report any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Electric Fund – This fund is used to account for and report the provision of electricity to residential and commercial users living within the City.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Sanitation Fund – This fund is used to account for and report the provision of refuse collection service to residential and commercial users living within the City.

Sewer Fund – This fund is used to account for and report the provision of sanitary sewer service to residential and commercial users living within the City.

Telecommunications Fund – This fund is used to account for and report the operation of the City’s community access cable channel.

Water Fund – This fund is used to account for and report the provision of water treatment and distribution to residential and commercial users living within the City.

Storm Water Utility Fund – This fund is used to account for and report the provision of storm water management within the City.

Internal Service Funds

Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City’s internal service funds report on automotive maintenance services for City vehicles and self-insurance programs for employee medical benefits.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City has two custodial funds: one is used to account for municipal court collections that are distributed to various other governments and another is used to distribute income tax revenues to Turtlecreek Township.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach 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 statements and the statements for governmental funds.

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the statement of changes in fund net position increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for proprietary and fiduciary funds are prepared using the accrual basis of accounting. Proprietary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows / outflows of resources, and in the presentation of expenses versus expenditures.

Revenues – Exchange and 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 year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined, and “available” means that the resources are collectible within the current year, or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, “available” means expected to be received within 31 days of year-end.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, payments in lieu of taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the year in which the exchange on which the tax is imposed takes place, and revenue from property taxes/payment in lieu of taxes is recognized in the year for which the taxes are levied or would have been levied (see Notes 6, 7, and 8). Revenue from grants, entitlements, and donations is recognized in the 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 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.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: intergovernmental revenues (including motor vehicle license tax, gasoline tax, permissive tax, homestead and rollback, and local government assistance), interest, and income taxes.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent 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 life of the old debt or the life of the new debt, whichever is shorter. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 12 and 13.

In addition to liabilities, the statements of financial position report 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, payment in lieu of taxes, unavailable revenue, pension and OPEB. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance 2021 operations. These amounts have been recorded as deferred inflows 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 that will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, special assessments, charges for services, intergovernmental revenues, including grants, and interest. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities found on page 22. Deferred inflows of

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

resources related to pension and OPEB plans are reported on the government-wide Statement of Net Position (See Notes 12 and 13).

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation ordinance, and the certificate of estimated resources, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that Council may appropriate. The appropriation ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by Council. The legal level of budgetary control has been established by Council at the object level (personal services, contractual services, supplies and materials, etc.) within each department and fund. Budgetary modifications may only be made by ordinance of Council.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City Auditor. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate that was in effect at the time the final appropriations were passed by Council.

The appropriation ordinance is subject to amendment by Council throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year including all supplemental appropriations.

Cash and Cash Equivalents

To improve cash management, cash received by the City, except cash held by fiscal agent and cash in segregated accounts, is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements. The City's Municipal Court has its own checking accounts for collection and distribution of court fines and forfeitures, which are

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

presented on the financial statements as “cash and cash equivalents in segregated accounts” since they are not required to be deposited into the City Treasury.

The City utilizes a financial institution to service bonded debt as principal and interest payments come due. The balances in these accounts are presented on the statement of fund net position as “cash and cash equivalents with fiscal agents.”

During 2020, the City’s investments were limited to STAROhio, Commercial Paper, Money Market Mutual Funds, Federal Agency Securities, U.S. Treasury Securities, Municipal Bonds and negotiable certificates of deposit. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. For investments in open-ended mutual funds, the fair value is determined by the fund’s current share price. The City’s commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year.

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

For 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. 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.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the General Fund during 2020 amounted to \$794,325, of which \$443,680 was assigned from other funds.

Investments of the cash management pool and investments with original maturity of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended when used. Inventory consists of expendable materials and supplies held for consumption.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2020 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase, and an expenditure/expense is reported in the year in which services are consumed.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the enterprise funds represent equity in pooled cash and cash equivalents and cash and cash equivalents with fiscal agents set aside to satisfy bond indenture requirements for current debt payments and for the replacement and improvement of capital assets originally acquired with bond proceeds. In addition, electric and water customer deposits are presented as “restricted assets: equity in pooled cash and cash equivalents.”

Capital Assets and Depreciation

General capital assets are capital assets that are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net position and in the respective funds. Capital assets used by the internal service funds are reported in both the governmental activities column of the government-wide statement of net position and in the respective funds.

All purchased capital assets are valued at cost when historical records are available or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition, where no historical records exist. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized.

All reported capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City’s historical records of necessary improvements and replacements. Depreciation is computed using the straight-line method over the following useful lives:

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<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20 years
Buildings and Improvements	45 years
Equipment	5-15 years
Vehicles	5-20 years
Infrastructure:	
Roads	10-20 years
Bridges	20-50 years
Curbs, Gutters and Sidewalks	15 years
Traffic Lights and Signals	15-35 years
Electric Lines, Poles, Transformers and Switch Gears	20-30 years
Sewer Lines	65 years
Water Lines	40-65 years
Storm Water Drainage	50 years
Telecommunications Equipment	10 years

The City only reports infrastructure acquired after 1980 for its governmental activities.

Compensated Absences

Vacation benefits and holiday pay 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 liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year-end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated, unused sick leave for employees after 10 years of current service.

The entire compensated absences liability is reported on the government-wide financial statements.

Accrued Liabilities and Long-Term Obligations

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

CITY OF LEBANON, OHIO
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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, compensated absences that will be paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long-term bonds, loans, and the police and fire pension liability are recognized as liabilities on the governmental fund financial statements when due. 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.

Bond Premiums

On the government-wide financial statements (and in the enterprise funds), bond premiums are deferred and amortized over the term of the bonds using the straight-line method, since the results are not significantly different from the effective interest method. Bond premiums are presented as additions to the face amount of the bonds payable.

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

On the governmental fund financial statements, bond premiums are recognized in the period when the bonds were issued. Note premiums are presented as an addition to the face of the notes payable.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

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

The City's water enterprise fund had restricted net position relative to those resources necessary to comply with various covenants of bond financing agreements and customer deposits.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds.

The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted – The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Fund balance is reported as 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 or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party – such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

CITY OF LEBANON, OHIO
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Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance. State statute authorizes the City Auditor to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The future appropriations amount assigned in the General Fund represents 2021 appropriations that exceed estimated resources.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit fund 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.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for electric, sanitation, sewer, telecommunications, water services, storm water, and automotive maintenance services provided to other City departments, and self-insurance programs. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another, or within the same function, are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans and unpaid amounts for interfund services are classified as “Interfund Receivable/Payable.” Long-term interfund loan receivables are reported as "Advances to Other Funds" or "Advances from Other Funds.” These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB asset/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.

Note 3 – Change in Accounting Principles

For 2020, the City implemented the Governmental Accounting Standard Board’s (GASB) Statement No. 83, Certain Asset Retirement Obligations. GASB Statement 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. However, the implementation of GASB Statement No. 83 had no impact on net position as of December 31, 2019.

Note 4 – Budgetary Basis of Accounting

While the City is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (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 statement of revenues, expenditures, and changes in fund balance - budget and actual (budget basis) is presented for the General Fund and the Fire and Life Squad Major Special Revenue Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).
4. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statement. These amounts are included as revenue on the GAAP basis operating statement.
5. Investments are recorded at fair value (GAAP basis) rather than cost (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund and the Fire and Life Squad Fund.

Net Change in Fund Balance		
	General Fund	Fire and Life Squad Fund
GAAP Basis	\$3,002,012	\$7,064,315
Revenue Accruals	77,398	1,780,398
Expenditure Accruals	139,510	(959,666)
Encumbrances	(667,081)	(6,456,236)
Unrecorded Cash - 2019	34,662	0
Unrecorded Cash - 2020	(197)	0
Net Increase in Fair Value of Investments - 2019	1,152,384	0
Net Increase in Fair Value of Investments - 2020	(1,750,198)	0
Budget Basis	\$1,988,490	\$1,428,811

Note 5 - Deposits and Investments

The City has adopted an investment policy by City ordinance in which the City has elected to follow the provisions of State statute. State statutes classify monies held by the City into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon the City treasury. Active 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.

CITY OF LEBANON, OHIO
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Inactive deposits are public deposits that Council has identified as not required for use within the current five-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, or by the financial institutions 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.

Interim monies held by the City can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAROhio);

CITY OF LEBANON, OHIO
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7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided 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 the term of the agreement must not exceed thirty days.

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. Except as noted above, 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 treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The City has passed an ordinance allowing the City to invest 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, county, 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.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Investments:

Investments are reported at fair value. As of December 31, 2020, the City had the following investments:

Measurement/Investment	Measurement Amount	Maturity	S&P Rating	Percent of Total Investments
Net Asset Value Per Share:				
STAROhio	\$3,871,896	Less than one year	AAAm	7.20%
Amortized Cost:				
Commercial Paper	17,036,311	Less than one year	N/A	25.18%
Fair Value - Level One Inputs:				
Money Market Mutual Funds	551,540	Less than one year	AAAm	N/A
Fair Value - Level Two Inputs:				
Federal Farm Credit Banks Consolidation Bonds	10,780,000	Less than five years	AA+	15.94%
Federal Home Loan Mortgage Corporation Bonds	8,246,521	Less than five years	AA+	12.53%
Federal National Mortgage Association Bonds	3,188,357	Less than five years	AA+	N/A
Federal Home Loan Banks Bonds	8,533,133	Less than five years	AA+	12.61%
Tennessee Valley Authority Bonds	618,946	Less than one year	AAA	N/A
Negotiable Certificates of Deposits	8,937,039	Less than five years	N/A	13.21%
United States Treasury Notes	1,766,082	Less than two years	N/A	N/A
Municipal Bonds	4,117,840	Less than four years	N/A	N/A
Total Fair Value - Level Two Inputs	46,187,918			
Total Investments	\$67,647,665			

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the City's recurring fair value measurements as of December 31, 2020. The Money Market Mutual Fund is measured at fair value and is valued using quoted market prices (Level 1 inputs). The City's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk – As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that, to the extent possible, investments will match anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than two years from the date of investment.

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Credit Risk – Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. As shown above, STAROhio carries a rating of AAAM by Standard and Poor’s. The City has no investment policy that addresses credit risk.

Concentration of Credit Risk – The City’s investment policy states that the City will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50 percent of the City’s total investment portfolio will be invested in a single security type or with a single financial institution. The percentage that each investment represents of total investments is listed in the table above.

Note 6 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2020 for real and public utility property taxes represents collections of 2019 taxes.

2020 real property taxes were levied after October 1, 2020 on the assessed value as of January 1, 2020, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2020 real property taxes are collected in and intended to finance 2021.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2020 public utility property taxes which became a lien December 31, 2019 are levied after October 1, 2020 and are collected in 2021 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2020 was \$11.82 per \$1,000 of assessed value. The assessed values of real and public utility tangible property upon which 2020 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$498,709,980
Public Utility Real Property	7,414,040
Total	\$506,124,020

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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. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies, which were measurable as of December 31, 2020 and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2020 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis, the revenue has been reported as deferred inflows of resources – unavailable revenue.

Note 7 - Payments in Lieu of Taxes

The City acquired property that is leased to a number of companies. The companies have built or are in the process of building factories on the land leased from the City. To encourage development, the companies have been granted an exemption from paying any property taxes on the new construction; however, payments in lieu of taxes are made to the City in an amount equal to the real property taxes on any improvements subsequent to the year the exemption was granted. These payments are being used for costs associated with improving the industrial park. Payments will continue over the life of the lease. At the conclusion of the lease term, the companies may purchase the leased property for \$1.

A receivable for the amount of the payments estimated to be received in the following year has been recorded in the Tax Increment Financing Capital Projects Fund with a corresponding credit to deferred inflows of resources – payment in lieu of taxes.

Note 8 - Income Tax

The City levies a municipal income tax of one percent 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 one-half of one percent of the City's current tax rate.

Employers within the City are required to withhold income tax on gross 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.

Income tax proceeds 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. In 2020, the proceeds were allocated to the General Fund, the Capital Improvement Capital Projects Fund, and the Debt Service nonmajor governmental fund.

Note 9 - Receivables

Receivables at December 31, 2020, consisted of income, property and other local taxes, payment in lieu of taxes, accrued interest, intergovernmental, special assessments, advances to other funds, interfund, utility accounts, and amounts due from the sale of the telecommunications system. The

CITY OF LEBANON, OHIO
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\$1,375,000 accounts receivable in the telecommunications fund relates to the sale of the telecommunications system to Cincinnati Bell that occurred in 2007. Of this amount, \$1,250,000 is expected to be collected in more than one year. Property taxes, income taxes, and payment in lieu of taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. All receivables are considered fully collectible except utility accounts and interfund receivable. The following table provides a summary of business-type activities accounts receivable:

	Accounts Receivable	Uncollectible	Accounts Receivable, Net
Utility	\$5,879,316	\$57,467	\$5,821,849
Telecommunications	1,375,000	0	1,375,000
Total	\$7,254,316	\$57,467	\$7,196,849

A summary of intergovernmental receivables follows:

Governmental Activities:

Local Government Assistance	\$137,093
Warren County Reimbursement for Baliff Services	8,061
Homestead and Rollback	105,302
Warren County Building Department	4,788
Wireless 911	9,727
Permissive Motor Vehicle License Tax	96,031
Motor Vehicle Tax	126,161
Gasoline Tax	379,538
Safer Grant	193,539
OPWC Grants	722,091
ODOT Grant	572,524
ODNR Grant	7,171
Warren County Concrete/Paving Reimbursement	94,688
Total Governmental Activities	2,456,714

Business-Type Activities:

Village of South Lebanon Sewage Processing Fees	18,620
ODOT Grant	95,890
Total Business Activities	114,510

Total Intergovernmental Receivables	\$2,571,224
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CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 10 - Capital Assets

Capital assets activity for the year ended December 31, 2020 was as follows:

	Balance at 12/31/19	Additions	Deductions	Transfers	Balance at 12/31/20
<u>Governmental Activities:</u>					
<i>Capital Assets, Not Being Depreciated:</i>					
Land	\$15,585,023	\$212,618	(\$352,440)	\$0	\$15,445,201
Construction in Progress	4,226,017	2,029,300	(3,917,330)	0	2,337,987
Total Capital Assets, Not Being Depreciated	<u>19,811,040</u>	<u>2,241,918</u>	<u>(4,269,770)</u>	<u>0</u>	<u>17,783,188</u>
<i>Capital Assets, Being Depreciated:</i>					
Land Improvements	2,107,330	0	0	0	2,107,330
Buildings and Improvements	10,221,601	0	0	0	10,221,601
Equipment	2,262,224	342,020	(13,296)	0	2,590,948
Vehicles	5,684,036	873,453	(364,071)	0	6,193,418
Infrastructure	76,932,579	5,147,374	0	(835,173)	81,244,780
Total Capital Assets, Being Depreciated	<u>97,207,770</u>	<u>6,362,847</u>	<u>(377,367)</u>	<u>(835,173)</u>	<u>102,358,077</u>
<i>Less Accumulated Depreciation:</i>					
Land Improvements	(938,955)	(81,042)	0	0	(1,019,997)
Buildings and Improvements	(4,242,026)	(229,122)	0	0	(4,471,148)
Equipment	(1,441,127)	(149,772)	9,307	0	(1,581,592)
Vehicles	(2,808,147)	(465,000)	341,558	0	(2,931,589)
Infrastructure	(50,058,747)	(3,615,671)	0	0	(53,674,418)
Total Accumulated Depreciation	<u>(59,489,002)</u>	<u>(4,540,607)</u>	<u>350,865</u>	<u>0</u>	<u>(63,678,744)</u>
Total Capital Assets, Being Depreciated, Net	<u>37,718,768</u>	<u>1,822,240</u>	<u>(26,502)</u>	<u>(835,173)</u>	<u>38,679,333</u>
Governmental Activities Capital Assets, Net	<u>\$57,529,808</u>	<u>\$4,064,158</u>	<u>(\$4,296,272)</u>	<u>(\$835,173)</u>	<u>\$56,462,521</u>

The City's Sewer and Storm Water Utility Enterprise funds transferred assets in the amount of \$405,491 and \$107,401, respectively to Governmental funds. The City's Governmental funds transferred assets to the Water and Storm Water Utility Enterprise funds in the amount of \$403,092 and \$944,973, respectively. There was no depreciation associated with the transfer as these were newly constructed assets.

Depreciation expense was charged to governmental functions as follows:

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General Government	\$10,434
Security of Persons and Property:	
Police	175,918
Fire	273,757
Public Health Services	30,644
Leisure Time Services	171,993
Community and Economic Development	107,164
Transportation	<u>3,770,697</u>
Total Depreciation Expense	<u><u>\$4,540,607</u></u>

	Balance at 12/31/19	Additions	Deductions	Transfers	Balance at 12/31/20
<u>Business-Type Activities:</u>					
<i>Capital Assets, Not Being Depreciated:</i>					
Land	\$3,067,140	\$0		\$0	\$3,067,140
Construction in Progress	3,027,608	3,274,747	(5,182,147)	0	1,120,208
Total Capital Assets, Not Being Depreciated	<u>6,094,748</u>	<u>3,274,747</u>	<u>(5,182,147)</u>	<u>0</u>	<u>4,187,348</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings and Improvements	27,982,666	1,768,264	0	0	29,750,930
Equipment	7,347,188	80,460	(1,900,000)	0	5,527,648
Vehicles	3,359,929	256,470	(37,593)	0	3,578,806
Infrastructure	121,700,834	3,898,722	0	835,173	126,434,729
Total Capital Assets, Being Depreciated	<u>160,390,617</u>	<u>6,003,916</u>	<u>(1,937,593)</u>	<u>835,173</u>	<u>165,292,113</u>
<i>Less Accumulated Depreciation:</i>					
Buildings and Improvements	(17,810,131)	(929,808)	0	0	(18,739,939)
Equipment	(6,039,430)	(111,070)	1,900,000	0	(4,250,500)
Vehicles	(1,799,893)	(201,893)	37,593	0	(1,964,193)
Infrastructure	(46,043,857)	(2,921,559)	0	0	(48,965,416)
Total Accumulated Depreciation	<u>(71,693,311)</u>	<u>(4,164,330)</u>	<u>1,937,593</u>	<u>0</u>	<u>(73,920,048)</u>
Total Capital Assets, Being Depreciated, Net	<u>88,697,306</u>	<u>1,839,586</u>	<u>0</u>	<u>835,173</u>	<u>91,372,065</u>
Business-Type Activities Capital Assets, Net	<u><u>\$94,792,054</u></u>	<u><u>\$5,114,333</u></u>	<u><u>(\$5,182,147)</u></u>	<u><u>\$835,173</u></u>	<u><u>\$95,559,413</u></u>

The City's Sewer and Storm Water Utility Enterprise funds transferred assets in the amount of \$405,491 and \$107,401, respectively to Governmental funds. The City's Governmental funds transferred assets to the Water and Storm Water Utility Enterprise funds in the amount of \$403,092 and \$944,973, respectively. There was no depreciation associated with the transfer as these were newly constructed assets.

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Note 11 - Risk Management

Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City contracts with Marsh and McLennan Insurance Group for vehicle, property, general liability, multi-media, boiler and machinery, police liability, and public officials' liability insurance.

Machinery deductible levels vary with equipment. Enterprise Deployment Team has a \$1,000 deductible for computer equipment. Vehicles hold a \$500 deductible, general liability has a \$0 deductible, and property has a \$1,000 deductible. The City carries a \$5,000 deductible for both police professional and public officials liability insurance. The City has an internal accident review board that analyzes all vehicle accidents. The City also contracts with Marsh and McLennan Insurance Group, who reviews each accident claim.

Coverage provided by the insurance follows:

Excess Liability Umbrella	\$10,000,000
General Liability - Each Occurrence	1,000,000
Police Professionals Liability - Each Occurrence	1,000,000
Public Officials Liability - Each Occurrence	1,000,000
Vehicle Liability	1,000,000
Vehicle Physical Damage	Actual Cash Value
Property Coverage (Maximum \$5,000,000)	Replacement Cost

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has been no significant reduction in coverage from last year.

Workers' Compensation

For year 2020, the City participated in the Ohio Municipal League Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating cities is calculated as one experience, and a common premium rate is applied to all cities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to cities that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control and actuarial services to the GRP.

Employee Benefits

The City has elected to provide employee medical, dental, and life insurance benefits through a self-insured program. The City maintains a Self-Insurance Internal Service Fund to account for and finance its uninsured risks of loss in this program. This plan provides a medical plan with a \$500 single and \$1,000 cap per family deductible for City employees. The City also provides a

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dental plan with a \$50 deductible and \$1,500 cap in maximum benefits per year, a vision plan with a \$250 single and \$750 cap per family, per year, and \$50,000 in life insurance. A third party administrator reviews all claims, which the City then pays. The City purchases stop-loss coverage for medical in excess of \$60,000 per employee, per occurrence. UMR was the third party administrator for the year.

The City budgets into the Self-Insurance Internal Service Fund \$833 per full-time employee, per month. The amount transferred is based on the medical claim activity, the fund cash balance, and other benchmarking data. The fund that pays the salary for the employee pays this premium, which is based on historic cost information. The claims liability of \$216,105 reported in the fund at December 31, 2020 is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for unpaid claims costs be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. The claims liability was based on an estimate provided by an actuary. This estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount for the past two years were:

	<u>Balance at January 1,</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at December 31,</u>
2019	\$209,576	\$1,857,649	\$1,818,886	\$248,339
2020	248,339	1,533,093	1,565,327	216,105

Note 12 - Defined Benefit Pension Plans

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset)/Net OPEB Liability (Asset)

The net pension liability (asset) and the net OPEB liability (asset) reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/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 pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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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 and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. 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.

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Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Comprehensive Annual Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C 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
Traditional Plan 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	Traditional Plan 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	Traditional Plan 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
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus

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the investment gains or losses resulting from the member’s investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members’ contributions, vested employer contributions and investment gains or losses resulting from the members’ investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

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

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

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For 2020, the City's contractually required contribution was \$888,345 for the traditional plan, \$33,186 for the combined plan and \$7,421 for the member-directed plan. Of these amounts, \$178,177 is reported as an intergovernmental payable for the traditional plan, \$6,652 for the combined plan, and \$1,481 for the member-directed plan.

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

Plan Description – City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that 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.

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

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before 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 (see OP&F Comprehensive Annual Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

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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 over the 12 month period ending on September 30th of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013, is equal to 3 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:

	Police	Firefighters
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	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$770,858 for 2020. Of this amount, \$69,471 is reported as intergovernmental payable.

In addition to current contributions, the City pays installments on a specific liability the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2020, the specific liability of the City was \$13,565 payable in semi-annual payments through the year 2035.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F’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 (asset) 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 of the City’s defined benefit pension plans:

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	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.04481300%	0.06626000%	0.15482180%	
Prior Measurement Date	<u>0.04346400%</u>	<u>0.07949800%</u>	<u>0.14809800%</u>	
Change in Proportionate Share	<u>0.00134900%</u>	<u>-0.01323800%</u>	<u>0.00672380%</u>	
Proportionate Share of the:				
Net Pension Liability	\$8,857,593	\$0	\$10,429,622	\$19,287,215
Net Pension Asset	0	(138,168)	0	(138,168)
Pension Expense	1,555,285	16,246	1,615,722	3,187,253

2020 pension expense for the member-directed defined contribution plan was \$10,390. The aggregate pension expense for all pension plans was \$3,197,643 for 2020.

