



OHIO AUDITOR OF STATE  
**KEITH FABER**





CITY OF LEBANON  
WARREN COUNTY  
DECEMBER 31, 2021

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# OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215  
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## 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 the Members of City Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 29, 2022, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City.

### ***Report on Internal Control Over Financial Reporting***

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

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

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

### ***Report on Compliance and Other Matters***

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

***Purpose of This Report***

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



Keith Faber  
Auditor of State  
Columbus, Ohio  
July 29, 2022

**CITY OF LEBANON, OHIO**

Annual Comprehensive Financial Report

For the Year Ended December 31, 2021

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# INTRODUCTORY SECTION





**CITY OF LEBANON, OHIO  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Issued by:  
Office of the Auditor**

**Dan Burke  
City Auditor**

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City of Lebanon  
 Annual Comprehensive Financial Report  
 For the Year Ended December 31, 2021

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July 29, 2022

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

We are pleased to present the thirty-fourth Annual Comprehensive Financial Report (ACFR) for the City of Lebanon. This report for the year ended December 31, 2021, 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 States 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.

The Ohio Auditor of State performed the audit for the year ended December 31, 2021, 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.

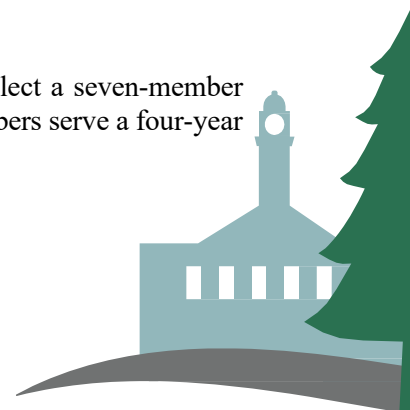
Management’s discussion and analysis (MD&A) immediately follows the Independent Auditor’s Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

#### 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.

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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, electric, sanitation, sewer, telecommunications, water, 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 2021. These projects totaled over \$6 million and included the start of a complete reconstruction of Summit Avenue that will conclude in 2022. 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.

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.

The City refunded existing water bonds in August 2021 and realized an interest savings of almost \$2,115,734.

The City completed construction and opened a new \$6,200,000 Fire Station on schedule and on budget. This new state-of-the-art facility will help improve the working conditions for our first responders while improving service delivery to our residents and businesses.

## 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 2021 (254) increased by 5 percent as compared to 2020 (242). This number has grown consistently over the past 4 years. The residential sector continues to see investment in relation to new housing starts, as reflected by new construction permits issued during 2021 for 80 new housing units. This compares to 41 in 2020. The total construction valuation of residential development as reflected in the permit data for 2021 was \$18.70 million which grew by 28 percent compared to 2020.

### 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. The Community Reinvestment Area (CRA) program has also served as an important incentive for new facility construction within the city as well as expansion and renovation projects. Two new Energy Special Improvement District (ESID) projects were completed in 2021 for new construction at Cronin Jeep and the Traditions of Lebanon.

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 2021:

### Traditions of Lebanon

This new senior housing development on an 18-acre site on Neil Armstrong Way began accepting tenants 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.

### 511 North Broadway

Construction continued 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 began in January of 2022. The project includes 2 new restaurants and streetscape, sidewalk and greenspace improvements along the corridor.

### E-BEAM Services, Inc.

Located in the Lebanon Commerce Center, E-BEAM is the largest contract electron beam provider in the United States. The company provides a highly effective technology that can be applied to multiple platforms. The company has experienced substantial business growth and, as a result, completed a 52,000 square foot expansion in 2021.

### INX International Ink Co.

Located in the Lebanon Commerce Center, INX began operations in 2015. INX produces solvent-based ink for a variety of consumer applications. The company has experienced an increase in market demand for its products and that led to a 30,000 square foot expansion that was recently completed.

### GMi Companies (Ghent)

Ghent was founded in Lebanon in 1976. Currently, the company has three leading brands including Ghent, Waddell and VividBoard that comprise GMi Companies, Inc. The company manufactures communication and display products across a wide range of applications for the business, education, and medical sectors. In 2020, the company expanded its operations to include personal protective equipment (PPE). As a result, GMi recently began construction on a 38,000 square foot expansion to the production facility. The additional production area will accommodate the new PPE lines and projected business growth.

### Newman Gasket

Newman Gasket was established in 1973. The company manufactures specialized product lines ranging from FDA-compliant gaskets to custom injection molded parts. The company's products span various sectors, and they serve multiple national and international distributors. The company's current growth in the pharmaceutical sector has led to an increase in demand for the company's product line. This increase in product demand has resulted in the company building a 28,000 square foot expansion that will double the size of the current facility.

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 2021 gross earnings tax revenue increased 11 percent compared to the gross earnings tax revenue collections in 2020. Flexible, targeted budget cuts in 2020 and 2021 allowed the City to maintain a five-year trend of General Fund cash reserve growth.

## FINANCIAL PLANNING AND POLICIES

It is the mission of the City to develop, maintain and implement financial accounting policies and procedures to 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 the Ohio Revised Code, Federal law guidelines, accounting principles generally accepted in the United States of America (GAAP), and the 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 to safe-guard investment income. In 2021 the City completed updates to its Comprehensive Plan and the Parks Master Plan. The Comprehensive Plan is 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. The City collaborated with Stantec to study our water and sewer rates and create recommendations for planned future rate increases.

## OTHER INFORMATION

### Independent Audit

An audit team from the Ohio Auditor of State has performed this year's audit. The results of the audit are presented in the Independent Auditor's Report.

## AWARDS AND ACKNOWLEDGEMENTS

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 annual comprehensive financial report for the year ended December 31, 2020. This was the thirty-third consecutive year that the City has received this prestigious award. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Annual Financial Report, whose contents conform to program standards. The 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. The City received the Auditor of State's Award with Distinction for the 2020 calendar year audit.

### 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 thank the Local Government Services personnel from the Auditor of State's office for their assistance preparing this report.

*Daniel Burke, City Auditor*



*Mark Messer, Mayor*





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Lebanon  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2020

*Christopher P. Morill*

Executive Director/CEO

CITY OF LEBANON, OHIO  
LIST OF PRINCIPAL OFFICIALS  
AS OF DECEMBER 31, 2021

ELECTED OFFICIALS

MAYOR

Mark Messer

VICE MAYOR

Adam Mathews

COUNCIL MEMBERS:

Mike Cope  
Kristen Eggers  
Brad Lamoreaux  
Scott Norris  
Matt Sellers

APPOINTED OFFICIALS

CITY MANAGER

Scott Brunka

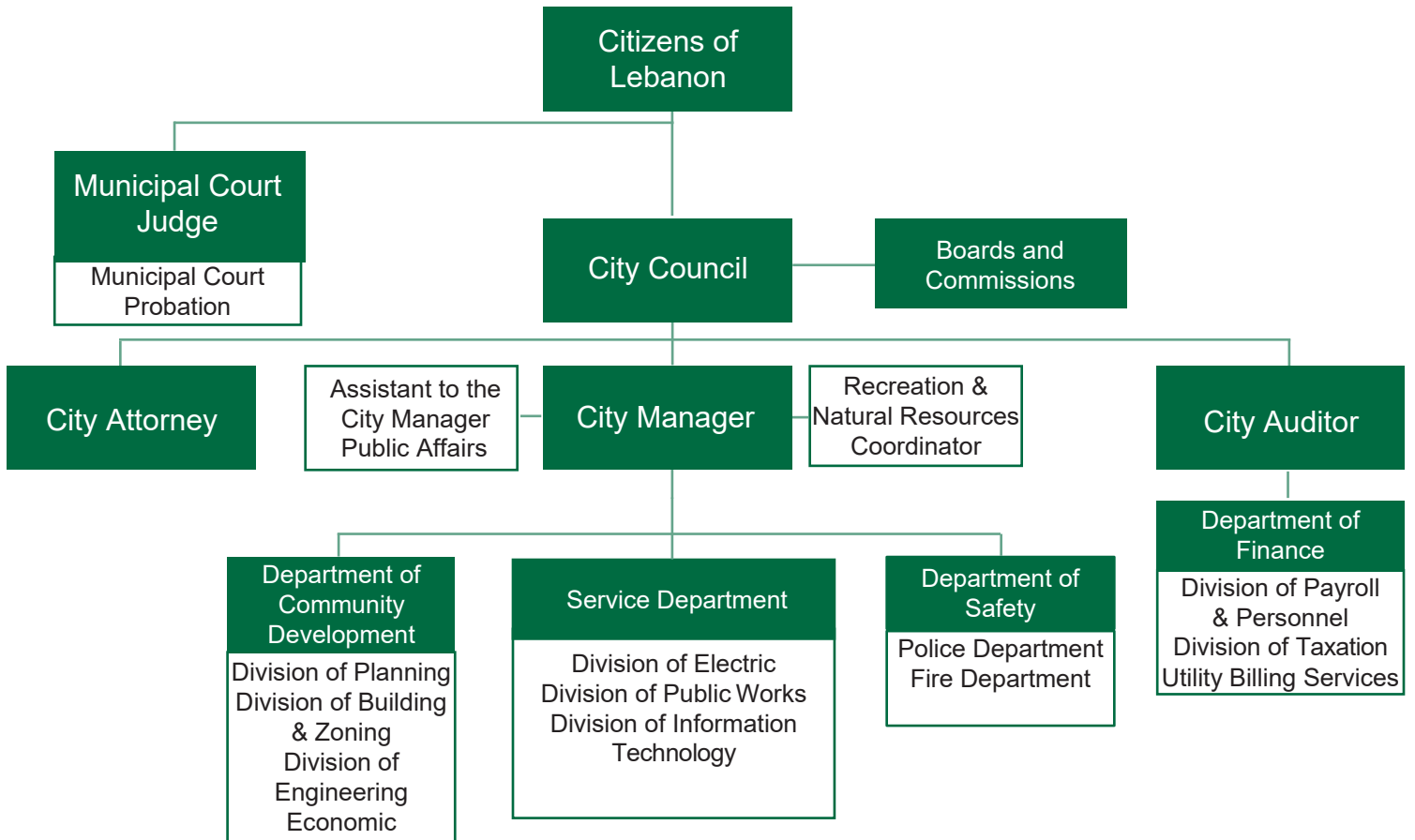
CITY AUDITOR

Dan Burke

CITY ATTORNEY

Mark S.Yurick

# City of Lebanon Organizational Chart





# FINANCIAL SECTION





# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

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

To the Members of City Council and Mayor:

### Report on the Audit of the Financial Statements

#### **Opinions**

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

In our opinion, the accompanying 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, 2021, 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 for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Emphasis of Matter**

As discussed in Note 24 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. We did not modify our opinion regarding this matter.

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

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

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

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

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary information***

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

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

***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio  
July 29, 2022

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CITY OF LEBANON, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
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, 2021. 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 \$17,529,760. Net position of Governmental Activities increased \$7,641,543, and net position of Business-Type Activities increased \$9,888,217.

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 (asset). 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 (asset) causes a significant reduction to the net position of governmental and business-type activities. During 2021, the net pension liability for governmental activities decreased \$2,350,620 and the net OPEB liability decreased \$4,076,762. The net pension liability for business-type activities decreased \$743,417, and the net OPEB liability decreased \$2,074,724. Net pension liability decreased due to member contributions, changes in assumptions, and differences between expected and actual earnings on investments reported by Ohio Public Employees Retirement System and Ohio Police and Fire. Net OPEB liability in governmental activities decreased due to expense adjustments and contributions, the Ohio Public Employees Retirement System went from an OPEB liability to an OPEB asset.

Governmental capital assets increased during the year as a result of multiple infrastructure projects being completed during the year, donations from developers and the completion of the City's new fire station. Business-Type Activity capital assets also increased due to the completion and start of various infrastructure projects in addition to donations from developers.

**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 2021 compared to 2020.

	Governmental Activities		Business-type Activities		Total		Change
	2021	2020	2021	2020	2021	2020	
<b>Assets:</b>							
Current and Other Assets	\$48,644,344	\$47,251,032	\$63,915,669	\$60,683,774	\$112,560,013	\$107,934,806	\$4,625,207
Capital Assets	61,829,376	56,462,521	98,562,755	95,559,413	160,392,131	152,021,934	8,370,197
<i>Total Assets</i>	<u>110,473,720</u>	<u>103,713,553</u>	<u>162,478,424</u>	<u>156,243,187</u>	<u>272,952,144</u>	<u>259,956,740</u>	<u>12,995,404</u>
<i>Deferred Outflows of Resources</i>							
Deferred Charge on Refunding	12,482	22,084	284,909	190,588	297,391	212,672	84,719
Pension	3,168,034	3,928,696	379,940	548,889	3,547,974	4,477,585	(929,611)
OPEB	2,009,108	2,725,890	141,069	357,717	2,150,177	3,083,607	(933,430)
<i>Total Deferred Outflows of Resources</i>	<u>5,189,624</u>	<u>6,676,670</u>	<u>805,918</u>	<u>1,097,194</u>	<u>5,995,542</u>	<u>7,773,864</u>	<u>(1,778,322)</u>
<b>Liabilities:</b>							
Current and Other Liabilities	5,919,370	3,124,675	1,179,244	1,261,105	7,098,614	4,385,780	2,712,834
Long-Term Liabilities							
Net Pension Liability	13,925,014	16,275,634	2,268,164	3,011,581	16,193,178	19,287,215	(3,094,037)
Net OPEB Liability	1,479,933	5,556,695	0	2,074,724	1,479,933	7,631,419	(6,151,486)
Other Amounts	14,365,203	15,777,820	11,448,649	13,357,268	25,813,852	29,135,088	(3,321,236)
<i>Total Liabilities</i>	<u>35,689,520</u>	<u>40,734,824</u>	<u>14,896,057</u>	<u>19,704,678</u>	<u>50,585,577</u>	<u>60,439,502</u>	<u>(9,853,925)</u>
<i>Deferred Inflows of Resources</i>							
Property Tax	5,739,441	5,389,502	0	0	5,739,441	5,389,502	349,939
Payment in Lieu of Taxes	233,412	178,394	0	0	233,412	178,394	55,018
Deferred Charge on Refunding	738	861	0	0	738	861	(123)
Pension	3,703,861	2,524,536	998,729	658,279	4,702,590	3,182,815	1,519,775
OPEB	2,226,868	1,134,145	819,302	295,388	3,046,170	1,429,533	1,616,637
<i>Total Deferred Inflows of Resources</i>	<u>11,904,320</u>	<u>9,227,438</u>	<u>1,818,031</u>	<u>953,667</u>	<u>13,722,351</u>	<u>10,181,105</u>	<u>3,541,246</u>
<b>Net Position:</b>							
Net Investment in Capital Assets	48,421,254	48,004,730	87,819,711	82,678,943	136,240,965	130,683,673	5,557,292
Restricted	8,651,359	7,596,937	0	1,028,241	8,651,359	8,625,178	26,181
Unrestricted	10,996,891	4,826,294	58,750,543	52,974,853	69,747,434	57,801,147	11,946,287
<i>Total Net Position</i>	<u>\$68,069,504</u>	<u>\$60,427,961</u>	<u>\$146,570,254</u>	<u>\$136,682,037</u>	<u>\$214,639,758</u>	<u>\$197,109,998</u>	<u>\$17,529,760</u>

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2021, 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 (asset), respectively, not accounted for as deferred inflows/outflows.

Total governmental liabilities decreased mainly due to decreases in net pension and OPEB liabilities.

Net position of the City's governmental activities increased \$7,641,543 from the prior year. The increase was due to the decrease in net pension liability due to member contributions, changes in assumptions, and differences between expected and actual earnings on investments reports by Ohio Public Retirement Systems and Ohio Police and Fire and a decrease in net OPEB liability due to expense adjustments and contributions and the Ohio Public Retirement System went from an OPEB liability to an OPEB asset.

The net position of the City's business-type activities increased \$9,888,217. Unrestricted net position increased \$5,775,690 mainly due to an increase in charges for service and capital grants and donations revenue. Also, unrestricted net position increased due to the decrease in net pension liability due to member contributions, changes in assumptions, and differences between expected and actual earnings on investments reports by Ohio Public Retirement Systems and Ohio Police and Fire and a decrease in net OPEB liability due to expense adjustments and contributions and the Ohio Public Retirement System went from an OPEB liability to an OPEB asset. 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, 2021 and 2020.

**Table 2**  
**Changes in Net Position**

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Services and Sales	\$6,539,439	\$4,783,028	\$45,316,759	\$43,463,128	\$51,856,198	\$48,246,156
Operating Grants,						
Contributions and Interest	1,708,154	3,098,784	12,000	0	1,720,154	3,098,784
Capital Grants,						
Contributions and Interest	2,195,454	1,775,117	3,038,101	95,890	5,233,555	1,871,007
Total Program Revenues	<u>10,443,047</u>	<u>9,656,929</u>	<u>48,366,860</u>	<u>43,559,018</u>	<u>58,809,907</u>	<u>53,215,947</u>
General Revenues:						
Property Taxes	5,808,275	5,921,407	0	0	5,808,275	5,921,407
Income Taxes	11,708,708	10,113,404	0	0	11,708,708	10,113,404
Other Local Taxes	1,545,048	1,502,883	0	0	1,545,048	1,502,883
Payments in Lieu of Taxes	232,468	270,425	0	0	232,468	270,425
Grants and Entitlements Not						
Restricted to Specific Programs	684,939	461,333	0	0	684,939	461,333
Investment Earnings	(113,821)	961,344	9,007	393,571	(104,814)	1,354,915
Other	153,636	670,490	57,182	258,855	210,818	929,345
Gain on Sale of Capital Assets	281,600	0	10,000	0	291,600	0
Total General Revenues	<u>20,300,853</u>	<u>19,901,286</u>	<u>76,189</u>	<u>652,426</u>	<u>20,377,042</u>	<u>20,553,712</u>
Total Revenues	<u>30,743,900</u>	<u>29,558,215</u>	<u>48,443,049</u>	<u>44,211,444</u>	<u>79,186,949</u>	<u>73,769,659</u>
Program Expenses:						
General Government						
Primary Government	3,031,297	5,807,787	0	0	3,031,297	5,807,787
Intergovernmental	65,190	402,687	0	0	65,190	402,687
Security of Persons and Property:						
Police	5,258,962	5,995,882	0	0	5,258,962	5,995,882
Fire	5,837,368	5,288,833	0	0	5,837,368	5,288,833
Public Health Services	128,561	192,502	0	0	128,561	192,502
Leisure Time Services	2,008,963	1,042,114	0	0	2,008,963	1,042,114
Community and Economic						
Development	1,284,869	1,748,686	0	0	1,284,869	1,748,686
Transportation	4,801,439	7,998,060	0	0	4,801,439	7,998,060
Interest and Fiscal Charges	328,331	372,476	0	0	328,331	372,476
Electric	0	0	28,127,696	28,219,233	28,127,696	28,219,233
Sanitation	0	0	1,883,954	1,771,721	1,883,954	1,771,721
Sewer	0	0	3,415,280	3,611,975	3,415,280	3,611,975
Telecommunications	0	0	70,932	49,528	70,932	49,528
Water	0	0	4,576,621	4,385,121	4,576,621	4,385,121
Storm Water Utility	0	0	837,726	909,310	837,726	909,310
Total Expenses	<u>22,744,980</u>	<u>28,849,027</u>	<u>38,912,209</u>	<u>38,946,888</u>	<u>61,657,189</u>	<u>67,795,915</u>
Change in Net Position						
Before Transfers	7,998,920	709,188	9,530,840	5,264,556	17,529,760	5,973,744
Transfers	(357,377)	(835,173)	357,377	835,173	0	0
Change in Net Position	<u>7,641,543</u>	<u>(125,985)</u>	<u>9,888,217</u>	<u>6,099,729</u>	<u>\$17,529,760</u>	<u>\$5,973,744</u>
Net Position, January 1	<u>60,427,961</u>	<u>60,553,946</u>	<u>136,682,037</u>	<u>130,582,308</u>		
Net Position, December 31	<u>\$68,069,504</u>	<u>\$60,427,961</u>	<u>\$146,570,254</u>	<u>\$136,682,037</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 2021	Net Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2020
General Government				
Primary Government	\$3,031,297	\$915,657	\$5,807,787	\$4,176,978
Intergovernmental	65,190	65,190	402,687	81,553
Security of Persons and Property:				
Police	5,258,962	3,325,784	5,995,882	4,219,696
Fire	5,837,368	5,077,584	5,288,833	4,074,906
Public Health Services	128,561	(88,324)	192,502	44,950
Leisure Time Services	2,008,963	1,213,545	1,042,114	(98,530)
Community and				
Economic Development	1,284,869	729,474	1,748,686	1,288,372
Transportation	4,801,439	734,692	7,998,060	5,031,697
Interest and Fiscal Charges	328,331	328,331	372,476	372,476
Total Expenses	<u>\$22,744,980</u>	<u>\$12,301,933</u>	<u>\$28,849,027</u>	<u>\$19,192,098</u>

When looking at the sources of income to support governmental activities, it should be noted that total program revenues are 33.9 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.

Income tax revenue increased in 2021 due to a return to normalcy for businesses in comparison to 2020 when businesses temporarily closed their doors due to COVID-19.

Overall, the City's governmental expenses decreased \$6,104,047 from the prior year. For 2021, the Ohio Public Retirement System went from an OPEB liability to an OPEB asset, causing negative expenditures.

## ***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 increased \$1,451,839, as operating expenses decreased \$61,497. The primary cause of the overall increase was due to the increase in charges for service and capital grants and donations revenue.

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 2021 of \$84,840.

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 \$92,033, and operating expenses decreased \$171,272. 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 2021, the net position of this fund decreased \$44,593.

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 \$79,141, and operating expenses increased \$173,169.

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 \$899 from 2020, and operating expenses decreased \$65,271.

## **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 \$30,153,721 and expenditures of \$31,892,345. The General Fund balance increased \$1,145,617, which is mainly due an increase in income tax revenue and charges for services revenue. During the 2020 pandemic, businesses temporarily closed and many spring and summer recreational sports programs were cancelled. In 2021 however, income tax revenue and charges for services both increased as business re-opened and spring and summer recreational sports programs continued.

The Fire and Life Squad Fund balance decreased \$5,080,124. The Fire department operates on monies from its 9.0 mill levy, which has allowed the Fire Department to operate two facilities, including additional staff requirements. Lebanon Fire Division hosts two stations: one newly constructed fire station on North Broadway near 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 decrease in fund balance was caused mainly from an increase in capital outlay for the construction of the new fire station.

The Capital Improvement Fund balance increased \$2,330,563. Intergovernmental revenue increased mainly due to the City receiving more OPWC grants during the year related to capital projects.

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 2021.