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

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources				
Differences between expected and actual experience	\$0	\$0	\$394,795	\$394,795
Changes of assumptions	473,099	14,246	256,020	743,365
Changes in proportion and differences between City contributions and proportionate share of contributions	191,983	13,519	1,441,534	1,647,036
City contributions subsequent to the measurement date	<u>888,345</u>	<u>33,186</u>	<u>770,858</u>	<u>1,692,389</u>
Total Deferred Outflows of Resources	<u>\$1,553,427</u>	<u>\$60,951</u>	<u>\$2,863,207</u>	<u>\$4,477,585</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$111,991	\$32,438	\$537,898	\$682,327
Net difference between projected and actual earnings on pension plan investments	1,766,891	17,921	503,835	2,288,647
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>0</u>	<u>6,863</u>	<u>204,978</u>	<u>211,841</u>
Total Deferred Inflows of Resources	<u>\$1,878,882</u>	<u>\$57,222</u>	<u>\$1,246,711</u>	<u>\$3,182,815</u>

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\$1,692,389 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 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 Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2021	(\$78,230)	(\$8,142)	\$200,295	\$113,923
2022	(507,164)	(7,804)	342,969	(171,999)
2023	73,166	(2,808)	629,366	699,724
2024	(701,572)	(9,368)	(312,257)	(1,023,197)
2025	0	(1,208)	(14,735)	(15,943)
Thereafter	0	(127)	0	(127)
Total	<u>(\$1,213,800)</u>	<u>(\$29,457)</u>	<u>\$845,638</u>	<u>(\$397,619)</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 was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2019, are presented below.

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	1.4 percent, simple through 2020, then 2.15 percent, simple	1.4 percent, simple through 2020, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3 percent simple through 2018 then 2.15 percent simple to 1.4 percent simple through 2020 the 2.15 percent 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 most recent experience study was completed for the five year period ended December 31, 2015.

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

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The 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. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	25.00 %	1.83 %
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 %

Discount Rate

The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the 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 benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan 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 (Asset) to Changes in the Discount Rate

The following table presents the City's proportionate share of the net pension liability (asset) 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 (asset) 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:

	<u>1% Decrease (6.20%)</u>	<u>Discount Rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
City's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$14,609,038	\$8,857,593	\$3,687,214
OPERS Combined Plan	(83,488)	(138,168)	(177,577)

Actuarial Assumptions – OP&F

OP&F'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 OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan

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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. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2019, 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	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

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

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in 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:

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

Note: Assumptions are geometric.

* levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 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 of 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.

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Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$14,455,095	\$10,429,622	\$7,062,715

Note 13 – Defined Benefit OPEB Plans

See Note 12 for a description of the net OPEB liability.

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 postemployment 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 separation, 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 with a minimum age of 60, or generally 30 years of qualifying service at any age. 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.

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2020, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$2,969 for 2020. Of this amount, \$593 is reported as an intergovernmental payable.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

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A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$18,719 for 2020. Of this amount, \$1,653 is reported as an intergovernmental 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,

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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>	
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.04417800%	0.15482180%	
Prior Measurement Date	<u>0.04334000%</u>	<u>0.14809800%</u>	
Change in Proportionate Share	<u>0.00083800%</u>	<u>0.00672380%</u>	
			<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$6,102,129	\$1,529,289	\$7,631,418
OPEB Expense	\$741,353	\$376,183	\$1,117,536

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			
Differences between expected and actual experience	\$163	\$0	\$163
Changes of assumptions	965,902	894,081	1,859,983
Changes in proportion and differences between City contributions and proportionate share of contributions	83,071	1,118,702	1,201,773
City contributions subsequent to the measurement date	<u>2,969</u>	<u>18,719</u>	<u>21,688</u>
Total Deferred Outflows of Resources	<u>\$1,052,105</u>	<u>\$2,031,502</u>	<u>\$3,083,607</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$542,440	\$164,460	\$706,900
Changes of assumptions	0	325,914	325,914
Net difference between projected and actual earnings on OPEB plan investments	<u>326,347</u>	<u>70,372</u>	<u>396,719</u>
Total Deferred Inflows of Resources	<u>\$868,787</u>	<u>\$560,746</u>	<u>\$1,429,533</u>

\$21,688 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:

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	OPERS	OP&F	Total
Year Ending December 31:			
2021	\$213,141	\$280,665	\$493,806
2022	99,735	280,665	380,400
2023	247	295,100	295,347
2024	(132,774)	272,342	139,568
2025	0	271,601	271,601
Thereafter	0	51,664	51,664
Total	\$180,349	\$1,452,037	\$1,632,386

Actuarial Assumptions – OPERS

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

Projections of health care costs 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 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 measurement date	2.75 percent
Prior Measurement date	3.71 percent
Health Care Cost Trend Rate:	
Current measurement date	10.0 percent, initial 3.50 percent, ultimate in 2030
Prior Measurement date	7.25 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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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.

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, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 19.7 percent for 2019.

The allocation of investment assets within 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 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. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

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

Discount Rate

A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
City's proportionate share of the net OPEB liability	\$7,985,615	\$6,102,129	\$4,594,070

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Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

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

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$5,922,061	\$6,102,129	\$6,279,903

Changes between Measurement Date and Reporting Date

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

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 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.

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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	8.0 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 increased based on the lesser of the increase in CPI and 3 percent

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

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

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

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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 OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 12.

Discount Rate

For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. For 2018, the total OPEB liability was calculated using the discount rate of 4.66 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.75 percent at December 31, 2019 and 4.13 percent at December 31, 2018, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.56 percent for 2019 and 4.66 percent for 2018. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2034, and the municipal bond rate was applied to all health care costs after that date.

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 (3.66%)	Current Discount Rate (4.66%)	1% Increase (5.66%)
City's proportionate share of the net OPEB liability	\$1,896,218	\$1,529,289	\$1,224,394

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Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

Note 14 – Asset Retirement Obligation

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with the waste water treatment facilities. Any ARO associated with these public safety issues are not reasonably estimable. Currently, there is significant uncertainty as to what public safety items would need addressed; therefore, a reliable estimated amount could not be determined.

Note 15 - Employee Benefits

Compensated Absences

Accumulated Unpaid Vacation – City employees earn vacation leave at varying rates based upon length of service. Vacation leave up to a maximum of two times the individual employee's annual accrual may be carried forward. When an employee terminates employment, he/she is paid for unused vacation leave.

Accumulated Unpaid Sick Leave – City employees earn sick leave at the rate of four and six tenths hours per 80 hours of service. Sick leave is cumulative without limit. In the case of death or retirement, an employee (or his estate) is paid 50 percent of accumulated sick leave up to 1,040 hours and 10 percent for accumulated hours in excess of 1,040.

Accumulated Unpaid Holiday Pay – Under contract, police personnel who work a holiday receive holiday time in addition to four hours of pay. Accumulated unpaid holiday time is paid to employees upon separation or death.

Note 16 - Short-Term Obligations

A summary of the short-term note transactions for the year ended December 31, 2020 follows:

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Balance at December 31, 2019	Increases	Decreases	Balance at December 31, 2020
<u>Governmental Activities:</u>				
2019 - Fire Equipment Acquisition				
Bond Anticipation Notes, 2.75%	\$400,000	\$0	\$400,000	\$0
Premium	4,093	0	4,093	0
2020 - Fire Truck Acquisition				
Bond Anticipation Notes, 2.75%	0	600,000	600,000	0
Premium	0	6,060	6,060	0
2020 - Fire Equipment Acquisition				
Bond Anticipation Notes, 0.954%	0	800,000	0	800,000
Premium	0	4,640	1,160	3,480
Total	\$404,093	\$1,410,700	\$1,011,313	\$803,480

The notes were issued in anticipation of long-term bond financing and will be refinanced until bonds are issued. They are backed by the full faith credit of the City and mature within one year. The liability for the notes is presented in the fund that received the note proceeds.

Note 17 - Long-Term Obligations

A schedule of changes in bonds and other long-term obligations of the governmental activities of the City during 2020 follows:

Types/ Issues	Balance at December 31, 2019	Increases	Decreases	Balance at December 31, 2020	Amount Due in One Year
<u>Unvoted General Obligation Bonds:</u>					
2013 - 2.0 to 3.0%	\$2,311,603				
Road Improvement Refunding					
Serial/Term Bonds	\$945,000	\$0	\$235,000	\$710,000	\$235,000
Capital Appreciation Bonds	1,603	0	0	1,603	0
Accretion on Capital Appreciation Bonds	5,645	1,185	0	6,830	0
Premium on Debt Issue	45,283	0	11,812	33,471	0
2013 - 2.0 to 3.0%	\$2,655,000				
Road Improvement Bonds					
Serial/Term Bonds	1,900,000	0	125,000	1,775,000	125,000
Premium on Debt Issue	56,958	0	4,439	52,519	0
2016 - 1.0 to 4.0%	\$1,935,000				
Service Building Bonds					
Serial/Term Bonds	1,475,000	0	125,000	1,350,000	125,000
Premium on Debt Issue	92,715	0	8,181	84,534	0
2020 - 2.0-4.0%	\$7,350,000				
Fire House Construction Bonds					
Serial/Term Bonds	0	7,350,000	0	7,350,000	200,000
Premium on Debt Issue	\$0	\$490,842	\$8,181	\$482,661	\$0

(Continued)

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Types/ Issues	Balance at December 31, 2019	Increases	Decreases	Balance at December 31, 2020	Amount Due in One Year
<u>Direct Placements</u>					
2017 - 2.03% \$2,125,000					
Various Purpose Bonds	\$1,300,000	\$0	\$425,000	\$875,000	\$435,000
2017 - 2.03% \$1,250,000					
Various Purpose Refunding Bonds	1,015,000	0	120,000	895,000	120,000
Total - Unvoted General Obligation Bonds	<u>6,837,204</u>	<u>7,842,027</u>	<u>1,062,613</u>	<u>13,616,618</u>	<u>1,240,000</u>
<u>Other Long-Term Obligations:</u>					
2018 - 3.0% \$302,000					
Ohio Department of Transportation SIB Loan	302,000	0	0	302,000	224,806
Compensated Absences Payable	1,679,098	662,114	495,575	1,845,637	369,191
Police Pension - specific liability	14,233	0	668	13,565	696
Total - Other Long-Term Obligations	<u>1,995,331</u>	<u>662,114</u>	<u>496,243</u>	<u>2,161,202</u>	<u>594,693</u>
<u>Net Pension Liability:</u>					
OP&F	12,088,710	0	1,659,088	10,429,622	0
OPERS	7,856,583	0	2,010,571	5,846,012	0
Total - Net Pension Liability	<u>19,945,293</u>	<u>0</u>	<u>3,669,659</u>	<u>16,275,634</u>	<u>0</u>
<u>Net OPEB Liability:</u>					
OP&F	1,348,658	180,631	0	1,529,289	0
OPERS	3,729,340	298,066	0	4,027,406	0
Total - Net OPEB Liability	<u>5,077,998</u>	<u>478,697</u>	<u>0</u>	<u>5,556,695</u>	<u>0</u>
Total - Governmental Activities	<u>\$33,855,826</u>	<u>\$8,982,838</u>	<u>\$5,228,515</u>	<u>\$37,610,149</u>	<u>\$1,834,693</u>

In April 2013, the City issued a Road Improvement Refunding Bond, in the amount of \$2,311,603 to refund bonds previously issued in fiscal year 2003. Of these bonds \$2,065,000 were serial bonds and \$245,000 are term bonds. \$1,603 were issued as capital appreciation bonds. The bonds were issued with interest rates varying from two to three percent. The bonds were issued for ten year period with a final maturity during 2023. The bonds will be retired through the Debt Service Fund.

The capital appreciation bonds, issued at \$1,603, are not subject to prior redemption. The capital appreciation bonds will mature in 2022, with a maturity amount of \$10,000, including interest. For 2020, the capital appreciation bonds were accreted \$1,185.

In April 2013, the City issued general obligation bonds, in the amount of \$2,655,000 for making improvements to roadways. The bonds were issued with interest rates varying from 2.0 to 3 percent. The bonds were issued for a twenty year period with final maturity during 2032. The bonds will be retired through the Debt Service Fund.

During 2016, the City issued general obligation bonds, in the amount of \$1,935,000 for improvements to a service building. Of these bonds \$710,000 were serial bonds and \$1,225,000 were term bonds. The bonds were issued with interest rates varying from 1.0 to 4.0 percent. The bonds were issued for a fifteen year period with the final maturity during 2030. These bonds will be retired through the Debt Service Fund.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

In 2020, the City issued general obligation bonds, in the amount of \$7,350,000 for construction of a fire house. Of these bonds \$2,335,000 were serial bonds and \$5,015,000 were term bonds. The bonds were issued with interest rates varying from 2.0 to 4.0 percent. The bonds were issued for a twenty five year period with the final maturity during 2045. These bonds will be retired through the Debt Service Fund.

In October 2017, the City issued \$2,125,000 in general obligation bonds for the purpose of refunding the \$2,100,000 Columbia Road bond anticipation notes. These bonds are paid from the Tax Increment Financing Fund and will mature in December 2022.

In October 2017, the City issued \$1,250,000 in general obligation bonds for the purpose of advance refunding \$1,530,000 of the 2008 road improvement refunding general obligation bonds, in order to take advantage of lower interest rates. These bonds are paid from the Debt Service Fund and will mature in December 2027. The 2008 bonds were called in June 2018.

In 2018, the City entered into a \$302,000 loan with the Ohio Department of Transportation (ODOT) for the resurfacing of Ohio Route 48 between East Main Street (State Route 123) and Columbus Avenue (US Route 42). The interest rate on the loan is three percent and has a four year term. The loan will be retired through the Capital Improvement Fund.

Compensated absences will be paid from the General, Fire and Life Squad, Cemetery, and Transportation Funds. The police pension specific liability is a fixed long-term obligation, paid from the General Fund from general property tax revenue. There is no repayment schedule for the net pension/OPEB liability. However, employer pension/OPEB contributions are made from the following funds: the General Fund, Fire and Life Squad, Cemetery and Transportation Special Revenue Funds. For additional information related to the net pension and OPEB liability see Notes 12 and 13.

In addition to current contributions, the City pays installments on the specific liability incurred when the State of Ohio established the statewide pension system for police and firefighters in 1967. This is an accounting liability of the City which will not vary. The liability is reported on the government-wide financial statements.

Changes in the long-term obligations reported in business-type activities of the City during 2020 were as follows:

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Balance at December 31, 2019	Increases	Decreases	Balance at December 31, 2020	Amounts Due in One Year
<u>General Obligation Bonds:</u>					
<u>Direct Placements</u>					
2017 - 2.03% \$4,895,000					
Sewer Various Purpose Refunding Bonds	\$3,620,000	\$0	\$655,000	\$2,965,000	\$665,000
<u>Mortgage Revenue Bonds:</u>					
2012 - 2.0 to 4.0% \$13,650,000					
Water System Improvement Refunding	10,380,000	0	440,000	9,940,000	455,000
Premium on Debt Issue	83,768	0	15,955	67,813	0
Total - Mortgage Revenue Bonds Payable	10,463,768	0	455,955	10,007,813	455,000
Net Pension Liability - OPERS	4,047,326	0	1,035,745	3,011,581	0
Net OPEB Liability - OPERS	1,921,173	153,550	0	2,074,723	0
Compensated Absences Payable	315,744	158,217	89,506	384,455	86,861
Total - Enterprise Funds	<u>\$20,368,011</u>	<u>\$311,767</u>	<u>\$2,236,206</u>	<u>\$18,443,572</u>	<u>\$1,206,861</u>

In October 2017, the City issued \$4,895,000 in general obligation bonds for the purpose of current refunding \$6,415,000 of the 2006 sewer system mortgage revenue bonds, in order to take advantage of lower interest rates. These bonds are paid from the sewer fund and will mature in December 2026. The 2006 bonds were called in December 2017.

During 2012, the City issued \$13,650,000 in water system improvement mortgage and revenue refunding bonds. A portion of the proceeds was used to advance refund the 1999 water system improvement bonds and bond anticipation notes bonds in the amount of \$5,630,000 and \$8,020,000, respectively.

The City has pledged future water revenues, net of operating expenses, to repay the water system improvement and refunding bonds in the Water Fund. The debt is payable solely from net revenues and is payable through 2037. Annual principal and interest payments on the debt issues are expected to require 34 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$13,931,810. Principal and interest paid for the current year were \$845,263. Total net revenues were \$2,498,562, and total revenues were \$5,347,527.

The mortgage revenue bonds are being repaid from charges for services in the water enterprise fund.

Compensated absences will be paid from the Electric, Sanitation, Sewer, Telecommunications, Water, Storm Water Utility, and Automotive Maintenance Funds. The City pays obligations related to employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension/OPEB liability. However, employer pension/OPEB contributions are made from the following funds: Electric, Sanitation, Sewer, Telecommunications, Water, and Storm Water Utility Enterprise Funds and Automotive Maintenance Internal Service Fund. For additional information related to the net pension and OPEB liability see Notes 12 and 13.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The Water Fund’s related bond indenture has certain restrictive covenants, which require that bond reserve funds be maintained and charges for fees to customers be in sufficient amounts, as defined, to satisfy the obligations under the indenture agreements. In addition, special provisions exist regarding covenant violations, redemption of principal, and maintenance of properties in good condition.

As of December 31, 2020, the City’s overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$53,143,022, and the unvoted debt margin was \$27,836,821.

At December 31, 2020, \$6,383,105 of the debt proceeds were unexpended.

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

Year	Governmental Activities					
	General Obligation Bonds		Capital Appreciation Bonds		General Obligation Bonds from Direct Placements	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$685,000	\$301,688	\$0	\$0	\$555,000	\$35,930
2022	710,000	278,415	1,603	8,397	565,000	24,664
2023	725,000	269,912	0	0	125,000	13,196
2024	485,000	251,612	0	0	130,000	10,658
2025	500,000	237,062	0	0	125,000	8,018
2026-2030	2,730,000	933,362	0	0	270,000	8,222
2031-2035	1,835,000	487,180	0	0	0	0
2036-2040	1,670,000	297,730	0	0	0	0
2040-2045	1,845,000	119,218	0	0	0	0
Totals	<u>\$11,185,000</u>	<u>\$3,176,179</u>	<u>\$1,603</u>	<u>\$8,397</u>	<u>\$1,770,000</u>	<u>\$100,688</u>

Year	Governmental Activities			
	Police Pension		ODOT SIB Loan from Direct Borrowing	
	Principal	Interest	Principal	Interest
2021	\$696	\$569	\$224,806	\$17,303
2022	727	539	77,194	3,508
2023	758	508	0	0
2024	790	476	0	0
2025	824	442	0	0
2026-2030	4,681	1,646	0	0
2031-2035	5,089	551	0	0
Totals	<u>\$13,565</u>	<u>\$4,731</u>	<u>\$302,000</u>	<u>\$20,811</u>

CITY OF LEBANON, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

Year	Business-Type Activities			
	General Obligation Bonds from Direct Placements		Mortgage Revenue Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$665,000	\$60,190	\$455,000	\$392,063
2022	680,000	46,690	470,000	378,413
2023	695,000	32,886	490,000	359,613
2024	705,000	18,778	505,000	344,913
2025	110,000	4,466	480,000	329,005
2026-2030	110,000	2,233	2,680,000	1,372,705
2031-2035	0	0	3,330,000	722,700
2036-2037	0	0	1,530,000	92,398
Totals	<u>\$2,965,000</u>	<u>\$165,243</u>	<u>\$9,940,000</u>	<u>\$3,991,810</u>

Note 18 - Interfund Activity

Interfund Payable/Receivable

Interfund balances at December 31, 2020, consisted of the following amounts and result from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All are expected to be paid within one year.

		Receivable		
		<u>Electric</u>	<u>Telecom</u>	<u>Total</u>
Payable	General	\$0	\$312,500	\$312,500
	Sewer	26,503	0	26,503
	Water	2,055	0	2,055
	Total	<u>\$28,558</u>	<u>\$312,500</u>	<u>\$341,058</u>

Advances From/To Other Funds

The General Fund advanced monies to a Nonmajor Governmental Fund for the purchase of property for use as an industrial park. The property is being developed and used by several corporations, who are leasing the property from the City. The advance is being repaid over time, with lease payments received by the participating companies. As of year-end, the outstanding balance of \$35,683 is expected to be repaid in 2021.

Transfers From/To Other Funds

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and/or to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF LEBANON, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

The transfers between Nonmajor Governmental Funds were for debt service payments. The transfer from the Capital Improvement Fund to Nonmajor Governmental Funds was for capital improvements during the year.

		Transfers From		
		General Fund	Capital Improvement Fund	Total
Transfers To	Capital Improvement	\$300,000	\$0	\$300,000
	Nonmajor Governmental	80,000	2,000,000	2,080,000
	Total	<u>\$380,000</u>	<u>\$2,000,000</u>	<u>\$2,380,000</u>

Note 19 - Jointly Governed Organization and Insurance Purchasing Pool

Jointly Governed Organization

Warren County Combined Health District

The Warren County Combined Health District (the District), a jointly governed organization, provides health services to the citizens within the County. The Board of Health, which consists of a representative from each of the participating governments, including the City, oversees the operation of the District. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. The City contributed \$13,226 during 2020 for the operation of the District. The City does not have any financial interest in or responsibility for the District. The County Commissioners serve as the taxing authority, and the County Auditor and the County Treasurer serve as fiscal officers. Financial information can be obtained from Brenda Joseph at the Warren County Combined Health District, 416 S. East Street, Lebanon, Ohio 45036.

Insurance Purchasing Pool

Ohio Municipal League Group Rating Program

The City participates in the Ohio Municipal League Group Rating Program (GRRP), an insurance purchasing pool. The GRRP's business and affairs are conducted by a five-member Board of Directors. Each year, the participants pay an enrollment fee to CompManagement, Inc. to cover the costs of administering the program.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 20 - Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below.