### ***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 \$14,204,823. Final General Fund budgeted revenues and other financing sources were \$15,404,468. The variance between original and final budgeted revenues and other financing sources was \$1,199,645. This was primarily due to earning tax growth and an increase in charges for services revenues related to the re-opening of many spring and summer recreational sports programs that were cancelled in 2020 due to COVID-19. Actual revenues and other financing sources were the same as final budgeted revenues and other financing sources. Original appropriations and other financing uses were \$14,408,924, and final appropriations and other financing uses were \$15,649,427. The variance between original and final appropriations and other financing uses was \$1,240,503. Actual expenditures and other financing uses were \$862,369 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 2021 compared to 2020:

*Table 4*  
*Capital Assets*

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$15,224,574	\$15,445,201	\$3,392,140	\$3,067,140	\$18,616,714	\$18,512,341
Construction in Progress	3,009,187	2,337,987	3,241,908	1,120,208	6,251,095	3,458,195
Land Improvements	1,102,717	1,087,333	0	0	1,102,717	1,087,333
Buildings and Improvements	11,566,232	5,750,453	10,081,933	11,010,991	21,648,165	16,761,444
Equipment	964,084	1,009,356	1,195,872	1,277,148	2,159,956	2,286,504
Vehicles	3,245,379	3,261,829	1,316,210	1,614,613	4,561,589	4,876,442
Infrastructure	26,717,203	27,570,362	79,334,692	77,469,313	106,051,895	105,039,675
Totals	<u>\$61,829,376</u>	<u>\$56,462,521</u>	<u>\$98,562,755</u>	<u>\$95,559,413</u>	<u>\$160,392,131</u>	<u>\$152,021,934</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, 2021 and 2020:

*Table 5*  
*Outstanding Long-Term Debt at Year-End*

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General Obligation Bonds	\$12,333,986	\$13,616,618	\$2,300,000	\$2,965,000	\$14,633,986	\$16,581,618
Police Pension - Specific Liability	12,869	13,565	0	0	12,869	13,565
Mortgage Revenue Bonds	0	0	8,720,998	10,007,813	8,720,998	10,007,813
Ohio Department of Transportation SIB Loan	77,194	302,000	0	0	77,194	302,000
	<u>\$12,424,049</u>	<u>\$13,932,183</u>	<u>\$11,020,998</u>	<u>\$12,972,813</u>	<u>\$23,445,047</u>	<u>\$26,904,996</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, 2021, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$61,528,260, and the unvoted debt margin was \$32,229,089. For more information regarding long-term obligations and short-term bond anticipation notes, refer to Notes 16 and 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, 2021**

	Governmental Activities	Business-Type Activities	Totals
<b>Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$35,609,551	\$52,790,773	\$88,400,324
Accounts Receivable, Net	0	7,320,206	7,320,206
Intergovernmental Receivable	1,425,238	15,789	1,441,027
Accrued Interest Receivable	53,825	39,816	93,641
Prepaid Items	114,108	10,054	124,162
Internal Balances	(571,229)	571,229	0
Materials and Supplies Inventory	334,396	2,848,399	3,182,795
Income Taxes Receivable	4,283,699	0	4,283,699
Property Taxes Receivable	6,087,398	0	6,087,398
Other Local Taxes Receivable	4,541	0	4,541
Payment in Lieu of Taxes Receivable	233,412	0	233,412
Special Assessments Receivable	449,397	0	449,397
Net Pension Asset	102,474	52,793	155,267
Net OPEB Asset	517,534	266,610	784,144
Nondepreciable Capital Assets	18,233,761	6,634,048	24,867,809
Depreciable Capital Assets, Net	43,595,615	91,928,707	135,524,322
<b>Total Assets</b>	<b>110,473,720</b>	<b>162,478,424</b>	<b>272,952,144</b>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Refunding	12,482	284,909	297,391
Pension	3,168,034	379,940	3,547,974
OPEB	2,009,108	141,069	2,150,177
<b>Total Deferred Outflows of Resources:</b>	<b>5,189,624</b>	<b>805,918</b>	<b>5,995,542</b>
<b>Liabilities:</b>			
Accounts Payable	208,535	345,810	554,345
Accrued Wages Payable	507,465	135,844	643,309
Intergovernmental Payable	264,496	72,450	336,946
Contracts Payable	2,524,050	6,955	2,531,005
Retainage Payable	359,770	0	359,770
Accrued Interest Payable	27,644	23,837	51,481
Claims Payable	318,580	0	318,580
Unearned Revenue	1,082,026	0	1,082,026
Notes Payable	604,378	0	604,378
Refundable Deposits	0	594,348	594,348
Matured Compensated Absences Payable	22,426	0	22,426
<b>Long-Term Liabilities:</b>			
Due Within One Year	1,727,381	1,159,107	2,886,488
Due in More Than One Year:			
Net Pension Liability	13,925,014	2,268,164	16,193,178
Net OPEB Liability	1,479,933	0	1,479,933
Other Amounts	12,637,822	10,289,542	22,927,364
<b>Total Liabilities</b>	<b>35,689,520</b>	<b>14,896,057</b>	<b>50,585,577</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	5,739,441	0	5,739,441
Payment in Lieu of Taxes	233,412	0	233,412
Deferred Charge on Refunding	738	0	738
Pension	3,703,861	998,729	4,702,590
OPEB	2,226,868	819,302	3,046,170
<b>Total Deferred Inflows of Resources</b>	<b>11,904,320</b>	<b>1,818,031</b>	<b>13,722,351</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	48,421,254	87,819,711	136,240,965
<b>Restricted for:</b>			
Debt Service	7,370	0	7,370
Capital Outlay	1,061,598	0	1,061,598
Security of Persons and Property	3,773,508	0	3,773,508
Public Health Services	1,074,688	0	1,074,688
Community and Economic Development	280	0	280
Transportation	2,733,915	0	2,733,915
Unrestricted	10,996,891	58,750,543	69,747,434
<b>Total Net Position</b>	<b>\$68,069,504</b>	<b>\$146,570,254</b>	<b>\$214,639,758</b>

See Accompanying Notes to the Basic Financial Statements

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

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
Governmental Activities:				
General Government:				
Primary Government	\$3,031,297	\$2,115,640	\$0	\$0
Intergovernmental	65,190	0	0	0
Security of Persons and Property:				
Police	5,258,962	1,932,340	838	0
Fire	5,837,368	697,066	62,718	0
Public Health Services	128,561	213,252	0	3,633
Leisure Time Services	2,008,963	596,418	3,000	196,000
Community and Economic Development	1,284,869	555,395	0	0
Transportation	4,801,439	429,328	1,641,598	1,995,821
Interest and Fiscal Charges	328,331	0	0	0
Total Governmental Activities	<u>22,744,980</u>	<u>6,539,439</u>	<u>1,708,154</u>	<u>2,195,454</u>
Business-Type Activities:				
Electric	28,127,696	32,718,002	0	0
Sanitation	1,883,954	1,966,340	0	0
Sewer	3,415,280	4,238,787	0	954,855
Telecommunications	70,932	23,150	0	0
Water	4,576,621	5,371,501	12,000	1,332,657
Storm Water Utility	837,726	998,979	0	750,589
Total Business-Type Activities	<u>38,912,209</u>	<u>45,316,759</u>	<u>12,000</u>	<u>3,038,101</u>
Total Activities	<u>\$61,657,189</u>	<u>\$51,856,198</u>	<u>\$1,720,154</u>	<u>\$5,233,555</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

Gain on Sale of Capital Assets

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>
(\$915,657)	\$0	(\$915,657)
(65,190)	0	(65,190)
(3,325,784)	0	(3,325,784)
(5,077,584)	0	(5,077,584)
88,324	0	88,324
(1,213,545)	0	(1,213,545)
(729,474)	0	(729,474)
(734,692)	0	(734,692)
(328,331)	0	(328,331)
<u>(12,301,933)</u>	<u>0</u>	<u>(12,301,933)</u>
0	4,590,306	4,590,306
0	82,386	82,386
0	1,778,362	1,778,362
0	(47,782)	(47,782)
0	2,139,537	2,139,537
0	911,842	911,842
<u>0</u>	<u>9,454,651</u>	<u>9,454,651</u>
<u>(12,301,933)</u>	<u>9,454,651</u>	<u>(2,847,282)</u>
1,296,654	0	1,296,654
4,511,621	0	4,511,621
11,708,708	0	11,708,708
1,545,048	0	1,545,048
232,468	0	232,468
684,939	0	684,939
(113,821)	9,007	(104,814)
153,636	57,182	210,818
281,600	10,000	291,600
(357,377)	357,377	0
<u>19,943,476</u>	<u>433,566</u>	<u>20,377,042</u>
7,641,543	9,888,217	17,529,760
<u>60,427,961</u>	<u>136,682,037</u>	<u>197,109,998</u>
<u>\$68,069,504</u>	<u>\$146,570,254</u>	<u>\$214,639,758</u>

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

	General Fund	Fire and Life Squad Fund	Capital Improvement Fund
<b>Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$12,546,937	\$4,772,770	\$5,385,351
Materials and Supplies Inventory	21,972	0	0
Prepaid Items	83,983	25,957	587
Income Taxes Receivable	2,722,129	0	1,323,940
Property Taxes Receivable	1,479,217	4,608,181	0
Other Local Taxes Receivable	4,541	0	0
Payment in Lieu of Taxes Receivable	0	0	0
Accrued Interest Receivable	42,167	0	4,944
Intergovernmental Receivable	289,220	225,251	143,423
Special Assessments Receivable	0	0	449,397
Interfund Receivable	14,123	0	0
Advances to Other Funds	35,683	0	0
<b>Total Assets</b>	<b>\$17,239,972</b>	<b>\$9,632,159</b>	<b>\$7,307,642</b>
<b>Liabilities:</b>			
Accounts Payable	\$66,229	\$104,292	\$4,632
Accrued Wages Payable	351,740	124,632	0
Contracts Payable	77,262	1,398,624	1,044,184
Intergovernmental Payable	141,367	39,257	0
Matured Compensated Absences	22,426	0	0
Accrued Interest Payable	0	1,688	0
Retainage Payable	0	314,522	45,248
Unearned Revenue	0	0	0
Notes Payable	0	604,378	0
Interfund Payable	314,028	52	5,692
Advances From Other Funds	0	0	0
<b>Total Liabilities</b>	<b>973,052</b>	<b>2,587,445</b>	<b>1,099,756</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	1,399,388	4,340,053	0
Payment in Lieu of Taxes	0	0	0
Unavailable Revenue	2,088,493	493,379	1,836,479
<b>Total Deferred Inflows of Resources</b>	<b>3,487,881</b>	<b>4,833,432</b>	<b>1,836,479</b>
<b>Fund Balances:</b>			
Nonspendable	105,955	25,957	587
Restricted	0	2,185,325	0
Committed	0	0	4,370,820
Assigned	2,123,434	0	0
Unassigned	10,549,650	0	0
<b>Total Fund Balances</b>	<b>12,779,039</b>	<b>2,211,282</b>	<b>4,371,407</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$17,239,972</b>	<b>\$9,632,159</b>	<b>\$7,307,642</b>

See Accompanying Notes to the Basic Financial Statements

Nonmajor Governmental Funds	Total Governmental Funds
\$11,513,229	\$34,218,287
239,624	261,596
3,581	114,108
237,630	4,283,699
0	6,087,398
0	4,541
233,412	233,412
5,225	52,336
767,344	1,425,238
0	449,397
0	14,123
0	35,683
<u>\$13,000,045</u>	<u>\$47,179,818</u>
\$31,556	\$206,709
21,776	498,148
3,980	2,524,050
79,315	259,939
0	22,426
0	1,688
0	359,770
1,082,026	1,082,026
0	604,378
5,395	325,167
35,683	35,683
<u>1,259,731</u>	<u>5,919,984</u>
0	5,739,441
233,412	233,412
877,983	5,296,334
<u>1,111,395</u>	<u>11,269,187</u>
243,205	375,704
4,833,297	7,018,622
5,552,417	9,923,237
0	2,123,434
0	10,549,650
<u>10,628,919</u>	<u>29,990,647</u>
<u>\$13,000,045</u>	<u>\$47,179,818</u>

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

Total Governmental Fund Balances		\$29,990,647
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.		61,829,376
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	1,031,978	
Net Pension Asset	(3,105)	
Net OPEB Asset	(15,683)	
Capital Assets	(135,939)	
Deferred Outflows - Pension	(22,348)	
Deferred Outflows - OPEB	(8,300)	
Deferred Inflows - Pension	58,747	
Deferred Inflows - OPEB	48,195	
Net Pension Liability	133,423	
Compensated Absences	44,012	
Total	<u>1,130,980</u>	1,130,980
Adjustment to reflect the consolidation of internal service fund activities related to enterprise activity.		(259,892)
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	3,178,476	
Property Taxes	347,957	
Interest Revenue	42,906	
Intergovernmental	1,269,447	
Special Assessments	449,397	
Charges for Services	8,151	
Total	<u>5,296,334</u>	5,296,334
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(25,956)
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	12,482	
Deferred Gain	(738)	
Total	<u>\$11,744</u>	\$11,744

(continued)



**CITY OF LEBANON, OHIO**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO**  
**NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**December 31, 2021**  
(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	\$102,474	
Net OPEB Asset	517,534	
Deferred Outflows - Pension	3,168,034	
Deferred Outflows - OPEB	2,009,108	
Net Pension Liability	(13,925,014)	
Net OPEB Liability	(1,479,933)	
Deferred Inflows - Pension	(3,703,861)	
Deferred Inflows - OPEB	(2,226,868)	
Total		(15,538,526)

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	(609,119)	
Bonds	(11,724,867)	
Loans	(77,194)	
Police Pension-Specific Liability	(12,869)	
Compensated Absences	(1,941,154)	
Total Liabilities		(14,365,203)
Net Position of Governmental Activities		<u>\$68,069,504</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, 2021**

	General Fund	Fire and Life Squad Fund	Capital Improvement Fund
Revenues:			
Property Taxes	\$1,295,215	\$4,506,877	\$0
Income Taxes	6,671,441	0	4,182,242
Other Local Taxes	1,545,048	0	0
Payments in Lieu of Taxes	0	0	0
Special Assessments	0	0	246,213
Charges for Services	4,107,498	697,066	0
Fines, Licenses and Permits	894,962	0	0
Intergovernmental	748,031	64,694	2,137,767
Interest	(165,914)	0	10,959
Contributions and Donations	3,000	0	0
Other	77,651	24,627	49,088
<b>Total Revenues</b>	<b>15,176,932</b>	<b>5,293,264</b>	<b>6,626,269</b>
Expenditures:			
Current:			
General Government	4,861,173	0	0
Security of Persons and Property:			
Police	5,202,039	0	0
Fire	0	5,038,667	0
Public Health Services	0	0	0
Leisure Time Services	1,938,186	0	0
Community and Economic Development	1,537,457	0	0
Transportation	0	0	10,316
Intergovernmental	0	0	0
Capital Outlay	0	5,016,375	3,405,585
Debt Service:			
Principal Retirement	696	200,000	224,806
Interest and Fiscal Charges	570	8,171	17,303
<b>Total Expenditures</b>	<b>13,540,121</b>	<b>10,263,213</b>	<b>3,658,010</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>1,636,811</b>	<b>(4,969,949)</b>	<b>2,968,259</b>
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	6,390	39,825	17,996
Transfers In	14,123	0	300,000
Transfers Out	(511,707)	(150,000)	(955,692)
<b>Total Other Financing Sources (Uses)</b>	<b>(491,194)</b>	<b>(110,175)</b>	<b>(637,696)</b>
<b>Net Change in Fund Balances</b>	<b>1,145,617</b>	<b>(5,080,124)</b>	<b>2,330,563</b>
<b>Fund Balances at Beginning of Year</b>	<b>11,633,422</b>	<b>7,291,406</b>	<b>2,040,844</b>
<b>Fund Balances at End of Year</b>	<b>\$12,779,039</b>	<b>\$2,211,282</b>	<b>\$4,371,407</b>

See Accompanying Notes to the Basic Financial Statements

Nonmajor Governmental Funds	Total Governmental Funds
\$0	\$5,802,092
743,555	11,597,238
0	1,545,048
232,468	232,468
0	246,213
230,711	5,035,275
258,109	1,153,071
1,567,490	4,517,982
22,653	(132,302)
0	3,000
2,270	153,636
<u>3,057,256</u>	<u>30,153,721</u>
5,816	4,866,989
109,792	5,311,831
13,496	5,052,163
153,514	153,514
20,738	1,958,924
75,315	1,612,772
1,143,867	1,154,183
65,190	65,190
1,465,654	9,887,614
1,040,000	1,465,502
337,619	363,663
<u>4,431,001</u>	<u>31,892,345</u>
<u>(1,373,745)</u>	<u>(1,738,624)</u>
415,022	479,233
1,265,000	1,579,123
(4,991)	(1,622,390)
<u>1,675,031</u>	<u>435,966</u>
301,286	(1,302,658)
<u>10,327,633</u>	<u>31,293,305</u>
<u>\$10,628,919</u>	<u>\$29,990,647</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, 2021**

Net Change in Fund Balances - Total Governmental Funds (\$1,302,658)

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	9,887,614	
Capital Assets Donated by Developers	1,103,934	
Current Year Depreciation	<u>(4,863,158)</u>	
Excess of Capital Outlay over Depreciation Expense		6,128,390

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	(479,233)	
Gain on Sale of Capital Assets	281,600	
Loss on Sale of Capital Assets	<u>(250,085)</u>	
Total		(447,718)

Assets transferred from governmental activities during the year to enterprise funds (313,817)

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	6,183	
Income Taxes	111,470	
Special Assessments	104,790	
Charges for Services	90	
Intergovernmental	(1,040,002)	
Interest	<u>(21,636)</u>	
Total		(839,105)

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	1,240,000	
Local Principal Retirement	224,806	
Police Pension Principal Retirement	<u>696</u>	
Total		1,465,502

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	(1,434)	
Amortization of Bond Premium	44,066	
Amortization of Loss/Gain on Refunding	(9,479)	
Accrued Interest	<u>2,179</u>	
Total		\$35,332

(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, 2021**

(continued)

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

Pension	\$1,462,601	
OPEB	22,615	
Total	<u>1,485,216</u>	1,485,216

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	(1,068,897)	
OPEB	2,573,848	
Total	<u>1,504,951</u>	1,504,951

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		(95,517)
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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	(115,023)	
Depreciation of Capital Assets	16,886	
Capital Asset Transfer from Governmental	(36,044)	
Contractually Required Contributions for Pension	19,655	
Contractually Required Contributions for OPEB	60	
Pension Expense	(5,548)	
OPEB Expense	94,104	
Increase in Compensated Absences	3,731	
Adjustment to Business Type Activities	43,146	
Total	<u>20,967</u>	20,967

Change in Net Position of Governmental Activities	<u>\$7,641,543</u>
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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, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues:				
Property Taxes	\$1,308,000	\$1,295,215	\$1,295,215	\$0
Income Taxes	5,845,450	6,556,534	6,556,534	0
Other Local Taxes	1,553,135	1,545,111	1,545,111	0
Charges for Services	3,083,850	4,107,498	4,107,498	0
Fines, Licenses and Permits	789,000	876,173	876,173	0
Intergovernmental	1,080,800	751,033	751,033	0
Interest	273,660	185,863	185,863	0
Contributions and Donations	2,500	3,000	3,000	0
Other	268,428	77,651	77,651	0
<b>Total Revenues</b>	<b>14,204,823</b>	<b>15,398,078</b>	<b>15,398,078</b>	<b>0</b>
Expenditures:				
Current:				
General Government	4,976,933	5,162,621	4,963,216	199,405
Security of Persons and Property	5,448,509	5,483,636	5,222,881	260,755
Leisure Time Services	1,757,401	2,396,118	2,337,602	58,516
Community and Economic Development	1,711,081	2,092,052	1,751,652	340,400
<b>Total Expenditures</b>	<b>13,893,924</b>	<b>15,134,427</b>	<b>14,275,351</b>	<b>859,076</b>
<b>Excess of Revenues Over Expenditures</b>	<b>310,899</b>	<b>263,651</b>	<b>1,122,727</b>	<b>859,076</b>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	0	6,390	6,390	0
Transfers Out	(515,000)	(515,000)	(511,707)	3,293
<b>Total Other Financing Sources (Uses)</b>	<b>(515,000)</b>	<b>(508,610)</b>	<b>(505,317)</b>	<b>3,293</b>
<b>Net Change in Fund Balance</b>	<b>(204,101)</b>	<b>(244,959)</b>	<b>617,410</b>	<b>862,369</b>
Fund Balances at Beginning of Year	9,033,019	9,033,019	9,033,019	0
Prior Year Encumbrances Appropriated	667,081	667,081	667,081	0
<b>Fund Balance at End of Year</b>	<b>\$9,495,999</b>	<b>\$9,455,141</b>	<b>\$10,317,510</b>	<b>\$862,369</b>

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, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues:				
Property Taxes	\$4,392,260	\$4,506,877	\$4,506,877	\$0
Charges for Services	650,000	697,066	697,066	0
Intergovernmental	56,000	64,694	64,694	0
Interest	19,000	0	0	0
Other	39,338	24,627	24,627	0
<b>Total Revenues</b>	<b>5,156,598</b>	<b>5,293,264</b>	<b>5,293,264</b>	<b>0</b>
Expenditures:				
Current:				
Security of Persons and Property	3,778,921	4,033,519	3,926,661	106,858
Capital Outlay	785,000	7,167,816	7,125,798	42,018
Debt Service				
Principal Retirement	1,000,000	1,000,000	1,000,000	0
Interest and Fiscal Charges	12,700	12,700	13,326	(626)
<b>Total Expenditures</b>	<b>5,576,621</b>	<b>12,214,035</b>	<b>12,065,785</b>	<b>148,250</b>
Excess of Revenues Under Expenditures	(420,023)	(6,920,771)	(6,772,521)	148,250
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	20,000	39,825	39,825	0
Transfers Out	(150,000)	(150,000)	(150,000)	0
Bond Anticipation Notes Issued	600,000	600,000	600,000	0
Premium on Debt Issued	0	5,838	5,838	0
<b>Total Other Financing Sources (Uses)</b>	<b>470,000</b>	<b>495,663</b>	<b>495,663</b>	<b>0</b>
Net Change in Fund Balance	49,977	(6,425,108)	(6,276,858)	148,250
Fund Balance at Beginning of Year	2,426,833	2,426,833	2,426,833	0
Prior Year Encumbrances Appropriated	6,456,236	6,456,236	6,456,236	0
<b>Fund Balance at End of Year</b>	<b>\$8,933,046</b>	<b>\$2,457,961</b>	<b>\$2,606,211</b>	<b>\$148,250</b>

See Accompanying Notes to the Basic Financial Statements

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

	Business-Type Activities		
	Electric Fund	Sanitation Fund	Sewer Fund
Assets:			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$38,314,769	\$769,856	\$4,779,433
Accounts Receivable, Net	4,573,492	271,326	489,810
Intergovernmental Receivable	0	0	15,789
Accrued Interest Receivable	28,373	796	3,512
Prepaid Items	2,254	117	1,494
Materials and Supplies Inventory	2,522,875	0	58,046
Interfund Receivable	23,966	0	0
Total Current Assets	<u>45,465,729</u>	<u>1,042,095</u>	<u>5,348,084</u>
Noncurrent Assets:			
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	544,823	0	0
Net Pension Asset	34,160	0	12,421
Net OPEB Asset	172,512	0	62,731
Nondepreciable Capital Assets	2,017,584	9,000	1,834,709
Depreciable Capital Assets, Net	15,245,334	157,480	23,223,683
Total Noncurrent Assets	<u>18,014,413</u>	<u>166,480</u>	<u>25,133,544</u>
Total Assets	<u>63,480,142</u>	<u>1,208,575</u>	<u>30,481,628</u>
Deferred Outflows of Resources:			
Deferred Charge on Refunding	0	0	121,108
Pension	245,845	0	89,397
OPEB	91,279	0	33,192
Total Deferred Outflows of Resources	<u>\$337,124</u>	<u>\$0</u>	<u>\$243,697</u>

See Accompanying Notes to the Basic Financial Statements



Enterprise Funds				Governmental
Telecommunications	Water	Storm Water	Totals	Activities
Fund	Fund	Utility		Internal
		Fund		Service Funds
\$291,352	\$6,834,911	\$1,006,104	\$51,996,425	\$1,391,264
1,250,000	604,706	130,872	7,320,206	0
0	0	0	15,789	0
0	6,105	1,030	39,816	1,489
4,661	1,480	48	10,054	0
0	267,478	0	2,848,399	72,800
312,500	0	3,112	339,578	0
<u>1,858,513</u>	<u>7,714,680</u>	<u>1,141,166</u>	<u>62,570,267</u>	<u>1,465,553</u>
0	249,525	0	794,348	0
0	6,212	0	52,793	3,105
0	31,367	0	266,610	15,683
0	2,626,011	146,744	6,634,048	0
12,112	27,932,602	25,357,496	91,928,707	135,939
<u>12,112</u>	<u>30,845,717</u>	<u>25,504,240</u>	<u>99,676,506</u>	<u>154,727</u>
<u>1,870,625</u>	<u>38,560,397</u>	<u>26,645,406</u>	<u>162,246,773</u>	<u>1,620,280</u>
0	163,801	0	284,909	0
0	44,698	0	379,940	22,348
0	16,598	0	141,069	8,300
<u>\$0</u>	<u>\$225,097</u>	<u>\$0</u>	<u>\$805,918</u>	<u>\$30,648</u>

(continued)

**CITY OF LEBANON, OHIO**  
**STATEMENT OF FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2021**  
(continued)

	Business-Type Activities		
	Electric Fund	Sanitation Fund	Sewer Fund
Liabilities:			
Current Liabilities:			
Accounts Payable	\$50,446	\$130,298	\$19,039
Accrued Wages Payable	88,691	5,369	25,593
Contracts Payable	0	0	0
Intergovernmental Payable	41,903	3,480	16,809
Accrued Interest Payable	0	0	3,891
Interfund Payable	477	872	21,966
Claims Payable	0	0	0
Compensated Absences Payable	56,112	0	15,373
General Obligation Bonds Payable	0	0	680,000
Mortgage Revenue Bonds Payable	0	0	0
Total Current Liabilities	<u>237,629</u>	<u>140,019</u>	<u>782,671</u>
Long-term Liabilities:			
Refundable Deposits	544,823	0	0
Compensated Absences Payable	243,506	0	53,365
General Obligation Bonds Payable	0	0	1,620,000
Mortgage Revenue Bonds Payable	0	0	0
Net Pension Liability	1,467,636	0	533,685
Total Long-term Liabilities	<u>2,255,965</u>	<u>0</u>	<u>2,207,050</u>
Total Liabilities	<u>2,493,594</u>	<u>140,019</u>	<u>2,989,721</u>
Deferred Inflows of Resources:			
Pension	646,234	0	234,996
OPEB	530,137	0	192,776
Total Deferred Inflows of Resources	<u>1,176,371</u>	<u>0</u>	<u>427,772</u>
Net Position:			
Net Investment in Capital Assets	17,262,918	166,480	22,879,500
Unrestricted	42,884,383	902,076	4,428,332
Total Net Position	<u>\$60,147,301</u>	<u>\$1,068,556</u>	<u>\$27,307,832</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
\$0	\$145,943	\$84	\$345,810	\$1,826
1,120	11,699	3,372	135,844	9,317
0	6,955	0	6,955	0
446	8,491	1,321	72,450	4,557
0	19,946	0	23,837	0
0	4,926	0	28,241	293
0	0	0	0	318,580
1,466	7,958	3,198	84,107	8,475
0	0	0	680,000	0
0	395,000	0	395,000	0
<u>3,032</u>	<u>600,918</u>	<u>7,975</u>	<u>1,772,244</u>	<u>343,048</u>
0	49,525	0	594,348	0
491	31,294	14,888	343,544	35,537
0	0	0	1,620,000	0
0	8,325,998	0	8,325,998	0
0	266,843	0	2,268,164	133,423
<u>491</u>	<u>8,673,660</u>	<u>14,888</u>	<u>13,152,054</u>	<u>168,960</u>
<u>3,523</u>	<u>9,274,578</u>	<u>22,863</u>	<u>14,924,298</u>	<u>512,008</u>
0	117,499	0	998,729	58,747
0	96,389	0	819,302	48,195
<u>0</u>	<u>213,888</u>	<u>0</u>	<u>1,818,031</u>	<u>106,942</u>
12,112	21,994,461	25,504,240	87,819,711	135,939
1,854,990	7,302,567	1,118,303	58,490,651	896,039
<u>\$1,867,102</u>	<u>\$29,297,028</u>	<u>\$26,622,543</u>	<u>146,310,362</u>	<u>\$1,031,978</u>
			<u>259,892</u>	
			<u>\$146,570,254</u>	

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

	Business-Type Activities		
	Electric Fund	Sanitation Fund	Sewer Fund
Operating Revenues:			
Charges for Services and Sales	\$32,718,002	\$1,966,340	\$4,238,787
Other	38,437	93	2,315
Total Operating Revenues	<u>32,756,439</u>	<u>1,966,433</u>	<u>4,241,102</u>
Operating Expenses:			
Personal Services	1,073,362	133,744	280,712
Contractual Services	1,999,696	1,728,147	1,609,857
Purchased Power	23,551,275	0	0
Supplies and Materials	205,461	0	137,238
Claims	0	0	0
Depreciation	1,271,135	15,748	1,288,794
Other	4,904	2,928	0
Total Operating Expenses	<u>28,105,833</u>	<u>1,880,567</u>	<u>3,316,601</u>
Operating Income (Loss)	<u>4,650,606</u>	<u>85,866</u>	<u>924,501</u>
Non-Operating Revenues (Expenses):			
Interest	20,359	(154)	(3,832)
Intergovernmental	0	0	0
Other Non-Operating Revenues	6,891	0	0
Gain on Sale of Capital Assets	10,000	0	0
Interest and Fiscal Charges	0	0	(88,525)
Total Non-Operating Revenues (Expenses)	<u>37,250</u>	<u>(154)</u>	<u>(92,357)</u>
Income (Loss) Before Capital Contributions and Transfers	4,687,856	85,712	832,144
Capital Contributions from Other Funds	0	0	0
Capital Contributions from Developers	0	0	954,855
Transfer In	841	0	0
Transfer Out	(106,301)	(872)	(361)
Total Capital Contributions and Transfers	<u>(105,460)</u>	<u>(872)</u>	<u>954,494</u>
Change in Net Position	4,582,396	84,840	1,786,638
Net Position at Beginning of Year	<u>55,564,905</u>	<u>983,716</u>	<u>25,521,194</u>
Net Position at End of Year	<u>\$60,147,301</u>	<u>\$1,068,556</u>	<u>\$27,307,832</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
\$23,150	\$5,371,501	\$998,979	\$45,316,759	\$2,095,999
0	8,129	116	49,090	406,323
<u>23,150</u>	<u>5,379,630</u>	<u>999,095</u>	<u>45,365,849</u>	<u>2,502,322</u>
21,097	116,148	101,595	1,726,658	130,684
43,294	708,798	158,720	6,248,512	612,127
0	0	0	23,551,275	0
398	2,135,025	0	2,478,122	8,869
0	0	0	0	1,928,280
4,155	1,179,651	577,834	4,337,317	16,886
0	1,699	0	9,531	0
<u>68,944</u>	<u>4,141,321</u>	<u>838,149</u>	<u>38,351,415</u>	<u>2,696,846</u>
<u>(45,794)</u>	<u>1,238,309</u>	<u>160,946</u>	<u>7,014,434</u>	<u>(194,524)</u>
0	(14,678)	7,312	9,007	43,750
0	12,000	0	12,000	0
1,201	0	0	8,092	0
0	0	0	10,000	0
0	(429,123)	0	(517,648)	0
<u>1,201</u>	<u>(431,801)</u>	<u>7,312</u>	<u>(478,549)</u>	<u>43,750</u>
(44,593)	806,508	168,258	6,535,885	(150,774)
0	0	313,817	313,817	36,044
0	1,332,657	750,589	3,038,101	0
0	46,707	106,301	153,849	0
0	(2,755)	0	(110,289)	(293)
0	1,376,609	1,170,707	3,395,478	35,751
(44,593)	2,183,117	1,338,965	9,931,363	(115,023)
<u>1,911,695</u>	<u>27,113,911</u>	<u>25,283,578</u>		<u>1,147,001</u>
<u>\$1,867,102</u>	<u>\$29,297,028</u>	<u>\$26,622,543</u>		<u>\$1,031,978</u>
			(43,146)	
			<u>\$9,888,217</u>	

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

	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	\$32,558,252	\$1,959,217	\$4,222,666
Cash Received from Interfund Services Provided	0	0	0
Cash Payments for Employee Services and Benefits	(2,239,657)	(125,088)	(686,768)
Cash Payments to Suppliers for Goods and Services	(26,075,618)	(1,723,009)	(1,744,241)
Cash Payments for Employee Medical, Dental, and Life Insurance Claims	0	0	0
Other Operating Revenues	38,437	93	2,315
Other Operating Expenses	(4,904)	(2,928)	0
Other Non-Operating Revenues	6,891	0	0
Utility Deposits Received	110,105	0	0
Utility Deposits Returned	(120,818)	0	0
Net Cash Provided by (Used For) Operating Activities	<u>4,272,688</u>	<u>108,285</u>	<u>1,793,972</u>
Cash Flows from Noncapital Financing Activities:			
Operating Grants	0	0	0
Transfers In	0	0	0
Net Cash Used for Noncapital Financing Activities	<u>0</u>	<u>0</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities:			
Proceeds from Sale of Capital Assets	10,000	0	0
Acquisition of Capital Assets	(882,909)	0	(1,473,837)
Proceeds from Refunding Bonds Issued	0	0	0
Premium on Refunding Bonds Issued	0	0	0
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	(665,000)
Interest and Fiscal Charges Paid on General Obligation Bonds	0	0	(60,190)
Payment to Refunded Bond Escrow Agent	0	0	0
Capital Contributions from Other Governments	95,890	0	0
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(777,019)</u>	<u>0</u>	<u>(2,199,027)</u>
Cash Flows from Investing Activities:			
Interest	34,902	149	(418)
Net Increase (Decrease) in Cash and Cash Equivalents	3,530,571	108,434	(405,473)
Cash and Cash Equivalents at Beginning of Year	<u>35,329,021</u>	<u>661,422</u>	<u>5,184,906</u>
Cash and Cash Equivalents at End of Year	<u><u>\$38,859,592</u></u>	<u><u>\$769,856</u></u>	<u><u>\$4,779,433</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
\$23,150	\$5,342,799	\$967,470	\$45,073,554	\$0
0	0	0	0	2,095,999
(27,524)	(327,626)	(103,849)	(3,510,512)	(234,807)
(46,705)	(2,791,098)	(190,894)	(32,571,565)	(625,638)
0	0	0	0	(1,825,805)
0	8,129	116	49,090	406,323
0	(1,699)	0	(9,531)	0
126,201	0	0	133,092	0
0	7,150	0	117,255	0
0	(7,300)	0	(128,118)	0
<u>75,122</u>	<u>2,230,355</u>	<u>672,843</u>	<u>9,153,265</u>	<u>(183,928)</u>
0	12,000	0	12,000	0
0	46,707	0	46,707	0
<u>0</u>	<u>58,707</u>	<u>0</u>	<u>58,707</u>	<u>0</u>
0	0	0	10,000	0
0	(1,310,231)	(321,764)	(3,988,741)	0
0	7,710,000	0	7,710,000	0
0	1,118,200	0	1,118,200	0
0	(90,000)	0	(90,000)	0
0	(454,614)	0	(454,614)	0
0	0	0	(665,000)	0
0	0	0	(60,190)	0
0	(10,136,031)	0	(10,136,031)	0
0	0	0	95,890	0
<u>0</u>	<u>(3,162,676)</u>	<u>(321,764)</u>	<u>(6,460,486)</u>	<u>0</u>
<u>0</u>	<u>(11,297)</u>	<u>7,338</u>	<u>30,674</u>	<u>44,242</u>
75,122	(884,911)	358,417	2,782,160	(139,686)
<u>216,230</u>	<u>7,969,347</u>	<u>647,687</u>	<u>50,008,613</u>	<u>1,530,950</u>
<u>\$291,352</u>	<u>\$7,084,436</u>	<u>\$1,006,104</u>	<u>\$52,790,773</u>	<u>\$1,391,264</u>

(continued)

**CITY OF LEBANON, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(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)	\$4,650,606	\$85,866	\$924,501
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	1,271,135	15,748	1,288,794
Other Non-Operating Revenues	6,891	0	0
Decrease (Increase) in Assets:			
Materials and Supplies Inventory	(193,391)	0	14,381
Accounts Receivable	(188,308)	(7,123)	(18,952)
Interfund Receivable	28,558	0	0
Intergovernmental Receivable	0	0	2,831
Prepays Items	25,467	(117)	13,788
Net Pension Asset	(4,036)	0	(1,468)
Net OPEB Asset	(833,711)	0	(303,169)
Deferred Outflows of Resources - Pension	298,116	0	108,408
Deferred Outflows of Resources - OPEB	168,549	0	61,293
Increase (Decrease) in Liabilities:			
Accounts Payable	(26,244)	5,255	(17,492)
Accrued Wages Payable	12,268	5,335	3,578
Contracts Payable	(121,759)	0	(2,925)
Intergovernmental Payable	(4,674)	3,321	(1,807)
Retainage Payable	(3,736)	0	0
Interfund Payable	477	0	(4,898)
Claims Payable	0	0	0
Liabilities Payable from Restricted Assets	(10,713)	0	0
Compensated Absences Payable	17,094	0	25,253
Net Pension Liability	(7,863)	0	(2,859)
Deferred Inflows of Resources - Pension	(441,406)	0	(160,510)
Deferred Inflows of Resources - OPEB	(370,632)	0	(134,775)
Net Cash Provided by (Used For) Operating Activities	<u>\$4,272,688</u>	<u>\$108,285</u>	<u>\$1,793,972</u>

Noncash Capital Financing Activities:

The Electric Fund transferred assets in the net amount of \$106,301 to the Storm Water Utility Fund.

The Sewer Fund received assets donated from developers in the amount of \$954,855.

The Water Fund received assets donated from developers in the amount of \$1,332,657.

The Storm Water Utility Fund received assets transferred from governmental activities in the amount of \$313,817.

The Storm Water Utility Fund received assets donated from developers in the amount of \$750,589.

The Automotive Maintenance Fund received assets transferred from governmental activities in the amount of \$36,044.

See Accompanying Notes to the Basic Financial Statements



Enterprise Funds				Governmental
Telecommunications	Water	Storm Water	Total	Activities-
Fund	Fund	Utility		Internal
		Fund		Service Funds
(\$45,794)	\$1,238,309	\$160,946	\$7,014,434	(\$194,524)
4,155	1,179,651	577,834	4,337,317	16,886
126,201	0	0	133,092	0
0	(89,474)	0	(268,484)	(11,420)
0	(28,702)	(28,397)	(271,482)	0
0	0	(3,112)	25,446	0
0	0	0	2,831	0
(2,248)	12,991	(48)	49,833	7,981
0	(734)	0	(6,238)	(367)
0	(151,583)	0	(1,288,463)	(75,791)
0	54,204	0	460,728	27,103
0	30,645	0	260,487	15,321
(765)	122,137	(138)	82,753	(1,203)
137	1,930	(1,886)	21,362	943
0	6,955	(30,699)	(148,428)	0
(156)	(2,773)	(3,009)	(9,098)	(526)
0	0	0	(3,736)	0
0	116	0	(4,305)	0
0	0	0	0	102,475
0	(150)	0	(10,863)	0
(6,408)	5,905	1,352	43,196	3,731
0	(1,429)	0	(12,151)	(714)
0	(80,255)	0	(682,171)	(40,129)
0	(67,388)	0	(572,795)	(33,694)
<u>\$75,122</u>	<u>\$2,230,355</u>	<u>\$672,843</u>	<u>\$9,153,265</u>	<u>(\$183,928)</u>

**CITY OF LEBANON, OHIO**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**CUSTODIAL FUNDS**  
**DECEMBER 31, 2021**

Assets:	
Equity in Pooled Cash and Cash Equivalents	\$7,634
Cash and Cash Equivalents in Segregated Accounts	<u>61,092</u>
Total Assets	<u><u>\$68,726</u></u>
Liabilities:	
Accounts Payable	\$33,792
Intergovernmental Payable	<u>34,934</u>
Total Liabilities	<u><u>\$68,726</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, 2021**

Additions:	
Fines and Forfeitures for Other Governments	\$696,211
Amounts Received as Fiscal Agent	<u>53,898</u>
Total Additions	<u>750,109</u>
Deductions:	
Distributions to the State of Ohio	150,313
Fines and Forfeitures Distributions to Other Governments	144,400
Distributions to Individuals	401,498
Distributions as Fiscal Agent	<u>53,898</u>
Total Deductions	<u>750,109</u>
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, 2021

**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, 2021

**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, 2021

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 restricted State and federal revenues as well as income tax revenues committed 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, 2021

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, 2021

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, 2021

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, 2021, but which were levied to finance 2022 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 resources related to pension and OPEB plans are reported on the government-wide Statement of Net Position (See Notes 12 and 13).

CITY OF LEBANON, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

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.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The City recognizes unearned revenue for intergovernmental revenue received before the eligibility requirements are met.

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

CITY OF LEBANON, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

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 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.

During 2021, the City's investments were limited to Commercial Paper, Money Market Mutual Funds, Federal Agency Securities, Tennessee Valley Authority Bonds, negotiable certificates of deposit, U.S. Treasury Securities, and Municipal Bonds. 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.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the General Fund during 2021 amounted to (\$165,914), of which (\$117,402) 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.

#### Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021 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 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."

CITY OF LEBANON, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

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:

<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.

CITY OF LEBANON, OHIO  
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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.

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees will be paid.

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.

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.

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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.

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.

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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.

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 2022 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.

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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.

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.



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**Note 3 – Change in Accounting Principles**

For 2021, the City implemented the Governmental Accounting Standards Board's (GASB) Statement No. 98, The Annual Comprehensive Financial Report. GASB 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The City is also implementing Implementation Guide No. 2019-1. These changes were incorporated in the City's 2021 financial statements; however, there was no effect on beginning net position/fund balance.

**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.

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. Cash is held by the custodial fund on behalf of the City on a budget basis and allocated and reported on the balance sheet (GAAP basis) in the appropriate City funds.
5. 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.
6. 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.

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Net Change in Fund Balance

	General Fund	Fire and Life Squad Fund
GAAP Basis	\$1,145,617	(\$5,080,124)
Revenue Accruals	(246,481)	605,838
Expenditure Accruals	144,940	363,987
Encumbrances	(880,170)	(2,166,559)
Unrecorded Cash - 2020	197	0
Unrecorded Cash - 2021	(1,370,690)	0
Net Increase in Fair Value of Investments - 2020	1,750,198	0
Net Increase in Fair Value of Investments - 2021	58,429	0
Custodial Fund Allocation - 2020	(21,626)	0
Custodial Fund Allocation - 2021	36,996	0
Budget Basis	<u>\$617,410</u>	<u>(\$6,276,858)</u>

**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.

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.

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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);
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.

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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.

Investments:

Investments are reported at fair value. As of December 31, 2021, the City had the following investments:

Measurement/Investment	Measurement Amount	Maturity	S&P Rating	Percent of Total Investments
Amortized Cost:				
Commercial Paper	\$22,570,084	Less than one year	N/A	28.87%
Fair Value - Level One Inputs:				
Money Market Mutual Funds	6,021,276	Less than one year	AAAm	N/A
Fair Value - Level Two Inputs:				
Federal Farm Credit Banks Consolidation Bonds	9,316,464	Less than four years	AA+	11.92%
Federal Home Loan Mortgage Corporation Bonds	3,939,308	Less than four years	AA+	5.04%
Federal National Mortgage Association Bonds	2,899,494	Less than four years	AA+	N/A
Federal Home Loan Banks Bonds	17,744,224	Less than five years	AA+	22.70%
Tennessee Valley Authority Bonds	630,057	Less than three years	AAA	N/A
Negotiable Certificates of Deposits	6,299,669	Less than five years	N/A	8.06%
United States Treasury Notes	5,603,677	Less than three years	N/A	N/A
Municipal Bonds	3,148,909	Less than five years	N/A	N/A
Total Fair Value - Level Two Inputs	49,581,802			
Total Investments	\$78,173,162			

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

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of December 31, 2021. 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.

Credit Risk –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 2021 for real and public utility property taxes represents collections of 2020 taxes.

2021 real property taxes were levied after October 1, 2021 on the assessed value as of January 1, 2021, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2021 real property taxes are collected in and intended to finance 2022.

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. 2021 public utility property taxes which became a lien December 31, 2020 are levied after October 1, 2021 and are collected in 2022 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2021 was \$11.82 per \$1,000 of assessed value. The assessed values of real and public utility tangible property upon which 2021 property tax receipts were based are as follows:

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Category	Assessed Value
Real Property	\$577,432,690
Public Utility Real Property	8,550,740
Total	\$585,983,430

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, 2021 and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2021 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 2021, the proceeds were allocated to the General Fund, the Capital Improvement Capital Projects Fund, and the Debt Service nonmajor governmental fund.

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**Note 9 - Receivables**

Receivables at December 31, 2021, consisted of income, property and other local taxes, payment in lieu of taxes, accrued interest, intergovernmental, special assessments, interfund, advances to other funds, utility accounts, and amounts due from the sale of the telecommunications system. The \$1,250,000 accounts receivable in the telecommunications fund relates to the sale of the telecommunications system to Cincinnati Bell that occurred in 2007. Of this amount, \$1,125,000 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	\$6,130,796	\$60,590	\$6,070,206
Telecommunications	1,250,000	0	1,250,000
Total	\$7,380,796	\$60,590	\$7,320,206

A summary of intergovernmental receivables follows:

Governmental Activities:

Local Government Assistance	\$181,746
Warren County Reimbursement for Baliff Services	8,151
Homestead and Rollback	103,239
Warren County Building Department	3,420
Wireless 911	24,376
Permissive Motor Vehicle License Tax	133,638
Motor Vehicle Tax	199,880
Gasoline Tax	433,826
Safer Grant	193,539
OPWC Grants	143,423
Total Governmental Activities	1,425,238

Business-Type Activities:

Village of South Lebanon Sewage Processing Fees	15,789
Total Intergovernmental Receivables	\$1,441,027

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**Note 10 - Capital Assets**

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

	Balance at 12/31/20	Additions	Deductions	Transfers	Balance at 12/31/21
<b><u>Governmental Activities:</u></b>					
<i>Capital Assets, Not Being Depreciated:</i>					
Land	\$15,445,201	\$104,664	(\$325,291)	\$0	\$15,224,574
Construction in Progress	2,337,987	8,772,393	(8,101,193)	0	3,009,187
Total Capital Assets, Not Being Depreciated	<u>17,783,188</u>	<u>8,877,057</u>	<u>(8,426,484)</u>	<u>0</u>	<u>18,233,761</u>
<i>Capital Assets, Being Depreciated:</i>					
Land Improvements	2,107,330	101,880	0	0	2,209,210
Buildings and Improvements	10,221,601	6,272,573	(540,547)	0	15,953,627
Equipment	2,590,948	121,854	(77,126)	0	2,635,676
Vehicles	6,193,418	483,584	(210,636)	0	6,466,366
Infrastructure	81,244,780	3,235,793	0	(313,817)	84,166,756
Total Capital Assets, Being Depreciated	<u>102,358,077</u>	<u>10,215,684</u>	<u>(828,309)</u>	<u>(313,817)</u>	<u>111,431,635</u>
<i>Less Accumulated Depreciation:</i>					
Land Improvements	(1,019,997)	(86,496)	0	0	(1,106,493)
Buildings and Improvements	(4,471,148)	(357,098)	440,851	0	(4,387,395)
Equipment	(1,581,592)	(144,395)	54,395	0	(1,671,592)
Vehicles	(2,931,589)	(500,034)	210,636	0	(3,220,987)
Infrastructure	(53,674,418)	(3,775,135)	0	0	(57,449,553)
Total Accumulated Depreciation	<u>(63,678,744)</u>	<u>(4,863,158)</u>	<u>705,882</u>	<u>0</u>	<u>(67,836,020)</u>
Total Capital Assets, Being Depreciated, Net	<u>38,679,333</u>	<u>5,352,526</u>	<u>(122,427)</u>	<u>(313,817)</u>	<u>43,595,615</u>
Governmental Activities Capital Assets, Net	<u>\$56,462,521</u>	<u>\$14,229,583</u>	<u>(\$8,548,911)</u>	<u>(\$313,817)</u>	<u>\$61,829,376</u>

The City's Governmental funds transferred assets to the Storm Water Utility Enterprise funds in the amount of \$313,817. The City's Governmental funds transferred a vehicle to the Auto Maintenance Internal Service fund in the amount of \$36,044. There was no depreciation associated with the transfer as these were newly constructed assets. Additions to capital assets being depreciated include \$1,103,934 in assets donated by developers for the year ended December 31, 2021.