Fund Balances	General Fund	Fire and Life Squad Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total
<u>Nonspendable:</u>					
Inventory	\$30,741	\$0	\$0	\$191,052	\$221,793
Prepays	102,706	27,047	2,026	17,076	148,855
<i>Total Nonspendable</i>	<u>133,447</u>	<u>27,047</u>	<u>2,026</u>	<u>208,128</u>	<u>370,648</u>
<u>Restricted for:</u>					
Debt Service	0	0	0	7,370	7,370
Capital Outlay	0	0	0	921,891	921,891
Security of Persons and Property	0	7,264,359	0	771,908	8,036,267
Public Health Services	0	0	0	985,564	985,564
Community and Economic Development	0	0	0	280	280
Transportation	0	0	0	1,590,998	1,590,998
<i>Total Restricted</i>	<u>0</u>	<u>7,264,359</u>	<u>0</u>	<u>4,278,011</u>	<u>11,542,370</u>
<u>Committed to:</u>					
Leisure Time Services	0	0	0	114,372	114,372
Debt Service	0	0	0	3,661,463	3,661,463
Capital Improvements	0	0	2,038,818	2,065,659	4,104,477
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>2,038,818</u>	<u>5,841,494</u>	<u>7,880,312</u>
<u>Assigned to:</u>					
Purchases on Order for:					
General Government	59,522	0	0	0	59,522
Security of Persons and Property	32,592	0	0	0	32,592
Leisure Time Services	180,463	0	0	0	180,463
Community and Economic Development	262,758	0	0	0	262,758
Future Appropriations	3,986,171	0	0	0	3,986,171
<i>Total Assigned</i>	<u>4,521,506</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,521,506</u>
<u>Unassigned:</u>	<u>6,978,469</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,978,469</u>
Total Fund Balances	<u>\$11,633,422</u>	<u>\$7,291,406</u>	<u>\$2,040,844</u>	<u>\$10,327,633</u>	<u>\$31,293,305</u>

Note 21 - Significant Commitments

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

CITY OF LEBANON, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

At year-end, the amount of cash basis encumbrances expected to be honored upon performance by the vendor in the next year as follows:

<u>Governmental Funds:</u>	
General	\$667,081
Fire and Life Squad	6,456,236
Capital Improvement	1,135,261
Nonmajor Governmental Funds	2,333,598
Total Governmental Funds	10,592,176
<u>Enterprise Funds:</u>	
Electric	757,755
Sanitation	41,944
Sewer	858,763
Telecommunications	653
Water	1,012,835
Storm Water Utility	187,720
Total Enterprise Funds	2,859,670
<u>Internal Service Funds:</u>	
Automotive Maintenance	4,274
Self Insurance	267,010
Total Internal Service Funds	271,284
Total	\$13,723,130

Contractual Commitments

The City of Lebanon has entered into the following contracts as of December 31, 2020:

CITY OF LEBANON, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

Contractor	Purpose	Amount Remaining
Barrett Paving Materials	2020 Concrete and Paving Program	\$710,317
Majors Enterprises Incorporated	Summit & Highland Reconstruction	3,077,819
Rack & Ballauer Excavating	Downtown Pedestrian Safety Improvements	186,948
Elex Incorporated	Bypass 48-Kingsview Drive Traffic Signal Replacement	217,021
Midstate Contractors Incorporated	2020 City Hall Improvements	27,292
Allied Technical Services	Glosser Road Pump Station Large Pump Replacement	215,000
Westside Paving & Excavating	Harmon Park Tennis Courts	108,199
Graybach LLC	Fire Station 41 Construction	5,997,535
Earth and Pipe Contracting Incorporated	North Broadway Storm Sewer Replacement	14,943
Choice One Engineering	Mechanic Street Reconstruction-Design	26,970
Tec Engineering	Deerfield Bike Path Extension Environmental	17,210
Tec Engineering	Deerfield Bike Path Right-of-Way Services	15,123
Choice One Engineering	Wright Avenue Reconstruction-Design	18,050
Choice One Engineering	Keever Street Reconstruction-Design	17,690
Choice One Engineering	Cedar Land & Crescent Court Reconstruction-Design	29,700
Choice One Engineering	Northern Bike Trail Extension-Design	10,605
ACP/Green & Associates	Comprehensive Plan	164,545
Ford Development	North Broadway Corridor Improvements	86,066
Obersons Nursery & Landscape	Berry Park Construction	81,988
KZF Design Incorporated	Fire Station 41-Design Build	62,307
Burgess & Niple Incorporated	Glosser Road Pump Station Analysis	7,650
Tec Engineering	Countryside YMCA Trail Realignment and Extension	5,168
Tec Engineering	Deerfield Bike Path-Environmental	17,210
Choice One Engineering	New Street Reconstruction-Design	9,100
Choice One Engineering	Summit & Highland Reconstruction & Design	7,960
Tec Engineering	Downtown Pedestrian Safety Improvements-Design	77,169
Choice One Engineering	LaLuz Storm Sewer Improvements Phase II-Design	1,150
Total Contractual Commitments		<u>\$11,210,735</u>

Note 22 – Joint Economic Development District

In January 2013, the City entered into a contract with neighboring Turtlecreek Township to form the Lebanon-Turtlecreek Joint Economic Development District (JEDD). It is entirely located in the Turtlecreek Township, and its primary purpose was to promote regional growth and economic development. The JEDD Board shall levy an income tax of one percent. The JEDD Board also contracted with the City of Lebanon to administer this income tax.

The JEDD agreement requires the City of Lebanon and Turtlecreek Township each receive 45 percent of the remaining balance of the income tax revenue collected in the JEDD after designating 8 percent to be set aside to maintain areas within the JEDD. Financial information for the JEDD can be obtained by contacting the City Auditor, 50 South Broadway, Lebanon, Ohio 45036.

CITY OF LEBANON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 23 – Accountability

At December 31, 2020, the Automotive Maintenance fund, which is an internal service fund, has a deficit net position in the amount of \$42,762.

This deficit is due to adjustments for accrued liabilities related to pension and OPEB, which generate expenses that are greater than those recognized on a cash basis. The General Fund provides transfers to cover deficit balances; however, this is only done when cash is needed rather than when accruals occur.

Note 24 - Contingent Liabilities

Litigation

The City is party to legal proceedings. However, no liability has been accrued since the ultimate disposition of these claims and legal proceedings has yet to be determined and the amount of liability, if any, is not measurable.

Note 25 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The City's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated. The City's primary general fund revenue source is a local 1.00% earnings tax. The calendar year 2020 total earnings tax collections were 0.78% lower than calendar year 2019 total earnings tax collections which indicates that the COVID-19 disruption had only a minimal impact on this important revenue stream. Additional funding will be available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020 and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

During 2020, the City received Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. Of the amounts received, \$141,900 was sub-granted to other organizations. These amounts are reflected as general government expenditures in the Coronavirus Relief Special Revenue Fund on the accompanying financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's Proportion of the Net Pension Liability	0.04481300%	0.04346400%	0.04320000%
City's Proportionate Share of the Net Pension Liability	\$8,857,593	\$11,903,909	\$6,777,242
City's Covered Payroll	\$6,304,971	\$5,870,614	\$5,823,085
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	140.49%	202.77%	116.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.17%	74.70%	84.66%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.04361400%	0.04368000%	0.04331800%	0.04331800%
\$9,903,997	\$7,560,383	\$5,224,636	\$5,106,628
\$5,638,025	\$5,431,836	\$5,310,750	\$5,297,364
175.66%	139.19%	98.38%	96.40%
77.25%	81.08%	86.45%	86.36%

CITY OF LEBANON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - COMBINED PLAN
LAST THREE YEARS (1)

	2020	2019	2018
City's Proportion of the Net Pension Asset	0.06626000%	0.07949800%	0.07814400%
City's Proportionate Share of the Net Pension Asset	(\$138,168)	(\$88,896)	(\$106,379)
City's Covered Payroll	\$294,964	\$340,007	\$320,038
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	46.84%	26.15%	33.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	145.28%	126.64%	137.28%

(1) Amounts for the combined plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

CITY OF LEBANON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - OPEB PLAN
LAST FOUR YEARS (1)

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.04417800%	0.04334000%	0.04281000%	0.04279000%
City's Proportionate Share of the Net OPEB Liability	\$6,102,129	\$5,650,513	\$4,648,849	\$4,321,935
City's Covered Payroll	\$6,674,185	\$6,286,396	\$6,178,248	\$5,913,767
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	91.43%	89.88%	75.25%	73.08%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	54.04%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's Proportion of the Net Pension Liability	0.15482180%	0.14809800%	0.12655100%
City's Proportionate Share of the Net Pension Liability	\$10,429,622	\$12,088,710	\$7,767,006
City's Covered Payroll	\$3,657,312	\$3,479,288	\$2,917,109
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	285.17%	347.45%	266.26%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.89%	63.07%	70.91%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.11685800%	0.12170300%	0.13375310%	0.13375310%
\$7,401,668	\$7,829,239	\$6,928,969	\$6,514,196
\$2,665,193	\$2,821,335	\$2,790,353	\$2,376,423
277.72%	277.50%	248.32%	274.12%
68.36%	66.77%	71.71%	73.00%

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

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.15482180%	0.14809800%	0.12655100%	0.11685800%
City's Proportionate Share of the Net OPEB Liability	\$1,529,289	\$1,348,658	\$7,170,202	\$5,546,986
City's Covered Payroll	\$3,657,312	\$3,479,288	\$2,917,109	\$2,665,193
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	41.81%	38.76%	245.80%	208.13%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.08%	46.57%	14.13%	15.96%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

**CITY OF LEBANON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT YEARS (1) (2)**

	2020	2019	2018	2017
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	\$888,345	\$882,696	\$821,886	\$757,001
Contributions in Relation to the Contractually Required Contribution	<u>(888,345)</u>	<u>(882,696)</u>	<u>(821,886)</u>	<u>(757,001)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$6,345,321	\$6,304,971	\$5,870,614	\$5,823,085
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>
Net Pension Asset - Combined Plan				
Contractually Required Contribution	\$33,186	\$41,295	\$47,601	\$41,605
Contributions in Relation to the Contractually Required Contribution	<u>(33,186)</u>	<u>(41,295)</u>	<u>(47,601)</u>	<u>(41,605)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$237,043	\$294,964	\$340,007	\$320,038
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>
Net OPEB Liability - OPEB Plan				
Contractually Required Contribution	\$2,969	\$2,970	\$3,031	\$61,694
Contributions in Relation to the Contractually Required Contribution	<u>(2,969)</u>	<u>(2,970)</u>	<u>(3,031)</u>	<u>(61,694)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (3)	\$6,656,589	\$6,674,185	\$6,286,396	\$6,178,248
OPEB Contributions as a Percentage of Covered Payroll	<u>0.04%</u>	<u>0.04%</u>	<u>0.05%</u>	<u>1.00%</u>

- (1) Although this schedule is intended to reflect information for ten years, information prior to 2013 is not available. An additional column will be added each year.
- (2) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented for the OPEB plan.
- (3) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the required supplementary information.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$676,563	\$651,820	\$637,290	\$698,999
<u>(676,563)</u>	<u>(651,820)</u>	<u>(637,290)</u>	<u>(698,999)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,638,025	\$5,431,836	\$5,310,750	\$5,297,364
<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.20%</u>
\$28,958	\$28,428	\$27,458	\$28,338
<u>(28,958)</u>	<u>(28,428)</u>	<u>(27,458)</u>	<u>(28,338)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$241,317	\$236,900	\$228,817	\$217,985
<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$118,964			
<u>(118,964)</u>			
<u>\$0</u>			
\$5,913,767			
<u>2.01%</u>			

**CITY OF LEBANON, OHIO
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>
Net Pension Liability				
Contractually Required Contribution	\$770,858	\$750,303	\$712,151	\$584,341
Contributions in Relation to the Contractually Required Contribution	<u>(770,858)</u>	<u>(750,303)</u>	<u>(712,151)</u>	<u>(584,341)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$3,743,880	\$3,657,312	\$3,479,288	\$2,917,109
Contributions as a Percentage of Covered Payroll:	<u>20.59%</u>	<u>20.52%</u>	<u>20.47%</u>	<u>20.03%</u>
Net OPEB Liability				
Contractually Required Contribution	\$18,719	\$18,286	\$17,396	\$14,585
Contributions in Relation to the Contractually Required Contribution	<u>(18,719)</u>	<u>(18,286)</u>	<u>(17,396)</u>	<u>(14,585)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll	<u>21.09%</u>	<u>21.02%</u>	<u>20.97%</u>	<u>20.53%</u>

(1) The City's Covered payroll is the same for pension and OPEB.

See accompanying notes to the required supplementary information.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$531,059	\$564,223	\$559,748	\$402,727	\$347,603	\$391,612
<u>(531,059)</u>	<u>(564,223)</u>	<u>(559,748)</u>	<u>(402,727)</u>	<u>(347,603)</u>	<u>(391,612)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,665,193	\$2,821,335	\$2,790,353	\$2,376,423	\$2,507,346	\$2,828,138
<u>19.93%</u>	<u>20.00%</u>	<u>20.06%</u>	<u>16.95%</u>	<u>13.86%</u>	<u>13.85%</u>
\$13,326	\$14,107	\$13,952	\$85,948	\$169,246	\$190,900
<u>(13,326)</u>	<u>(14,107)</u>	<u>(13,952)</u>	<u>(85,948)</u>	<u>(169,246)</u>	<u>(190,900)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>3.62%</u>	<u>6.75%</u>	<u>6.75%</u>
<u>20.43%</u>	<u>20.50%</u>	<u>20.56%</u>	<u>20.57%</u>	<u>20.61%</u>	<u>20.60%</u>

CITY OF LEBANON, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020

Changes in Assumptions – OPERS Pension – Traditional Plan

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2019	2018 and 2017	2016 and prior
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related COLA or Ad Hoc COLA for Post-January 7, 2013 Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

CITY OF LEBANON, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020

Changes in Assumptions – OPERS Pension – Combines Plan

For 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013 retirees as the Traditional Plan. For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

Changes in Assumptions – OP&F Pension

Amounts reported beginning in 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

	Beginning in 2018	2017 and Prior
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent

Amounts reported beginning in 2018 use valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent 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

Amounts reported beginning in 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale.

CITY OF LEBANON, OHIO
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2020

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

Amounts reported for 2017 and prior use valuation, rates of death were based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

Changes in Assumptions – OPERS OPEB

Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2020	10.0 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

Changes in Assumptions – OP&F OPEB

Single Discount Rate:	
2020	3.56 percent
2019	4.66 percent
2018	3.24 percent

CITY OF LEBANON, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020

Changes in Benefit Terms – OP&F OPEB

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

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INDIVIDUAL FUND SCHEDULES OF REVENUES,
EXPENDITURES/EXPENSES AND CHANGES IN FUND
BALANCES/FUND EQUITY – BUDGET AND ACTUAL

CITY OF LEBANON, OHIO

NONMAJOR FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The following are descriptions of the City's Nonmajor Special Revenue Funds.

NONMAJOR SPECIAL REVENUE FUNDS

Cemetery Fund

To account for and report fees restricted for the operation and maintenance of the City's cemeteries.

Community Development Fund

To account for and report grants received from federal, state and local sources which are restricted for economic development within the City.

Court Fund

To account for and report fines, forfeitures and donations that are received by the Municipal Court and restricted for expenditures related to activities of the court and law enforcement.

Park/Recreation Impact Fee Fund

To account for and report fees received from new housing construction committed to leisure time activities.

Transportation Fund

To account for and report state gasoline taxes and motor vehicle license fees restricted to maintenance of streets and State highways within the City.

Fire Insurance Collection Fund

To account for and report money received from fire insurance settlements held on behalf of individuals and private organizations that is paid out when the fire damaged structure is repaired.

Racetrack Redevelopment Fund

This fund is used to finance redevelopment projects that receive funding through the Racetrack Facility Community Economic Redevelopment Fund (Racetrack Redevelopment Fund). The Racetrack Redevelopment Fund was created via Section of HB 386 of the 129th General Assembly. The Racetrack Redevelopment Fund received a portion of money paid to the state by horse-racing permit holders for the privilege to relocate to a new facility in accordance with Section 3 of Sub. H.B. 277 of the 129th General Assembly. The Racetrack Redevelopment Fund is used for economic and community benefit projects with the primary goal of mitigating the economic impact from the abandoned horse-racing track facility. Use of funds will be prioritized for activities leading to revitalization efforts within the immediate area (1-mile) of the abandoned Track facility that result in an economic benefit for community and state.

(continued)

CITY OF LEBANON, OHIO

NONMAJOR FUND DESCRIPTIONS
(Continued)

Local Coronavirus Relief Fund

To account for and report monies received from the federal Coronavirus Aid Relief, and Economic Security (CARES) Act, whose use is restricted for local Coronavirus relief.

NONMAJOR DEBT SERVICE FUND

The Debt Service Fund is used to account for and report financial resources that are restricted or committed for payment of general obligation principal and interest and fiscal charges. The City has only one Debt Service Fund.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

NONMAJOR CAPITAL PROJECTS FUNDS

Tax Increment Financing Fund

This fund is used to account for and report payments in lieu of taxes on property granted a tax exemption by the City. This revenue is restricted to land purchases or infrastructure improvements, as well as payments to Kings Local and Lebanon City School Districts for a portion of the taxes lost as a result of the exemptions.

Cemetery Improvement Fund

To account for and report fees restricted for cemetery improvements.

OPWC Capital Grant Fund

To account for and report OPWC reimbursable grants restricted to infrastructure improvement projects throughout the City.

**CITY OF LEBANON, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$3,524,462	\$3,640,479	\$3,149,584	\$10,314,525
Materials and Supplies Inventory	191,052	0	0	191,052
Prepaid Items	17,076	0	0	17,076
Income Taxes Receivable	0	303,131	0	303,131
Payment in Lieu of Taxes Receivable	0	0	178,394	178,394
Accrued Interest Receivable	2,197	6,131	0	8,328
Intergovernmental Receivable	601,729	0	0	601,729
Total Assets	\$4,336,516	\$3,949,741	\$3,327,978	\$11,614,235
Liabilities:				
Accounts Payable	\$13,865	\$0	\$1,355	\$15,220
Accrued Wages Payable	19,439	0	0	19,439
Contracts Payable	26,329	0	15,022	41,351
Intergovernmental Payable	11,895	0	72,493	84,388
Retainage Payable	15,729	0	37,481	53,210
Unearned Revenue	82,651	0	0	82,651
Advances From Other Funds	0	0	35,683	35,683
Total Liabilities	169,908	0	162,034	331,942
Deferred Inflows of Resources:				
Payment in Lieu of Taxes	0	0	178,394	178,394
Unavailable Revenue	495,358	280,908	0	776,266
Total Deferred Inflows of Resources	495,358	280,908	178,394	954,660
Fund Balances:				
Nonspendable	208,128	0	0	208,128
Restricted	3,348,750	7,370	921,891	4,278,011
Committed	114,372	3,661,463	2,065,659	5,841,494
Total Fund Balances	3,671,250	3,668,833	2,987,550	10,327,633
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$4,336,516	\$3,949,741	\$3,327,978	\$11,614,235

CITY OF LEBANON, OHIO
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 Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Income Taxes	\$0	\$674,152	\$0	\$674,152
Payments in Lieu of Taxes	0	0	270,425	270,425
Charges for Services	131,758	0	21,830	153,588
Fines, Licenses and Permits	342,859	0	0	342,859
Intergovernmental	2,991,808	0	0	2,991,808
Interest	20,384	40,895	0	61,279
Other	22,417	0	1,626	24,043
Total Revenues	3,509,226	715,047	293,881	4,518,154
Expenditures:				
Current:				
General Government	165,697	0	0	165,697
Security of Persons and Property:				
Police	576,241	0	0	576,241
Fire	411,149			411,149
Public Health Services	137,741	0	2,768	140,509
Leisure Time Services	95,524	0	0	95,524
Community and Economic Development	143,124	0	93,599	236,723
Transportation	897,230	0	674,743	1,571,973
Intergovernmental	321,134	0	81,553	402,687
Capital Outlay	407,156	0	1,649,408	2,056,564
Debt Service:				
Principal Retirement	0	605,000	425,000	1,030,000
Interest and Fiscal Charges	0	199,868	26,390	226,258
Total Expenditures	3,154,996	804,868	2,953,461	6,913,325
Excess of Revenues Over (Under) Expenditures	354,230	(89,821)	(2,659,580)	(2,395,171)
Other Financing Sources:				
Transfers In	80,000	0	2,000,000	2,080,000
Premium on Debt Issued	0	352,212	0	352,212
Total Other Financing Sources	80,000	352,212	2,000,000	2,432,212
Net Change in Fund Balances	434,230	262,391	(659,580)	37,041
Fund Balances at Beginning of Year	3,237,020	3,406,442	3,647,130	10,290,592
Fund Balances at End of Year	<u>\$3,671,250</u>	<u>\$3,668,833</u>	<u>\$2,987,550</u>	<u>\$10,327,633</u>

**CITY OF LEBANON, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2020**

	Cemetery Fund	Community Development Fund	Court Fund
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$989,665	\$22,313	\$780,507
Materials and Supplies Inventory	2,325	0	0
Prepaid Items	0	0	0
Accrued Interest Receivable	1,677	0	0
Intergovernmental Receivable	0	0	0
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$993,667</u>	<u>\$22,313</u>	<u>\$780,507</u>
Liabilities:			
Accounts Payable	\$94	\$0	\$8,599
Accrued Wages Payable	2,708	0	0
Contracts Payable	0	6,304	0
Intergovernmental Payable	1,642	0	0
Retainage Payable	0	15,729	0
Unearned Revenue	0	0	0
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>4,444</u>	<u>22,033</u>	<u>8,599</u>
Deferred Inflows of Resources:			
Unavailable Revenue	1,334	0	0
	<u> </u>	<u> </u>	<u> </u>
Fund Balances:			
Nonspendable	2,325	0	0
Restricted	985,564	280	771,908
Committed	0	0	0
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>987,889</u>	<u>280</u>	<u>771,908</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances			
	<u>\$993,667</u>	<u>\$22,313</u>	<u>\$780,507</u>

Park/Recreation Impact Fee Fund	Transportation Fund	Local Coronavirus Relief Fund	Total Nonmajor Special Revenue Funds
\$114,372	\$1,534,954	\$82,651	\$3,524,462
0	188,727	0	191,052
0	17,076	0	17,076
0	520	0	2,197
0	601,729	0	601,729
<u>\$114,372</u>	<u>\$2,343,006</u>	<u>\$82,651</u>	<u>\$4,336,516</u>
\$0	\$5,172	\$0	\$13,865
0	16,731	0	19,439
0	20,025	0	26,329
0	10,253	0	11,895
0	0	0	15,729
0	0	82,651	82,651
<u>0</u>	<u>52,181</u>	<u>82,651</u>	<u>169,908</u>
<u>0</u>	<u>494,024</u>	<u>0</u>	<u>495,358</u>
0	205,803		208,128
0	1,590,998		3,348,750
114,372	0	0	114,372
<u>114,372</u>	<u>1,796,801</u>	<u>0</u>	<u>3,671,250</u>
<u>\$114,372</u>	<u>\$2,343,006</u>	<u>\$82,651</u>	<u>\$4,336,516</u>

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

	Cemetery Fund	Community Development Fund	Court Fund
Revenues:			
Charges for Services	\$128,178	\$0	\$3,580
Fines, Licenses and Permits	0	0	76,235
Intergovernmental	0	0	0
Interest	10,262	0	0
Other	6,237	0	110
Total Revenues	<u>144,677</u>	<u>0</u>	<u>79,925</u>
Expenditures:			
Current:			
General Government	0	0	30,833
Security of Persons and Property:			
Police	0	0	49,789
Fire	0	0	0
Public Health Services	137,241	0	0
Leisure Time Services	0	0	0
Community and Economic Development	0	0	0
Transportation	0	0	0
Intergovernmental	0	0	0
Capital Outlay	0	157,288	14,410
Total Expenditures	<u>137,241</u>	<u>157,288</u>	<u>95,032</u>
Excess of Revenues Over (Under) Expenditures	7,436	(157,288)	(15,107)
Other Financing Sources:			
Transfers In	<u>70,000</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	77,436	(157,288)	(15,107)
Fund Balances at Beginning of Year	<u>910,453</u>	<u>157,568</u>	<u>787,015</u>
Fund Balances at End of Year	<u><u>\$987,889</u></u>	<u><u>\$280</u></u>	<u><u>\$771,908</u></u>

Park/Recreation Impact Fee Fund	Transportation Fund	Racetrack Redevelopment Fund	Local Coronavirus Relief Fund	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$131,758
73,144	193,480	0	0	342,859
0	1,387,905	321,134	1,282,769	2,991,808
0	10,122	0	0	20,384
0	16,070	0	0	22,417
<u>73,144</u>	<u>1,607,577</u>	<u>321,134</u>	<u>1,282,769</u>	<u>3,509,226</u>
0	0	0	134,864	165,697
0	0	0	526,452	576,241
0	0	0	411,149	411,149
0	0	0	500	137,741
57,154	0	0	38,370	95,524
0	0	0	143,124	143,124
0	878,660	0	18,570	897,230
0	0	321,134	0	321,134
0	225,718	0	9,740	407,156
<u>57,154</u>	<u>1,104,378</u>	<u>321,134</u>	<u>1,282,769</u>	<u>3,154,996</u>
15,990	503,199	0	0	354,230
0	10,000	0	0	80,000
15,990	513,199	0	0	434,230
98,382	1,283,602	0	0	3,237,020
<u>\$114,372</u>	<u>\$1,796,801</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,671,250</u>

**CITY OF LEBANON, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2020**

	Tax Increment Financing Fund	Cemetery Improvement Fund	OPWC Capital Grant Fund	Total Nonmajor Capital Projects Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$978,965	\$104,960	\$2,065,659	\$3,149,584
Payment in Lieu of Taxes Receivable	178,394	0	0	178,394
Total Assets	<u>\$1,157,359</u>	<u>\$104,960</u>	<u>\$2,065,659</u>	<u>\$3,327,978</u>
Liabilities:				
Accounts Payable	\$0	\$1,355	\$0	\$1,355
Contracts Payable	15,022	0	0	15,022
Intergovernmental Payable	72,493	0	0	72,493
Retainage Payable	37,481	0	0	37,481
Advances From Other Funds	35,683	0	0	35,683
Total Liabilities	<u>160,679</u>	<u>1,355</u>	<u>0</u>	<u>162,034</u>
Deferred Inflows of Resources:				
Payment in Lieu of Taxes	178,394	0	0	178,394
Fund Balances:				
Restricted	818,286	103,605	0	921,891
Committed	0	0	2,065,659	2,065,659
Total Fund Balances	<u>818,286</u>	<u>103,605</u>	<u>2,065,659</u>	<u>2,987,550</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$1,157,359</u>	<u>\$104,960</u>	<u>\$2,065,659</u>	<u>\$3,327,978</u>

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

	Tax Increment Financing Fund	Cemetery Improvement Fund	OPWC Capital Grant Fund	Total Nonmajor Capital Projects Funds
Revenues:				
Payments in Lieu of Taxes	\$270,425	\$0	\$0	\$270,425
Charges for Services	12,630	9,200	0	21,830
Other	1,626	0	0	1,626
Total Revenues	<u>284,681</u>	<u>9,200</u>	<u>0</u>	<u>293,881</u>
Expenditures:				
Current:				
Public Health Services	0	2,768	0	2,768
Community and Economic Development	93,599	0	0	93,599
Transportation	214,608	0	460,135	674,743
Intergovernmental	81,553	0	0	81,553
Capital Outlay	484,142	1,355	1,163,911	1,649,408
Debt Service:				
Principal Retirement	425,000	0	0	425,000
Interest and Fiscal Charges	26,390	0	0	26,390
Total Expenditures	<u>1,325,292</u>	<u>4,123</u>	<u>1,624,046</u>	<u>2,953,461</u>
Excess of Revenues Over (Under) Expenditures	(1,040,611)	5,077	(1,624,046)	(2,659,580)
Other Financing Sources:				
Transfers In	<u>0</u>	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
Net Change in Fund Balances	(1,040,611)	5,077	375,954	(659,580)
Fund Balances at Beginning of Year	<u>1,858,897</u>	<u>98,528</u>	<u>1,689,705</u>	<u>3,647,130</u>
Fund Balances at End of Year	<u><u>\$818,286</u></u>	<u><u>\$103,605</u></u>	<u><u>\$2,065,659</u></u>	<u><u>\$2,987,550</u></u>

CITY OF LEBANON, OHIO

INTERNAL SERVICE FUNDS

To account for and report the financing of goods and services provided by one department to other departments within the City.