Depreciation expense was charged to governmental functions as follows:



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General Government	\$10,630
Security of Persons and Property:	
Police	179,150
Fire	437,991
Public Health Services	24,784
Leisure Time Services	186,106
Community and Economic Development	107,286
Transportation	3,917,211
Total Depreciation Expense	\$4,863,158

	Balance at 12/31/20	Additions	Deductions	Transfers	Balance at 12/31/21
<b><u>Business-Type Activities:</u></b>					
<i>Capital Assets, Not Being Depreciated:</i>					
Land	\$3,067,140	\$325,000	\$0	\$0	\$3,392,140
Construction in Progress	1,120,208	2,833,511	(711,811)	0	3,241,908
Total Capital Assets, Not Being Depreciated	4,187,348	3,158,511	(711,811)	0	6,634,048
<i>Capital Assets, Being Depreciated:</i>					
Buildings and Improvements	29,750,930	0	0	0	29,750,930
Equipment	5,527,649	27,625	0	0	5,555,274
Vehicles	3,308,858	202,068	(154,486)	0	3,356,440
Infrastructure	126,704,676	4,350,449	0	313,817	131,368,942
Total Capital Assets, Being Depreciated	165,292,113	4,580,142	(154,486)	313,817	170,031,586
<i>Less Accumulated Depreciation:</i>					
Buildings and Improvements	(18,739,939)	(929,058)	0	0	(19,668,997)
Equipment	(4,250,500)	(108,902)	0	0	(4,359,402)
Vehicles	(1,979,941)	(214,775)	154,486	0	(2,040,230)
Infrastructure	(48,949,668)	(3,084,582)	0	0	(52,034,250)
Total Accumulated Depreciation	(73,920,048)	(4,337,317)	154,486	0	(78,102,879)
Total Capital Assets, Being Depreciated, Net	91,372,065	242,825	0	313,817	91,928,707
Business-Type Activities Capital Assets, Net	\$95,559,413	\$3,401,336	(\$711,811)	\$313,817	\$98,562,755

The City's Governmental funds transferred assets to the Storm Water Utility Enterprise funds in the amount of \$313,817. There was no depreciation associated with the transfer as these were newly constructed assets. Additions to capital assets being depreciated include \$3,038,101 in assets donated by developers for the year ended December 31, 2021.

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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 as their broker for vehicle, property, general liability, multi-media, boiler and machinery, police liability, and public officials' liability insurance. The insurance claims are covered by Toko Marine HCC.

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 and a Safety Committee to help avoid vehicle accidents and workplace injuries. The City also contracts with Marsh and McLennan Insurance Group, who reviews each accident claim. The City met all of the Three Factor Authentication network compliance standards that travelers insurance required for the Cyber Security Insurance policy.

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 2021, 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.

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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 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 \$1,167 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 \$318,580 reported in the fund at December 31, 2021 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>
2020	\$248,339	\$1,533,093	\$1,565,327	\$216,105
2021	216,105	1,928,280	1,825,805	318,580

**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.

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The net pension/OPEB liability (asset) represents 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.

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.

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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.

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 Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 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.

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For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is 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 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. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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:

	<u>State and Local</u>
<b>2021 Statutory Maximum Contribution Rates:</b>	
Employer	14.0%
Employee *	10.0%
<b>2021 Actual Contribution Rates:</b>	
Employer:	
Pension **	14.0%
Post-employment Health Care Benefits **	0.0
Total Employer	14.0%
Employee	10.0%

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- \* 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.

For 2021, the City's contractually required contribution was \$948,919 for the traditional plan, \$33,866 for the combined plan and \$7,445 for the member-directed plan. Of these amounts, \$158,706 is reported as an intergovernmental payable for the traditional plan, \$5,664 for the combined plan, and \$1,246 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](http://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 Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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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.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member’s base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member’s base pension benefit where the percentage is the lesser of 3.0% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

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

	Police	Firefighters
<b>2021 Statutory Maximum Contribution Rates:</b>		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
<b>2021 Actual Contribution Rates:</b>		
Employer:		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	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 \$853,274 for 2021. Of this amount, \$79,607 is reported as intergovernmental payable.



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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, 2021, the specific liability of the City was \$12,869 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, 2020, 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, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension 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:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.04505100%	0.05378800%	0.13967990%	
Prior Measurement Date	<u>0.04481300%</u>	<u>0.06626000%</u>	<u>0.15482180%</u>	
Change in Proportionate Share	<u>0.00023800%</u>	<u>-0.01247200%</u>	<u>-0.01514190%</u>	
Proportionate Share of the:				
Net Pension Asset	\$0	(\$155,267)	\$0	(\$155,267)
Net Pension Liability	6,671,073	0	9,522,105	16,193,178
Pension Expense	271,028	6,365	896,916	1,174,309

2021 pension expense for the member-directed defined contribution plan was \$7,445. The aggregate pension expense for all pension plans was \$1,181,754 for 2021.

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

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	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$0	\$0	\$398,056	\$398,056
Changes of assumptions	0	9,696	159,691	169,387
Changes in proportion and differences between City contributions and proportionate share of contributions	96,242	28,747	1,019,483	1,144,472
City contributions subsequent to the measurement date	948,919	33,866	853,274	1,836,059
Total Deferred Outflows of Resources	<u>\$1,045,161</u>	<u>\$72,309</u>	<u>\$2,430,504</u>	<u>\$3,547,974</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$279,056	\$29,293	\$370,952	\$679,301
Net difference between projected and actual earnings on pension plan investments	2,600,189	23,091	461,885	3,085,165
Changes in proportion and differences between City contributions and proportionate share of contributions	0	5,794	932,330	938,124
Total Deferred Inflows of Resources	<u>\$2,879,245</u>	<u>\$58,178</u>	<u>\$1,765,167</u>	<u>\$4,702,590</u>

\$1,836,059 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 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2022	(\$1,012,445)	(\$8,204)	\$148,994	(\$871,655)
2023	(356,005)	(4,148)	412,952	52,799
2024	(1,059,926)	(9,472)	(463,351)	(1,532,749)
2025	(354,627)	(2,851)	(205,945)	(563,423)
2026	0	443	(80,587)	(80,144)
Thereafter	0	4,497	0	4,497
Total	<u>(\$2,783,003)</u>	<u>(\$19,735)</u>	<u>(\$187,937)</u>	<u>(\$2,990,675)</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.

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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. The total pension liability was determined by an actuarial valuation as of December 31, 2020, 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, 2020, are presented below.

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
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	.5 percent, simple through 2021, then 2.15 percent, simple	.5 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to .5 percent simple through 2021 then 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.

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.

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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, 2020, these best estimates are summarized in the following table:

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

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>
<b>City's proportionate share of the net pension liability (asset)</b>			
OPERS Traditional Plan	\$12,725,105	\$6,671,073	\$1,637,153
OPERS Combined Plan	(108,114)	(155,267)	(190,410)

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Changes between the Measurement Date and the Reporting Date

During 2021, the OPERS Board lowered the investment rate of return from 7.2 percent to 6.9 along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of 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 are: 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, 2020, are presented below.

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 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	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.

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in 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, 2020, are summarized below:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00%	0.00%
Domestic Equity	21.00	4.10
Non-US Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income *	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds *	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	<u>125.00%</u>	

Note: Assumptions are geometric.

\* levered 2.5x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

#### Discount Rate

The total pension liability was calculated using the discount rate of 8.00 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. 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.

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	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$13,255,989	\$9,522,105	\$6,397,220

**Note 13 – Defined Benefit OPEB Plans**

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

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

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.



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The health care 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.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

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. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. 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' Annual Comprehensive Financial Report referenced below for additional information.

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

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

**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 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, 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 2021 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 \$2,978 for 2021. Of this amount, \$498 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.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

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.

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

The 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.

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

Funding Policy – The 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 2021, 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 \$20,769 for 2021. Of this amount, \$1,910 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 (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

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	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.04401400%	0.13967990%	
Prior Measurement Date	<u>0.04417800%</u>	<u>0.15482180%</u>	
Change in Proportionate Share	<u>-0.00016400%</u>	<u>-0.01514190%</u>	
Proportionate Share of the Net			
Net OPEB (Asset)	(\$784,144)	\$0	(\$784,144)
Net OPEB Liability	0	1,479,933	1,479,933
OPEB Expense	(4,705,176)	343,361	(4,361,815)

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes of assumptions	\$385,494	\$817,582	\$1,203,076
Changes in proportion and differences between City contributions and proportionate share of contributions	26,438	896,916	923,354
City contributions subsequent to the measurement date	<u>2,978</u>	<u>20,769</u>	<u>23,747</u>
Total Deferred Outflows of Resources	<u>\$414,910</u>	<u>\$1,735,267</u>	<u>\$2,150,177</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$707,686	\$244,110	\$951,796
Changes of assumptions	1,270,549	235,928	1,506,477
Net difference between projected and actual earnings on OPEB plan investments	417,646	54,997	472,643
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>13,830</u>	<u>101,424</u>	<u>115,254</u>
Total Deferred Inflows of Resources	<u>\$2,409,711</u>	<u>\$636,459</u>	<u>\$3,046,170</u>

\$23,747 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 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2022	(\$1,031,648)	\$264,264	(\$767,384)
2023	(735,428)	277,287	(458,141)
2024	(181,492)	256,755	75,263
2025	(49,211)	255,187	205,976
2026	0	25,121	25,121
Thereafter	<u>0</u>	<u>(575)</u>	<u>(575)</u>
Total	<u>(\$1,997,779)</u>	<u>\$1,078,039</u>	<u>(\$919,740)</u>

Actuarial Assumptions – OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (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, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 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	6.00 percent
Prior Measurement date	3.16 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.00 percent
Prior Measurement date	2.75 percent
Health Care Cost Trend Rate:	
Current measurement date	8.5 percent, initial 3.50 percent, ultimate in 2035
Prior Measurement date	10.5 percent, initial 3.50 percent, ultimate in 2030
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006.

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

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

The 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. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

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

Discount Rate

A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-

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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 2.00 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following table presents the City’s proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 6.00 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 (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
City's proportionate share of the net OPEB liability	(\$194,982)	(\$784,144)	(\$1,268,483)

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

Changes in the health care cost trend rate may also have a significant impact on the net OPEB 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 2021 is 8.50 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 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.

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	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	(\$803,256)	(\$784,144)	(\$762,763)

Changes between Measurement Date and Reporting Date

During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of 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 as follows.



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Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended discount rate:	
Current measurement date	2.96 percent
Prior measurement date	3.56 percent
Cost of Living Adjustments	2.2 percent simple

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

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

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

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

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

The 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 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute.

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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 2.12 percent at December 31, 2020 and 2.75 percent at December 31, 2019, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 2.96 percent for 2020 and 3.56 percent for 2019. 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 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, 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 2.96 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 (1.96 percent), or one percentage point higher (3.96 percent) than the current rate.

	1% Decrease (1.96%)	Current Discount Rate (2.96%)	1% Increase (3.96%)
City's proportionate share of the net OPEB liability	\$1,845,390	\$1,479,933	\$1,178,471

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 (ARO)**

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.

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**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, 2021 follows:

	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021
<u>Governmental Activities:</u>				
2020 - Fire Equipment Acquisition				
Bond Anticipation Notes, 0.954%	\$800,000	\$0	\$800,000	\$0
Premium	3,480	0	3,480	0
2021 - Fire Equipment Acquisition				
Bond Anticipation Notes, 1.125%	0	600,000	0	600,000
Premium	0	5,838	1,460	4,378
Total	<u>\$803,480</u>	<u>\$605,838</u>	<u>\$804,940</u>	<u>\$604,378</u>

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 and 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 2021 follows:

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Types/ Issues	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021	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	\$710,000	\$0	\$235,000	\$475,000	\$230,000
Capital Appreciation Bonds	1,603	0	0	1,603	1,603
Accretion on Capital Appreciation Bonds	6,830	1,434	0	8,264	0
Premium on Debt Issue	33,471	0	11,812	21,659	0
2013 - 2.0 to 3.0% \$2,655,000					
Road Improvement Bonds					
Serial/Term Bonds	1,775,000	0	125,000	1,650,000	130,000
Premium on Debt Issue	52,519	0	4,439	48,080	0
2016 - 1.0 to 4.0% \$1,935,000					
Service Building Bonds					
Serial/Term Bonds	1,350,000	0	125,000	1,225,000	125,000
Premium on Debt Issue	84,534	0	8,181	76,353	0
2020 - 2.0 to 4.0% \$7,350,000					
Fire House Construction Bonds					
Serial/Term Bonds	7,350,000	0	200,000	7,150,000	225,000
Premium on Debt Issue	482,661	0	19,634	463,027	0
<u>Direct Placements</u>					
2017 - 2.03% \$2,125,000					
Various Purpose Bonds	875,000	0	435,000	440,000	440,000
2017 - 2.03% \$1,250,000					
Various Purpose Refunding Bonds	895,000	0	120,000	775,000	125,000
Total - Unvoted General Obligation Bonds	<u>13,616,618</u>	<u>1,434</u>	<u>1,284,066</u>	<u>12,333,986</u>	<u>1,276,603</u>
<u>Other Long-Term Obligations:</u>					
2018 - 3.0% \$302,000					
Ohio Department of Transportation					
SIB Loan	302,000	0	224,806	77,194	77,194
Compensated Absences Payable	1,845,637	637,174	541,657	1,941,154	372,857
Police Pension - specific liability	13,565	0	696	12,869	727
Total - Other Long-Term Obligations	<u>2,161,202</u>	<u>637,174</u>	<u>767,159</u>	<u>2,031,217</u>	<u>450,778</u>
<u>Net Pension Liability:</u>					
OP&F	10,429,622	0	907,517	9,522,105	0
OPERS	5,846,012	0	1,443,103	4,402,909	0
Total - Net Pension Liability	<u>16,275,634</u>	<u>0</u>	<u>2,350,620</u>	<u>13,925,014</u>	<u>0</u>
<u>Net OPEB Liability:</u>					
OP&F	1,529,289	0	49,356	1,479,933	0
OPERS	4,027,406	0	4,027,406	0	0
Total - Net OPEB Liability	<u>5,556,695</u>	<u>0</u>	<u>4,076,762</u>	<u>1,479,933</u>	<u>0</u>
Total - Governmental Activities	<u>\$37,610,149</u>	<u>\$638,608</u>	<u>\$8,478,607</u>	<u>\$29,770,150</u>	<u>\$1,727,381</u>

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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 2021, the capital appreciation bonds were accreted \$1,434.

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.

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 Fire and Life Squad 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 Fund, Fire and Life Squad, Cemetery, and Transportation Special Revenue Funds, and Automotive Maintenance Internal Service Fund. 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

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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 2021 were as follows:

	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021	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	\$2,965,000	\$0	\$665,000	\$2,300,000	\$680,000
<u>Mortgage Revenue Bonds:</u>					
2012 - 2.0 to 4.0% \$13,650,000					
Water System Improvement Refunding	9,940,000	0	9,940,000	0	0
Premium on Debt Issue	67,813	0	67,813	0	0
2021 - 1.0 to 4.0% \$7,710,000					
Water System Revenue Refunding	0	7,710,000	90,000	7,620,000	395,000
Premium on Debt Issue	0	1,118,200	17,202	1,100,998	0
Total - Mortgage Revenue Bonds Payable	<u>10,007,813</u>	<u>8,828,200</u>	<u>10,115,015</u>	<u>8,720,998</u>	<u>395,000</u>
Net Pension Liability - OPERS	3,011,581	0	743,417	2,268,164	0
Net OPEB Liability - OPERS	2,074,723	0	2,074,723	0	0
Compensated Absences Payable	384,455	159,918	116,722	427,651	84,107
Total - Enterprise Funds	<u>\$18,443,572</u>	<u>\$8,988,118</u>	<u>\$13,714,877</u>	<u>\$13,716,813</u>	<u>\$1,159,107</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. During 2021, the City refunded the total outstanding balance of \$9,940,000 associated with the 2012 Water System Improvement Refunding Bonds.

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In August 2021, the City issued \$7,710,000 in water system revenue refunding bonds in order to refund \$9,940,000 of the 2012 water system improvement refunding bonds. The bonds are serial bonds. The bonds were issued for a 16 year period with a final maturity in December 2037. As a result, the 2012 water system improvement refunding bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. At December 31, 2021 the refunded bonds were paid off.

The City decreased total debt service payments by \$2,115,734 as a result of the refunding. The City also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$1,767,805, and incurred a deferred outflow – deferred charge on refunding of \$135,283, which is shown in the following table:

2012 Water System Improvement Refunding Bonds	
Refunded Bonds Outstanding at 12/31/20	\$9,940,000
Premium on Refunded Bonds at 12/31/20	67,813
Amortization of Premium	<u>(7,065)</u>
Net Refunded Bonds Outstanding at 12/31/20	10,000,748
Payment to Refunded Bond Escrow Agent	<u>(10,136,031)</u>
Deferred Outflow-Deferred Charge on Refunding	<u><u>(\$135,283)</u></u>

The bonds were sold at a premium of \$1,118,200.

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 23 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$10,175,300. Principal and interest paid for the current year were \$544,614. Total net revenues were \$2,394,853, and total revenues were \$5,356,823.

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 Enterprise Funds and Automotive Maintenance Internal Service Fund. 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.

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

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regarding covenant violations, redemption of principal, and maintenance of properties in good condition.

As of December 31, 2021, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$61,528,260, and the unvoted debt margin was \$32,229,089.

At December 31, 2021, \$1,827,358 of the debt proceeds were unexpended (before related contracts and retainage payable of \$1,713,146).

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2021 were:

Year	Governmental Activities					
	General Obligation Bonds		Capital Appreciation Bonds		General Obligation Bonds from Direct Placements	
	Principal	Interest	Principal	Interest	Principal	Interest
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	515,000	222,064	0	0	135,000	5,482
2027-2031	2,660,000	825,354	0	0	135,000	2,740
2032-2036	1,710,000	435,730	0	0	0	0
2037-2041	1,705,000	264,330	0	0	0	0
2042-2045	1,490,000	80,012	0	0	0	0
Totals	<u>\$10,500,000</u>	<u>\$2,864,491</u>	<u>\$1,603</u>	<u>\$8,397</u>	<u>\$1,215,000</u>	<u>\$64,758</u>

Year	Governmental Activities			
	Police Pension		ODOT SIB Loan from Direct Borrowing	
	Principal	Interest	Principal	Interest
2022	\$727	\$539	\$77,194	\$3,508
2023	757	508	0	0
2024	790	476	0	0
2025	824	442	0	0
2026	859	406	0	0
2027-2031	4,883	1,445	0	0
2032-2035	4,029	346	0	0
Totals	<u>\$12,869</u>	<u>\$4,162</u>	<u>\$77,194</u>	<u>\$3,508</u>



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Year	Business-Type Activities			
	General Obligation Bonds from Direct Placements		Mortgage Revenue Bonds	
	Principal	Interest	Principal	Interest
2022	\$680,000	\$46,690	\$395,000	\$239,350
2023	695,000	32,886	400,000	235,400
2024	705,000	18,778	405,000	231,400
2025	110,000	4,466	400,000	227,350
2026	110,000	2,233	415,000	219,350
2027-2031	0	0	2,265,000	919,050
2032-2036	0	0	2,725,000	458,800
2037	0	0	615,000	24,600
Totals	<u>\$2,300,000</u>	<u>\$105,053</u>	<u>\$7,620,000</u>	<u>\$2,555,300</u>

**Note 18 - Interfund Activity**

Interfund Payable/Receivable

Interfund balances at December 31, 2021, 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				Total
	General	Electric	Telecom	Stormwater Utility	
General	\$0	\$190	\$312,500	\$1,338	\$314,028
Fire and Life Squad	0	0	0	52	52
Capital Improvement	5,692	0	0	0	5,692
All Nonmajor Governmental	4,150	0	0	1,245	5,395
Payable Electric	0	0	0	477	477
Sanitation	872	0	0	0	872
Sewer	361	21,605	0	0	21,966
Water	2,755	2,171	0	0	4,926
Internal Service	293	0	0	0	293
Total	<u>\$14,123</u>	<u>\$23,966</u>	<u>\$312,500</u>	<u>\$3,112</u>	<u>\$353,701</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 2022.

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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.

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 between Nonmajor Governmental Funds and the General Fund and the Electric Fund were for expenses related to the CARES Act. The transfer from the Electric Fund to the Storm Water Utility fund was for the completion of an infrastructure project completed during the year.

		Transfers From			
		General Fund	Fire and Life Squad Fund	Capital Improvement Fund	Nonmajor Governmental Funds
Transfers To	General Fund	\$0	\$0	\$5,692	\$4,150
	Capital Improvement	300,000	0	0	0
	Nonmajor Governmental	165,000	150,000	950,000	0
	Electric	0	0	0	841
	Water	46,707	0	0	0
	Total	<u>\$511,707</u>	<u>\$150,000</u>	<u>\$955,692</u>	<u>\$4,991</u>
					(Continued)

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		Transfers From					Total
		Electric Fund	Sanitation Fund	Sewer Fund	Water Fund	Internal Service Funds	
Transfers To	General Fund	\$0	\$872	\$361	\$2,755	\$293	\$14,123
	Capital						
	Improvement	0	0	0	0	0	300,000
	Nonmajor						
	Governmental	0	0	0	0	0	1,265,000
	Electric	0	0	0	0	0	841
	Water	0	0	0	0	0	46,707
	Storm Water						
	Utility	106,301			0	0	106,301
	Total	\$106,301	\$872	\$361	\$2,755	\$293	\$1,732,972

**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 \$13,400 during 2021 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.

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**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	\$21,972	\$0	\$0	\$239,624	\$261,596
Prepays	83,983	25,957	587	3,581	114,108
<i>Total Nonspendable</i>	<u>105,955</u>	<u>25,957</u>	<u>587</u>	<u>243,205</u>	<u>375,704</u>
<u>Restricted for:</u>					
Debt Service	0	0	0	7,370	7,370
Capital Outlay	0	0	0	1,061,598	1,061,598
Security of Persons and Property	0	2,185,325	0	801,510	2,986,835
Public Health Services	0	0	0	1,076,470	1,076,470
Community and Economic Development	0	0	0	280	280
Transportation	0	0	0	1,886,069	1,886,069
<i>Total Restricted</i>	<u>0</u>	<u>2,185,325</u>	<u>0</u>	<u>4,833,297</u>	<u>7,018,622</u>
<u>Committed to:</u>					
Leisure Time Services	0	0	0	192,554	192,554
Debt Service	0	0	0	3,503,564	3,503,564
Capital Improvements	0	0	4,370,820	1,856,299	6,227,119
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>4,370,820</u>	<u>5,552,417</u>	<u>9,923,237</u>
<u>Assigned to:</u>					
Purchases on Order for:					
General Government	108,891	0	0	0	108,891
Security of Persons and Property	98,531	0	0	0	98,531
Leisure Time Services	346,768	0	0	0	346,768
Community and Economic Development	255,376	0	0	0	255,376
Future Appropriations	1,313,868	0	0	0	1,313,868
<i>Total Assigned</i>	<u>2,123,434</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,123,434</u>
<u>Unassigned:</u>	<u>10,549,650</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,549,650</u>
<b>Total Fund Balances</b>	<u><u>\$12,779,039</u></u>	<u><u>\$2,211,282</u></u>	<u><u>\$4,371,407</u></u>	<u><u>\$10,628,919</u></u>	<u><u>\$29,990,647</u></u>

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**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.