Automotive Maintenance Fund

To account for and report the operation of the municipal vehicle repair garage for work performed for all departments within the City.

Self-Insurance Fund

To account for and report the payment of all City employees' medical, dental and life insurance claims.

CITY OF LEBANON, OHIO
COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2020

	Automotive Maintenance Fund	Self- Insurance Fund	Total
Assets:			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$124,981	\$1,405,969	\$1,530,950
Accrued Interest Receivable	0	1,981	1,981
Prepaid Items	7,981	0	7,981
Materials and Supplies Inventory	61,380	0	61,380
Total Current Assets	194,342	1,407,950	1,602,292
Noncurrent Assets:			
Net Pension Asset	2,763	0	2,763
Depreciable Capital Assets, Net	116,781	0	116,781
Total Noncurrent Assets	119,544	0	119,544
Total Assets	313,886	1,407,950	1,721,836
Deferred Outflows of Resources:			
Pension	32,289	0	32,289
OPEB	21,042	0	21,042
Total Deferred Outflows of Resources	53,331	0	53,331
Liabilities:			
Current Liabilities:			
Accounts Payable	947	2,082	3,029
Accrued Wages Payable	8,374	0	8,374
Intergovernmental Payable	5,083	0	5,083
Claims Payable	0	216,105	216,105
Compensated Absences Payable	7,957	0	7,957
Total Current Liabilities	22,361	218,187	240,548
Long-term Liabilities:			
Compensated Absences Payable	32,324	0	32,324
Net Pension Liability	177,154	0	177,154
Net OPEB Liability	122,042	0	122,042
Total Long-Term Liabilities	331,520	0	331,520
Total Liabilities	353,881	218,187	572,068
Deferred Inflows of Resources:			
Pension	38,722	0	38,722
OPEB	17,376	0	17,376
Total Deferred Inflow of Resources	56,098	0	56,098
Net Position:			
Investment in Capital Assets	116,781	0	116,781
Unrestricted (Deficit)	(159,543)	1,189,763	1,030,220
Total Net Position	(\$42,762)	\$1,189,763	\$1,147,001

**CITY OF LEBANON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Automotive Maintenance Fund	Self- Insurance Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Operating Revenues:			
Charges for Services	\$209,999	\$1,529,996	\$1,739,995
Other	10,505	339,068	349,573
	<u> </u>	<u> </u>	<u> </u>
Total Operating Revenues	220,504	1,869,064	2,089,568
	<u> </u>	<u> </u>	<u> </u>
Operating Expenses:			
Personal Services	267,851	0	267,851
Contractual Services	28,640	531,183	559,823
Supplies and Materials	20,620	0	20,620
Claims	0	1,533,093	1,533,093
Depreciation	14,485	0	14,485
	<u> </u>	<u> </u>	<u> </u>
Total Operating Expenses	331,596	2,064,276	2,395,872
	<u> </u>	<u> </u>	<u> </u>
Operating Loss	(111,092)	(195,212)	(306,304)
	<u> </u>	<u> </u>	<u> </u>
Non-Operating Expenses:			
Interest	0	(18,383)	(18,383)
Loss on Sale of Capital Assets	(64,666)	0	(64,666)
	<u> </u>	<u> </u>	<u> </u>
Total Non-Operating Expenses	(64,666)	(18,383)	(83,049)
	<u> </u>	<u> </u>	<u> </u>
Change in Net Position	(175,758)	(213,595)	(389,353)
	<u> </u>	<u> </u>	<u> </u>
Net Position at Beginning of Year	132,996	1,403,358	1,536,354
	<u> </u>	<u> </u>	<u> </u>
Net Position (Deficit) at End of Year	(\$42,762)	\$1,189,763	\$1,147,001
	<u> </u>	<u> </u>	<u> </u>

CITY OF LEBANON, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Automotive Maintenance Fund	Self- Insurance Fund	Total
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>			
Cash Flows from Operating Activities:			
Cash Received from Interfund Services Provided	\$209,999	\$1,529,996	\$1,739,995
Cash Payments for Employee Services and Benefits	(236,467)	0	(236,467)
Cash Payments to Suppliers for Goods and Services	(49,802)	(529,101)	(578,903)
Cash Payments for Employee Medical, Dental, and Life Insurance Claims	0	(1,565,327)	(1,565,327)
Other Operating Revenues	10,505	339,068	349,573
Net Cash Provided by (used for) Operating Activities	<u>(65,765)</u>	<u>(225,364)</u>	<u>(291,129)</u>
Cash Flows from Investing Activities:			
Interest	0	(13,978)	(13,978)
Net Increase (Decrease) in Cash and Cash Equivalents	(65,765)	(239,342)	(305,107)
Cash and Cash Equivalents at Beginning of Year	<u>190,746</u>	<u>1,645,311</u>	<u>1,836,057</u>
Cash and Cash Equivalents at End of Year	<u><u>\$124,981</u></u>	<u><u>\$1,405,969</u></u>	<u><u>\$1,530,950</u></u>
Reconciliation of Operating Income (Loss) to <u>Net Cash Provided by (Used for) Operating Activities:</u>			
Operating Income (Loss)	<u>(\$111,092)</u>	<u>(\$195,212)</u>	<u>(\$306,304)</u>
Adjustments to Reconcile Operating Income (Loss) to <u>Net Cash Provided by (Used for) Operating Activities:</u>			
Depreciation	14,485	0	14,485
Decrease (Increase) in Assets:			
Materials and Supplies Inventory	1,220	0	1,220
Prepays Items	(2,071)	0	(2,071)
Net Pension Asset	(402)	0	(402)
Deferred Outflows of Resources - Pension	40,679	0	40,679
Deferred Outflows of Resources - OPEB	18,454	0	18,454
Increase (Decrease) in Liabilities:			
Accounts Payable	309	2,082	2,391
Accrued Wages Payable	1,709	0	1,709
Intergovernmental Payable	(289)	0	(289)
Claims Payable	0	(32,234)	(32,234)
Compensated Absences Payable	2,195	0	2,195
Net Pension Liability	4,012	0	4,012
Net OPEB Liability	7,427	0	7,427
Deferred Inflows of Resources - Pension	(31,288)	0	(31,288)
Deferred Inflows of Resources - OPEB	(11,113)	0	(11,113)
Net Cash Provided by (Used for) Operating Activities	<u><u>(\$65,765)</u></u>	<u><u>(\$225,364)</u></u>	<u><u>(\$291,129)</u></u>

CITY OF LEBANON, OHIO

CUSTODIAL FUNDS

To account for and report assets held by the City as an agent for individuals, private organizations, or other governmental units.

Municipal Court Fund

To account for and report monies that are disbursed to other governments through the Clerk of Courts Office.

Joint Economic Development District Fund

To account for and report income tax monies received from various business owners within the Joint Economic Development District collected by the City to be disbursed to Turtlecreek Township.

**CITY OF LEBANON, OHIO
COMBINING STATEMENT OF
FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020**

	Municipal Court Fund	Joint Economic Development District Fund	Total
Assets:			
Equity In Pooled Cash And Cash Equivalents	\$0	\$5,575	\$5,575
Cash and Cash Equivalents In Segregated Accounts	31,138	0	31,138
Prepaid Items	0	1,941	1,941
Total Assets	<u>\$31,138</u>	<u>\$7,516</u>	<u>\$38,654</u>
Liabilities:			
Accounts Payable	\$10,414	\$0	\$10,414
Intergovernmental Payable	20,724	7,516	28,240
Total Liabilities	<u>\$31,138</u>	<u>\$7,516</u>	<u>\$38,654</u>

**CITY OF LEBANON, OHIO
COMBINING STATEMENT OF CHANGES
IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Municipal Court Fund	Joint Economic Development District Fund	Total
Additions:			
Fines and Forfeitures for Other Governments	\$528,083	\$0	\$528,083
Amounts Received as Fiscal Agent	0	30,835	30,835
Total Additions	<u>528,083</u>	<u>30,835</u>	<u>558,918</u>
Deductions:			
Distributions to the State of Ohio	248,451	0	248,451
Fines and Forfeitures Distributions to Other Governments	133,341	0	133,341
Distributions to Individuals	146,291	0	146,291
Distributions as Fiscal Agent	0	30,835	30,835
Total Deductions	<u>528,083</u>	<u>30,835</u>	<u>558,918</u>
Net Increase (Decrease) In Fiduciary Net Position	0	0	0
Net Position Beginning Of Year	<u>0</u>	<u>0</u>	<u>0</u>
Net Position End Of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Variance with Final Budget
	Final Budget	Actual	
Revenues:			
Property Taxes	\$1,260,312	\$1,260,312	\$0
Income Taxes	5,986,902	5,986,902	0
Other Local Taxes	1,502,048	1,502,048	0
Charges for Services	2,725,904	2,725,904	0
Fines, Licenses and Permits	855,257	855,257	0
Intergovernmental	893,078	893,078	0
Interest	225,001	225,001	0
Contributions and Donations	1,000	1,000	0
Other	524,471	524,473	2
Total Revenues	13,973,973	13,973,975	2
Expenditures:			
Current:			
General Government			
Legislative			
Personal Services	52,677	49,609	3,068
Contractual Services	26,445	29,685	(3,240)
Supplies and Materials	600	110	490
Total Legislative	79,722	79,404	318
City Manager			
Personal Services	393,061	372,645	20,416
Contractual Services	95,946	84,334	11,612
Supplies and Materials	21,000	12,439	8,561
Total City Manager	510,007	469,418	40,589
Personnel			
Personal Services	174,560	172,384	2,176
Contractual Services	45,477	36,676	8,801
Supplies and Materials	6,450	4,218	2,232
Total Personnel	226,487	213,278	13,209
Department of Service			
Personal Services	340,102	331,829	8,273
Contractual Services	21,960	18,331	3,629
Supplies and Materials	15,300	2,625	12,675
Total Department of Service	377,362	352,785	24,577
Information Technology			
Personal Services	204,939	198,539	6,400
Contractual Services	340,445	326,813	13,632
Supplies and Materials	2,000	1,399	601
Total Information Technology	547,384	526,751	20,633
Finance			
Personal Services	420,226	400,031	20,195
Contractual Services	78,560	80,497	(1,937)
Supplies and Materials	12,037	6,800	5,237
Total Finance	\$510,823	\$487,328	\$23,495

(continued)

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(continued)

	Budgeted Amounts		Variance
	Final Budget	Actual	with Final Budget
Income Tax			
Personal Services	\$314,145	\$290,890	\$23,255
Contractual Services	108,255	91,905	16,350
Supplies and Materials	5,500	6,285	(785)
Refunds	250,000	234,566	15,434
Other	225,000	226,013	(1,013)
Total Income Tax	902,900	849,659	53,241
Law			
Personal Services	213,459	209,978	3,481
Contractual Services	75,950	64,205	11,745
Supplies and Materials	300	0	300
Total Law	289,709	274,183	15,526
Municipal Court			
Personal Services	672,122	573,122	99,000
Contractual Services	147,856	96,334	51,522
Supplies and Materials	13,000	6,408	6,592
Total Municipal Court	832,978	675,864	157,114
Parking System			
Contractual Services	2,500	2,497	3
Capital Outlay	9,753	753	9,000
Total Parking System	12,253	3,250	9,003
Probation			
Personal Services	322,956	263,081	59,875
Contractual Services	13,147	8,541	4,606
Supplies and Materials	7,607	5,400	2,207
Total Probation	343,710	277,022	66,688
Building Maintenance			
Personal Services	202,941	185,765	17,176
Contractual Services	112,512	84,997	27,515
Supplies and Materials	27,430	9,417	18,013
Total Building Maintenance	342,883	280,179	62,704
Other General Government			
Contractual Services	638,819	503,281	135,538
Supplies and Materials	9,103	0	9,103
Reimbursements	1,000	0	1,000
Total Other General Government	648,922	503,281	145,641
Total General Government	5,625,140	4,992,402	632,738
Security of Persons and Property			
Police			
Personal Services	4,990,790	3,907,528	1,083,262
Contractual Services	458,232	380,255	77,977
Supplies and Materials	184,560	1,256	183,304
Capital Outlay	50,000	0	50,000
Total Police	\$5,683,582	\$4,289,039	\$1,394,543

(continued)

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(continued)

	Budgeted Amounts		Variance
	Final Budget	Actual	with Final Budget
Police Donation Trust			
Supplies and Materials	\$11,172	\$2,742	\$8,430
Total Security of Persons and Property	5,694,754	4,291,781	1,402,973
Leisure Time Services			
Recreation Programs			
Personal Services	324,410	260,350	64,060
Contractual Services	369,141	281,959	87,182
Supplies and Materials	109,881	84,585	25,296
Capital Outlay	300,469	287,888	12,581
Refunds	250	50	200
Total Leisure Time Services	1,104,151	914,832	189,319
Community and Economic Development			
Planning and Development			
Personal Services	368,395	345,288	23,107
Contractual Services	691,050	519,829	171,221
Supplies and Materials	10,800	986	9,814
Total Planning and Development	1,070,245	866,103	204,142
Engineer Services			
Personal Services	552,663	428,143	124,520
Contractual Services	469,265	151,008	318,257
Supplies and Materials	16,003	6,116	9,887
Total Engineer Services	1,037,931	585,267	452,664
Total Community and Economic Development	2,108,176	1,451,370	656,806
Total Expenditures	14,532,221	11,650,385	2,881,836
Excess of Revenues Over (Under) Expenditures	(558,248)	2,323,590	2,881,838
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	44,900	44,900	0
Transfers In	839,363	0	(839,363)
Transfers Out	(380,000)	(380,000)	0
Total Other Financing Sources (Uses)	504,263	(335,100)	(839,363)
Net Change in Fund Balance	(53,985)	1,988,490	2,042,475
Fund Balance at Beginning of Year	6,831,806	6,831,806	0
Prior Year Encumbrances Appropriated	212,723	212,723	0
Fund Balance at End of Year	\$6,990,544	\$9,033,019	\$2,042,475

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIRE AND LIFE SQUAD SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		Variance
	Final	Actual	with
	Budget		Final Budget
Revenues:			
Property Taxes	\$4,458,569	\$4,458,569	\$0
Charges for Services	578,741	578,741	0
Intergovernmental	387,182	387,182	0
Other	131,454	131,454	0
Total Revenues	<u>5,555,946</u>	<u>5,555,946</u>	<u>0</u>
Expenditures:			
Current:			
Security of Persons and Property			
Fire Fighting, Prevention and Inspection			
Personal Services	3,372,829	2,850,433	522,396
Contractual Services	881,529	606,367	275,162
Supplies and Materials	77,238	13,783	63,455
Total Security of Persons and Property	<u>4,331,596</u>	<u>3,470,583</u>	<u>861,013</u>
Capital Outlay	<u>9,091,177</u>	<u>8,450,764</u>	<u>640,413</u>
Debt Service:			
Principal Retirement	1,000,000	1,000,000	0
Interest and Fiscal Charges	257,730	172,143	85,587
Total Debt Service	<u>1,257,730</u>	<u>1,172,143</u>	<u>85,587</u>
Total Expenditures	<u>14,680,503</u>	<u>13,093,490</u>	<u>1,587,013</u>
Excess of Revenues Under Expenditures	<u>(9,124,557)</u>	<u>(7,537,544)</u>	<u>1,587,013</u>
Other Financing Sources:			
Proceeds from Sale of Capital Assets	67,025	67,025	0
Transfers In	424,645	0	(424,645)
Bonds Issued	7,350,000	7,350,000	0
Bond Anticipation Notes Issued	1,400,000	1,400,000	0
Premium on Debt Issued	149,330	149,330	0
Total Other Financing Sources	<u>9,391,000</u>	<u>8,966,355</u>	<u>(424,645)</u>
Net Change in Fund Balance	266,443	1,428,811	1,162,368
Fund Balance at Beginning of Year	271,342	271,342	0
Prior Year Encumbrances Appropriated	<u>726,680</u>	<u>726,680</u>	<u>0</u>
Fund Balance at End of Year	<u>\$1,264,465</u>	<u>\$2,426,833</u>	<u>\$1,162,368</u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Final</u>	<u>Actual</u>	<u>with</u>
	<u>Budget</u>		<u>Final Budget</u>
Revenues:			
Income Taxes	\$3,721,987	\$3,721,987	\$0
Special Assessments	137,729	137,729	0
Intergovernmental	318,167	318,167	0
Interest	23,150	23,150	0
Other	115,520	115,520	0
	<u>4,316,553</u>	<u>4,316,553</u>	<u>0</u>
Total Revenues			
Expenditures:			
Current:			
Transportation			
Capital Outlay	4,731,756	4,630,519	101,237
	<u>4,731,756</u>	<u>4,630,519</u>	<u>101,237</u>
Total Expenditures			
Excess of Revenues Under Expenditures	<u>(415,203)</u>	<u>(313,966)</u>	<u>101,237</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	71,086	71,086	0
Transfers In	320,000	300,000	(20,000)
Transfers Out	(2,295,000)	(2,000,000)	295,000
	<u>(1,903,914)</u>	<u>(1,628,914)</u>	<u>275,000</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	(2,319,117)	(1,942,880)	376,237
Fund Balance at Beginning of Year	2,110,680	2,110,680	0
Prior Year Encumbrances Appropriated	740,609	740,609	0
Fund Balance at End of Year	<u>\$532,172</u>	<u>\$908,409</u>	<u>\$376,237</u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL
ELECTRIC ENTERPRISE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final		with
	Budget	Actual	Final Budget
Revenues:			
Charges for Services	\$30,351,390	\$30,351,390	\$0
Other	203,683	203,683	0
Interest	159,195	159,195	0
Utility Deposits Received	129,135	129,135	0
	<u>30,843,403</u>	<u>30,843,403</u>	<u>0</u>
Total Revenues			
Expenses:			
Personal Services	2,311,854	2,120,647	191,207
Contractual Services	2,254,330	1,425,677	828,653
Purchased Power	24,601,805	22,350,768	2,251,037
Supplies and Materials	370,575	196,637	173,938
Utility Deposits Returned	142,500	113,144	29,356
Capital Outlay	4,950,815	3,635,247	1,315,568
Other	8,200	1,086	7,114
	<u>34,640,079</u>	<u>29,843,206</u>	<u>4,796,873</u>
Total Expenses			
Excess of Revenues Over (Under) Expenses			
Before Transfers	(3,796,676)	1,000,197	4,796,873
Transfers In	24,771	0	(24,771)
Net Change in Fund Equity	(3,771,905)	1,000,197	4,772,102
Fund Equity at Beginning of Year	30,441,504	30,441,504	0
Prior Year Encumbrances Appropriated	1,982,218	1,982,218	0
	<u>28,651,817</u>	<u>33,423,919</u>	<u>4,772,102</u>
Fund Equity at End of Year			

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL
SANITATION ENTERPRISE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final	Actual	with
	Budget		Final Budget
Revenues:			
Charges for Services	\$1,856,173	\$1,856,173	\$0
Other	4,713	4,713	0
Interest	4,030	4,030	0
	<u>1,864,916</u>	<u>1,864,916</u>	<u>0</u>
Total Revenues			
Expenses:			
Personal Services	142,038	119,911	22,127
Contractual Services	1,717,771	1,678,270	39,501
Other	500	0	500
	<u>1,860,309</u>	<u>1,798,181</u>	<u>62,128</u>
Total Expenses			
Excess of Revenues Over Expenses			
Before Transfers	4,607	66,735	62,128
Transfers In	1,000	0	(1,000)
	<u>5,607</u>	<u>66,735</u>	<u>61,128</u>
Net Change in Fund Equity			
Fund Equity at Beginning of Year	512,517	512,517	0
Prior Year Encumbrances Appropriated	10,847	10,847	0
	<u>528,971</u>	<u>528,971</u>	<u>0</u>
Fund Equity at End of Year	<u>\$528,971</u>	<u>\$590,099</u>	<u>\$61,128</u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
SEWER ENTERPRISE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Final</u>	<u>Actual</u>	<u>with</u>
	<u>Budget</u>		<u>Final Budget</u>
Revenues:			
Charges for Services	\$4,032,000	\$4,032,000	\$0
Interest	27,459	27,459	0
Other	27,068	27,068	0
Total Revenues	<u>4,086,527</u>	<u>4,086,527</u>	<u>0</u>
Expenses:			
Personal Services	698,466	597,500	100,966
Contractual Services	1,805,181	1,661,629	143,552
Supplies and Materials	164,409	109,652	54,757
Capital Outlay	1,651,572	1,397,509	254,063
Other	200	102	98
Debt Service:			
Principal Retirement	655,000	655,000	0
Interest and Fiscal Charges	75,986	73,486	2,500
Total Expenses	<u>5,050,814</u>	<u>4,494,878</u>	<u>555,936</u>
Excess of Revenues Under Expenses			
Before Transfers	(964,287)	(408,351)	555,936
Transfers In	<u>1,973</u>	<u>0</u>	<u>(1,973)</u>
Net Change in Fund Equity	(962,314)	(408,351)	553,963
Fund Equity at Beginning of Year	3,646,241	3,646,241	0
Prior Year Encumbrances Appropriated	<u>903,106</u>	<u>903,106</u>	<u>0</u>
Fund Equity at End of Year	<u>\$3,587,033</u>	<u>\$4,140,996</u>	<u>\$553,963</u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL
TELECOMMUNICATIONS ENTERPRISE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final		with
	Budget	Actual	Final Budget
Revenues:			
Charges for Services	\$25,405	\$25,405	\$0
Other Non Operating	3,312	3,312	0
Total Revenues	<u>28,717</u>	<u>28,717</u>	<u>0</u>
Expenses:			
Personal Services	27,142	27,866	(724)
Contractual Services	14,392	12,701	1,691
Supplies and Materials	500	398	102
Capital Outlay	5,000	4,795	205
Total Expenses	<u>47,034</u>	<u>45,760</u>	<u>1,274</u>
Net Change in Fund Equity	(18,317)	(17,043)	1,274
Fund Equity at Beginning of Year	232,471	232,471	0
Prior Year Encumbrances Appropriated	<u>157</u>	<u>157</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$214,311</u></u>	<u><u>\$215,585</u></u>	<u><u>\$1,274</u></u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL
WATER ENTERPRISE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Final</u>	<u>Actual</u>	<u>with</u>
	<u>Budget</u>		<u>Final Budget</u>
Revenues:			
Charges for Services	\$5,111,316	\$5,111,316	\$0
Other	16,348	16,348	0
Interest	35,036	35,036	0
Utility Deposits Received	8,175	8,175	0
	<u>5,170,875</u>	<u>5,170,875</u>	<u>0</u>
Total Revenues			
Expenses:			
Personal Services	331,059	280,961	50,098
Contractual Services	1,013,958	826,587	187,371
Supplies and Materials	1,996,124	1,906,662	89,462
Utility Deposits Returned	7,500	7,500	0
Capital Outlay	1,513,668	1,087,498	426,170
Other	1,500	1,231	269
Debt Service:			
Principal Retirement	440,000	440,000	0
Interest and Fiscal Charges	407,763	400,235	7,528
	<u>5,711,572</u>	<u>4,950,674</u>	<u>760,898</u>
Total Expenses			
Excess of Revenues Over (Under) Expenses			
Before Transfers	(540,697)	220,201	760,898
Transfers In	7,613	0	(7,613)
	<u>(533,084)</u>	<u>220,201</u>	<u>753,285</u>
Net Change in Fund Equity			
Fund Equity at Beginning of Year	5,084,927	5,084,927	0
Prior Year Encumbrances Appropriated	536,914	536,914	0
	<u>5,088,757</u>	<u>5,842,042</u>	<u>\$753,285</u>
Fund Equity at End of Year			

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL
STORM WATER UTILITY ENTERPRISE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final		with
	Budget	Actual	Final Budget
Revenues:			
Charges for Services	\$949,736	\$949,736	\$0
Other	3,731	3,731	0
Interest	5,321	5,321	0
	<u>958,788</u>	<u>958,788</u>	<u>0</u>
Total Revenues			
Expenses:			
Personal Services	97,288	96,922	366
Contractual Services	247,259	205,047	42,212
Capital Outlay	894,630	867,201	27,429
Other	1,000	1,160	(160)
	<u>1,240,177</u>	<u>1,170,330</u>	<u>69,847</u>
Total Expenses			
Net Change in Fund Equity	(281,389)	(211,542)	69,847
Fund Equity at Beginning of Year	559,093	559,093	0
Prior Year Encumbrances Appropriated	84,203	84,203	0
	<u>559,093</u>	<u>559,093</u>	<u>0</u>
Fund Equity at End of Year	<u>\$361,907</u>	<u>\$431,754</u>	<u>\$69,847</u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CEMETERY SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Final</u>		<u>with</u>
	<u>Budget</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:			
Charges for Services	\$128,178	\$128,178	\$0
Interest	6,133	6,133	0
Other	6,237	6,237	0
Total Revenues	<u>140,548</u>	<u>140,548</u>	<u>0</u>
Expenditures:			
Current:			
Public Health Services			
Cemetery			
Personal Services	137,529	96,279	41,250
Contractual Services	48,031	33,613	14,418
Supplies and Materials	4,600	3,307	1,293
Capital Outlay	7,000	4,946	2,054
Other	2,000	1,500	500
Total Expenditures	<u>199,160</u>	<u>139,645</u>	<u>59,515</u>
Excess of Revenues Over (Under) Expenditures	(58,612)	903	59,515
Other Financing Sources:			
Transfers In	<u>70,500</u>	<u>70,000</u>	<u>(500)</u>
Net Change in Fund Balance	11,888	70,903	59,015
Fund Balance at Beginning of Year	869,177	869,177	0
Prior Year Encumbrances Appropriated	<u>1,559</u>	<u>1,559</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$882,624</u></u>	<u><u>\$941,639</u></u>	<u><u>\$59,015</u></u>

**CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:	\$0	\$0	\$0
Expenditures:			
Current:			
Community Environment			
Community Development			
Capital Outlay	<u>157,567</u>	<u>157,567</u>	<u>0</u>
Net Change in Fund Balance	(157,567)	(157,567)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>157,567</u>	<u>157,567</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COURT SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Charges for Services	\$3,580	\$3,580	\$0
Fines, Licenses and Permits	78,544	78,544	0
Other	567	567	0
Total Revenues	<u>82,691</u>	<u>82,691</u>	<u>0</u>
Expenditures:			
Current:			
General Government			
Municipal Court Special Project			
Contractual Services	17,000	0	17,000
Federal Asset Forfeiture			
Capital Outlay	30,000	20,356	9,644
Total General Government	<u>47,000</u>	<u>20,356</u>	<u>26,644</u>
Security of Persons and Property			
Indigent Drivers Alcohol			
Contractual Services	133,589	60,648	72,941
Supplies and Materials	80,116	10,344	69,772
Total Indigent Drivers Alcohol	<u>213,705</u>	<u>70,992</u>	<u>142,713</u>
Computerized Legal Research			
Contractual Services	5,000	5,000	0
Supplies and Materials	3,000	3,000	0
Capital Outlay	2,000	1,259	741
Total Computerized Legal Research	<u>10,000</u>	<u>9,259</u>	<u>741</u>
Computer Improvement			
Contractual Services	35,000	19,369	15,631
Capital Outlay	5,000	1,130	3,870
Total Computer Improvement	<u>40,000</u>	<u>20,499</u>	<u>19,501</u>
Total Security of Persons and Property	<u>263,705</u>	<u>100,750</u>	<u>162,955</u>
Capital Outlay	<u>52,486</u>	<u>12,776</u>	<u>39,710</u>
Total Expenditures	<u>363,191</u>	<u>133,882</u>	<u>229,309</u>
Excess of Revenues Under Expenditures	<u>(280,500)</u>	<u>(51,191)</u>	<u>229,309</u>
Other Financing Sources:			
Transfers In	<u>15,000</u>	<u>0</u>	<u>(15,000)</u>
Net Change in Fund Balance	(265,500)	(51,191)	214,309
Fund Balance at Beginning of Year	744,142	744,142	0
Prior Year Encumbrances Appropriated	<u>32,459</u>	<u>32,459</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$511,101</u></u>	<u><u>\$725,410</u></u>	<u><u>\$214,309</u></u>

**CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARK/RECREATION IMPACT FEE SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Fines, Licenses and Permits	<u>\$73,144</u>	<u>\$73,144</u>	<u>\$0</u>
Expenditures:			
Current:			
Leisure Time Services			
Capital Outlay	<u>68,371</u>	<u>58,370</u>	<u>10,001</u>
Net Change in Fund Balance	4,773	14,774	(10,001)
Fund Balance at Beginning of Year	50,411	50,411	0
Prior Year Encumbrances Appropriated	<u>48,370</u>	<u>48,370</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$103,554</u></u>	<u><u>\$113,555</u></u>	<u><u>(\$10,001)</u></u>

**CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRANSPORTATION SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Final</u>	<u>Actual</u>	<u>with</u>
	<u>Budget</u>		<u>Final Budget</u>
Revenues:			
Fines, Licenses and Permits	\$193,480	\$193,480	\$0
Intergovernmental	1,398,202	1,398,202	0
Interest	1,308	1,308	0
Other	16,070	16,070	0
	<u>1,609,060</u>	<u>1,609,060</u>	<u>0</u>
Total Revenues			
Expenditures:			
Current:			
Transportation			
Street Maintenance and Repair			
Personal Services	475,366	373,362	102,004
Contractual Services	461,049	377,860	83,189
Supplies and Materials	328,000	269,990	58,010
Capital Outlay	0	0	0
Total Street Maintenance and Repair	<u>1,264,415</u>	<u>1,021,212</u>	<u>243,203</u>
Division Highway Maintenance			
Contractual Services	32,300	11,349	20,951
Supplies and Materials	80,300	46,882	33,418
Total Division Highway Maintenance	<u>112,600</u>	<u>58,231</u>	<u>54,369</u>
Total Transportation	<u>1,377,015</u>	<u>1,079,443</u>	<u>297,572</u>
Capital Outlay	<u>360,099</u>	<u>314,100</u>	<u>45,999</u>
Total Expenditures	<u>1,737,114</u>	<u>1,393,543</u>	<u>343,571</u>
Excess of Revenues Over (Under) Expenditures	(128,054)	215,517	343,571
Other Financing Sources:			
Transfers In	<u>29,325</u>	<u>10,000</u>	<u>(19,325)</u>
Net Change in Fund Balance	(98,729)	225,517	324,246
Fund Balance at Beginning of Year	973,889	973,889	0
Prior Year Encumbrances Appropriated	<u>56,668</u>	<u>56,668</u>	<u>0</u>
Fund Balance at End of Year	<u>\$931,828</u>	<u>\$1,256,074</u>	<u>\$324,246</u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FIRE INSURANCE COLLECTION SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final Budget	<u>Actual</u>	with Final Budget
Revenues:	\$0	\$0	\$0
Expenditures:			
Security of Persons and Property			
Fire			
Other	13,378	13,378	0
Excess of Revenues Under Expenditures	(13,378)	(13,378)	0
Net Change in Fund Balance	(13,378)	(13,378)	0
Fund Balance at Beginning of Year	13,378	13,378	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
RACETRACK REDEVELOPMENT SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Intergovernmental	\$321,746	\$321,134	(\$612)
Expenditures:			
Intergovernmental	<u>322,000</u>	<u>321,134</u>	<u>866</u>
Net Change in Fund Balance	(254)	0	866
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>(\$254)</u></u>	<u><u>\$0</u></u>	<u><u>\$866</u></u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOCAL CORONAVIRUS RELIEF SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Final</u>	<u>Actual</u>	<u>with</u>
	<u>Budget</u>		<u>Final Budget</u>
Revenues:			
Intergovernmental	\$1,365,420	\$1,365,420	\$0
Expenditures:			
Current:			
General Government			
City Manager			
Personal Services	2,376	2,376	0
Personnel			
Supplies and Materials	306	306	0
Department of Service			
Personal Services	1,136	1,136	0
Contractual Services	128	128	0
Supplies and Materials	177	177	0
Total Department of Service	1,441	1,441	0
Finance			
Personal Services	3,964	3,964	0
Supplies and Materials	83	83	0
Total Finance	4,047	4,047	0
Income Tax			
Personal Services	1,321	1,321	0
Supplies and Materials	177	177	0
Total Income Tax	1,498	1,498	0
Municipal Court			
Personal Services	2,725	2,725	0
Contractual Services	1,500	1,500	0
Supplies and Materials	463	463	0
Capital Outlay	10,764	0	10,764
Total Municipal Court	15,452	4,688	10,764
Probation			
Personal Services	2,981	2,981	0
Supplies and Materials	83	83	0
Total Probation	3,064	3,064	0
Building Maintenance			
Personal Services	5,876	5,876	0
Contractual Services	7,093	7,093	0
Supplies and Materials	3,317	3,317	0
Total Building Maintenance	\$16,286	\$16,286	\$0

(continued)

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOCAL CORONAVIRUS RELIEF SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(continued)

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Final</u>	<u>Actual</u>	<u>with</u>
	<u>Budget</u>		<u>Final Budget</u>
Other General Government			
Contractual Services	\$18,676	\$13,563	\$5,113
Supplies and Materials	29,348	29,348	0
Reimbursements	58,247	58,247	0
Total Other General Government	<u>106,271</u>	<u>101,158</u>	<u>5,113</u>
Total General Government	<u>150,741</u>	<u>134,864</u>	<u>15,877</u>
Security of Persons and Property			
Police			
Personal Services	347,037	292,522	54,515
Contractual Services	28,050	28,050	0
Supplies and Materials	13,457	13,457	0
Capital Outlay	192,423	192,423	0
Total Police	<u>580,967</u>	<u>526,452</u>	<u>54,515</u>
Fire			
Personal Services	202,232	202,232	0
Contractual Services	24,996	24,996	0
Supplies and Materials	60,604	52,913	7,691
Capital Outlay	131,008	131,008	0
Total Fire	<u>418,840</u>	<u>411,149</u>	<u>7,691</u>
Total Security of Persons and Property	<u>999,807</u>	<u>937,601</u>	<u>62,206</u>
Public Health Services			
Personal Services	<u>500</u>	<u>500</u>	<u>0</u>
Leisure Time Services			
Recreation Programs			
Personal Services	2,355	2,355	0
Contractual Services	471	471	0
Supplies and Materials	20,344	20,344	0
Capital Outlay	15,200	15,200	0
Total Leisure Time Services	<u>38,370</u>	<u>38,370</u>	<u>0</u>
Community and Economic Development			
Planning and Development			
Personal Services	141,900	141,900	0
Supplies and Materials	300	300	0
Total Planning and Development	<u>\$142,200</u>	<u>\$142,200</u>	<u>\$0</u>

(continued)

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOCAL CORONAVIRUS RELIEF SPECIAL REVENUE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(continued)

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Final</u>	<u>Actual</u>	<u>with</u>
	<u>Budget</u>		<u>Final Budget</u>
Engineer Services			
Personal Services	\$713	\$713	\$0
Contractual Services	128	128	0
Supplies and Materials	83	83	0
	<u>924</u>	<u>924</u>	<u>0</u>
Total Engineer Services	924	924	0
Total Community and Economic Development	<u>143,124</u>	<u>143,124</u>	<u>0</u>
Transportation			
Street Maintenance and Repair			
Personal Services	4,138	4,138	0
Contractual Services	7,944	7,944	0
Supplies and Materials	6,488	6,488	0
	<u>18,570</u>	<u>18,570</u>	<u>0</u>
Total Transportation	18,570	18,570	0
Capital Outlay	<u>14,308</u>	<u>9,740</u>	<u>4,568</u>
Total Expenditures	<u>1,365,420</u>	<u>1,282,769</u>	<u>82,651</u>
Net Change in Fund Balance	0	82,651	82,651
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$0</u>	<u>\$82,651</u>	<u>\$82,651</u>

**CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Income Taxes	\$668,032	\$668,032	\$0
Interest	24,332	24,332	0
Total Revenues	<u>692,364</u>	<u>692,364</u>	<u>0</u>
Expenditures:			
Debt Service:			
Principal Retirement	605,000	605,000	0
Interest and Fiscal Charges	204,911	199,868	5,043
Total Expenditures	<u>809,911</u>	<u>804,868</u>	<u>5,043</u>
Excess of Revenues Under Expenditures	<u>(117,547)</u>	<u>(112,504)</u>	<u>5,043</u>
Other Financing Sources:			
Premium on Debt Issued	352,216	352,216	0
Net Change in Fund Balance	234,669	239,712	5,043
Fund Balance at Beginning of Year	<u>3,236,883</u>	<u>3,236,883</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$3,471,552</u></u>	<u><u>\$3,476,595</u></u>	<u><u>\$5,043</u></u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING CAPITAL PROJECTS FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Final</u>	<u>Actual</u>	<u>with</u>
	<u>Budget</u>		<u>Final Budget</u>
Revenues:			
Payments in Lieu of Taxes	\$270,425	\$270,425	\$0
Charges for Services	12,630	12,630	0
Other	1,626	1,626	0
	<u>284,681</u>	<u>284,681</u>	<u>0</u>
Total Revenues			
Expenditures:			
Current:			
Community and Economic Development			
Community Planning			
Contractual Services	90,000	88,660	1,340
Supplies and Materials	6,281	22,386	(16,105)
Total Community and Economic Development	<u>96,281</u>	<u>111,046</u>	<u>(14,765)</u>
Intergovernmental			
Reimbursements	<u>78,000</u>	<u>81,553</u>	<u>(3,553)</u>
Capital Outlay	<u>703,000</u>	<u>703,000</u>	<u>0</u>
Debt Service:			
Principal Retirements	425,000	425,000	0
Interest and Fiscal Charges	31,390	26,390	5,000
Total Debt Service	<u>456,390</u>	<u>451,390</u>	<u>5,000</u>
Total Expenditures	<u>1,333,671</u>	<u>1,346,989</u>	<u>(13,318)</u>
Excess of Revenues Under Expenditures	<u>(1,048,990)</u>	<u>(1,062,308)</u>	<u>(13,318)</u>
Net Change in Fund Balance	(1,048,990)	(1,062,308)	(13,318)
Fund Balance at Beginning of Year	1,278,958	1,278,958	0
Prior Year Encumbrances Appropriated	<u>704,283</u>	<u>704,283</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$934,251</u></u>	<u><u>\$920,933</u></u>	<u><u>(\$13,318)</u></u>

**CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CEMETERY IMPROVEMENT CAPITAL PROJECTS FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Charges for Services	\$9,200	\$9,200	\$0
Expenditures:			
Current:			
Public Health Services			
Cemetery			
Capital Outlay	5,288	4,268	1,020
Net Change in Fund Balance	3,912	4,932	1,020
Fund Balance at Beginning of Year	98,240	98,240	0
Prior Year Encumbrances Appropriated	285	285	0
Fund Balance at End of Year	<u>\$102,437</u>	<u>\$103,457</u>	<u>\$1,020</u>

**CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
OPWC CAPITAL GRANT PROJECTS FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:	\$0	\$0	\$0
Expenditures:			
Capital Outlay	<u>3,865,809</u>	<u>3,673,129</u>	<u>192,680</u>
Excess of Revenues Under Expenditures	(3,865,809)	(3,673,129)	192,680
Other Financing Sources:			
Transfers In	<u>2,000,000</u>	<u>2,000,000</u>	<u>0</u>
Net Change in Fund Balance	(1,865,809)	(1,673,129)	192,680
Fund Balance at Beginning of Year	18,195	18,195	0
Prior Year Encumbrances Appropriated	<u>1,788,774</u>	<u>1,788,774</u>	<u>0</u>
Fund Balance at End of Year	<u><u>(\$58,840)</u></u>	<u><u>\$133,840</u></u>	<u><u>\$192,680</u></u>

CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL
AUTOMOTIVE MAINTENANCE INTERNAL SERVICE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Charges for Services	\$209,999	\$209,999	\$0
Other	10,505	10,505	0
Total Revenues	<u>220,504</u>	<u>220,504</u>	<u>0</u>
Expenses:			
Personal Services	300,679	236,467	64,212
Contractual Services	33,836	34,937	(1,101)
Supplies and Materials	20,300	19,072	1,228
Capital Outlay	10,000	67	9,933
Total Expenses	<u>364,815</u>	<u>290,543</u>	<u>74,272</u>
Excess of Revenues Under Expenses Before Transfers	(144,311)	(70,039)	74,272
Transfers In	<u>3,702</u>	<u>0</u>	<u>(3,702)</u>
Net Change in Fund Equity	(140,609)	(70,039)	70,570
Fund Equity at Beginning of Year	189,679	189,679	0
Prior Year Encumbrances Appropriated	<u>1,067</u>	<u>1,067</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$50,137</u></u>	<u><u>\$120,707</u></u>	<u><u>\$70,570</u></u>

**CITY OF LEBANON, OHIO
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
SELF-INSURANCE INTERNAL SERVICE FUND
BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final Budget	<u>Actual</u>	with Final Budget
Revenues:			
Charges for Services	\$1,529,996	\$1,529,996	\$0
Other	339,068	339,068	0
Interest	10,070	10,070	0
	<u>1,879,134</u>	<u>1,879,134</u>	<u>0</u>
Total Revenues			
Expenses:			
Contractual Services	611,536	563,253	48,283
Claims	2,042,667	1,798,185	244,482
	<u>2,654,203</u>	<u>2,361,438</u>	<u>292,765</u>
Total Expenses			
Net Change in Fund Equity	(775,069)	(482,304)	292,765
Fund Equity at Beginning of Year	1,329,219	1,329,219	0
Prior Year Encumbrances Appropriated	239,091	239,091	0
	<u>\$793,241</u>	<u>\$1,086,006</u>	<u>\$292,765</u>
Fund Equity at End of Year			

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STATISTICAL SECTION

STATISTICAL TABLES

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

CONTENTS PAGES

Financial Trends S2-S13

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

Revenue Capacity S14-S23

These schedules contain information to help the reader assess the City’s most significant local revenue sources, income taxes and charges for services for electricity.

Debt Capacity S24-S33

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.

Demographic and Economic Information S34-S36

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

Operating information S37-S45

These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year and/or City of Lebanon records.

CITY OF LEBANON, OHIO
NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014 (1)</u>
Governmental Activities				
Net Investment in Capital Assets	\$39,051,129	\$40,044,806	\$39,004,204	\$41,585,043
Restricted	10,873,564	8,952,231	5,585,635	6,267,670
Unrestricted	<u>10,376,818</u>	<u>12,340,870</u>	<u>18,978,185</u>	<u>7,838,796</u>
<i>Total Governmental Activities Net Position</i>	<u>60,301,511</u>	<u>61,337,907</u>	<u>63,568,024</u>	<u>55,691,509</u>
Business Type - Activities				
Net Investment in Capital Assets	50,068,883	54,208,669	55,500,876	59,251,800
Restricted	6,302,061	6,212,490	5,680,330	5,267,826
Unrestricted	<u>31,227,567</u>	<u>29,620,412</u>	<u>33,331,420</u>	<u>34,483,221</u>
<i>Total Business-Type Activities Net Position</i>	<u>87,598,511</u>	<u>90,041,571</u>	<u>94,512,626</u>	<u>99,002,847</u>
Primary Government				
Net Investment in Capital Assets	89,120,012	94,253,475	94,505,080	100,836,843
Restricted	17,175,625	15,164,721	11,265,965	11,535,496
Unrestricted	<u>41,604,385</u>	<u>41,961,282</u>	<u>52,309,605</u>	<u>42,322,017</u>
<i>Total Primary Government Net Position</i>	<u>\$147,900,022</u>	<u>\$151,379,478</u>	<u>\$158,080,650</u>	<u>\$154,694,356</u>

- (1) The City reported the impact of GASB Statement No. 68 beginning in 2014.
(2) The City reported the impact of GASB Statement No. 75 beginning in 2017.
(3) The City reported the impact of GASB Statement No. 84 beginning in 2018.