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	\$880,170
Fire and Life Squad	2,166,559
Capital Improvement	2,543,220
Nonmajor Governmental Funds	1,778,818
Total Governmental Funds	7,368,767
<u>Enterprise Funds:</u>	
Electric	1,289,190
Sanitation	16,980
Sewer	1,208,903
Telecommunications	387
Water	886,369
Storm Water Utility	301,835
Total Enterprise Funds	3,703,664
<u>Internal Service Funds:</u>	
Automotive Maintenance	12,106
Self Insurance	4,648
Total Internal Service Funds	16,754
Total	\$11,089,185

Contractual Commitments

The City of Lebanon has entered into the following contracts as of December 31, 2021:

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Contractor	Purpose	Amount Remaining
John R. Jurgensen	2021 Paving Program	\$1,715,975
Barrett Paving	New Street Reconstruction-Design	1,725,099
Smith Corporation	Reeders Run Sanitary Sewer Improvement	612,445
Knapheide Truck Equipment	Cab and Chassis Outfitting	95,327
B & I Group	Bike Park Northern Mountain Bike Trail	200,070
Choice One Engineering	Cherry Street Reconstruction Design	53,155
Elevar Design	Downtown Restroom Design	9,612
McGill Smith Punshon Incorporated	Parkside Bike Path and Parking Lot Design	42,900
Kleingers Group	Safe Route to School Travel Plan	16,000
Fishbeck	2023 Urban Paving Program Plan Perparation	46,467
Majors Enterprises	Summit and Highland Reconstruction	967,373
Westside Paving	Harmon Park Tennis Courts	10,000
Graybach	Fire Station 41	1,827,358
Tec Engineering	Deerfield Bike Path Extension Design	12,108
Tec Engineering	Deerfield Bike Path Right of Way Services	8,186
Choice One Engineering	Keever Street Reconstruction Design	16,010
Choice One Engineering	Cedar Lane and Crescent Court Design	21,660
ACP Green & Associates	Comprehensive Plan	13,365
Burgess & Niple Incorporated	Glosser Road Pump Station EQ Basin Design	37,041
Ford Development	North Broadway Corridor Improvements	17,569
KZF Design Incorporated	New Fire Station Design	10,397
Tec Engineering	Environmental Services - Deerfield Bike Path	12,108
Kleingers Group	Water Main North Broadway - Bike Path Design	142,450
Choice One Engineering	Summit and Highland Reconstruction Design	7,960
Tec Engineering	Downtown Pedestrian Safety Improvements	77,169
Total Contractual Commitments		<u><u>\$7,697,804</u></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.

**Note 23 - 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.

CITY OF LEBANON, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**Note 24 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures 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.

During 2021, the City received American Rescue Plan Act Coronavirus State and Local Fiscal Recovery (SLFRF) funding. Of the amounts received, none was sub-granted to other governments and organizations, none was returned to the granting agency, and none was spent on-behalf of other governments.

**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 EIGHT YEARS (1)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's Proportion of the Net Pension Liability	0.04505100%	0.04481300%	0.04346400%	0.04320000%
City's Proportionate Share of the Net Pension Liability	\$6,671,073	\$8,857,593	\$11,903,909	\$6,777,242
City's Covered Payroll	\$6,345,321	\$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	105.13%	140.49%	202.77%	116.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	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.



2017	2016	2015	2014
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 FOUR YEARS (1)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's Proportion of the Net Pension Asset	0.05378800%	0.06626000%	0.07949800%	0.07814400%
City's Proportionate Share of the Net Pension Asset	(\$155,267)	(\$138,168)	(\$88,896)	(\$106,379)
City's Covered Payroll	\$237,043	\$294,964	\$340,007	\$320,038
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	-65.50%	-46.84%	-26.15%	-33.24%
Plan Fiduciary Net Position as a Percentage of the Total Net Pension Asset	157.67%	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 (ASSET)**  
**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - OPEB PLAN**  
**LAST FIVE YEARS (1)**

	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability (Asset)	0.04401400%	0.04417800%	0.04334000%	0.04281000%	0.04279000%
City's Proportionate Share of the Net OPEB Liability (Asset)	(\$784,144)	\$6,102,129	\$5,650,513	\$4,648,849	\$4,321,935
City's Covered Payroll	\$6,656,589	\$6,674,185	\$6,286,396	\$6,178,248	\$5,913,767
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-11.78%	91.43%	89.88%	75.25%	73.08%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	115.57%	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 EIGHT YEARS (1)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's Proportion of the Net Pension Liability	0.13967990%	0.15482180%	0.14809800%	0.12655100%
City's Proportionate Share of the Net Pension Liability	\$9,522,105	\$10,429,622	\$12,088,710	\$7,767,006
City's Covered Payroll	\$3,743,880	\$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	254.34%	285.17%	347.45%	266.26%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	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 FIVE YEARS (1)**

	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.13967990%	0.15482180%	0.14809800%	0.12655100%	0.11685800%
City's Proportionate Share of the Net OPEB Liability	\$1,479,933	\$1,529,289	\$1,348,658	\$7,170,202	\$5,546,986
City's Covered Payroll	\$3,743,880	\$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	39.53%	41.81%	38.76%	245.80%	208.13%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.40%	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 NINE YEARS (1) (2)**

	2021	2020	2019	2018
<b>Net Pension Liability - Traditional Plan</b>				
Contractually Required Contribution	\$948,919	\$888,345	\$882,696	\$821,886
Contributions in Relation to the Contractually Required Contribution	(948,919)	(888,345)	(882,696)	(821,886)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$6,777,993	\$6,345,321	\$6,304,971	\$5,870,614
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
<b>Net Pension Asset - Combined Plan</b>				
Contractually Required Contribution	\$33,866	\$33,186	\$41,295	\$47,601
Contributions in Relation to the Contractually Required Contribution	(33,866)	(33,186)	(41,295)	(47,601)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$241,900	\$237,043	\$294,964	\$340,007
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
<b>Net OPEB Liability (Asset) - OPEB Plan</b>				
Contractually Required Contribution	\$2,978	\$2,969	\$2,970	\$3,031
Contributions in Relation to the Contractually Required Contribution	(2,978)	(2,969)	(2,970)	(3,031)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (3)	\$7,094,343	\$6,656,589	\$6,674,185	\$6,286,396
OPEB Contributions as a Percentage of Covered Payroll	<u>0.04%</u>	<u>0.04%</u>	<u>0.04%</u>	<u>0.05%</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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$757,001	\$676,563	\$651,820	\$637,290	\$698,999
<u>(757,001)</u>	<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>	<u>\$0</u>
\$5,823,085	\$5,638,025	\$5,431,836	\$5,310,750	\$5,297,364
<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.20%</u>
\$41,605	\$28,958	\$28,428	\$27,458	\$28,338
<u>(41,605)</u>	<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>	<u>\$0</u>
\$320,038	\$241,317	\$236,900	\$228,817	\$217,985
<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$61,694	\$118,964			
<u>(61,694)</u>	<u>(118,964)</u>			
<u>\$0</u>	<u>\$0</u>			
\$6,178,248	\$5,913,767			
<u>1.00%</u>	<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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Net Pension Liability</b>				
Contractually Required Contribution	\$853,274	\$770,858	\$750,303	\$712,151
Contributions in Relation to the Contractually Required Contribution	<u>(853,274)</u>	<u>(770,858)</u>	<u>(750,303)</u>	<u>(712,151)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$4,153,964	\$3,743,880	\$3,657,312	\$3,479,288
Contributions as a Percentage of Covered Payroll:	<u>20.54%</u>	<u>20.59%</u>	<u>20.52%</u>	<u>20.47%</u>
<b>Net OPEB Liability</b>				
Contractually Required Contribution	\$20,769	\$18,719	\$18,286	\$17,396
Contributions in Relation to the Contractually Required Contribution	<u>(20,769)</u>	<u>(18,719)</u>	<u>(18,286)</u>	<u>(17,396)</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>21.04%</u>	<u>21.09%</u>	<u>21.02%</u>	<u>20.97%</u>

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

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$584,341	\$531,059	\$564,223	\$559,748	\$402,727	\$347,603
<u>(584,341)</u>	<u>(531,059)</u>	<u>(564,223)</u>	<u>(559,748)</u>	<u>(402,727)</u>	<u>(347,603)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,917,109	\$2,665,193	\$2,821,335	\$2,790,353	\$2,376,423	\$2,507,346
<u>20.03%</u>	<u>19.93%</u>	<u>20.00%</u>	<u>20.06%</u>	<u>16.95%</u>	<u>13.86%</u>
\$14,585	\$13,326	\$14,107	\$13,952	\$85,948	\$169,246
<u>(14,585)</u>	<u>(13,326)</u>	<u>(14,107)</u>	<u>(13,952)</u>	<u>(85,948)</u>	<u>(169,246)</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>0.50%</u>	<u>3.62%</u>	<u>6.75%</u>
<u>20.53%</u>	<u>20.43%</u>	<u>20.50%</u>	<u>20.56%</u>	<u>20.57%</u>	<u>20.61%</u>

CITY OF LEBANON, OHIO  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2021

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:

2021	0.5 percent, simple through 2021 then 2.15 percent, simple
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 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.

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

CITY OF LEBANON, OHIO  
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2021

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.

Changes in Assumptions – OPERS Pension – Combined Plan

For 2021 and 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
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	2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increases 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, 2021

<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

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:	
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 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

Blended Discount Rate:	
2021	2.96 percent
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, 2021

Changes in Benefit Terms – OPERS OPEB

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

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 charges for services, fines, forfeitures and money received from the State 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.

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.

American Rescue Plan Act Fund

To account for and report monies received from the federal American Rescue Plan 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.

(continued)

CITY OF LEBANON, OHIO

NONMAJOR FUND DESCRIPTIONS  
(Continued)

**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 infrastructure improvement projects throughout the City from committed local resources.

Fire-EMS Reserve and Replacement Fund

To account for and report scheduled replacement of vehicles and heavy equipment from committed local resources.

Bike Trail Reserve and Replacement Fund

To account for and report bike trail maintenance and replacement needs from committed local resources.

**CITY OF LEBANON, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$4,991,896	\$3,495,129	\$3,026,204	\$11,513,229
Materials and Supplies Inventory	239,624	0	0	239,624
Prepaid Items	3,581	0	0	3,581
Income Taxes Receivable	0	237,630	0	237,630
Payment in Lieu of Taxes Receivable	0	0	233,412	233,412
Accrued Interest Receivable	1,517	3,708	0	5,225
Intergovernmental Receivable	767,344	0	0	767,344
<b>Total Assets</b>	<b>\$6,003,962</b>	<b>\$3,736,467</b>	<b>\$3,259,616</b>	<b>\$13,000,045</b>
<b>Liabilities:</b>				
Accounts Payable	\$31,556	\$0	\$0	\$31,556
Accrued Wages Payable	21,776	0	0	21,776
Contracts Payable	0	0	3,980	3,980
Intergovernmental Payable	10,671	0	68,644	79,315
Unearned Revenue	1,082,026	0	0	1,082,026
Interfund Payable	5,395	0	0	5,395
Advances From Other Funds	0	0	35,683	35,683
<b>Total Liabilities</b>	<b>1,151,424</b>	<b>0</b>	<b>108,307</b>	<b>1,259,731</b>
<b>Deferred Inflows of Resources:</b>				
Payment in Lieu of Taxes	0	0	233,412	233,412
Unavailable Revenue	652,450	225,533	0	877,983
<b>Total Deferred Inflows of Resources</b>	<b>652,450</b>	<b>225,533</b>	<b>233,412</b>	<b>1,111,395</b>
<b>Fund Balances:</b>				
Nonspendable	243,205	0	0	243,205
Restricted	3,764,329	7,370	1,061,598	4,833,297
Committed	192,554	3,503,564	1,856,299	5,552,417
<b>Total Fund Balances</b>	<b>4,200,088</b>	<b>3,510,934</b>	<b>2,917,897</b>	<b>10,628,919</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$6,003,962</b>	<b>\$3,736,467</b>	<b>\$3,259,616</b>	<b>\$13,000,045</b>

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Income Taxes	\$0	\$743,555	\$0	\$743,555
Payments in Lieu of Taxes	0	0	232,468	232,468
Charges for Services	208,482	0	22,229	230,711
Fines, Licenses and Permits	258,109	0	0	258,109
Intergovernmental	1,567,490	0	0	1,567,490
Interest	(749)	23,402	0	22,653
Other	2,270	0	0	2,270
Total Revenues	<u>2,035,602</u>	<u>766,957</u>	<u>254,697</u>	<u>3,057,256</u>
Expenditures:				
Current:				
General Government	5,816	0	0	5,816
Security of Persons and Property:				
Police	109,792	0	0	109,792
Fire	13,496	0	0	13,496
Public Health Services	146,377	0	7,137	153,514
Leisure Time Services	20,738	0	0	20,738
Community and Economic Development	0	0	75,315	75,315
Transportation	1,143,867	0	0	1,143,867
Intergovernmental	0	0	65,190	65,190
Capital Outlay	102,709	0	1,362,945	1,465,654
Debt Service:				
Principal Retirement	0	605,000	435,000	1,040,000
Interest and Fiscal Charges	0	319,856	17,763	337,619
Total Expenditures	<u>1,542,795</u>	<u>924,856</u>	<u>1,963,350</u>	<u>4,431,001</u>
Excess of Revenues Over (Under) Expenditures	<u>492,807</u>	<u>(157,899)</u>	<u>(1,708,653)</u>	<u>(1,373,745)</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	1,022	0	414,000	415,022
Transfers In	40,000	0	1,225,000	1,265,000
Transfers Out	(4,991)	0	0	(4,991)
Total Other Financing Sources (Uses)	<u>36,031</u>	<u>0</u>	<u>1,639,000</u>	<u>1,675,031</u>
Net Change in Fund Balances	528,838	(157,899)	(69,653)	301,286
Fund Balances at Beginning of Year	<u>3,671,250</u>	<u>3,668,833</u>	<u>2,987,550</u>	<u>10,327,633</u>
Fund Balances at End of Year	<u><u>\$4,200,088</u></u>	<u><u>\$3,510,934</u></u>	<u><u>\$2,917,897</u></u>	<u><u>\$10,628,919</u></u>

**CITY OF LEBANON, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2021**

	Cemetery Fund	Community Development Fund	Court Fund
	<u>          </u>	<u>          </u>	<u>          </u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$1,083,454	\$280	\$807,244
Materials and Supplies Inventory	3,840	0	0
Prepaid Items	83	0	1,832
Accrued Interest Receivable	1,114	0	0
Intergovernmental Receivable	0	0	0
	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$1,088,491</u>	<u>\$280</u>	<u>\$809,076</u>
Liabilities:			
Accounts Payable	\$1,575	\$0	\$1,498
Accrued Wages Payable	3,560	0	0
Intergovernmental Payable	1,777	0	0
Unearned Revenue	0	0	0
Interfund Payable	273	0	4,236
	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities	<u>7,185</u>	<u>0</u>	<u>5,734</u>
Deferred Inflows of Resources:			
Unavailable Revenue	913	0	0
	<u>          </u>	<u>          </u>	<u>          </u>
Fund Balances:			
Nonspendable	3,923	0	1,832
Restricted	1,076,470	280	801,510
Committed	0	0	0
	<u>          </u>	<u>          </u>	<u>          </u>
Total Fund Balances	<u>1,080,393</u>	<u>280</u>	<u>803,342</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances			
	<u>\$1,088,491</u>	<u>\$280</u>	<u>\$809,076</u>

Park/Recreation Impact Fee Fund	Transportation Fund	American Rescue Plan Act Fund	Total Nonmajor Special Revenue Funds
\$192,554	\$1,826,338	\$1,082,026	\$4,991,896
0	235,784	0	239,624
0	1,666	0	3,581
0	403	0	1,517
0	767,344	0	767,344
<u>\$192,554</u>	<u>\$2,831,535</u>	<u>\$1,082,026</u>	<u>\$6,003,962</u>
\$0	\$28,483	\$0	\$31,556
0	18,216	0	21,776
0	8,894	0	10,671
0	0	1,082,026	1,082,026
0	886	0	5,395
<u>0</u>	<u>56,479</u>	<u>1,082,026</u>	<u>1,151,424</u>
<u>0</u>	<u>651,537</u>	<u>0</u>	<u>652,450</u>
0	237,450	0	243,205
0	1,886,069	0	3,764,329
192,554	0	0	192,554
<u>192,554</u>	<u>2,123,519</u>	<u>0</u>	<u>4,200,088</u>
<u>\$192,554</u>	<u>\$2,831,535</u>	<u>\$1,082,026</u>	<u>\$6,003,962</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, 2021**

	Cemetery Fund	Community Development Fund	Court Fund
Revenues:			
Charges for Services	\$203,652	\$0	\$4,830
Fines, Licenses and Permits	0	0	80,864
Intergovernmental	0	0	838
Interest	4,054	0	0
Other	1,175	0	264
Total Revenues	<u>208,881</u>	<u>0</u>	<u>86,796</u>
Expenditures:			
Current:			
General Government	0	0	66
Security of Persons and Property:			
Police	0	0	50,955
Fire	0	0	0
Public Health Services	146,377	0	0
Leisure Time Services	0	0	0
Transportation	0	0	0
Capital Outlay	0	0	105
Total Expenditures	<u>146,377</u>	<u>0</u>	<u>51,126</u>
Excess of Revenues Over Expenditures	<u>62,504</u>	<u>0</u>	<u>35,670</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	0	0	0
Transfers In	30,000	0	0
Transfers Out	0	0	(4,236)
Total Other Financing Sources (Uses)	<u>30,000</u>	<u>0</u>	<u>(4,236)</u>
Net Change in Fund Balances	92,504	0	31,434
Fund Balances at Beginning of Year	<u>987,889</u>	<u>280</u>	<u>771,908</u>
Fund Balances at End of Year	<u><u>\$1,080,393</u></u>	<u><u>\$280</u></u>	<u><u>\$803,342</u></u>

Park/Recreation Impact Fee Fund	Transportation Fund	Local Coronavirus Relief Fund	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$208,482
98,920	78,325	0	258,109
0	1,484,001	82,651	1,567,490
0	(4,803)	0	(749)
0	831	0	2,270
<u>98,920</u>	<u>1,558,354</u>	<u>82,651</u>	<u>2,035,602</u>
0	0	5,750	5,816
0	0	58,837	109,792
0	0	13,496	13,496
0	0	0	146,377
20,738	0	0	20,738
0	1,143,867	0	1,143,867
0	98,036	4,568	102,709
<u>20,738</u>	<u>1,241,903</u>	<u>82,651</u>	<u>1,542,795</u>
<u>78,182</u>	<u>316,451</u>	<u>0</u>	<u>492,807</u>
0	1,022	0	1,022
0	10,000	0	40,000
0	(755)	0	(4,991)
<u>0</u>	<u>10,267</u>	<u>0</u>	<u>36,031</u>
78,182	326,718	0	528,838
114,372	1,796,801	0	3,671,250
<u>\$192,554</u>	<u>\$2,123,519</u>	<u>\$0</u>	<u>\$4,200,088</u>

**CITY OF LEBANON, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2021**

	Tax Increment Financing Fund	Cemetery Improvement Fund	OPWC Capital Grant Fund	Fire-EMS Reserve and Replacement Fund	Bike Trail Reserve and Replacement Fund	Total Nonmajor Capital Projects Funds
<b>Assets:</b>						
Equity in Pooled Cash and Cash Equivalents	\$1,059,857	\$106,068	\$1,660,279	\$150,000	\$50,000	\$3,026,204
Payment in Lieu of Taxes Receivable	233,412	0	0	0	0	233,412
<b>Total Assets</b>	<b>\$1,293,269</b>	<b>\$106,068</b>	<b>\$1,660,279</b>	<b>\$150,000</b>	<b>\$50,000</b>	<b>\$3,259,616</b>
<b>Liabilities:</b>						
Contracts Payable	\$0	\$0	\$3,980	\$0	\$0	\$3,980
Intergovernmental Payable	68,644	0	0	0	0	68,644
Advances From Other Funds	35,683	0	0	0	0	35,683
<b>Total Liabilities</b>	<b>104,327</b>	<b>0</b>	<b>3,980</b>	<b>0</b>	<b>0</b>	<b>108,307</b>
<b>Deferred Inflows of Resources:</b>						
Payment in Lieu of Taxes	233,412	0	0	0	0	233,412
<b>Fund Balances:</b>						
Restricted	955,530	106,068	0	0	0	1,061,598
Committed	0	0	1,656,299	150,000	50,000	1,856,299
<b>Total Fund Balances</b>	<b>955,530</b>	<b>106,068</b>	<b>1,656,299</b>	<b>150,000</b>	<b>50,000</b>	<b>2,917,897</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$1,293,269</b>	<b>\$106,068</b>	<b>\$1,660,279</b>	<b>\$150,000</b>	<b>\$50,000</b>	<b>\$3,259,616</b>

**CITY OF LEBANON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Tax Increment Financing Fund	Cemetery Improvement Fund	OPWC Capital Grant Fund	Fire-EMS Reserve and Replacement Fund	Bike Trail Reserve and Replacement Fund	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>						
Payments in Lieu of Taxes	\$232,468	\$0	\$0	\$0	\$0	\$232,468
Charges for Services	12,629	9,600	0	0	0	22,229
<b>Total Revenues</b>	<b>245,097</b>	<b>9,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>254,697</b>
<b>Expenditures:</b>						
<b>Current:</b>						
Public Health Services	0	7,137	0	0	0	7,137
Community and Economic Development	75,315	0	0	0	0	75,315
Intergovernmental	65,190	0	0	0	0	65,190
Capital Outlay	3,585	0	1,359,360	0	0	1,362,945
<b>Debt Service:</b>						
Principal Retirement	435,000	0	0	0	0	435,000
Interest and Fiscal Charges	17,763	0	0	0	0	17,763
<b>Total Expenditures</b>	<b>596,853</b>	<b>7,137</b>	<b>1,359,360</b>	<b>0</b>	<b>0</b>	<b>1,963,350</b>
Excess of Revenues Over (Under) Expenditures	(351,756)	2,463	(1,359,360)	0	0	(1,708,653)
<b>Other Financing Sources:</b>						
Proceeds from Sale of Capital Assets	414,000	0	0	0	0	414,000
Transfers In	75,000	0	950,000	150,000	50,000	1,225,000
<b>Total Other Financing Sources</b>	<b>489,000</b>	<b>0</b>	<b>950,000</b>	<b>150,000</b>	<b>50,000</b>	<b>1,639,000</b>
<b>Net Change in Fund Balances</b>	<b>137,244</b>	<b>2,463</b>	<b>(409,360)</b>	<b>150,000</b>	<b>50,000</b>	<b>(69,653)</b>
Fund Balances at Beginning of Year	818,286	103,605	2,065,659	0	0	2,987,550
<b>Fund Balances at End of Year</b>	<b>\$955,530</b>	<b>\$106,068</b>	<b>\$1,656,299</b>	<b>\$150,000</b>	<b>\$50,000</b>	<b>\$2,917,897</b>