<u>2015 (1)</u>	<u>2016 (1)</u>	<u>2017 (1)(2)</u>	<u>2018 (1)(2)(3)</u>	<u>2019 (3)</u>	<u>2020</u>
\$44,393,758	\$44,914,941	\$45,187,387	\$46,669,201	\$49,340,377	\$48,004,730
7,975,274	9,034,221	10,733,107	6,973,104	6,980,172	7,596,937
<u>5,832,012</u>	<u>3,619,152</u>	<u>(3,960,757)</u>	<u>(2,461,164)</u>	<u>4,233,397</u>	<u>4,826,294</u>
<u>58,201,044</u>	<u>57,568,314</u>	<u>51,959,737</u>	<u>51,181,141</u>	<u>60,553,946</u>	<u>60,427,961</u>
60,080,356	74,004,313	78,562,446	81,347,572	80,711,145	82,678,943
4,724,747	2,933,782	1,817,123	1,028,468	1,029,212	1,028,241
<u>38,736,281</u>	<u>32,769,402</u>	<u>36,361,995</u>	<u>41,541,838</u>	<u>48,841,951</u>	<u>52,974,853</u>
<u>103,541,384</u>	<u>109,707,497</u>	<u>116,741,564</u>	<u>123,917,878</u>	<u>130,582,308</u>	<u>136,682,037</u>
104,474,114	118,919,254	123,749,833	128,016,773	130,051,522	130,683,673
12,700,021	11,968,003	12,550,230	8,001,572	8,009,384	8,625,178
<u>44,568,293</u>	<u>36,388,554</u>	<u>32,401,238</u>	<u>39,080,674</u>	<u>53,075,348</u>	<u>57,801,147</u>
<u>\$161,742,428</u>	<u>\$167,275,811</u>	<u>\$168,701,301</u>	<u>\$175,099,019</u>	<u>\$191,136,254</u>	<u>\$197,109,998</u>

CITY OF LEBANON, OHIO
 CHANGES IN NET POSITION
 LAST TEN YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	2011	2012	2013	2014
Program Revenues				
Governmental Activities:				
Charges for Services and Sales:				
General Government	\$1,883,236	\$2,319,719	\$2,209,851	\$2,466,267
Security of Persons and Property:				
Police	556,218	641,330	626,391	742,244
Fire	467,450	420,701	370,420	424,694
Public Health Services	106,911	126,381	104,226	119,496
Leisure Time Services	53,410	24,508	21,916	36,481
Community and Economic Development	0	8,129	8,130	8,130
Transportation	24,198	15,496	130,505	40,923
Subtotal - Charges for Services	<u>3,091,423</u>	<u>3,556,264</u>	<u>3,471,439</u>	<u>3,838,235</u>
Operating Grants, Contributions and Interest:				
General Government	0	0	0	0
Security of Persons and Property:				
Police	191,533	0	0	0
Fire	351,001	247,639	240,311	315,717
Public Health Services	30,000	29,792	15,000	11,463
Leisure Time Services	1,848	12,134	19,195	20,000
Community and Economic Development	24,800	67,873	489,069	0
Transportation	1,057,251	985,902	1,051,014	1,033,035
Subtotal - Operating Grants, Contributions and Interest	<u>1,656,433</u>	<u>1,343,340</u>	<u>1,814,589</u>	<u>1,380,215</u>
Capital Grants, Contributions and Interest:				
General Government	0	0	0	0
Security of Persons and Property:				
Fire	0	0	0	0
Public Health Services	0	9,855	2,874	8,146
Leisure Time Services	0	0	559,470	220,000
Transportation	752,724	1,432,669	2,652,544	1,374,725
Subtotal - Capital Grants, Contributions and Interest	<u>752,724</u>	<u>1,442,524</u>	<u>3,214,888</u>	<u>1,602,871</u>
<i>Total Governmental Activities Program Revenues</i>	<u>5,500,580</u>	<u>6,342,128</u>	<u>8,500,916</u>	<u>6,821,321</u>
Business-Type Activities:				
Charges for Services:				
Electric	25,694,050	28,988,955	30,606,725	32,857,624
Sanitation	1,549,157	1,556,865	1,512,454	1,628,911
Sewer	3,139,479	3,321,870	3,248,192	3,377,730
Telecommunications	125,060	148,887	156,348	155,642
Water	2,803,705	3,175,134	3,093,645	3,371,176
Storm Water Utility	834,440	836,426	793,106	848,592
Operating Grants, Contributions and Interest	0	0	0	0
Capital Grants, Contributions and Interest				
Electric	0	0	0	0
Sewer	0	249,255	0	0
Water	0	167,155	0	0
Storm Water Utility	0	0	0	0
<i>Total Business-Type Activities Program Revenues</i>	<u>34,145,891</u>	<u>38,444,547</u>	<u>39,410,470</u>	<u>42,239,675</u>
<i>Total Primary Government Program Revenues</i>	<u>\$39,646,471</u>	<u>\$44,786,675</u>	<u>\$47,911,386</u>	<u>\$49,060,996</u>

2015 (1)	2016 (1)	2017 (1)(2)	2018 (1)(2)	2019	2020
\$981,480	\$1,131,466	\$1,065,750	\$989,195	\$1,137,062	\$1,494,913
1,787,766	1,129,698	1,235,170	1,143,786	1,255,220	1,245,706
432,627	445,067	492,836	567,552	567,442	578,741
153,546	116,213	104,520	148,890	142,032	137,378
356,308	697,533	699,761	657,187	616,365	676,258
8,129	216,250	235,082	237,784	257,505	316,095
24,122	92,944	121,192	278,574	359,617	333,937
<u>3,743,978</u>	<u>3,829,171</u>	<u>3,954,311</u>	<u>4,022,968</u>	<u>4,335,243</u>	<u>4,783,028</u>
0	0	0	0	0	457,030
0	0	1,000	1,674	437,122	530,480
0	0	56,458	416,393	0	635,186
20,750	29,113	0	0	0	504
0	10,000	1,500	3,030	500	39,663
0	0	774,812	0	0	144,219
<u>1,017,682</u>	<u>1,067,460</u>	<u>1,001,629</u>	<u>1,192,576</u>	<u>1,395,223</u>	<u>1,291,702</u>
<u>1,038,432</u>	<u>1,106,573</u>	<u>1,835,399</u>	<u>1,613,673</u>	<u>1,832,845</u>	<u>3,098,784</u>
0	0	0	0	0	0
0	0	0	0	0	0
3,669	8,898	4,659	12,370	19,883	9,670
538,267	67,385	35,250	51,547	529,171	424,723
<u>1,346,575</u>	<u>1,255,942</u>	<u>1,740,358</u>	<u>1,409,867</u>	<u>1,943,452</u>	<u>1,340,724</u>
<u>1,888,511</u>	<u>1,332,225</u>	<u>1,780,267</u>	<u>1,473,784</u>	<u>2,492,506</u>	<u>1,775,117</u>
<u>6,670,921</u>	<u>6,267,969</u>	<u>7,569,977</u>	<u>7,110,425</u>	<u>8,660,594</u>	<u>9,656,929</u>
30,582,103	30,372,073	31,792,788	34,392,469	33,427,305	31,128,666
1,683,702	1,677,936	1,722,062	1,767,643	1,788,850	1,908,450
3,461,898	3,553,255	3,730,088	3,862,365	3,833,562	4,122,001
145,296	58,976	54,424	40,121	32,796	25,405
3,643,684	4,121,890	4,525,928	4,698,976	4,799,754	5,284,141
976,963	722,944	892,518	880,798	900,552	994,465
0	0	0	118,141	0	0
0	0	0	0	0	95,890
0	230,050	1,310,860	477,950	0	0
0	410,465	1,117,535	0	0	0
0	41,630	44,572	261,165	118,609	0
<u>40,493,646</u>	<u>41,189,219</u>	<u>45,190,775</u>	<u>46,499,628</u>	<u>44,901,428</u>	<u>43,559,018</u>
<u>\$47,164,567</u>	<u>\$47,457,188</u>	<u>\$52,760,752</u>	<u>\$53,610,053</u>	<u>\$53,562,022</u>	<u>\$53,215,947</u>

(continued)

CITY OF LEBANON, OHIO
 CHANGES IN NET POSITION
 LAST TEN YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (CONTINUED)

	2011	2012	2013	2014
Expenses				
Governmental Activities:				
General Government	\$3,881,199	\$3,591,911	\$3,731,306	\$3,858,814
Intergovernmental	310,704	345,607	900,216	0
Security of Persons and Property:				
Police	4,547,632	4,414,356	4,067,094	4,361,049
Fire	2,866,797	3,308,046	3,136,542	2,611,925
Public Health Services	220,299	221,850	216,095	211,544
Leisure Time Services	674,644	778,510	1,328,928	848,639
Community and Economic Development	930,934	1,080,804	1,278,496	1,459,944
Transportation	3,561,887	4,207,949	3,934,203	4,112,839
Interest and Fiscal Charges	253,316	338,645	280,800	239,369
<i>Total Governmental Activities Expenses</i>	<u>17,247,412</u>	<u>18,287,678</u>	<u>18,873,680</u>	<u>17,704,123</u>
Business-Type Activities:				
Electric	25,488,085	28,898,408	27,155,807	29,100,455
Sanitation	1,512,397	1,508,493	1,524,770	1,568,798
Sewer	3,444,593	3,739,025	2,541,355	3,722,315
Telecommunications	164,107	178,763	153,569	132,226
Water	3,086,876	3,691,306	3,839,171	3,848,723
Storm Water Utility	612,275	502,542	506,859	664,189
<i>Total Business-Type Activities Expenses</i>	<u>34,308,333</u>	<u>38,518,537</u>	<u>35,721,531</u>	<u>39,036,706</u>
<i>Total Primary Government Program Expenses</i>	<u>51,555,745</u>	<u>56,806,215</u>	<u>54,595,211</u>	<u>56,740,829</u>
Net (Expense)/Revenue				
Governmental Activities	(11,746,832)	(11,945,550)	(10,372,764)	(10,882,802)
Business-Type Activities	(162,442)	(73,990)	3,688,939	3,202,969
<i>Total Primary Government Net Expense</i>	<u>(11,909,274)</u>	<u>(12,019,540)</u>	<u>(6,683,825)</u>	<u>(7,679,833)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes Levied For:				
General Purposes	1,147,868	1,054,552	989,809	988,577
Fire and Life Squad	2,228,171	2,028,866	1,905,228	1,905,588
Income Taxes	5,762,855	6,232,249	6,371,559	6,751,574
Other Taxes	1,245,078	1,366,321	1,337,972	1,380,635
Payments in Lieu of Taxes	1,395,381	1,758,769	1,476,519	1,772,913
Grants and Entitlements not Restricted to				
Specific Programs	814,808	342,899	420,153	750,994
Investment Earnings	(217,091)	317,837	227,603	396,425
Gain on Sale of Capital Assets	7,414	0	0	0
Other	225,740	155,073	374,038	384,300
Transfers	(392,268)	(274,620)	(500,000)	(2,420,508)
<i>Total Governmental Activities</i>	<u>\$12,217,956</u>	<u>\$12,981,946</u>	<u>\$12,602,881</u>	<u>\$11,910,498</u>

2015 (1)	2016 (1)	2017 (1)(2)	2018 (1)(2)	2019	2020
\$3,924,199	\$5,157,129	\$4,840,572	\$4,718,932	\$5,389,856	\$5,807,787
418,817	428,151	0	4,461,868	891,445	402,687
4,243,356	5,115,826	5,122,645	5,668,034	1,860,634	5,995,882
3,165,407	3,276,015	3,396,681	4,216,795	1,727,750	5,288,833
196,806	197,737	220,040	178,851	241,369	192,502
1,340,847	828,117	984,126	611,815	1,791,839	1,042,114
1,021,078	1,240,968	1,314,860	1,410,511	1,413,635	1,748,686
4,584,011	4,339,489	5,099,318	4,556,884	4,985,093	7,998,060
213,544	293,757	242,283	207,370	206,733	372,476
19,108,065	20,877,189	21,220,525	26,031,060	18,508,354	28,849,027
26,348,054	27,684,350	28,290,002	29,853,214	28,561,167	28,219,233
1,625,356	1,617,010	1,660,252	1,707,946	1,755,902	1,771,721
3,504,416	3,235,514	3,287,280	3,887,245	3,556,030	3,611,975
161,943	162,201	266,372	92,969	48,610	49,528
3,971,143	3,672,987	4,108,375	3,894,737	4,737,953	4,385,121
634,635	754,859	707,040	886,106	826,067	909,310
36,245,547	37,126,921	38,319,321	40,322,217	39,485,729	38,946,888
55,353,612	58,004,110	59,539,846	66,353,277	57,994,083	67,795,915
(12,437,144)	(14,609,220)	(13,650,548)	(18,920,635)	(9,847,760)	(19,192,098)
4,248,099	4,062,298	6,871,454	6,177,411	5,415,699	4,612,130
(8,189,045)	(10,546,922)	(6,779,094)	(12,743,224)	(4,432,061)	(14,579,968)
1,002,485	1,039,309	1,052,956	1,059,991	1,222,270	1,298,119
2,639,539	2,772,706	2,752,718	2,768,300	2,886,011	4,623,288
7,425,983	7,613,002	9,548,135	9,847,997	10,580,698	10,113,404
1,439,547	1,526,713	1,503,991	1,557,388	1,531,496	1,502,883
1,757,214	1,774,947	1,730,854	1,684,982	1,617,904	270,425
406,357	366,251	352,609	366,847	498,567	461,333
64,872	460,102	274,506	530,248	751,257	961,344
508	0	0	0	0	0
294,305	248,975	443,889	768,637	275,323	670,490
(84,131)	(1,825,515)	(1,273,527)	(497,767)	(142,961)	(835,173)
\$14,946,679	\$13,976,490	\$16,386,131	\$18,086,623	\$19,220,565	\$19,066,113

(continued)

CITY OF LEBANON, OHIO
 CHANGES IN NET POSITION
 LAST TEN YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (CONTINUED)

	2011	2012	2013	2014
General Revenues and Other Changes in Net Position (continued)				
Business-Type Activities:				
Investment Earnings	(\$288,217)	\$219,886	\$113,323	\$282,679
Gain on Sale of Capital Assets	12,415	3,800	0	0
Other	665,346	2,018,744	168,793	103,639
Transfers	392,268	274,620	500,000	2,420,508
<i>Total Business-Type Activities</i>	<u>781,812</u>	<u>2,517,050</u>	<u>782,116</u>	<u>2,806,826</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>12,999,768</u>	<u>15,498,996</u>	<u>13,384,997</u>	<u>14,717,324</u>
Prior Year Restatement of Governmental Activities Net Position	0	0	0	(8,904,211)
Prior Year Restatement of Business-Type Activities Net Position	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,519,574)</u>
Change in Net Position				
Governmental Activities	471,124	1,036,396	2,230,117	(7,876,515)
Business-Type Activities	<u>619,370</u>	<u>2,443,060</u>	<u>4,471,055</u>	<u>4,490,221</u>
<i>Total Primary Government Change in Net Position</i>	<u><u>\$1,090,494</u></u>	<u><u>\$3,479,456</u></u>	<u><u>\$6,701,172</u></u>	<u><u>(\$3,386,294)</u></u>

(1) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

(2) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2017.

2015 (1)	2016 (1)	2017 (1)(2)	2018 (1)(2)	2019	2020
\$139,240	\$198,153	\$218,950	\$414,121	\$852,746	\$393,571
0	13,400	11,265	0	0	0
67,067	66,747	107,353	87,015	253,024	258,855
84,131	1,825,515	1,273,527	497,767	142,961	835,173
290,438	2,103,815	1,611,095	998,903	1,248,731	1,487,599
15,237,117	16,080,305	17,997,226	19,085,526	20,469,296	20,553,712
0	0	(8,344,160)	0	0	0
0	0	(1,448,482)	0	0	0
2,509,535	(632,730)	(5,608,577)	(834,012)	9,372,805	(125,985)
4,538,537	6,166,113	7,034,067	7,176,314	6,664,430	6,099,729
\$7,048,072	\$5,533,383	\$1,425,490	\$6,342,302	\$16,037,235	\$5,973,744

CITY OF LEBANON, OHIO
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund				
Nonspendable	\$921,909	\$813,297	\$682,168	\$565,102
Assigned	183,215	260,111	194,031	140,952
Unassigned	<u>4,267,452</u>	<u>5,137,124</u>	<u>5,056,978</u>	<u>5,779,984</u>
Total General Fund	<u>5,372,576</u>	<u>6,210,532</u>	<u>5,933,177</u>	<u>6,486,038</u>
All Other Governmental Funds				
Nonspendable	189,965	190,824	124,814	197,501
Restricted	9,490,132	7,704,927	4,764,186	5,531,792
Committed	3,196,405	5,055,548	9,520,830	4,702,921
Unassigned (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(238,372)</u>
Total All Other Governmental Funds	<u>12,876,502</u>	<u>12,951,299</u>	<u>14,409,830</u>	<u>10,193,842</u>
Total Governmental Funds	<u><u>\$18,249,078</u></u>	<u><u>\$19,161,831</u></u>	<u><u>\$20,343,007</u></u>	<u><u>\$16,679,880</u></u>

2015	2016	2017	2018	2019	2020
\$411,009	\$204,518	\$111,593	\$104,384	\$113,084	\$133,447
628,373	4,227,592	315,523	290,171	319,871	4,521,506
5,399,631	866,041	5,723,205	6,805,662	8,198,455	6,978,469
6,439,013	5,298,151	6,150,321	7,200,217	8,631,410	11,633,422
187,072	154,692	139,403	154,686	197,053	237,201
7,144,478	8,245,204	10,187,756	6,272,909	5,134,492	11,542,370
5,903,271	5,709,472	5,684,713	5,869,249	8,117,619	7,880,312
0	0	0	0	0	0
13,234,821	14,109,368	16,011,872	12,296,844	13,449,164	19,659,883
\$19,673,834	\$19,407,519	\$22,162,193	\$19,497,061	\$22,080,574	\$31,293,305

CITY OF LEBANON, OHIO
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2011	2012	2013	2014
Revenues				
Property Taxes	\$3,377,780	\$3,070,560	\$2,936,952	\$2,940,203
Income Taxes	5,463,788	6,155,444	6,334,779	6,765,581
Other Local Taxes	1,245,646	1,366,321	1,337,972	1,380,635
Payments in Lieu of Taxes	1,428,970	1,758,769	1,476,519	1,772,913
Special Assessments	112,287	89,051	124,099	37,671
Charges for Services	2,309,288	2,819,113	2,601,728	2,902,988
Fines, Licenses and Permits	788,547	737,151	754,072	906,570
Intergovernmental	2,932,834	2,647,883	5,404,430	2,407,179
Interest	(86,371)	329,748	167,756	397,885
Contributions and Donations	1,848	12,134	19,195	20,000
Other	225,740	155,073	374,038	384,300
<i>Total Revenues</i>	<u>17,800,357</u>	<u>19,141,247</u>	<u>21,531,540</u>	<u>19,915,925</u>
Expenditures				
Current:				
General Government	3,512,438	3,353,208	3,845,070	4,022,641
Security of Persons and Property:				
Police	4,138,153	4,155,702	4,145,205	4,491,399
Fire	2,538,806	3,055,494	2,867,920	2,960,394
Public Health Services	175,537	171,222	166,325	180,868
Leisure Time Services	493,220	648,820	1,184,816	750,673
Community and Economic Development	861,847	1,010,993	1,225,319	990,247
Transportation	868,916	1,146,286	1,226,412	947,545
Intergovernmental	296,891	345,607	900,216	407,960
Capital Outlay	3,205,214	3,718,437	7,728,631	8,522,810
Debt Service:				
Principal Retirement	540,884	466,645	605,496	2,080,519
Interest and Fiscal Charges	244,320	220,992	291,117	283,889
Payment to Refunded Bond Escrow Agent	0	0	0	0
<i>Total Expenditures</i>	<u>16,876,226</u>	<u>18,293,406</u>	<u>24,186,527</u>	<u>25,638,945</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>924,131</u>	<u>847,841</u>	<u>(2,654,987)</u>	<u>(5,723,020)</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	37,825	64,912	32,077	19,541
Proceeds of Loans	0	0	0	0
Transfers In	433,620	502,500	702,500	1,632,500
Transfers Out	(474,874)	(502,500)	(1,202,500)	(1,632,500)
General Obligation Bonds Issued	0	0	2,655,000	0
Bond Anticipation Notes Issued	0	0	0	0
Refunding Bonds Issued	0	0	2,311,603	0
Proceeds from Sale of Notes	0	0	1,500,000	2,000,000
Premium on Debt Issued	0	0	239,158	40,352
Payment to Refunded Bond Escrow Agent	0	0	(2,401,675)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,429)</u>	<u>64,912</u>	<u>3,836,163</u>	<u>2,059,893</u>
<i>Net Change in Fund Balances</i>	<u>\$920,702</u>	<u>\$912,753</u>	<u>\$1,181,176</u>	<u>(\$3,663,127)</u>
Debt Service as a Percentage of Noncapital Expenditures	5.5%	4.6%	5.4%	12.6%

2015	2016	2017	2018	2019	2020
\$3,651,116	\$3,848,031	\$3,786,101	\$3,837,316	\$4,088,573	\$5,718,881
7,055,726	7,541,820	8,611,067	9,873,295	10,480,206	10,455,825
1,439,547	1,526,713	1,503,991	1,557,388	1,531,496	1,502,883
1,757,214	1,774,947	1,730,854	1,684,982	1,617,904	270,425
324	64,425	79,585	95,436	221,520	89,828
2,886,962	2,953,745	3,011,271	2,985,962	3,256,905	3,458,233
857,016	834,416	863,288	778,927	725,167	1,184,142
4,674,712	2,731,688	3,912,435	2,445,772	5,048,356	4,227,676
58,337	444,478	282,943	466,086	748,333	1,005,873
20,750	10,000	2,500	46,536	500	1,000
294,305	248,975	443,889	768,637	275,323	670,490
<u>22,696,009</u>	<u>21,979,238</u>	<u>24,227,924</u>	<u>24,540,337</u>	<u>27,994,283</u>	<u>28,585,256</u>
3,905,327	4,976,238	4,215,031	4,291,645	4,451,582	5,151,347
4,367,772	4,537,637	4,702,582	4,984,432	4,741,246	4,824,061
2,646,167	3,016,268	3,062,306	3,527,903	3,494,190	4,457,930
158,906	168,762	167,715	144,214	168,621	140,509
1,198,390	680,947	703,577	811,296	1,860,472	820,602
1,099,926	1,038,424	1,113,108	1,222,729	1,094,395	1,423,275
1,217,506	921,484	1,191,944	976,040	943,223	4,077,416
418,817	428,151	0	4,461,868	891,445	402,687
3,906,252	7,033,480	5,102,432	6,507,367	6,068,983	4,687,435
2,595,541	2,715,564	4,650,588	995,614	1,505,640	1,030,668
239,999	319,007	298,092	215,664	222,345	380,448
0	0	326,092	0	0	0
<u>21,754,603</u>	<u>25,835,962</u>	<u>25,533,467</u>	<u>28,138,772</u>	<u>25,442,142</u>	<u>27,396,378</u>
941,406	(3,856,724)	(1,305,543)	(3,598,435)	2,552,141	1,188,878
30,498	43,396	854,877	75,887	31,372	183,011
0	0	0	302,000	0	0
1,007,500	1,087,500	372,500	1,145,000	2,530,000	2,380,000
(1,007,500)	(1,733,068)	(1,392,500)	(1,145,000)	(2,530,000)	(2,380,000)
0	1,935,000	2,125,000	0	0	7,350,000
2,000,000	2,100,000	2,100,000	500,000	0	0
0	0	1,250,000	0	0	0
0	0	0	0	0	0
22,050	157,581	0	0	0	490,842
0	0	(1,249,660)	0	0	0
<u>2,052,548</u>	<u>3,590,409</u>	<u>4,060,217</u>	<u>877,887</u>	<u>31,372</u>	<u>8,023,853</u>
<u>\$2,993,954</u>	<u>(\$266,315)</u>	<u>\$2,754,674</u>	<u>(\$2,720,548)</u>	<u>\$2,583,513</u>	<u>\$9,212,731</u>
15.6%	16.2%	23.9%	5.7%	9.1%	6.2%

CITY OF LEBANON, OHIO
 INCOME TAX REVENUE BASE AND COLLECTIONS
 LAST TEN YEARS

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2011	1.00%	\$5,762,855	\$4,320,412	74.97%	\$418,960	7.27%	\$1,023,483	17.76%
2012	1.00	6,232,249	4,594,414	73.72	572,120	9.18	1,065,715	17.10
2013	1.00	6,323,285	4,609,675	72.90	670,268	10.60	1,043,342	16.50
2014	1.00	6,658,556	4,892,707	73.48	763,736	11.47	1,002,113	15.05
2015	1.00	7,054,685	5,275,555	74.78	641,281	9.09	1,137,849	16.13
2016	1.00	7,554,661	5,712,740	75.62	700,769	9.28	1,141,152	15.10
2017	1.00	8,497,022	6,055,536	71.27	827,787	9.74	1,613,699	18.99
2018	1.00	9,706,803	6,698,504	69.01	791,053	8.15	2,217,246	22.84
2019	1.00	10,458,446	6,842,935	65.43	1,132,100	10.82	2,483,411	23.75
2020	1.00	10,376,921	6,899,528	66.49	1,111,237	10.71	2,366,156	22.80

Source: City Income Tax Department, provided on a cash basis

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.

CITY OF LEBANON, OHIO
 INCOME TAX FILERS BY INCOME LEVEL
 TAX YEARS 2019 AND 2010 (1)

Tax Year 2019 (2)

Income Range	Number of Filed Returns	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	1,600	23.09 %	\$266,999,459	57.03 %
75,001-100,000	691	9.97	60,049,510	12.83
50,001-75,000	1,048	15.12	64,931,180	13.87
25,000-50,000	1,427	20.59	52,793,603	11.28
Under 25,000	2,163	31.23	23,402,581	4.99
Total	6,929	100.00	\$468,176,333	100.00

Tax Year 2010 (2)

Income Range	Number of Filed Returns	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	1,024	17.07 %	\$154,317,368	44.86 %
75,001-100,000	690	11.50	59,867,314	17.40
50,001-75,000	937	15.62	58,279,022	16.94
25,000-50,000	1,355	22.59	50,309,215	14.63
Under 25,000	1,992	33.22	21,214,399	6.17
Total	5,998	100.00	\$343,987,318	100.00

Source: City Income Tax Department

- (1) Tax year 2020 information is not available.
- (2) Includes individuals who live within the corporation limits

CITY OF LEBANON,
 ELECTRIC SOLD BY TYPE OF CUSTOMER
 LAST TEN YEARS

Type of Customer:	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Residential	\$9,512,740	\$9,669,899	\$10,001,557	\$10,015,251
Industrial	1,690,421	1,802,374	1,890,244	1,930,896
Commercial (1)	<u>14,495,444</u>	<u>17,583,205</u>	<u>18,967,595</u>	<u>20,582,711</u>
Total (2)	<u>\$25,698,605</u>	<u>\$29,055,478</u>	<u>\$30,859,396</u>	<u>\$32,528,858</u>

(1) Majority of government buildings included in this category

(2) Amount based on electric billed instead of actual cash collected

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$9,602,351	\$9,302,438	\$9,160,783	\$10,264,321	\$9,720,651	\$9,507,181
1,801,187	1,745,760	1,733,759	1,817,776	1,755,379	1,513,927
<u>19,712,760</u>	<u>20,303,536</u>	<u>20,928,621</u>	<u>22,548,466</u>	<u>21,856,921</u>	<u>19,424,769</u>
<u>\$31,116,298</u>	<u>\$31,351,734</u>	<u>\$31,823,163</u>	<u>\$34,630,563</u>	<u>\$33,332,951</u>	<u>\$30,445,877</u>

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CITY OF LEBANON, OHIO
 PRINCIPAL ELECTRIC CUSTOMERS
 2020 AND 2011

2020		
Customer	Electric Charges for Services	Percentage of Total Charges for Services
CyrusOne LLC	\$3,683,177	12.10 %
Advics Manufacturing	2,380,032	7.82
Mane Inc.	1,809,835	5.94
Green Bay Packaging	599,752	1.97
JBM Packaging	471,198	1.55
HTNA	356,963	1.17
Quantum Metals	346,574	1.14
Countryside YMCA	311,666	1.02
Wal-Mart	264,495	0.87
Flint Ink	258,805	0.85
Total	\$10,482,497	34.43 %
Total Electric Charges for Services (1)	\$30,445,877	
2011		
Customer	Electric Charges for Services	Percentage of Total Charges for Services
Advics Manufacturing	\$1,962,767	7.64 %
CBTS	1,796,812	6.99
Warren County	1,313,305	5.11
Amtex Inc.	893,119	3.48
Lebanon City School District	728,492	2.83
City of Lebanon	437,328	1.70
Mane Inc.	436,159	1.70
Countryside YMCA	402,336	1.57
JBM Envelope	384,293	1.50
Wal-Mart	370,348	1.44
Total	\$8,724,959	33.95 %
Total Electric Charges for Services (1)	\$25,698,605	

(1) Amount based on electric billed instead of actual cash collected

CITY OF LEBANON, OHIO
ELECTRIC RATES PER YEAR
LAST TEN YEARS

	2011	2012	2013	2014
Residential				
Customer Service Charge	\$5.15	\$5.15	\$5.15	\$5.15
Energy Charge KWH:				
All KWH	\$0.0670	\$0.0670	\$0.0670	\$0.0670
Distribution Charge per KWH:				
First 800 KWH	\$0.0412	\$0.0412	\$0.0412	\$0.0412
Next 800 KWH	\$0.0361	\$0.0361	\$0.0361	\$0.0361
Over 1,600 KWH	\$0.0206	\$0.0206	\$0.0206	\$0.0206
Fuel Adjustment all KWH (yr avg)	(\$0.00840)	(\$0.00400)	\$0.00140	\$0.00010
KWH Tax:				
First 2,000 KWH	\$0.00465	\$0.00465	\$0.00465	\$0.00465
Next 13,000 KWH	\$0.00419	\$0.00419	\$0.00419	\$0.00419
Above 15,000 KWH	\$0.00363	\$0.00363	\$0.00363	\$0.00363
General Service Rate				
Customer Service Charge:				
Single Phase (1 Ph) Meter	\$15.45	\$15.45	\$15.45	\$15.45
Three Phase (3 Ph) Meter	\$20.60	\$20.60	\$20.60	\$20.60
Energy Charge KWH:				
1 Phase-First 165 KWH/KW	\$0.0824	\$0.0824	\$0.0824	\$0.0824
1 Phase-Next 85 KWH/KW	\$0.0721	\$0.0721	\$0.0721	\$0.0721
1 Phase-Over 250 KWH/KW	\$0.0412	\$0.0412	\$0.0412	\$0.0412
3 Phase-First 300 KWH/KW	\$0.0618	\$0.0618	\$0.0618	\$0.0618
3 Phase-Over 300 KWH/KW	\$0.0309	\$0.0309	\$0.0309	\$0.0309
Demand Charge per KW:				
1 Phase-First 10 KW	Free	Free	Free	Free
1 Phase-Next 15 KW	\$7.21	\$7.21	\$7.21	\$7.21
1 Phase-Over 25 KW	\$9.27	\$9.27	\$9.27	\$9.27
3 Phase-First 1,000 KW	\$10.30	\$10.30	\$10.30	\$10.30
3 Phase-Over 1,000 KW	\$12.36	\$12.36	\$12.36	\$12.36
Distribution Charge KWH:				
1 Phase-First 1,000 KWH	\$0.0412	\$0.0412	\$0.0412	\$0.0412
1 Phase-Next 800 KWH	\$0.0361	\$0.0361	\$0.0361	\$0.0361
1 Phase-Over 1,800 KWH	\$0.0206	\$0.0206	\$0.0206	\$0.0206
3 Phase-First 5,000 KWH	\$0.0258	\$0.0258	\$0.0258	\$0.0258
3 Phase-Next 10,000 KWH	\$0.0206	\$0.0206	\$0.0206	\$0.0206
3 Phase-Over 15,000 KWH	\$0.0155	\$0.0155	\$0.0155	\$0.0155
Fuel Adjustment all KWH (yr avg)	(\$0.00840)	(\$0.00400)	\$0.00140	\$0.00010
KWH Tax:				
First 2,000 KWH	\$0.00465	\$0.00465	\$0.00465	\$0.00465
Next 13,000 KWH	\$0.00419	\$0.00419	\$0.00419	\$0.00419
Above 15,000 KWH	\$0.00363	\$0.00363	\$0.00363	\$0.00363

2015	2016	2017	2018	2019	2020
\$5.15	\$5.15	\$5.15	\$5.15	\$5.15	\$7.00
\$0.0670	\$0.0670	\$0.0670	\$0.0670	\$0.0670	\$0.06316
\$0.0412	\$0.0412	\$0.0412	\$0.0412	\$0.0412	\$0.03884
\$0.0361	\$0.0361	\$0.0361	\$0.0361	\$0.0361	\$0.03403
\$0.0206	\$0.0206	\$0.0206	\$0.0206	\$0.0206	\$0.01942
\$0.00010	(\$0.00800)	(\$0.00580)	(\$0.00290)	(\$0.00510)	(\$0.00140)
\$0.00465	\$0.00465	\$0.00465	\$0.00465	\$0.00465	\$0.00465
\$0.00419	\$0.00419	\$0.00419	\$0.00419	\$0.00419	\$0.00419
\$0.00363	\$0.00363	\$0.00363	\$0.00363	\$0.00363	\$0.00363
\$15.45	\$15.45	\$15.45	\$15.45	\$15.45	\$17.00
\$20.60	\$20.60	\$20.60	\$20.60	\$20.60	\$22.00
\$0.0824	\$0.0824	\$0.0824	\$0.0824	\$0.0824	\$0.06779
\$0.0721	\$0.0721	\$0.0721	\$0.0721	\$0.0721	\$0.05932
\$0.0412	\$0.0412	\$0.0412	\$0.0412	\$0.0412	\$0.03390
\$0.0618	\$0.0618	\$0.0618	\$0.0618	\$0.0618	\$0.05179
\$0.0309	\$0.0309	\$0.0309	\$0.0309	\$0.0309	\$0.02589
Free	Free	Free	Free	Free	Free
\$7.21	\$7.21	\$7.21	\$7.21	\$7.21	\$7.21
\$9.27	\$9.27	\$9.27	\$9.27	\$9.27	\$9.27
\$10.30	\$10.30	\$10.30	\$10.30	\$10.30	\$10.30
\$12.36	\$12.36	\$12.36	\$12.36	\$12.36	\$12.36
\$0.0412	\$0.0412	\$0.0412	\$0.0412	\$0.0412	\$0.03390
\$0.0361	\$0.0361	\$0.0361	\$0.0361	\$0.0361	\$0.02970
\$0.0206	\$0.0206	\$0.0206	\$0.0206	\$0.0206	\$0.01695
\$0.0258	\$0.0258	\$0.0258	\$0.0258	\$0.0258	\$0.02162
\$0.0206	\$0.0206	\$0.0206	\$0.0206	\$0.0206	\$0.01726
\$0.0155	\$0.0155	\$0.0155	\$0.0155	\$0.0155	\$0.01299
\$0.00010	(\$0.00800)	(\$0.00580)	(\$0.00290)	(\$0.00510)	(\$0.00140)
\$0.00465	\$0.00465	\$0.00465	\$0.00465	\$0.00465	\$0.00465
\$0.00419	\$0.00419	\$0.00419	\$0.00419	\$0.00419	\$0.00419
\$0.00363	\$0.00363	\$0.00363	\$0.00363	\$0.00363	\$0.00363

(continued)

CITY OF LEBANON, OHIO
ELECTRIC RATES PER YEAR
LAST TEN YEARS
(CONTINUED)

	2011	2012	2013	2014
Large Power-Secondary Metered				
Customer Service Charge	\$103.00	\$103.00	\$103.00	\$103.00
Energy Charge KWH:				
First 300 KWH/KVA	\$0.0361	\$0.0361	\$0.0361	\$0.0361
Over 300 KWH/KVA	\$0.0288	\$0.0288	\$0.0288	\$0.0288
Demand Charge:				
First 1,000 KVA	\$15.45	\$15.45	\$15.45	\$15.45
Over 1,000 KVA	\$13.39	\$13.39	\$13.39	\$13.39
Distribution Charge KWH:				
First 200,000 KWH	\$0.01550	\$0.01550	\$0.01550	\$0.01550
Over 200,000 KWH	\$0.01030	\$0.01030	\$0.01030	\$0.01030
Fuel Adjustment all KWH (yr avg)	(\$0.00840)	(\$0.00400)	\$0.00140	\$0.00010
KWH Tax:				
First 2,000 KWH	\$0.00465	\$0.00465	\$0.00465	\$0.00465
Next 13,000 KWH	\$0.00419	\$0.00419	\$0.00419	\$0.00419
Above 15,000 KWH	\$0.00363	\$0.00363	\$0.00363	\$0.00363
Large Power-Primary Metered				
Customer Service Charge	\$103.00	\$103.00	\$103.00	\$103.00
Energy Charge KWH:				
First 300 KWH/KVA	\$0.0464	\$0.0464	\$0.0464	\$0.0464
Over 300 KWH/KVA	\$0.0103	\$0.0103	\$0.0103	\$0.0103
Demand Charge per KVA:				
First 1,000 KVA	\$8.24	\$8.24	\$8.24	\$8.24
Over 1,000 KVA	\$10.30	\$10.30	\$10.30	\$10.30
Distribution Charge KWH:				
First 500,000 KWH	\$0.02580	\$0.02580	\$0.02580	\$0.02580
Over 500,000 KWH	\$0.01550	\$0.01550	\$0.01550	\$0.01550
Fuel Adjustment all KWH (yr avg)	(\$0.00840)	(\$0.00400)	\$0.00140	\$0.00010
KWH Tax:				
First 2,000 KWH	\$0.00465	\$0.00465	\$0.00465	\$0.00465
Next 13,000 KWH	\$0.00419	\$0.00419	\$0.00412	\$0.00411
Above 15,000 KWH	\$0.00363	\$0.00363	\$0.00363	\$0.00363

Note: Management presents rate studies and recommends rate changes to City Council.
Utility rate can be changed by Legislative Authority.

2015	2016	2017	2018	2019	2020
\$103.00	\$103.00	\$103.00	\$103.00	\$103.00	\$103.00
\$0.0361	\$0.0361	\$0.0361	\$0.0361	\$0.0361	\$0.03065
\$0.0288	\$0.0288	\$0.0288	\$0.0288	\$0.0288	\$0.02445
\$15.45	\$15.45	\$15.45	\$15.45	\$15.45	\$15.45
\$13.39	\$13.39	\$13.39	\$13.39	\$13.39	\$13.39
\$0.01550	\$0.01550	\$0.01550	\$0.01550	\$0.01550	\$0.01316
\$0.01030	\$0.01030	\$0.01030	\$0.01030	\$0.01030	\$0.00874
\$0.00010	(\$0.00800)	(\$0.00580)	(\$0.00290)	(\$0.00510)	(\$0.00140)
\$0.00465	\$0.00465	\$0.00465	\$0.00465	\$0.00465	\$0.00465
\$0.00419	\$0.00419	\$0.00419	\$0.00419	\$0.00419	\$0.00419
\$0.00363	\$0.00363	\$0.00363	\$0.00363	\$0.00363	\$0.00363
\$103.00	\$103.00	\$103.00	\$103.00	\$103.00	\$103.00
\$0.0464	\$0.0464	\$0.0464	\$0.0464	\$0.0464	\$0.04213
\$0.0103	\$0.0103	\$0.0103	\$0.0103	\$0.0103	\$0.00935
\$8.24	\$8.24	\$8.24	\$8.24	\$8.24	\$8.24
\$10.30	\$10.30	\$10.30	\$10.30	\$10.30	\$10.30
\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$0.02343
\$0.01550	\$0.01550	\$0.01550	\$0.01550	\$0.01550	\$0.01407
\$0.00010	(\$0.00800)	(\$0.00580)	(\$0.00290)	(\$0.00510)	(\$0.00140)
\$0.00465	\$0.00465	\$0.00465	\$0.00465	\$0.00465	\$0.00465
\$0.00411	\$0.00411	\$0.00411	\$0.00411	\$0.00411	\$0.00411
\$0.00363	\$0.00363	\$0.00363	\$0.00363	\$0.00363	\$0.00363

CITY OF LEBANON, OHIO
RATIO OF OUTSTANDING DEBT TO
TOTAL PERSONAL INCOME AND DEBT PER CAPITA
LAST TEN YEARS

Year	Governmental Activities				
	General Obligation Bonds	Special Assessment Bonds	Capital Leases	Notes Payable	Loans Payable
2011	\$5,650,893	\$12,985	\$16,168	\$0	\$16,168
2012	5,200,655	9,439	0	0	0
2013	7,461,050	0	0	1,509,526	0
2014	6,861,017	0	0	2,010,088	0
2015	6,245,984	0	0	2,007,350	0
2016	7,563,209	0	0	2,111,623	0
2017	8,884,278	0	0	0	0
2018	7,865,656	0	0	0	302,000
2019	6,837,204	0	0	0	302,000
2020	13,616,618	0	0	0	302,000

Note: Population and Personal Income data are presented on page S34.

Business-Type Activities

General Obligation Bonds	Mortgage Revenue Bonds	Notes Payable	Loans Payable	Total Debt	Percentage of Personal Income	Per Capita
\$0	\$31,142,688	\$8,150,000	\$2,752,260	\$47,741,162	9.31%	\$2,383
0	36,840,609	550,000	339,290	42,939,993	8.38	2,143
0	34,507,122	1,400,000	0	44,877,698	8.76	2,240
0	32,093,636	1,200,000	0	42,164,741	8.23	2,105
0	29,605,150	1,000,000	0	38,858,484	7.58	1,940
0	21,148,265	1,000,000	0	31,823,097	6.21	1,589
4,895,000	14,061,730	0	0	27,841,008	5.43	1,390
4,265,000	10,904,723	0	0	23,337,379	4.55	1,165
3,620,000	10,463,768	0	0	21,222,972	4.14	1,059
2,965,000	10,007,813	0	0	26,891,431	5.25	1,342

CITY OF LEBANON, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 DECEMBER 31, 2020

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct - City of Lebanon			
General Obligation Bonds	\$13,616,618	100.00%	\$13,616,618
Ohio Department of Transportation SIB Loan	302,000	100.00	302,000
<i>Total Direct Debt</i>	<u>13,918,618</u>		<u>13,918,618</u>
Overlapping			
Lebanon City School District			
General Obligation Bonds	41,670,000	50.24	20,935,008
Capital Leases	5,930,000	50.24	2,979,232
Kings Local School District			
General Obligation Bonds	45,644,770	1.15	524,915
Warren County Career Center			
Energy Conservation Notes	1,025,000	10.49	107,523
Warren County			
General Obligation Bonds	32,619,926	6.56	2,139,867
Special Assessment Bonds	1,547,978	6.56	101,547
Loans Payable	646,228	6.56	42,393
TIF Revenue Bonds	1,800,000	7.07	127,260
<i>Total Overlapping Debt</i>	<u>130,883,902</u>		<u>26,957,744</u>
Total	<u><u>\$144,802,520</u></u>		<u><u>\$40,876,362</u></u>

Source: Ohio Municipal Advisory Council

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

CITY OF LEBANON, OHIO
RATIO OF GENERAL OBLIGATION BONDED DEBT TO ESTIMATED ACTUAL
VALUE AND BONDED DEBT PER CAPITA
LAST TEN YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Value of Taxable Property (2)</u>	<u>General Obligation Bonded Debt (3)</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Net Bonded Debt Per Capita</u>
2011	20,033	\$1,185,040,310	\$5,610,870	0.47%	\$280.08
2012	20,033	1,126,990,932	5,200,655	0.46	259.60
2013	20,033	1,126,979,400	7,461,050	0.66	372.44
2014	20,033	1,137,115,970	6,861,017	0.60	342.49
2015	20,033	1,190,838,314	6,245,984	0.52	311.78
2016	20,033	1,188,919,085	7,563,209	0.64	377.54
2017	20,033	1,199,939,971	13,779,278	1.15	687.83
2018	20,033	1,359,697,685	12,130,656	0.89	605.53
2019	20,033	1,419,038,657	10,457,204	0.74	522.00
2020	20,033	1,446,068,628	16,581,618	1.15	827.72

(1) 2011-2020 from 2010 Federal Census--Note: 2020 Census data is delayed due to Corona Virus

(2) County Auditor

(3) Includes all general obligation bonded debt.

CITY OF LEBANON, OHIO
LEGAL DEBT MARGIN
LAST TEN YEARS

	2011	2012	2013	2014
Total Assessed Property Value	<u>\$414,764,110</u>	<u>\$396,556,600</u>	<u>\$396,645,380</u>	<u>\$397,990,590</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>43,550,232</u>	<u>41,638,443</u>	<u>41,647,765</u>	<u>41,789,012</u>
Debt Outstanding:				
General Obligation Bonds	5,587,014	5,140,560	7,196,603	6,816,603
Mortgage Revenue Bonds	31,010,000	36,525,000	34,220,000	31,835,000
Special Assessment Bonds	12,985	9,439	0	0
Bond Anticipation Notes	<u>8,150,000</u>	<u>550,000</u>	<u>4,500,000</u>	<u>5,200,000</u>
Total Gross Indebtedness	44,759,999	42,224,999	45,916,603	43,851,603
Less:				
General Obligation Bonds	(5,587,014)	(5,140,560)	(7,196,603)	(6,816,603)
Mortgage Revenue Bonds	(31,010,000)	(36,525,000)	(34,220,000)	(31,835,000)
Special Assessment Bonds	(12,985)	(9,439)	0	0
Bond Anticipation Notes	<u>(8,150,000)</u>	<u>(550,000)</u>	<u>(4,500,000)</u>	<u>(5,200,000)</u>
Total Net Debt Applicable to Debt Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$43,550,232</u>	<u>\$41,638,443</u>	<u>\$41,647,765</u>	<u>\$41,789,012</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	100.00%	100.00%	100.00%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$22,812,026</u>	<u>\$21,810,613</u>	<u>\$21,815,496</u>	<u>\$21,889,482</u>
Total Gross Indebtedness	44,759,999	42,224,999	45,916,603	43,851,603
Less:				
General Obligation Bonds	(5,587,014)	(5,140,560)	(7,196,603)	(6,816,603)
Mortgage Revenue Bonds	(31,010,000)	(36,525,000)	(34,220,000)	(31,835,000)
Special Assessment Bonds	(12,985)	(9,439)	0	0
Bond Anticipation Notes	<u>(8,150,000)</u>	<u>(550,000)</u>	<u>(4,500,000)</u>	<u>(5,200,000)</u>
Net Debt Within 5 ½ % Limitations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$22,812,026</u>	<u>\$21,810,613</u>	<u>\$21,815,496</u>	<u>\$21,889,482</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%

Source: City Financial Records

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$416,793,410</u>	<u>\$416,121,680</u>	<u>\$419,978,990</u>	<u>\$475,894,190</u>	<u>\$496,663,530</u>	<u>\$506,124,020</u>
43,763,308	43,692,776	44,097,794	49,968,890	52,149,671	53,143,022
6,021,603	7,241,603	13,531,603	11,905,000	10,255,000	15,920,000
29,375,000	20,995,000	13,950,000	10,805,000	10,380,000	9,940,000
0	0	0	0	0	0
3,000,000	4,600,000	0	500,000	400,000	800,000
38,396,603	32,836,603	27,481,603	23,210,000	21,035,000	26,660,000
(6,021,603)	(7,241,603)	(13,531,603)	(11,905,000)	(10,255,000)	(15,920,000)
(29,375,000)	(20,995,000)	(13,950,000)	(10,805,000)	(10,380,000)	(9,940,000)
0	0	0	0	0	0
(3,000,000)	(4,600,000)	0	(500,000)	(400,000)	(800,000)
0	0	0	0	0	0
<u>\$43,763,308</u>	<u>\$43,692,776</u>	<u>\$44,097,794</u>	<u>\$49,968,890</u>	<u>\$52,149,671</u>	<u>\$53,143,022</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<u>\$22,923,638</u>	<u>\$22,886,692</u>	<u>\$23,098,844</u>	<u>\$26,174,180</u>	<u>\$27,316,494</u>	<u>\$27,836,821</u>
38,396,603	32,836,603	27,481,603	23,210,000	21,035,000	26,660,000
(6,021,603)	(7,241,603)	(13,531,603)	(11,905,000)	(10,255,000)	(15,920,000)
(29,375,000)	(20,995,000)	(13,950,000)	(10,805,000)	(10,380,000)	(9,940,000)
0	0	0	0	0	0
(3,000,000)	(4,600,000)	0	(500,000)	(400,000)	(800,000)
0	0	0	0	0	0
<u>\$22,923,638</u>	<u>\$22,886,692</u>	<u>\$23,098,844</u>	<u>\$26,174,180</u>	<u>\$27,316,494</u>	<u>\$27,836,821</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CITY OF LEBANON, OHIO
 PLEDGED REVENUE COVERAGE
 ELECTRIC SYSTEM MORTGAGE REVENUE BONDS
 LAST TEN YEARS

Year	Electric Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service			Coverage
				Principal	Interest	Total (2)	
2011	\$25,478,741	\$23,255,870	\$2,222,871	\$1,285,000	\$701,325	\$1,986,325	1.12%
2012	29,119,640	26,483,052	2,636,588	1,340,000	655,186	1,995,186	1.32
2013	30,705,867	25,338,073	5,367,794	1,390,000	602,025	1,992,025	2.69
2014	33,074,747	27,381,946	5,692,801	1,440,000	549,438	1,989,438	2.86
2015	30,765,726	24,583,288	6,182,438	1,495,000	491,838	1,986,838	3.11
2016	30,477,240	25,748,316	4,728,924	7,375,000	432,823	7,807,823	0.61
2017	31,949,053	26,882,225	5,066,828	215,000	125,132	340,132	14.90
2018	34,692,302	28,520,556	6,171,746	2,725,000	57,473	2,782,473	2.22
2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Direct operating expenses do not include depreciation expense.