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, 2021**

	Automotive Maintenance Fund	Self- Insurance Fund	Total
<b>Assets:</b>			
<b>Current Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$104,739	\$1,286,525	\$1,391,264
Accrued Interest Receivable	0	1,489	1,489
Materials and Supplies Inventory	72,800	0	72,800
<b>Total Current Assets</b>	<b>177,539</b>	<b>1,288,014</b>	<b>1,465,553</b>
<b>Noncurrent Assets:</b>			
Net Pension Asset	3,105	0	3,105
Net OPEB Asset	15,683	0	15,683
Depreciable Capital Assets, Net	135,939	0	135,939
<b>Total Noncurrent Assets</b>	<b>154,727</b>	<b>0</b>	<b>154,727</b>
<b>Total Assets</b>	<b>332,266</b>	<b>1,288,014</b>	<b>1,620,280</b>
<b>Deferred Outflows of Resources:</b>			
Pension	22,348	0	22,348
OPEB	8,300	0	8,300
<b>Total Deferred Outflows of Resources</b>	<b>30,648</b>	<b>0</b>	<b>30,648</b>
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Accounts Payable	466	1,360	1,826
Accrued Wages Payable	9,317	0	9,317
Intergovernmental Payable	4,557	0	4,557
Interfund Payable	293	0	293
Claims Payable	0	318,580	318,580
Compensated Absences Payable	8,475	0	8,475
<b>Total Current Liabilities</b>	<b>23,108</b>	<b>319,940</b>	<b>343,048</b>
<b>Long-term Liabilities:</b>			
Compensated Absences Payable	35,537	0	35,537
Net Pension Liability	133,423	0	133,423
<b>Total Long-Term Liabilities</b>	<b>168,960</b>	<b>0</b>	<b>168,960</b>
<b>Total Liabilities</b>	<b>192,068</b>	<b>319,940</b>	<b>512,008</b>
<b>Deferred Inflows of Resources:</b>			
Pension	58,747	0	58,747
OPEB	48,195	0	48,195
<b>Total Deferred Inflow of Resources</b>	<b>106,942</b>	<b>0</b>	<b>106,942</b>
<b>Net Position:</b>			
Investment in Capital Assets	135,939	0	135,939
Unrestricted (Deficit)	(72,035)	968,074	896,039
<b>Total Net Position</b>	<b>\$63,904</b>	<b>\$968,074</b>	<b>\$1,031,978</b>

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

	Automotive Maintenance Fund	Self- Insurance Fund	Total
	<u>          </u>	<u>          </u>	<u>          </u>
Operating Revenues:			
Charges for Services	\$271,999	\$1,824,000	\$2,095,999
Other	312	406,011	406,323
	<u>          </u>	<u>          </u>	<u>          </u>
Total Operating Revenues	272,311	2,230,011	2,502,322
	<u>          </u>	<u>          </u>	<u>          </u>
Operating Expenses:			
Personal Services	130,684	0	130,684
Contractual Services	44,957	567,170	612,127
Supplies and Materials	8,869	0	8,869
Claims	0	1,928,280	1,928,280
Depreciation	16,886	0	16,886
	<u>          </u>	<u>          </u>	<u>          </u>
Total Operating Expenses	201,396	2,495,450	2,696,846
	<u>          </u>	<u>          </u>	<u>          </u>
Operating Income (Loss)	70,915	(265,439)	(194,524)
	<u>          </u>	<u>          </u>	<u>          </u>
Non-Operating Revenues:			
Interest	0	43,750	43,750
	<u>          </u>	<u>          </u>	<u>          </u>
Income (Loss) Before Capital Contributions and Transfers	70,915	(221,689)	(150,774)
	<u>          </u>	<u>          </u>	<u>          </u>
Capital Contributions from Other Funds	36,044	0	36,044
Transfer Out	(293)	0	(293)
	<u>          </u>	<u>          </u>	<u>          </u>
Total Capital Contributions and Transfers	35,751	0	35,751
	<u>          </u>	<u>          </u>	<u>          </u>
Change in Net Position	106,666	(221,689)	(115,023)
	<u>          </u>	<u>          </u>	<u>          </u>
Net Position (Deficit) at Beginning of Year	(42,762)	1,189,763	1,147,001
	<u>          </u>	<u>          </u>	<u>          </u>
Net Position at End of Year	\$63,904	\$968,074	\$1,031,978
	<u>          </u>	<u>          </u>	<u>          </u>

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

	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	\$271,999	\$1,824,000	\$2,095,999
Cash Payments for Employee Services and Benefits	(234,807)	0	(234,807)
Cash Payments to Suppliers for Goods and Services	(57,746)	(567,892)	(625,638)
Cash Payments for Employee Medical, Dental, and Life Insurance Claims	0	(1,825,805)	(1,825,805)
Other Operating Revenues	312	406,011	406,323
Net Cash Used for Operating Activities	<u>(20,242)</u>	<u>(163,686)</u>	<u>(183,928)</u>
Cash Flows from Investing Activities:			
Interest	<u>0</u>	<u>44,242</u>	<u>44,242</u>
Net Decrease in Cash and Cash Equivalents	(20,242)	(119,444)	(139,686)
Cash and Cash Equivalents at Beginning of Year	<u>124,981</u>	<u>1,405,969</u>	<u>1,530,950</u>
Cash and Cash Equivalents at End of Year	<u><u>\$104,739</u></u>	<u><u>\$1,286,525</u></u>	<u><u>\$1,391,264</u></u>
Reconciliation of Operating Income (Loss) to <u>Net Cash Used for Operating Activities:</u>			
Operating Income (Loss)	<u>\$70,915</u>	<u>(\$265,439)</u>	<u>(\$194,524)</u>
Adjustments to Reconcile Operating Income (Loss) to <u>Net Cash Used for Operating Activities:</u>			
Depreciation	16,886	0	16,886
Decrease (Increase) in Assets:			
Materials and Supplies Inventory	(11,420)	0	(11,420)
Prepays Items	7,981	0	7,981
Net Pension Asset	(367)	0	(367)
Net OPEB Asset	(75,791)	0	(75,791)
Deferred Outflows of Resources - Pension	27,103	0	27,103
Deferred Outflows of Resources - OPEB	15,321	0	15,321
Increase (Decrease) in Liabilities:			
Accounts Payable	(481)	(722)	(1,203)
Accrued Wages Payable	943	0	943
Intergovernmental Payable	(526)	0	(526)
Claims Payable	0	102,475	102,475
Compensated Absences Payable	3,731	0	3,731
Net Pension Liability	(714)	0	(714)
Net OPEB Liability	0	0	0
Deferred Inflows of Resources - Pension	(40,129)	0	(40,129)
Deferred Inflows of Resources - OPEB	<u>(33,694)</u>	<u>0</u>	<u>(33,694)</u>
Net Cash Used for Operating Activities	<u><u>(\$20,242)</u></u>	<u><u>(\$163,686)</u></u>	<u><u>(\$183,928)</u></u>

The Automotive Maintenance Fund received assets transferred from governmental activities in the amount of \$36,044.



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, 2021**

	Municipal Court Fund	Joint Economic Development District Fund	Total
	<u>        </u>	<u>        </u>	<u>        </u>
Assets:			
Equity In Pooled Cash And Cash Equivalents	\$0	\$7,634	\$7,634
Cash and Cash Equivalents In Segregated Accounts	<u>61,092</u>	<u>0</u>	<u>61,092</u>
Total Assets	<u><u>\$61,092</u></u>	<u><u>\$7,634</u></u>	<u><u>\$68,726</u></u>
Liabilities:			
Accounts Payable	\$33,792	\$0	\$33,792
Intergovernmental Payable	<u>27,300</u>	<u>7,634</u>	<u>34,934</u>
Total Liabilities	<u><u>\$61,092</u></u>	<u><u>\$7,634</u></u>	<u><u>\$68,726</u></u>

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

	Municipal Court Fund	Joint Economic Development District Fund	Total
	<u>          </u>	<u>          </u>	<u>          </u>
Additions:			
Fines and Forfeitures for Other Governments	\$696,211	\$0	\$696,211
Amounts Received as Fiscal Agent	0	53,898	53,898
	<u>          </u>	<u>          </u>	<u>          </u>
Total Additions	696,211	53,898	750,109
	<u>          </u>	<u>          </u>	<u>          </u>
Deductions:			
Distributions to the State of Ohio	150,313	0	150,313
Fines and Forfeitures Distributions to Other Governments	144,400	0	144,400
Distributions to Individuals	401,498	0	401,498
Distributions as Fiscal Agent	0	53,898	53,898
	<u>          </u>	<u>          </u>	<u>          </u>
Total Deductions	696,211	53,898	750,109
	<u>          </u>	<u>          </u>	<u>          </u>
Net Position Beginning Of Year	0	0	0
	<u>          </u>	<u>          </u>	<u>          </u>
Net Position 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  
GENERAL FUND  
BUDGET BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		Variance
	Final Budget	Actual	with Final Budget
<b>Revenues:</b>			
Property Taxes	\$1,295,215	\$1,295,215	\$0
Income Taxes	6,556,534	6,556,534	0
Other Local Taxes	1,545,111	1,545,111	0
Charges for Services	4,107,498	4,107,498	0
Fines, Licenses and Permits	876,173	876,173	0
Intergovernmental	751,033	751,033	0
Interest	185,863	185,863	0
Contributions and Donations	3,000	3,000	0
Other	77,651	77,651	0
<b>Total Revenues</b>	<b>15,398,078</b>	<b>15,398,078</b>	<b>0</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>General Government</b>			
<b>Legislative</b>			
Personal Services	52,024	50,441	1,583
Contractual Services	34,300	80,544	(46,244)
Supplies and Materials	600	175	425
<b>Total Legislative</b>	<b>86,924</b>	<b>131,160</b>	<b>(44,236)</b>
<b>City Manager</b>			
Personal Services	373,014	476,059	(103,045)
Contractual Services	113,455	85,012	28,443
Supplies and Materials	21,000	17,595	3,405
<b>Total City Manager</b>	<b>507,469</b>	<b>578,666</b>	<b>(71,197)</b>
<b>Personnel</b>			
Personal Services	192,599	168,561	24,038
Contractual Services	38,921	27,462	11,459
Supplies and Materials	6,425	8,165	(1,740)
<b>Total Personnel</b>	<b>237,945</b>	<b>204,188</b>	<b>33,757</b>
<b>Department of Service</b>			
Personal Services	364,021	364,209	(188)
Contractual Services	28,420	27,727	693
Supplies and Materials	5,300	3,330	1,970
<b>Total Department of Service</b>	<b>397,741</b>	<b>395,266</b>	<b>2,475</b>
<b>Information Technology</b>			
Personal Services	213,951	210,738	3,213
Contractual Services	373,619	344,464	29,155
Supplies and Materials	2,340	4,731	(2,391)
<b>Total Information Technology</b>	<b>589,910</b>	<b>559,933</b>	<b>29,977</b>
<b>Finance</b>			
Personal Services	455,964	437,048	18,916
Contractual Services	79,075	87,131	(8,056)
Supplies and Materials	7,500	4,504	2,996
<b>Total Finance</b>	<b>\$542,539</b>	<b>\$528,683</b>	<b>\$13,856</b>

(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, 2021**  
(continued)

	Budgeted Amounts		Variance with Final Budget
	Final Budget	Actual	
Income Tax			
Personal Services	\$308,660	\$284,239	\$24,421
Contractual Services	30,087	24,819	5,268
Supplies and Materials	4,500	4,878	(378)
Refunds	230,000	228,396	1,604
Other	228,500	262,417	(33,917)
<b>Total Income Tax</b>	<b>801,747</b>	<b>804,749</b>	<b>(3,002)</b>
Law			
Personal Services	221,648	215,057	6,591
Contractual Services	165,290	145,082	20,208
Supplies and Materials	300	30	270
<b>Total Law</b>	<b>387,238</b>	<b>360,169</b>	<b>27,069</b>
Municipal Court			
Personal Services	638,504	570,898	67,606
Contractual Services	142,462	97,506	44,956
Supplies and Materials	13,227	5,469	7,758
<b>Total Municipal Court</b>	<b>794,193</b>	<b>673,873</b>	<b>120,320</b>
Parking System			
Contractual Services	4,010	4,010	0
Capital Outlay	9,000	5,230	3,770
<b>Total Parking System</b>	<b>13,010</b>	<b>9,240</b>	<b>3,770</b>
Probation			
Personal Services	333,319	278,635	54,684
Contractual Services	19,187	12,752	6,435
Supplies and Materials	8,046	3,055	4,991
<b>Total Probation</b>	<b>360,552</b>	<b>294,442</b>	<b>66,110</b>
Building Maintenance			
Personal Services	212,265	197,434	14,831
Contractual Services	99,219	81,331	17,888
Supplies and Materials	26,150	18,985	7,165
<b>Total Building Maintenance</b>	<b>337,634</b>	<b>297,750</b>	<b>39,884</b>
Other General Government			
Contractual Services	94,419	99,991	(5,572)
Supplies and Materials	10,300	25,106	(14,806)
Reimbursements	1,000	0	1,000
<b>Total Other General Government</b>	<b>105,719</b>	<b>125,097</b>	<b>(19,378)</b>
<b>Total General Government</b>	<b>5,162,621</b>	<b>4,963,216</b>	<b>199,405</b>
Security of Persons and Property			
Police			
Personal Services	4,722,018	4,517,073	204,945
Contractual Services	539,634	509,241	30,393
Supplies and Materials	214,484	195,567	18,917
<b>Total Police</b>	<b>\$5,476,136</b>	<b>\$5,221,881</b>	<b>\$254,255</b>

(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, 2021**  
(continued)

	Budgeted Amounts		Variance
	Final Budget	Actual	with Final Budget
Police Donation Trust			
Supplies and Materials	\$7,500	\$1,000	\$6,500
Total Security of Persons and Property	5,483,636	5,222,881	260,755
Leisure Time Services			
Recreation Programs			
Personal Services	328,131	279,434	48,697
Contractual Services	386,372	380,440	5,932
Supplies and Materials	127,959	130,114	(2,155)
Capital Outlay	1,553,406	1,547,614	5,792
Refunds	250	0	250
Total Leisure Time Services	2,396,118	2,337,602	58,516
Community and Economic Development			
Planning and Development			
Personal Services	365,671	360,142	5,529
Contractual Services	716,620	662,500	54,120
Supplies and Materials	7,800	2,260	5,540
Other	1,500	0	1,500
Total Planning and Development	1,091,591	1,024,902	66,689
Engineer Services			
Personal Services	480,650	439,742	40,908
Contractual Services	505,061	280,988	224,073
Supplies and Materials	14,750	6,020	8,730
Total Engineer Services	1,000,461	726,750	273,711
Total Community and Economic Development	2,092,052	1,751,652	340,400
Total Expenditures	15,134,427	14,275,351	859,076
Excess of Revenues Over Expenditures	263,651	1,122,727	859,076
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	6,390	6,390	0
Transfers Out	(515,000)	(511,707)	3,293
Total Other Financing Sources (Uses)	(508,610)	(505,317)	3,293
Net Change in Fund Balance	(244,959)	617,410	862,369
Fund Balance at Beginning of Year	9,033,019	9,033,019	0
Prior Year Encumbrances Appropriated	667,081	667,081	0
Fund Balance at End of Year	\$9,455,141	\$10,317,510	\$862,369

**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, 2021**

	<u>Budgeted Amounts</u>		Variance
	Final		with
	Budget	Actual	Final Budget
Revenues:			
Property Taxes	\$4,506,877	\$4,506,877	\$0
Charges for Services	697,066	697,066	0
Intergovernmental	64,694	64,694	0
Other	24,627	24,627	0
Total Revenues	<u>5,293,264</u>	<u>5,293,264</u>	<u>0</u>
Expenditures:			
Current:			
Security of Persons and Property			
Fire Fighting, Prevention and Inspection			
Personal Services	3,259,289	3,189,182	70,107
Contractual Services	685,538	665,632	19,906
Supplies and Materials	88,692	71,847	16,845
Total Security of Persons and Property	<u>4,033,519</u>	<u>3,926,661</u>	<u>106,858</u>
Capital Outlay	<u>7,167,816</u>	<u>7,125,798</u>	<u>42,018</u>
Debt Service:			
Principal Retirement	1,000,000	1,000,000	0
Interest and Fiscal Charges	12,700	13,326	(626)
Total Debt Service	<u>1,012,700</u>	<u>1,013,326</u>	<u>(626)</u>
Total Expenditures	<u>12,214,035</u>	<u>12,065,785</u>	<u>148,250</u>
Excess of Revenues Under Expenditures	<u>(6,920,771)</u>	<u>(6,772,521)</u>	<u>148,250</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	39,825	39,825	0
Transfers Out	(150,000)	(150,000)	0
Bond Anticipation Notes Issued	600,000	600,000	0
Premium on Debt Issued	5,838	5,838	0
Total Other Financing Sources (Uses)	<u>495,663</u>	<u>495,663</u>	<u>0</u>
Net Change in Fund Balance	(6,425,108)	(6,276,858)	148,250
Fund Balance at Beginning of Year	2,426,833	2,426,833	0
Prior Year Encumbrances Appropriated	<u>6,456,236</u>	<u>6,456,236</u>	<u>0</u>
Fund Balance at End of Year	<u>\$2,457,961</u>	<u>\$2,606,211</u>	<u>\$148,250</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, 2021**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final Budget	<u>Actual</u>	with Final Budget
Revenues:			
Income Taxes	\$4,209,316	\$4,209,316	\$0
Special Assessments	289,327	289,327	0
Intergovernmental	2,137,767	2,137,767	0
Interest	16,910	16,910	0
Other	49,088	49,088	0
	<u>6,702,408</u>	<u>6,702,408</u>	<u>0</u>
Total Revenues			
Expenditures:			
Capital Outlay	5,344,173	5,177,347	166,826
Debt Service:			
Principal Retirement	205,826	224,806	(18,980)
Interest and Fiscal Charges	7,789	17,303	(9,514)
	<u>213,615</u>	<u>242,109</u>	<u>(28,494)</u>
Total Debt Service			
Total Expenditures	<u>5,557,788</u>	<u>5,419,456</u>	<u>138,332</u>
Excess of Revenues Over Expenditures	<u>1,144,620</u>	<u>1,282,952</u>	<u>138,332</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	17,996	17,996	0
Transfers In	300,000	300,000	0
Transfers Out	(950,000)	(950,000)	0
	<u>(632,004)</u>	<u>(632,004)</u>	<u>0</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	512,616	650,948	138,332
Fund Balance at Beginning of Year	908,409	908,409	0
Prior Year Encumbrances Appropriated	1,135,262	1,135,262	0
Fund Balance at End of Year	<u>\$2,556,287</u>	<u>\$2,694,619</u>	<u>\$138,332</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, 2021**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final		with
	Budget	Actual	Final Budget
Revenues:			
Charges for Services	\$32,558,252	\$32,558,252	\$0
Other	38,437	38,437	0
Interest	127,221	127,221	0
Utility Deposits Received	110,105	110,105	0
Proceeds from Sale of Capital Assets	10,000	10,000	0
Other Non-Operating Revenues	6,891	6,891	0
Capital Grants and Contributions	95,890	95,890	0
	<u>32,946,796</u>	<u>32,946,796</u>	<u>0</u>
Total Revenues			
Expenses:			
Personal Services	2,411,823	2,243,289	168,534
Contractual Services	2,424,151	1,704,325	719,826
Purchased Power	23,825,249	23,812,835	12,414
Supplies and Materials	408,442	352,813	55,629
Utility Deposits Returned	140,000	120,818	19,182
Capital Outlay	3,276,719	2,374,112	902,607
Other	8,200	4,904	3,296
	<u>32,494,584</u>	<u>30,613,096</u>	<u>1,881,488</u>
Total Expenses			
Net Change in Fund Equity	452,212	2,333,700	1,881,488
Fund Equity at Beginning of Year	33,423,919	33,423,919	0
Prior Year Encumbrances Appropriated	757,755	757,755	0
	<u>\$34,633,886</u>	<u>\$36,515,374</u>	<u>\$1,881,488</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, 2021**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final Budget	<u>Actual</u>	with Final Budget
Revenues:			
Charges for Services	\$1,959,217	\$1,959,217	\$0
Other	93	93	0
Interest	3,542	3,542	0
	<u>1,962,852</u>	<u>1,962,852</u>	<u>0</u>
Total Revenues			
Expenses:			
Personal Services	157,651	125,088	32,563
Contractual Services	1,774,656	1,739,989	34,667
Other	500	2,928	(2,428)
	<u>1,932,807</u>	<u>1,868,005</u>	<u>64,802</u>
Total Expenses			
Net Change in Fund Equity	30,045	94,847	64,802
Fund Equity at Beginning of Year	590,099	590,099	0
Prior Year Encumbrances Appropriated	41,944	41,944	0
	<u>590,099</u>	<u>590,099</u>	<u>0</u>
Fund Equity at End of Year	<u>\$662,088</u>	<u>\$726,890</u>	<u>\$64,802</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, 2021**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final		with
	Budget	Actual	Final Budget
Revenues:			
Charges for Services	\$4,222,666	\$4,222,666	\$0
Interest	20,608	20,608	0
Other	2,315	2,315	0
	<u>4,245,589</u>	<u>4,245,589</u>	<u>0</u>
Total Revenues			
Expenses:			
Personal Services	691,403	686,768	4,635
Contractual Services	2,604,257	2,485,350	118,907
Supplies and Materials	194,715	147,980	46,735
Capital Outlay	1,850,018	1,793,651	56,367
Other	1,200	0	1,200
Debt Service:			
Principal Retirement	665,000	665,000	0
Interest and Fiscal Charges	62,690	60,190	2,500
	<u>6,069,283</u>	<u>5,838,939</u>	<u>230,344</u>
Total Expenses			
Excess of Revenues Under Expenses			
Before Transfers	(1,823,694)	(1,593,350)	230,344
Transfers Out	(2,500)	0	2,500
	<u>(1,826,194)</u>	<u>(1,593,350)</u>	<u>232,844</u>
Net Change in Fund Equity			
Fund Equity at Beginning of Year	4,140,996	4,140,996	0
Prior Year Encumbrances Appropriated	858,763	858,763	0
	<u>4,999,759</u>	<u>4,999,759</u>	<u>0</u>
Fund Equity at End of Year	<u>\$3,173,565</u>	<u>\$3,406,409</u>	<u>\$232,844</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, 2021**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Charges for Services	\$23,150	\$23,150	\$0
Other Non Operating	126,201	126,201	0
Total Revenues	<u>149,351</u>	<u>149,351</u>	<u>0</u>
Expenses:			
Personal Services	28,331	27,524	807
Contractual Services	43,850	42,031	1,819
Supplies and Materials	398	398	0
Capital Outlay	5,000	4,663	337
Total Expenses	<u>77,579</u>	<u>74,616</u>	<u>2,963</u>
Net Change in Fund Equity	71,772	74,735	2,963
Fund Equity at Beginning of Year	215,585	215,585	0
Prior Year Encumbrances Appropriated	<u>653</u>	<u>653</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$288,010</u></u>	<u><u>\$290,973</u></u>	<u><u>\$2,963</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, 2021**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final Budget	Actual	with Final Budget
<b>Revenues:</b>			
Charges for Services	\$5,342,799	\$5,342,799	\$0
Other	8,129	8,129	0
Interest	28,666	28,666	0
Intergovernmental	12,000	12,000	0
Utility Deposits Received	7,150	7,150	0
Refunding Bonds Issued	0	7,710,000	7,710,000
Premium on Debt Issue	0	1,118,200	1,118,200
<b>Total Revenues</b>	<u>5,398,744</u>	<u>14,226,944</u>	<u>8,828,200</u>
<b>Expenses:</b>			
Personal Services	338,247	328,126	10,121
Contractual Services	918,345	940,392	(22,047)
Supplies and Materials	2,048,913	2,009,014	39,899
Utility Deposits Returned	15,000	7,300	7,700
Capital Outlay	2,132,981	2,037,792	95,189
Other	1,800	1,699	101
<b>Debt Service:</b>			
Principal Retirement	90,000	90,000	0
Interest and Fiscal Charges	196,031	454,614	(258,583)
Payment to Refunded Bond Escrow Agent	563,532	9,275,045	(8,711,513)
<b>Total Expenses</b>	<u>6,304,849</u>	<u>15,143,982</u>	<u>(8,839,133)</u>
<b>Excess of Revenues Under Expenses</b>			
Before Transfers	(906,105)	(917,038)	(10,933)
Transfers In	0	46,707	46,707
Transfers Out	(7,362)	0	7,362
<b>Net Change in Fund Equity</b>	<u>(913,467)</u>	<u>(870,331)</u>	<u>43,136</u>
Fund Equity at Beginning of Year	5,842,042	5,842,042	0
Prior Year Encumbrances Appropriated	1,012,835	1,012,835	0
<b>Fund Equity at End of Year</b>	<u>\$5,941,410</u>	<u>\$5,984,546</u>	<u>\$43,136</u>