(2) During 2016, the City chose to retire the total outstanding balance of \$7,170,000 associated with the September 2006 Electric System Improvement Mortgage Revenue Bonds.

CITY OF LEBANON, OHIO
 PLEDGED REVENUE COVERAGE
 SEWER SYSTEM MORTGAGE REVENUE BONDS
 LAST TEN YEARS

Year	Sewer Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service			Coverage
				Principal	Interest	Total (2)	
2011	\$3,105,295	\$1,965,877	\$1,139,418	\$490,000	\$407,482	\$897,482	1.27%
2012	3,368,455	2,117,451	1,251,004	510,000	387,881	897,881	1.39
2013	3,234,784	1,140,723	2,094,061	535,000	367,481	902,481	2.32
2014	3,404,925	2,323,575	1,081,350	560,000	346,081	906,081	1.19
2015	3,475,157	2,029,082	1,446,075	575,000	323,681	898,681	1.61
2016	3,597,630	1,937,375	1,660,255	605,000	202,981	807,981	2.05
2017	3,762,383	2,144,549	1,617,834	0	132,341	132,341	12.22
2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Direct operating expenses do not include depreciation expense.

(2) During 2017, the City refunded the total outstanding balance of \$6,415,000 associated with the 2006 Sewer System Improvement Mortgage Revenue Bonds.

CITY OF LEBANON, OHIO
 PLEDGED REVENUE COVERAGE
 WATER SYSTEM MORTGAGE REVENUE BONDS
 LAST TEN YEARS

Year	Water Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service			Coverage
				Principal	Interest	Total	
2011	\$2,759,278	\$1,827,517	\$931,761	\$315,000	\$316,568	\$631,568	1.48%
2012	3,217,644	1,944,281	1,273,363	455,000	226,870	681,870	1.87
2013	3,105,305	2,137,596	967,709	380,000	466,863	846,863	1.14
2014	3,392,408	2,383,892	1,008,516	385,000	459,263	844,263	1.19
2015	3,643,684	2,533,639	1,110,045	390,000	451,563	841,563	1.32
2016	4,151,055	2,248,001	1,903,054	400,000	443,762	843,762	2.26
2017	4,552,611	2,740,308	1,812,303	415,000	435,654	850,654	2.13
2018	4,769,142	2,469,385	2,299,757	420,000	423,052	843,052	2.73
2019	4,959,094	2,748,991	2,210,103	425,000	418,012	843,012	2.62
2020	5,347,527	2,848,965	2,498,562	440,000	405,263	845,263	2.96

(1) Direct operating expenses do not include depreciation expense.

CITY OF LEBANON, OHIO
 PLEDGED REVENUE COVERAGE
 SPECIAL ASSESSMENT BONDS
 LAST TEN YEARS

Year (1)	Special Assessment Collections	Debt Service			Coverage
		Principal	Interest	Total	
2011	\$107,264	\$74,416	\$6,096	\$80,512	1.33%
2012	19,378	3,546	780	4,326	4.48
2013	12,086	9,439	288	9,727	1.24
2014	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A	N/A

Source: Provided by the City Auditor, cash basis collections for debt service fund

(1) The special assessment debt was paid off in 2013.

CITY OF LEBANON, OHIO
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN YEARS

Year	Population (1)	Total Personal Income (2)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)
2011	20,033	\$512,544,305	\$25,585	\$61,085	33.9
2012	20,033	512,544,305	25,585	61,085	33.9
2013	20,033	512,544,305	25,585	61,085	33.9
2014	20,033	512,544,305	25,585	61,085	33.9
2015	20,033	512,544,305	25,585	61,085	33.9
2016	20,033	512,544,305	25,585	61,085	33.9
2017	20,033	512,544,305	25,585	61,085	33.9
2018	20,033	512,544,305	25,585	61,085	33.9
2019	20,033	512,544,305	25,585	61,085	33.9
2020	20,033	512,544,305	25,585	61,085	33.9

(1) 2011-2020 from 2010 Federal Census--Note: 2020 Census data is delayed due to Corona Virus

(2) Computation of per capita personal income multiplied by population

(3) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/data/>"

(4) Source: Ohio Department of Job and Family Services

Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (3)	Warren County Unemployment Rate (4)
26.0%	5,450	7.0
26.0	5,442	5.6
26.0	5,442	5.6
26.0	5,715	4.8
26.0	5,381	3.9
26.0	5,302	3.9
26.0	5,299	3.8
26.0	5,311	3.9
26.0	5,289	3.1
26.0	5,284	4.0

CITY OF LEBANON, OHIO
 PRINCIPAL EMPLOYERS
 2020 AND 2011

2020

Employer	Employees
Warren County	1,416
Advics Manufacturing	1,165
FedEx Ground Package System	986
Lebanon City Schools	831
Countryside YMCA	807
Mane Inc.	715
Kroger Limited Partnership Inc.	565
Sheakley HR	560
Wal-Mart Associates Inc.	407
Minute Men Select Inc.	394
Total	7,846

2011

Employer	Employees
Warren County	1,280
Countryside YMCA	780
Lebanon City School District	599
Advics Manufacturing	516
Kroger Limited Partnership Inc.	423
Wal-Mart	288
Amtex Inc.	265
Warren County BDD (MRDD)	210
JBM Envelope	158
Lebanon Citizens National Bank	154
Total	4,673

Information on total employment within the City is not available.

Source: Number of employees obtained from the W-2's
 from the City Tax Department.

CITY OF LEBANON, OHIO
 FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN YEARS

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Council (1)	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Finance	8.00	8.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Tax	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00
Law	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00
Administration	4.00	4.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00
Building Maintenance	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Engineer	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Information Technology	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Service Department	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Court	7.00	7.00	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00
Probation	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00
Security of Persons and Property										
Police										
Police - Chiefs/Administrative	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Police - Sargeants/Captains	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00
Police - Officers	22.00	22.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	22.00
Police - Dispatchers	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	9.00	9.00
Fire (2)(3)										
Fire - Chief	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire - Administrative	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire - Captains	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Fire - Lieutenants	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Fire - Firefighters/EMTs	0.00	0.00	0.00	0.00	0.00	0.00	3.00	9.00	9.00	9.00
Public Health										
Cemetery	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Leisure Time Services										
Parks & Recreation (3)	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	3.00
Community Development										
Building and Zoning	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Planning and Development	3.00	3.00	3.00	3.00	3.00	2.00	3.00	3.00	3.00	3.00
Internal Service										
Automotive Maintenance	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Transportation										
Street M&R (3)	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Basic Utility Services										
Electric - Administrative	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Electric - Meter Technician	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Electric - Operation & Maintenance (3)	13.00	13.00	13.00	12.00	12.00	12.00	12.00	12.00	12.00	13.00
Electric - Power Production	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Sanitation	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Storm Water Utility	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Telecommunications	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water - Administration	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00
Water - Maintenance	3.00	3.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Water - Supply and Treatment	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wastewater - Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater - Maintenance	2.00	2.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00
Wastewater - Collection and Treatment	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Totals:	141.00	139.00	136.00	135.00	135.00	132.00	137.00	145.00	146.00	150.00

Source: City of Lebanon Annual Budget

- (1) Elected Officials meet twice a month.
- (2) Fire Department uses approximately 50-60 part-time EMT's, Officers and Firefighters.
- (3) Seasonal employees are used during the summer months.

CITY OF LEBANON, OHIO
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN YEARS

Function/Program	2011	2012	2013	2014
General Government				
<i>Council and Clerk</i>				
Number of Ordinances and Resolutions Passed	107	115	114	99
Number of Planning Commission Docket Items	22	28	32	34
Zoning Board of Appeals Docket Items	2	3	3	11
<i>Finance Department (1)</i>				
Number of Checks Issued	4,433	4,753	5,509	4,425
Number of Purchase Orders Issued	1,039	1,084	1,045	873
Amount of Checks Written (includes interfund transfers)	\$73,041,394	\$78,807,285	\$72,899,728	\$78,072,236
Interest Earnings for Fiscal Year (cash basis)	\$241,760	\$455,725	\$231,840	\$251,836
Number of Supplemental Appropriations Issued	26	42	20	21
Agency Ratings - Moody's Financial Services	A1	Aa2	Aa2	Aa2
Health Insurance Costs vs. General Fund Expenditures	9.29%	10.50%	11.13%	11.90%
General Fund Receipts (cash basis in thousands)	\$9,257	\$9,951	\$10,055	\$10,604
General Fund Expenditures (cash basis in thousands)	\$8,918	\$8,945	\$10,186	\$10,323
General Fund (unexpended) Cash Balances (in thousands)	\$3,758	\$4,853	\$4,721	\$5,003
<i>Income Tax Department</i>				
Number of Individual Returns	9,630	9,982	9,807	10,573
Number of Business Returns	1,593	1,470	1,522	1,713
Number of Business Withholding Accounts	2,356	2,344	2,385	2,632
Annual Number of Corporate Withholding Forms Processed	8,415	8,298	8,411	8,448
Annual Number of Balance Due Statements Forms Processed	720	800	745	760
Annual Number of Estimated Payment Forms Processed	2,016	2,118	2,158	2,017
Annual Number of Reconciliations of Withholdings Processed	1,530	1,166	1,343	1,278
<i>Engineering Department</i>				
Capital Improvement (public and private) Overseen by Dept.	\$7,181,756	\$5,885,336	\$8,577,939	\$11,874,633
<i>Municipal Court</i>				
Number of Civil Cases	826	754	593	605
Number of Criminal Cases	1,417	1,515	1,475	1,573
<i>Civil Service</i>				
Number of Police Entry Tests Administered	0	1	1	30
Number of Police Promotional Tests Administered	2	0	0	5
Number of Hires of Police Officers from Certified Lists	0	2	2	2
Number of Promotions from Police Certified Lists	2	1	0	2

2015	2016	2017	2018	2019	2020
132	117	126	108	106	125
63	37	52	62	55	51
9	10	12	11	11	10
4,173	4,101	4,207	4,494	4,781	5,679
992	997	1,114	1,674	1,372	1,333
\$71,328,633	\$86,679,935	\$88,570,629	\$78,726,004	\$79,743,248	\$79,177,548
\$390,473	\$496,631	\$501,666	\$421,578	\$536,396	\$521,034
23	14	12	4	6	6
Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
10.19%	8.57%	9.18%	8.73%	6.51%	6.98%
\$10,857	\$10,904	\$12,537	\$13,064	\$13,028	\$14,679
\$10,663	\$12,924	\$10,980	\$11,935	\$12,221	\$12,104
\$5,196	\$3,177	\$4,734	\$5,863	\$6,670	\$9,246
10,091	7,746	10,941	9,060	9,402	8,487
1,346	1,693	2,475	1,644	1,549	1,410
1,310	1,955	2,281	2,495	2,768	3,072
8,010	10,750	12,103	13,789	13,735	26,982
586	600	915	1,040	1,810	920
1,801	1,846	2,980	3,943	6,371	6,817
1,726	1,951	1,778	2,094	2,357	2,770
\$2,173,804	\$8,346,500	\$7,311,859	\$4,042,190	\$10,008,121	\$11,888,230
638	592	649	658	755	493
1,562	1,685	1,626	1,583	1,636	1,122
57	73	0	77	78	59
1	0	1	0	0	1
2	2	0	1	1	3
2	0	2	0	0	2

(continued)

CITY OF LEBANON, OHIO
 OPERATING INDICATORS BY PROGRAM/FUNCTION
 LAST TEN YEARS
 (CONTINUED)

Function/Program	2011	2012	2013	2014
<i>Building Department Indicators</i>				
Commercial Construction Permits Issued	60	67	65	93
Estimated Value of Commercial Construction	\$18,480,315	\$37,700,000	\$33,482,059	\$44,964,185
Residential Construction Building Permits Issued	30	88	170	176
Estimated Value of Residential Construction	\$6,124,089	\$3,200,000	\$2,533,487	\$5,870,806
Security of Persons and Property				
<i>Police</i>				
Total Calls for Services	21,229	22,410	21,449	21,932
Number of Traffic Citations Issued	989	1,472	1,656	1,406
Number of Parking Citations Issued	63	130	572	48
Number of Criminal Arrests	1,072	1,232	1,138	1,308
Number of Accident Reports Completed	433	419	550	645
Part 1 Offenses (major offenses)	385	585	500	494
Animal Complaints	345	378	317	358
DUI Arrests	76	70	104	137
Traffic Crashes	432	419	550	452
Crash Injuries	81	80	100	73
Crash Deaths	0	0	1	0
Prisoners	0	0	0	0
Prisoner Meal Costs	\$0	\$0	\$0	\$0
Gasoline Costs of Fleet	\$83,778	\$81,418	\$78,641	\$83,046
<i>Fire</i>				
EMS Calls	2,174	2,262	2,169	2,099
Ambulance Billing Collections (net)	\$467,450	\$420,701	\$370,420	\$424,694
Fire Calls	1,409	1,428	1,528	591
Fires with Loss	47	31	19	15
Fires with Losses Exceeding \$10K	11	7	7	6
Fire Losses	\$1,380,239	\$401,631	\$249,056	\$331,491
Fire Safety Inspections	n/a	35	38	300
Number of Times Mutual Aid Given to Fire and EMS	31	44	24	37
Number of Times Mutual Aid Received for Fire and EMS	95	69	56	25
Public Health				
Cemetery Receipts (includes interfund transfers)	\$187,242	\$167,721	\$158,214	\$178,975

2015	2016	2017	2018	2019	2020
81	119	104	93	72	109
\$125,985,538	\$54,500,000	\$39,764,540	\$17,048,291	\$91,157,101	\$79,457,327
149	200	196	218	230	242
\$3,308,718	\$7,400,000	\$7,482,998	\$6,551,520	\$6,356,505	\$14,651,186
22,617	23,864	24,648	24,242	24,018	21,913
1,192	1,626	1,441	881	851	693
352	121	537	127	192	42
1,118	1,199	1,158	1,048	969	703
413	455	433	415	446	370
355	397	350	426	386	317
362	332	299	299	335	274
78	105	56	52	48	37
413	455	433	415	446	370
91	93	76	90	81	101
0	0	0	0	1	2
0	0	0	0	0	0
\$0	\$0	\$0	0	0	0
\$53,001	\$47,552	\$54,016	\$57,043	\$58,727	\$45,870
1,948	2,434	2,452	2,553	2,488	2,391
\$432,627	\$475,864	\$492,836	\$535,269	\$531,959	\$531,959
786	777	734	914	926	890
9	19	20	18	21	13
4	12	5	7	8	7
\$235,434	\$1,539,500	\$827,501	\$254,500	\$1,490,000	\$196,000
375	375	490	1,171	1,090	115
39	77	47	87	89	64
39	86	73	54	78	113
\$189,634	\$164,639	\$156,424	\$173,658	\$174,002	\$178,286

(continued)

CITY OF LEBANON, OHIO
 OPERATING INDICATORS BY PROGRAM/FUNCTION
 LAST TEN YEARS
 (CONTINUED)

Function/Program	2011	2012	2013	2014
Leisure Time Services				
<i>Recreation Receipts</i>				
Farmer's Market	\$1,150	\$1,740	\$1,600	\$1,540
Recreation Programs	21,995	20,600	19,940	20,995
Field Usage Fees	34,145	43,280	29,332	41,945
	<u>34,145</u>	<u>43,280</u>	<u>29,332</u>	<u>41,945</u>
Total Recreation Department Receipts	<u>\$57,290</u>	<u>\$65,620</u>	<u>\$50,872</u>	<u>\$64,480</u>
Transportation				
Crackseal Coating Program (Miles)	11.20	7.00	8.00	8.50
Street Repair (Curbs, aprons, berms, asphalt) (hours)	1,865	1,700	2,000	2,150
Street Sweeper (hours)	1,280	750	1,300	750
Cold Patch (hours)	8	20	30	48
After Hours Sewer and Water Calls	92	100	64	117
Sewer Cleaning (feet)	28,950	36,112	51,451	68,813
Sewer Jet, Vac-All, Video (feet)	54,555	19,541	23,998	17,241
Landscaping Stump-Chipper Service (hours)	96	50	20	80
Leaf Collection (hours)	1,920	2,000	1,900	2,250
Downtown Square Repair After Events (hours)	420	400	500	550
Equipment Repair/Body Shop (hours)	4,360	4,458	4,507	5,334
Sign Department (hours)	816	850	1,000	1,150
Tons of Snow Melting Salt Purchased (Nov-Mar)	1,875	840	2,400	3,000
Cost of Salt Purchased	\$62,589	\$33,028	\$112,832	\$208,172
Water Department				
Water Rates per 1st 2,500 Gallons of Water Used	\$11.95	\$12.67	\$14.24	\$14.24
Avg. Number of Water Accounts Billed Monthly	7,305	7,350	7,360	7,377
Total Water Collections Annually	\$2,733,116	\$3,040,209	\$2,987,747	\$3,209,751
Wastewater Department				
Wastewater Rates per 1st 2,500 Gallons Used	\$16.21	\$16.70	\$17.20	\$17.20
Total Flow of Wastewater Treatment Plant (MG)	1,215.369	928.000	1,045.000	1,022.000
Average Daily Flow (millions of gallons per day)	3.330	2.500	2.860	2.810
Tons of Dry Sludge Removed	414.03	472.00	348.31	473.43

Source: City of Lebanon records

(1) Receipts and expenditures include interfund transfers

2015	2016	2017	2018	2019	2020
\$1,150	\$1,200	\$2,350	\$1,960	\$1,965	\$1,350
21,945	17,236	19,457	16,727	12,225	779
50,778	48,640	43,510	57,100	50,720	16,975
<u>\$73,873</u>	<u>\$67,076</u>	<u>\$65,317</u>	<u>\$75,787</u>	<u>\$64,910</u>	<u>\$19,104</u>
6.50	3.00	28.00	2.10	4.07	2.00
2,400	1,800	2,200	1,340	1,645	1,099
1,100	980	1,440	473	199	120
40	94	120	350	341	73
74	59	25	52	57	59
85,434	34,435	28,931	70,023	19,312	11,446
15,485	28,634	16,500	26,748	70,785	20,602
100	80	140	53	60	0
1,500	1,800	1,440	695	255	313
500	500	768	890	1,350	368
5,224	6,677	7,052	7,680	7,809	6,912
1,600	600	840	215.50	78.50	182.00
700	998	2,615	1,294	1,000	1,150
\$214,245	\$112,649	\$65,176	\$135,852	\$131,627	\$85,344
\$16.34	\$17.32	\$18.01	\$18.73	\$19.29	\$19.29
7,412	7,421	7,466	7,520	7,545	7,586
\$3,518,933	\$4,015,783	\$4,226,355	\$4,468,877	\$4,626,255	\$4,744,977
\$18.06	\$18.06	\$18.06	\$18.60	\$18.60	\$18.60
1,036.900	1,061.652	1,042.478	1,125.952	1,123.590	1,048.030
2.840	2.901	2.856	3.103	3.078	2.863
454.37	444.71	473.43	499.56	551.00	535.35

CITY OF LEBANON, OHIO
 CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
 LAST TEN YEARS

Function/Program	2011	2012	2013	2014
General Government				
Square Footage Occupied	12,226	12,226	12,226	12,226
Administrative Vehicles	6	7	7	7
Inspection Vehicles	3	3	3	3
Information Technology	2	1	1	1
Cemetery				
Square Footage of Building	4,126	4,126	4,126	4,126
Vehicles	1	1	1	1
Police				
Stations	1	1	1	1
Square Footage of Building	17,610	17,610	17,610	17,610
Vehicles	16	16	18	16
Fire				
Stations	2	2	2	2
Square Footage of Buildings	17,331	17,331	17,331	17,331
Vehicles	19	20	20	19
Recreation				
Number of Parks	16	16	16	16
Number of Tennis Courts	6	6	6	6
Number of Baseball Diamonds	12	12	12	12
Number of Soccer Fields	37	37	37	37
Number of Community Access Buildings (1)	4	4	4	4
Number of Disc Golf Course	1	1	1	1
Other Public Works				
Streets (miles)	94.813	94.813	95.040	102.893
Service Vehicles	24	24	24	21
Auto Maintenance Internal Service	2	2	2	2
Square Footage of Building(NEW-2015)				
Electric				
Vehicles	22	19	20	17
Sanitation				
Vehicles	1	1	1	1
Telecommunications				
Vehicles	2	2	2	2
Wastewater				
Sanitary Sewers (miles)	113.610	113.799	114.327	114.406
Storm Sewers (miles)	86.53	88.05	88.52	90.00
Vehicles	7	7	7	6
Water Department				
Water Lines (miles)	110.432	113.609	113.636	114.145
Vehicles	10	10	10	10

(1) Community Buildings are available for non-profit organizations' meetings, food pantry and free store.

2015	2016	2017	2018	2019	2020
12,226	12,226	12,226	12,226	12,226	12,226
10	10	10	10	10	9
3	3	3	3	4	5
1	1	1	1	1	1
4,126	4,126	4,126	4,126	4,126	4,126
1	1	1	1	1	1
1	1	1	1	1	1
17,610	17,610	17,610	17,610	17,610	17,610
19	19	20	22	23	23
2	2	2	2	2	2
17,331	17,331	17,331	17,331	17,331	17,331
17	16	17	16	13	14
16	16	16	17	17	17
6	6	6	6	5	5
12	12	13	13	10	10
37	37	37	37	37	37
3	3	3	3	4	4
1	1	1	1	1	1
102.893	102.893	102.969	103.246	103.246	104.114
23	25	22	23	23	22
1	1	1	2	2	2
37,060	37,060	37,060	37,060	37,060	37,060
18	18	17	18	19	18
1	1	1	1	1	1
2	2	2	2	1	1
114.419	114.778	116.260	116.501	116.501	117.109
90.94	91.68	91.76	92.09	92.28	93.07
6	5	5	6	6	6
114.145	114.781	116.287	116.481	116.481	117.519
10	11	12	11	11	10

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF LEBANON

WARREN 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 7/22/2021

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

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