**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, 2021**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final Budget	<u>Actual</u>	with Final Budget
Revenues:			
Charges for Services	\$967,470	\$967,470	\$0
Other	116	116	0
Interest	4,119	4,119	0
	<u>971,705</u>	<u>971,705</u>	<u>0</u>
Total Revenues			
Expenses:			
Personal Services	108,284	103,849	4,435
Contractual Services	257,851	188,313	69,538
Capital Outlay	778,607	626,180	152,427
Other	1,000	0	1,000
	<u>1,145,742</u>	<u>918,342</u>	<u>227,400</u>
Total Expenses			
Net Change in Fund Equity	(174,037)	53,363	227,400
Fund Equity at Beginning of Year	431,754	431,754	0
Prior Year Encumbrances Appropriated	187,720	187,720	0
	<u>445,437</u>	<u>672,837</u>	<u>227,400</u>
Fund Equity at End of Year			

**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, 2021**

	<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	\$203,652	\$203,652	\$0
Interest	4,893	4,893	0
Other	1,175	1,175	0
Total Revenues	<u>209,720</u>	<u>209,720</u>	<u>0</u>
Expenditures:			
Current:			
Public Health Services			
Cemetery			
Personal Services	141,151	102,194	38,957
Contractual Services	62,470	46,107	16,363
Supplies and Materials	6,100	5,081	1,019
Other	2,000	900	1,100
Total Expenditures	<u>211,721</u>	<u>154,282</u>	<u>57,439</u>
Excess of Revenues Over (Under) Expenditures	(2,001)	55,438	57,439
Other Financing Sources:			
Transfers In	<u>30,000</u>	<u>30,000</u>	<u>0</u>
Net Change in Fund Balance	27,999	85,438	57,439
Fund Balance at Beginning of Year	941,639	941,639	0
Prior Year Encumbrances Appropriated	<u>3,192</u>	<u>3,192</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$972,830</u></u>	<u><u>\$1,030,269</u></u>	<u><u>\$57,439</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, 2021**

	<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	22,033	22,033	0
Net Change in Fund Balance	(22,033)	(22,033)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	22,312	22,312	0
Fund Balance at End of Year	<u>\$279</u>	<u>\$279</u>	<u>\$0</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, 2021**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Charges for Services	\$4,830	\$4,830	\$0
Fines, Licenses and Permits	78,666	78,666	0
Intergovernmental	838	838	0
<b>Total Revenues</b>	<b>84,334</b>	<b>84,334</b>	<b>0</b>
Expenditures:			
Current:			
General Government			
Municipal Court Special Project			
Contractual Services	17,000	400	16,600
Federal Asset Forfeiture			
Capital Outlay	4,000	0	4,000
<b>Total General Government</b>	<b>21,000</b>	<b>400</b>	<b>20,600</b>
Security of Persons and Property			
Indigent Drivers Alcohol			
Contractual Services	105,079	60,621	44,458
Supplies and Materials	84,358	6,358	78,000
<b>Total Indigent Drivers Alcohol</b>	<b>189,437</b>	<b>66,979</b>	<b>122,458</b>
Computerized Legal Research			
Contractual Services	5,000	5,000	0
Supplies and Materials	3,000	3,000	0
Capital Outlay	2,000	2,000	0
<b>Total Computerized Legal Research</b>	<b>10,000</b>	<b>10,000</b>	<b>0</b>
Computer Improvement			
Contractual Services	23,000	9,853	13,147
Capital Outlay	10,000	5,580	4,420
<b>Total Computer Improvement</b>	<b>33,000</b>	<b>15,433</b>	<b>17,567</b>
<b>Total Security of Persons and Property</b>	<b>232,437</b>	<b>92,412</b>	<b>140,025</b>
Capital Outlay	40,000	1,739	38,261
<b>Total Expenditures</b>	<b>293,437</b>	<b>94,551</b>	<b>198,886</b>
<b>Net Change in Fund Balance</b>	<b>(209,103)</b>	<b>(10,217)</b>	<b>198,886</b>
Fund Balance at Beginning of Year	725,410	725,410	0
Prior Year Encumbrances Appropriated	50,961	50,961	0
<b>Fund Balance at End of Year</b>	<b>\$567,268</b>	<b>\$766,154</b>	<b>\$198,886</b>

**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, 2021**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Fines, Licenses and Permits	\$98,920	\$98,920	\$0
Expenditures:			
Current:			
Leisure Time Services			
Capital Outlay	50,816	50,816	0
Net Change in Fund Balance	48,104	48,104	0
Fund Balance at Beginning of Year	113,555	113,555	0
Prior Year Encumbrances Appropriated	816	816	0
Fund Balance at End of Year	<u>\$162,475</u>	<u>\$162,475</u>	<u>\$0</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, 2021**

	<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	\$78,325	\$78,325	\$0
Intergovernmental	1,475,983	1,475,983	0
Interest	1,750	1,750	0
Other	831	831	0
<b>Total Revenues</b>	<b>1,556,889</b>	<b>1,556,889</b>	<b>0</b>
Expenditures:			
Current:			
Transportation			
Street Maintenance and Repair			
Personal Services	509,327	496,559	12,768
Contractual Services	483,663	459,193	24,470
Supplies and Materials	325,722	293,350	32,372
<b>Total Street Maintenance and Repair</b>	<b>1,318,712</b>	<b>1,249,102</b>	<b>69,610</b>
Division Highway Maintenance			
Contractual Services	24,500	15,739	8,761
Supplies and Materials	74,258	45,511	28,747
<b>Total Division Highway Maintenance</b>	<b>98,758</b>	<b>61,250</b>	<b>37,508</b>
Transportation Impact Fee			
Contractual Services	80,000	18,680	61,320
<b>Total Transportation</b>	<b>1,497,470</b>	<b>1,329,032</b>	<b>107,118</b>
Capital Outlay	298,117	111,638	186,479
<b>Total Expenditures</b>	<b>1,795,587</b>	<b>1,440,670</b>	<b>354,917</b>
Excess of Revenues Over (Under) Expenditures	(238,698)	116,219	354,917
Other Financing Sources:			
Proceeds from Sale of Capital Assets	1,022	1,022	0
Transfers In	10,000	10,000	0
<b>Total Other Financing Sources</b>	<b>11,022</b>	<b>11,022</b>	<b>0</b>
Net Change in Fund Balance	(227,676)	127,241	354,917
Fund Balance at Beginning of Year	1,256,074	1,256,074	0
Prior Year Encumbrances Appropriated	264,964	264,964	0
<b>Fund Balance at End of Year</b>	<b>\$1,293,362</b>	<b>\$1,648,279</b>	<b>\$354,917</b>

**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, 2021**

	Budgeted Amounts		Variance with Final Budget
	Final Budget	Actual	
Revenues:	\$0	\$0	\$0
Expenditures:			
Current:			
General Government			
Other General Government			
Contractual Services	5,750	5,750	0
Security of Persons and Property			
Police			
Personal Services	48,073	48,073	0
Contractual Services	10,764	10,764	0
Total Police	58,837	58,837	0
Fire			
Personal Services	5,805	5,805	0
Contractual Services	7,691	7,691	0
Total Fire	13,496	13,496	0
Total Security of Persons and Property	72,333	72,333	0
Capital Outlay	4,568	4,568	0
Total Expenditures	82,651	82,651	0
Net Change in Fund Balance	(82,651)	(82,651)	0
Fund Balance at Beginning of Year	82,651	82,651	0
Fund Balance at End of Year	\$0	\$0	\$0

**CITY OF LEBANON, OHIO  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 AMERICAN RESCUE PLAN ACT SPECIAL REVENUE FUND  
 BUDGET BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final		with
	Budget	Actual	Final Budget
Revenues:			
Intergovernmental	\$1,082,026	\$1,082,026	\$0
Expenditures:	\$0	\$0	\$0
Net Change in Fund Balance	1,082,026	1,082,026	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$1,082,026</u>	<u>\$1,082,026</u>	<u>\$0</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, 2021**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Income Taxes	\$755,518	\$755,518	\$0
Interest	18,028	18,028	0
Total Revenues	<u>773,546</u>	<u>773,546</u>	<u>0</u>
Expenditures:			
Debt Service:			
Principal Retirement	605,000	605,000	0
Interest and Fiscal Charges	319,860	319,856	4
Total Expenditures	<u>924,860</u>	<u>924,856</u>	<u>4</u>
Net Change in Fund Balance	(151,314)	(151,310)	4
Fund Balance at Beginning of Year	<u>3,476,595</u>	<u>3,476,595</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$3,325,281</u></u>	<u><u>\$3,325,285</u></u>	<u><u>\$4</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, 2021**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Payments in Lieu of Taxes	\$232,468	\$232,468	\$0
Charges for Services	12,629	12,629	0
Total Revenues	<u>245,097</u>	<u>245,097</u>	<u>0</u>
Expenditures:			
Current:			
Community and Economic Development			
Community Planning			
Contractual Services	93,210	72,107	21,103
Supplies and Materials	10,000	7,057	2,943
Total Community and Economic Development	<u>103,210</u>	<u>79,164</u>	<u>24,046</u>
Intergovernmental			
Reimbursements	78,000	65,190	12,810
Capital Outlay	121,088	56,088	65,000
Debt Service:			
Principal Retirements	435,000	435,000	0
Interest and Fiscal Charges	17,763	17,763	0
Total Debt Service	<u>452,763</u>	<u>452,763</u>	<u>0</u>
Total Expenditures	<u>755,061</u>	<u>653,205</u>	<u>101,856</u>
Excess of Revenues Under Expenditures	<u>(509,964)</u>	<u>(408,108)</u>	<u>101,856</u>
Other Financing Sources:			
Proceeds from Sale of Capital Assets	414,000	414,000	0
Transfers In	75,000	75,000	0
Total Other Financing Sources	<u>489,000</u>	<u>489,000</u>	<u>0</u>
Net Change in Fund Balance	(20,964)	80,892	101,856
Fund Balance at Beginning of Year	920,933	920,933	0
Prior Year Encumbrances Appropriated	58,034	58,034	0
Fund Balance at End of Year	<u>\$958,003</u>	<u>\$1,059,859</u>	<u>\$101,856</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, 2021**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Charges for Services	\$9,600	\$9,600	\$0
Expenditures:			
Current:			
Public Health Services			
Cemetery			
Capital Outlay	26,355	8,492	17,863
Net Change in Fund Balance	(16,755)	1,108	17,863
Fund Balance at Beginning of Year	103,457	103,457	0
Prior Year Encumbrances Appropriated	1,500	1,500	0
Fund Balance at End of Year	<u>\$88,202</u>	<u>\$106,065</u>	<u>\$17,863</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, 2021**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:	\$0	\$0	\$0
Expenditures:			
Capital Outlay	<u>2,931,819</u>	<u>2,889,917</u>	<u>41,902</u>
Excess of Revenues Under Expenditures	(2,931,819)	(2,889,917)	41,902
Other Financing Sources:			
Transfers In	<u>950,000</u>	<u>950,000</u>	<u>0</u>
Net Change in Fund Balance	(1,981,819)	(1,939,917)	41,902
Fund Balance at Beginning of Year	133,840	133,840	0
Prior Year Encumbrances Appropriated	<u>1,931,819</u>	<u>1,931,819</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$83,840</u></u>	<u><u>\$125,742</u></u>	<u><u>\$41,902</u></u>

**CITY OF LEBANON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FIRE-EMS RESERVE AND REPLACEMENT CAPITAL PROJECTS FUND**  
**BUDGET BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final Budget	<u>Actual</u>	with Final Budget
Revenues:	\$0	\$0	\$0
Expenditures:	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources:			
Transfers In	<u>150,000</u>	<u>150,000</u>	<u>0</u>
Net Change in Fund Balance	150,000	150,000	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$150,000</u></u>	<u><u>\$150,000</u></u>	<u><u>\$0</u></u>

**CITY OF LEBANON, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
BIKE TRAIL RESERVE AND REPLACEMENT CAPITAL PROJECTS FUND  
BUDGET BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final Budget	<u>Actual</u>	with Final Budget
Revenues:	\$0	\$0	\$0
Expenditures:	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources:			
Transfers In	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Net Change in Fund Balance	50,000	50,000	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$50,000</u></u>	<u><u>\$50,000</u></u>	<u><u>\$0</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, 2021**

	<u>Budgeted Amounts</u> Final Budget	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Charges for Services	\$271,999	\$271,999	\$0
Other	312	312	0
	<u>272,311</u>	<u>272,311</u>	<u>0</u>
Total Revenues			
Expenses:			
Personal Services	309,179	234,807	74,372
Contractual Services	48,084	40,749	7,335
Supplies and Materials	20,975	21,206	(231)
Capital Outlay	8,000	7,897	103
	<u>386,238</u>	<u>304,659</u>	<u>81,579</u>
Total Expenses			
Net Change in Fund Equity	(113,927)	(32,348)	81,579
Fund Equity at Beginning of Year	120,707	120,707	0
Prior Year Encumbrances Appropriated	4,274	4,274	0
	<u>\$11,054</u>	<u>\$92,633</u>	<u>\$81,579</u>
Fund Equity at End of Year			

**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, 2021**

	<u>Budgeted Amounts</u>		<u>Variance</u>
	Final Budget	<u>Actual</u>	with Final Budget
Revenues:			
Charges for Services	\$1,824,000	\$1,824,000	\$0
Other	406,011	406,011	0
Interest	5,750	5,750	0
	<u>2,235,761</u>	<u>2,235,761</u>	<u>0</u>
Total Revenues			
Expenses:			
Contractual Services	661,170	572,540	88,630
Claims	1,828,858	1,825,805	3,053
	<u>2,490,028</u>	<u>2,398,345</u>	<u>91,683</u>
Total Expenses			
Net Change in Fund Equity	(254,267)	(162,584)	91,683
Fund Equity at Beginning of Year	1,086,006	1,086,006	0
Prior Year Encumbrances Appropriated	267,010	267,010	0
	<u>1,098,749</u>	<u>1,190,432</u>	<u>\$91,683</u>
Fund Equity at End of Year			

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# STATISTICAL SECTION







***STATISTICAL TABLES***

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

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 annual comprehensive 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>2012</u>	<u>2013</u>	<u>2014 (1)</u>	<u>2015</u>
Governmental Activities				
Net Investment in Capital Assets	\$40,044,806	\$39,004,204	\$41,585,043	\$44,393,758
Restricted	8,952,231	5,585,635	6,267,670	7,975,274
Unrestricted	<u>12,340,870</u>	<u>18,978,185</u>	<u>7,838,796</u>	<u>5,832,012</u>
<i>Total Governmental Activities Net Position</i>	<u>61,337,907</u>	<u>63,568,024</u>	<u>55,691,509</u>	<u>58,201,044</u>
Business Type - Activities				
Net Investment in Capital Assets	54,208,669	55,500,876	59,251,800	60,080,356
Restricted	6,212,490	5,680,330	5,267,826	4,724,747
Unrestricted	<u>29,620,412</u>	<u>33,331,420</u>	<u>34,483,221</u>	<u>38,736,281</u>
<i>Total Business-Type Activities Net Position</i>	<u>90,041,571</u>	<u>94,512,626</u>	<u>99,002,847</u>	<u>103,541,384</u>
Primary Government				
Net Investment in Capital Assets	94,253,475	94,505,080	100,836,843	104,474,114
Restricted	15,164,721	11,265,965	11,535,496	12,700,021
Unrestricted	<u>41,961,282</u>	<u>52,309,605</u>	<u>42,322,017</u>	<u>44,568,293</u>
<i>Total Primary Government Net Position</i>	<u>\$151,379,478</u>	<u>\$158,080,650</u>	<u>\$154,694,356</u>	<u>\$161,742,428</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>2016</u>	<u>2017 (2)</u>	<u>2018 (3)</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$44,914,941	\$45,187,387	\$46,669,201	\$49,340,377	\$48,004,730	\$48,421,254
9,034,221	10,733,107	6,973,104	6,980,172	7,596,937	8,651,359
<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>10,996,891</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>	<u>68,069,504</u>
74,004,313	78,562,446	81,347,572	80,711,145	82,678,943	87,819,711
2,933,782	1,817,123	1,028,468	1,029,212	1,028,241	0
<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>58,750,543</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>	<u>146,570,254</u>
118,919,254	123,749,833	128,016,773	130,051,522	130,683,673	136,240,965
11,968,003	12,550,230	8,001,572	8,009,384	8,625,178	8,651,359
<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>69,747,434</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>	<u>\$214,639,758</u>

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

	2012	2013	2014	2015 (1)
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services and Sales:				
General Government	\$2,319,719	\$2,209,851	\$2,466,267	\$981,480
Security of Persons and Property:				
Police	641,330	626,391	742,244	1,787,766
Fire	420,701	370,420	424,694	432,627
Public Health Services	126,381	104,226	119,496	153,546
Leisure Time Services	24,508	21,916	36,481	356,308
Community and Economic Development	8,129	8,130	8,130	8,129
Transportation	15,496	130,505	40,923	24,122
Subtotal - Charges for Services	<u>3,556,264</u>	<u>3,471,439</u>	<u>3,838,235</u>	<u>3,743,978</u>
Operating Grants, Contributions and Interest:				
General Government	0	0	0	0
Security of Persons and Property:				
Police	0	0	0	0
Fire	247,639	240,311	315,717	0
Public Health Services	29,792	15,000	11,463	20,750
Leisure Time Services	12,134	19,195	20,000	0
Community and Economic Development	67,873	489,069	0	0
Transportation	985,902	1,051,014	1,033,035	1,017,682
Subtotal - Operating Grants, Contributions and Interest	<u>1,343,340</u>	<u>1,814,589</u>	<u>1,380,215</u>	<u>1,038,432</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	9,855	2,874	8,146	3,669
Leisure Time Services	0	559,470	220,000	538,267
Transportation	1,432,669	2,652,544	1,374,725	1,346,575
Subtotal - Capital Grants, Contributions and Interest	<u>1,442,524</u>	<u>3,214,888</u>	<u>1,602,871</u>	<u>1,888,511</u>
<i>Total Governmental Activities Program Revenues</i>	<u>6,342,128</u>	<u>8,500,916</u>	<u>6,821,321</u>	<u>6,670,921</u>
Business-Type Activities:				
Charges for Services:				
Electric	28,988,955	30,606,725	32,857,624	30,582,103
Sanitation	1,556,865	1,512,454	1,628,911	1,683,702
Sewer	3,321,870	3,248,192	3,377,730	3,461,898
Telecommunications	148,887	156,348	155,642	145,296
Water	3,175,134	3,093,645	3,371,176	3,643,684
Storm Water Utility	836,426	793,106	848,592	976,963
Operating Grants, Contributions and Interest	0	0	0	0
Capital Grants, Contributions and Interest				
Electric	0	0	0	0
Sewer	249,255	0	0	0
Water	167,155	0	0	0
Storm Water Utility	0	0	0	0
<i>Total Business-Type Activities Program Revenues</i>	<u>38,444,547</u>	<u>39,410,470</u>	<u>42,239,675</u>	<u>40,493,646</u>
<i>Total Primary Government Program Revenues</i>	<u>\$44,786,675</u>	<u>\$47,911,386</u>	<u>\$49,060,996</u>	<u>\$47,164,567</u>

2016	2017 (2)	2018	2019	2020	2021
\$1,131,466	\$1,065,750	\$989,195	\$1,137,062	\$1,494,913	\$2,115,640
1,129,698	1,235,170	1,143,786	1,255,220	1,245,706	1,932,340
445,067	492,836	567,552	567,442	578,741	697,066
116,213	104,520	148,890	142,032	137,378	213,252
697,533	699,761	657,187	616,365	676,258	596,418
216,250	235,082	237,784	257,505	316,095	555,395
92,944	121,192	278,574	359,617	333,937	429,328
3,829,171	3,954,311	4,022,968	4,335,243	4,783,028	6,539,439
0	0	0	0	457,030	0
0	1,000	1,674	437,122	530,480	838
0	56,458	416,393	0	635,186	62,718
29,113	0	0	0	504	0
10,000	1,500	3,030	500	39,663	3,000
0	774,812	0	0	144,219	0
1,067,460	1,001,629	1,192,576	1,395,223	1,291,702	1,641,598
1,106,573	1,835,399	1,613,673	1,832,845	3,098,784	1,708,154
0	0	0	0	0	0
0	0	0	0	0	0
8,898	4,659	12,370	19,883	9,670	3,633
67,385	35,250	51,547	529,171	424,723	196,000
1,255,942	1,740,358	1,409,867	1,943,452	1,340,724	1,995,821
1,332,225	1,780,267	1,473,784	2,492,506	1,775,117	2,195,454
6,267,969	7,569,977	7,110,425	8,660,594	9,656,929	10,443,047
30,372,073	31,792,788	34,392,469	33,427,305	31,128,666	32,718,002
1,677,936	1,722,062	1,767,643	1,788,850	1,908,450	1,966,340
3,553,255	3,730,088	3,862,365	3,833,562	4,122,001	4,238,787
58,976	54,424	40,121	32,796	25,405	23,150
4,121,890	4,525,928	4,698,976	4,799,754	5,284,141	5,371,501
722,944	892,518	880,798	900,552	994,465	998,979
0	0	118,141	0	0	12,000
0	0	0	0	95,890	0
230,050	1,310,860	477,950	0	0	954,855
410,465	1,117,535	0	0	0	1,332,657
41,630	44,572	261,165	118,609	0	750,589
41,189,219	45,190,775	46,499,628	44,901,428	43,559,018	48,366,860
\$47,457,188	\$52,760,752	\$53,610,053	\$53,562,022	\$53,215,947	\$58,809,907

(continued)

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

	2012	2013	2014	2015 (1)
<b>Expenses</b>				
Governmental Activities:				
General Government	\$3,591,911	\$3,731,306	\$3,858,814	\$3,924,199
Intergovernmental	345,607	900,216	0	418,817
Security of Persons and Property:				
Police	4,414,356	4,067,094	4,361,049	4,243,356
Fire	3,308,046	3,136,542	2,611,925	3,165,407
Public Health Services	221,850	216,095	211,544	196,806
Leisure Time Services	778,510	1,328,928	848,639	1,340,847
Community and Economic Development	1,080,804	1,278,496	1,459,944	1,021,078
Transportation	4,207,949	3,934,203	4,112,839	4,584,011
Interest and Fiscal Charges	338,645	280,800	239,369	213,544
<i>Total Governmental Activities Expenses</i>	<u>18,287,678</u>	<u>18,873,680</u>	<u>17,704,123</u>	<u>19,108,065</u>
Business-Type Activities:				
Electric	28,898,408	27,155,807	29,100,455	26,348,054
Sanitation	1,508,493	1,524,770	1,568,798	1,625,356
Sewer	3,739,025	2,541,355	3,722,315	3,504,416
Telecommunications	178,763	153,569	132,226	161,943
Water	3,691,306	3,839,171	3,848,723	3,971,143
Storm Water Utility	502,542	506,859	664,189	634,635
<i>Total Business-Type Activities Expenses</i>	<u>38,518,537</u>	<u>35,721,531</u>	<u>39,036,706</u>	<u>36,245,547</u>
<i>Total Primary Government Program Expenses</i>	<u>56,806,215</u>	<u>54,595,211</u>	<u>56,740,829</u>	<u>55,353,612</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(11,945,550)	(10,372,764)	(10,882,802)	(12,437,144)
Business-Type Activities	(73,990)	3,688,939	3,202,969	4,248,099
<i>Total Primary Government Net Expense</i>	<u>(12,019,540)</u>	<u>(6,683,825)</u>	<u>(7,679,833)</u>	<u>(8,189,045)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Taxes:				
Property Taxes Levied For:				
General Purposes	1,054,552	989,809	988,577	1,002,485
Fire and Life Squad	2,028,866	1,905,228	1,905,588	2,639,539
Income Taxes	6,232,249	6,371,559	6,751,574	7,425,983
Other Taxes	1,366,321	1,337,972	1,380,635	1,439,547
Payments in Lieu of Taxes	1,758,769	1,476,519	1,772,913	1,757,214
Grants and Entitlements not Restricted to				
Specific Programs	342,899	420,153	750,994	406,357
Investment Earnings	317,837	227,603	396,425	64,872
Other	155,073	374,038	384,300	294,305
Gain on Sale of Capital Assets	0	0	0	508
Transfers	(274,620)	(500,000)	(2,420,508)	(84,131)
<i>Total Governmental Activities</i>	<u>\$12,981,946</u>	<u>\$12,602,881</u>	<u>\$11,910,498</u>	<u>\$14,946,679</u>

2016	2017 (2)	2018	2019	2020	2021
\$5,157,129	\$4,840,572	\$4,718,932	\$5,389,856	\$5,807,787	\$3,031,297
428,151	0	4,461,868	891,445	402,687	65,190
5,115,826	5,122,645	5,668,034	1,860,634	5,995,882	5,258,962
3,276,015	3,396,681	4,216,795	1,727,750	5,288,833	5,837,368
197,737	220,040	178,851	241,369	192,502	128,561
828,117	984,126	611,815	1,791,839	1,042,114	2,008,963
1,240,968	1,314,860	1,410,511	1,413,635	1,748,686	1,284,869
4,339,489	5,099,318	4,556,884	4,985,093	7,998,060	4,801,439
293,757	242,283	207,370	206,733	372,476	328,331
20,877,189	21,220,525	26,031,060	18,508,354	28,849,027	22,744,980
27,684,350	28,290,002	29,853,214	28,561,167	28,219,233	28,127,696
1,617,010	1,660,252	1,707,946	1,755,902	1,771,721	1,883,954
3,235,514	3,287,280	3,887,245	3,556,030	3,611,975	3,415,280
162,201	266,372	92,969	48,610	49,528	70,932
3,672,987	4,108,375	3,894,737	4,737,953	4,385,121	4,576,621
754,859	707,040	886,106	826,067	909,310	837,726
37,126,921	38,319,321	40,322,217	39,485,729	38,946,888	38,912,209
58,004,110	59,539,846	66,353,277	57,994,083	67,795,915	61,657,189
(14,609,220)	(13,650,548)	(18,920,635)	(9,847,760)	(19,192,098)	(12,301,933)
4,062,298	6,871,454	6,177,411	5,415,699	4,612,130	9,454,651
(10,546,922)	(6,779,094)	(12,743,224)	(4,432,061)	(14,579,968)	(2,847,282)
1,039,309	1,052,956	1,059,991	1,222,270	1,298,119	1,296,654
2,772,706	2,752,718	2,768,300	2,886,011	4,623,288	4,511,621
7,613,002	9,548,135	9,847,997	10,580,698	10,113,404	11,708,708
1,526,713	1,503,991	1,557,388	1,531,496	1,502,883	1,545,048
1,774,947	1,730,854	1,684,982	1,617,904	270,425	232,468
366,251	352,609	366,847	498,567	461,333	684,939
460,102	274,506	530,248	751,257	961,344	(113,821)
248,975	443,889	768,637	275,323	670,490	153,636
0	0	0	0	0	281,600
(1,825,515)	(1,273,527)	(497,767)	(142,961)	(835,173)	(357,377)
\$13,976,490	\$16,386,131	\$18,086,623	\$19,220,565	\$19,066,113	\$19,943,476

(continued)

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

	2012	2013	2014	2015 (1)
<b>General Revenues and Other Changes in Net Position (continued)</b>				
Business-Type Activities:				
Investment Earnings	\$219,886	\$113,323	\$282,679	\$139,240
Other	2,018,744	168,793	103,639	67,067
Gain on Sale of Capital Assets	3,800	0	0	0
Transfers	274,620	500,000	2,420,508	84,131
<i>Total Business-Type Activities</i>	<u>2,517,050</u>	<u>782,116</u>	<u>2,806,826</u>	<u>290,438</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>				
	<u>15,498,996</u>	<u>13,384,997</u>	<u>14,717,324</u>	<u>15,237,117</u>
Prior Year Restatement of Governmental Activities Net Position	0	0	(8,904,211)	0
Prior Year Restatement of Business-Type Activities Net Position	<u>0</u>	<u>0</u>	<u>(1,519,574)</u>	<u>0</u>
<b>Change in Net Position</b>				
Governmental Activities	1,036,396	2,230,117	(7,876,515)	2,509,535
Business-Type Activities	<u>2,443,060</u>	<u>4,471,055</u>	<u>4,490,221</u>	<u>4,538,537</u>
<i>Total Primary Government Change in Net Position</i>	<u><u>\$3,479,456</u></u>	<u><u>\$6,701,172</u></u>	<u><u>(\$3,386,294)</u></u>	<u><u>\$7,048,072</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.



2016	2017 (2)	2018	2019	2020	2021
\$198,153	\$218,950	\$414,121	\$852,746	\$393,571	\$9,007
66,747	107,353	87,015	253,024	258,855	57,182
13,400	11,265	0	0	0	10,000
1,825,515	1,273,527	497,767	142,961	835,173	357,377
2,103,815	1,611,095	998,903	1,248,731	1,487,599	433,566
16,080,305	17,997,226	19,085,526	20,469,296	20,553,712	20,377,042
0	(8,344,160)	0	0	0	0
0	(1,448,482)	0	0	0	0
(632,730)	(5,608,577)	(834,012)	9,372,805	(125,985)	7,641,543
6,166,113	7,034,067	7,176,314	6,664,430	6,099,729	9,888,217
\$5,533,383	\$1,425,490	\$6,342,302	\$16,037,235	\$5,973,744	\$17,529,760

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>General Fund</b>				
Nonspendable	\$813,297	\$682,168	\$565,102	\$411,009
Assigned	260,111	194,031	140,952	628,373
Unassigned	<u>5,137,124</u>	<u>5,056,978</u>	<u>5,779,984</u>	<u>5,399,631</u>
Total General Fund	<u>6,210,532</u>	<u>5,933,177</u>	<u>6,486,038</u>	<u>6,439,013</u>
<b>All Other Governmental Funds</b>				
Nonspendable	190,824	124,814	197,501	187,072
Restricted	7,704,927	4,764,186	5,531,792	7,144,478
Committed	5,055,548	9,520,830	4,702,921	5,903,271
Unassigned (Deficit)	<u>0</u>	<u>0</u>	<u>(238,372)</u>	<u>0</u>
Total All Other Governmental Funds	<u>12,951,299</u>	<u>14,409,830</u>	<u>10,193,842</u>	<u>13,234,821</u>
<b>Total Governmental Funds</b>	<u><u>\$19,161,831</u></u>	<u><u>\$20,343,007</u></u>	<u><u>\$16,679,880</u></u>	<u><u>\$19,673,834</u></u>

2016	2017	2018	2019	2020	2021
\$204,518	\$111,593	\$104,384	\$113,084	\$133,447	\$105,955
4,227,592	315,523	290,171	319,871	4,521,506	2,123,434
866,041	5,723,205	6,805,662	8,198,455	6,978,469	10,549,650
5,298,151	6,150,321	7,200,217	8,631,410	11,633,422	12,779,039
154,692	139,403	154,686	197,053	237,201	269,749
8,245,204	10,187,756	6,272,909	5,134,492	11,542,370	7,018,622
5,709,472	5,684,713	5,869,249	8,117,619	7,880,312	9,923,237
0	0	0	0	0	0
14,109,368	16,011,872	12,296,844	13,449,164	19,659,883	17,211,608
\$19,407,519	\$22,162,193	\$19,497,061	\$22,080,574	\$31,293,305	\$29,990,647

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

	2012	2013	2014	2015
<b>Revenues</b>				
Property Taxes	\$3,070,560	\$2,936,952	\$2,940,203	\$3,651,116
Income Taxes	6,155,444	6,334,779	6,765,581	7,055,726
Other Local Taxes	1,366,321	1,337,972	1,380,635	1,439,547
Payments in Lieu of Taxes	1,758,769	1,476,519	1,772,913	1,757,214
Special Assessments	89,051	124,099	37,671	324
Charges for Services	2,819,113	2,601,728	2,902,988	2,886,962
Fines, Licenses and Permits	737,151	754,072	906,570	857,016
Intergovernmental	2,647,883	5,404,430	2,407,179	4,674,712
Interest	329,748	167,756	397,885	58,337
Contributions and Donations	12,134	19,195	20,000	20,750
Other	155,073	374,038	384,300	294,305
<i>Total Revenues</i>	<u>19,141,247</u>	<u>21,531,540</u>	<u>19,915,925</u>	<u>22,696,009</u>
<b>Expenditures</b>				
Current:				
General Government	3,353,208	3,845,070	4,022,641	3,905,327
Security of Persons and Property:				
Police	4,155,702	4,145,205	4,491,399	4,367,772
Fire	3,055,494	2,867,920	2,960,394	2,646,167
Public Health Services	171,222	166,325	180,868	158,906
Leisure Time Services	648,820	1,184,816	750,673	1,198,390
Community and Economic Development	1,010,993	1,225,319	990,247	1,099,926
Transportation	1,146,286	1,226,412	947,545	1,217,506
Intergovernmental	345,607	900,216	407,960	418,817
Capital Outlay	3,718,437	7,728,631	8,522,810	3,906,252
Debt Service:				
Principal Retirement	466,645	605,496	2,080,519	2,595,541
Interest and Fiscal Charges	220,992	291,117	283,889	239,999
Payment to Refunded Bond Escrow Agent	0	0	0	0
<i>Total Expenditures</i>	<u>18,293,406</u>	<u>24,186,527</u>	<u>25,638,945</u>	<u>21,754,603</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>847,841</u>	<u>(2,654,987)</u>	<u>(5,723,020)</u>	<u>941,406</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	64,912	32,077	19,541	30,498
Proceeds of Loans	0	0	0	0
Transfers In	502,500	702,500	1,632,500	1,007,500
Transfers Out	(502,500)	(1,202,500)	(1,632,500)	(1,007,500)
General Obligation Bonds Issued	0	2,655,000	0	0
Bond Anticipation Notes Issued	0	0	0	2,000,000
Refunding Bonds Issued	0	2,311,603	0	0
Proceeds from Sale of Notes	0	1,500,000	2,000,000	0
Premium on Debt Issued	0	239,158	40,352	22,050
Payment to Refunded Bond Escrow Agent	0	(2,401,675)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>64,912</u>	<u>3,836,163</u>	<u>2,059,893</u>	<u>2,052,548</u>
<i>Net Change in Fund Balances</i>	<u>\$912,753</u>	<u>\$1,181,176</u>	<u>(\$3,663,127)</u>	<u>\$2,993,954</u>
Debt Service as a Percentage of Noncapital Expenditures	4.6%	5.4%	12.6%	15.6%

2016	2017	2018	2019	2020	2021
\$3,848,031	\$3,786,101	\$3,837,316	\$4,088,573	\$5,718,881	\$5,802,092
7,541,820	8,611,067	9,873,295	10,480,206	10,455,825	11,597,238
1,526,713	1,503,991	1,557,388	1,531,496	1,502,883	1,545,048
1,774,947	1,730,854	1,684,982	1,617,904	270,425	232,468
64,425	79,585	95,436	221,520	89,828	246,213
2,953,745	3,011,271	2,985,962	3,256,905	3,458,233	5,035,275
834,416	863,288	778,927	725,167	1,184,142	1,153,071
2,731,688	3,912,435	2,445,772	5,048,356	4,227,676	4,517,982
444,478	282,943	466,086	748,333	1,005,873	(132,302)
10,000	2,500	46,536	500	1,000	3,000
248,975	443,889	768,637	275,323	670,490	153,636
<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>	<u>30,153,721</u>
4,976,238	4,215,031	4,291,645	4,451,582	5,151,347	4,866,989
4,537,637	4,702,582	4,984,432	4,741,246	4,824,061	5,311,831
3,016,268	3,062,306	3,527,903	3,494,190	4,457,930	5,052,163
168,762	167,715	144,214	168,621	140,509	153,514
680,947	703,577	811,296	1,860,472	820,602	1,958,924
1,038,424	1,113,108	1,222,729	1,094,395	1,423,275	1,612,772
921,484	1,191,944	976,040	943,223	4,077,416	1,154,183
428,151	0	4,461,868	891,445	402,687	65,190
7,033,480	5,102,432	6,507,367	6,068,983	4,687,435	9,887,614
2,715,564	4,650,588	995,614	1,505,640	1,030,668	1,465,502
319,007	298,092	215,664	222,345	380,448	363,663
0	326,092	0	0	0	0
<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>	<u>31,892,345</u>
<u>(3,856,724)</u>	<u>(1,305,543)</u>	<u>(3,598,435)</u>	<u>2,552,141</u>	<u>1,188,878</u>	<u>(1,738,624)</u>
43,396	854,877	75,887	31,372	183,011	479,233
0	0	302,000	0	0	0
1,087,500	372,500	1,145,000	2,530,000	2,380,000	1,579,123
(1,733,068)	(1,392,500)	(1,145,000)	(2,530,000)	(2,380,000)	(1,622,390)
1,935,000	2,125,000	0	0	7,350,000	0
2,100,000	2,100,000	500,000	0	0	0
0	1,250,000	0	0	0	0
0	0	0	0	0	0
157,581	0	0	0	490,842	0
0	(1,249,660)	0	0	0	0
<u>3,590,409</u>	<u>4,060,217</u>	<u>877,887</u>	<u>31,372</u>	<u>8,023,853</u>	<u>435,966</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>	<u>(\$1,302,658)</u>
16.2%	23.9%	5.7%	9.1%	6.2%	8.3%

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>
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
2021	1.00	11,521,368	7,491,364	65.02	1,581,926	13.73	2,448,078	21.25

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 2020 AND 2011 (1)

Tax Year 2020 (2)

Income Range	Number of Filed Returns	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	1,508	21.04 %	\$252,904,041	54.52 %
75,001-100,000	702	9.79	61,528,532	13.26
50,001-75,000	1,055	14.72	65,974,884	14.22
25,000-50,000	1,550	21.63	58,078,647	12.52
Under 25,000	2,352	32.82	25,367,708	5.48
Total	7,167	100.00	\$463,853,812	100.00

Tax Year 2011 (2)

Income Range	Number of Filed Returns	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	1,086	18.28 %	\$166,585,646	47.43 %
75,001-100,000	663	11.16	57,735,120	16.43
50,001-75,000	955	16.07	59,069,178	16.81
25,000-50,000	1,266	21.31	46,702,177	13.29
Under 25,000	1,972	33.18	21,225,528	6.04
Total	5,942	100.00	\$351,317,649	100.00

Source: City Income Tax Department

- (1) Tax year 2021 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

<b>Type of Customer:</b>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Residential	\$9,669,899	\$10,001,557	\$10,015,251	\$9,602,351
Industrial	1,802,374	1,890,244	1,930,896	1,801,187
Commercial (1)	<u>17,583,205</u>	<u>18,967,595</u>	<u>20,582,711</u>	<u>19,712,760</u>
Total (2)	<u>\$29,055,478</u>	<u>\$30,859,396</u>	<u>\$32,528,858</u>	<u>\$31,116,298</u>

(1) Majority of government buildings included in this category

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



<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$9,302,438	\$9,160,783	\$10,264,321	\$9,720,651	\$9,507,181	\$10,074,204
1,745,760	1,733,759	1,817,776	1,755,379	1,513,927	1,590,106
<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>20,788,751</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>	<u>\$32,453,061</u>

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CITY OF LEBANON, OHIO  
 PRINCIPAL ELECTRIC CUSTOMERS  
 2021 AND 2012

2021		
Customer	Electric Charges for Services	Percentage of Total Charges for Services
CyrusOne LLC	\$4,083,573	12.58 %
Advics Manufacturing	2,505,906	7.72
Mane Inc.	1,848,983	5.70
Green Bay Packaging	631,586	1.95
Warren County Commissioner	582,020	1.79
JBM Packaging	556,148	1.71
HTNA	369,367	1.14
Countryside YMCA	334,011	1.03
Flint Ink	292,266	0.90
Vistech Holdings Inc.	284,874	0.88
<b>Total</b>	<b>\$11,488,734</b>	<b>35.40 %</b>
<b>Total Electric Charges for Services (1)</b>	<b>\$32,453,061</b>	
2012		
Customer	Electric Charges for Services	Percentage of Total Charges for Services
CBTS	\$2,545,227	8.76 %
Advics Manufacturing	2,370,765	8.16
HTNA	1,035,942	3.57
Warren County Commissioners	903,715	3.11
Mane Inc.	805,587	2.77
Lebanon School District	740,234	2.55
Countryside YMCA	419,925	1.45
JBM Envelope	395,059	1.36
Wal-Mart	376,073	1.29
City of Lebanon	346,964	1.19
<b>Total</b>	<b>\$9,939,491</b>	<b>34.21 %</b>
<b>Total Electric Charges for Services (1)</b>	<b>\$29,055,478</b>	

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

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

	2012	2013	2014	2015
<b>Residential</b>				
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)	(\$0.00400)	\$0.00140	\$0.00010	\$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
<b>General Service Rate</b>				
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)	(\$0.00400)	\$0.00140	\$0.00010	\$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

2016	2017	2018	2019	2020	2021
\$5.15	\$5.15	\$5.15	\$5.15	\$7.00	\$7.00
\$0.0670	\$0.0670	\$0.0670	\$0.0670	\$0.06316	\$0.06316
\$0.0412	\$0.0412	\$0.0412	\$0.0412	\$0.03884	\$0.03884
\$0.0361	\$0.0361	\$0.0361	\$0.0361	\$0.03403	\$0.03403
\$0.0206	\$0.0206	\$0.0206	\$0.0206	\$0.01942	\$0.01942
(\$0.00800)	(\$0.00580)	(\$0.00290)	(\$0.00510)	(\$0.00140)	\$0.00380
\$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	\$17.00	\$17.00
\$20.60	\$20.60	\$20.60	\$20.60	\$22.00	\$22.00
\$0.0824	\$0.0824	\$0.0824	\$0.0824	\$0.06779	\$0.06779
\$0.0721	\$0.0721	\$0.0721	\$0.0721	\$0.05932	\$0.05932
\$0.0412	\$0.0412	\$0.0412	\$0.0412	\$0.03390	\$0.03390
\$0.0618	\$0.0618	\$0.0618	\$0.0618	\$0.05179	\$0.05179
\$0.0309	\$0.0309	\$0.0309	\$0.0309	\$0.02589	\$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	\$0.03390	\$0.03390
\$0.0361	\$0.0361	\$0.0361	\$0.0361	\$0.02970	\$0.02970
\$0.0206	\$0.0206	\$0.0206	\$0.0206	\$0.01695	\$0.01695
\$0.0258	\$0.0258	\$0.0258	\$0.0258	\$0.02162	\$0.02162
\$0.0206	\$0.0206	\$0.0206	\$0.0206	\$0.01726	\$0.01726
\$0.0155	\$0.0155	\$0.0155	\$0.0155	\$0.01299	\$0.01299
(\$0.00800)	(\$0.00580)	(\$0.00290)	(\$0.00510)	(\$0.00140)	\$0.00380
\$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)

	2012	2013	2014	2015
<b>Large Power-Secondary Metered</b>				
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)	(\$0.00400)	\$0.00140	\$0.00010	\$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
<b>Large Power-Primary Metered</b>				
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)	(\$0.00400)	\$0.00140	\$0.00010	\$0.00010
KWH Tax:				
First 2,000 KWH	\$0.00465	\$0.00465	\$0.00465	\$0.00465
Next 13,000 KWH	\$0.00419	\$0.00412	\$0.00411	\$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.

2016	2017	2018	2019	2020	2021
\$103.00	\$103.00	\$103.00	\$103.00	\$103.00	\$103.00
\$0.0361	\$0.0361	\$0.0361	\$0.0361	\$0.03065	\$0.03065
\$0.0288	\$0.0288	\$0.0288	\$0.0288	\$0.02445	\$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	\$0.01316	\$0.01316
\$0.01030	\$0.01030	\$0.01030	\$0.01030	\$0.00874	\$0.00874
(\$0.00800)	(\$0.00580)	(\$0.00290)	(\$0.00510)	(\$0.00140)	\$0.00380
\$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	\$0.04213	\$0.04213
\$0.0103	\$0.0103	\$0.0103	\$0.0103	\$0.00935	\$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	\$0.02343	\$0.02343
\$0.01550	\$0.01550	\$0.01550	\$0.01550	\$0.01407	\$0.01407
(\$0.00800)	(\$0.00580)	(\$0.00290)	(\$0.00510)	(\$0.00140)	\$0.00380
\$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
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
2021	12,333,986	0	0	0	77,194

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	\$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
2,300,000	8,720,998	0	0	23,432,178	3.56	1,124

CITY OF LEBANON, OHIO  
 COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
 DECEMBER 31, 2021

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
<b>Direct - City of Lebanon</b>			
General Obligation Bonds	\$12,333,986	100.00%	\$12,333,986
Ohio Department of Transportation SIB Loan	77,194	100.00	77,194
<i>Total Direct Debt</i>	<u>12,411,180</u>		<u>12,411,180</u>
<b>Overlapping</b>			
Lebanon City School District			
General Obligation Bonds	39,295,000	50.24	19,741,808
Capital Leases	1,914,000	50.24	961,594
Kings Local School District			
General Obligation Bonds	42,663,802	1.15	490,634
Warren County Career Center			
Energy Conservation Notes	2,098,952	10.49	220,180
Warren County			
General Obligation Bonds	21,519,775	6.56	1,411,697
Special Assessment Bonds	1,285,986	6.56	84,361
Loans Payable	533,512	6.56	34,998
TIF Revenue Bonds	3,032,000	7.07	214,362
<i>Total Overlapping Debt</i>	<u>112,343,027</u>		<u>23,159,634</u>
<b>Total</b>	<u><u>\$124,754,207</u></u>		<u><u>\$35,570,814</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>
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
2021	20,841	1,674,238,371	14,633,986	0.87	702.17

(1) 2011-2020 from 2010 Federal Census; 2021 from 2020 Federal Census--Note: 2020 Census data was delayed due to Corona Virus

(2) County Auditor

(3) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

CITY OF LEBANON, OHIO  
LEGAL DEBT MARGIN  
LAST TEN YEARS

	2012	2013	2014	2015
Total Assessed Property Value	<u>\$396,556,600</u>	<u>\$396,645,380</u>	<u>\$397,990,590</u>	<u>\$416,793,410</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>41,638,443</u>	<u>41,647,765</u>	<u>41,789,012</u>	<u>43,763,308</u>
Debt Outstanding:				
General Obligation Bonds	5,140,560	7,196,603	6,816,603	6,021,603
Mortgage Revenue Bonds	36,525,000	34,220,000	31,835,000	29,375,000
Special Assessment Bonds	9,439	0	0	0
Bond Anticipation Notes	550,000	4,500,000	5,200,000	3,000,000
ODOT Loans	0	0	0	0
Total Gross Indebtedness	42,224,999	45,916,603	43,851,603	38,396,603
Less:				
General Obligation Bonds	(5,140,560)	(7,196,603)	(6,816,603)	(6,021,603)
Mortgage Revenue Bonds	(36,525,000)	(34,220,000)	(31,835,000)	(29,375,000)
Special Assessment Bonds	(9,439)	0	0	0
Bond Anticipation Notes	(550,000)	(4,500,000)	(5,200,000)	(3,000,000)
ODOT Loans	0	0	0	0
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>\$41,638,443</u>	<u>\$41,647,765</u>	<u>\$41,789,012</u>	<u>\$43,763,308</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>\$21,810,613</u>	<u>\$21,815,496</u>	<u>\$21,889,482</u>	<u>\$22,923,638</u>
Total Gross Indebtedness	42,224,999	45,916,603	43,851,603	38,396,603
Less:				
General Obligation Bonds	(5,140,560)	(7,196,603)	(6,816,603)	(6,021,603)
Mortgage Revenue Bonds	(36,525,000)	(34,220,000)	(31,835,000)	(29,375,000)
Special Assessment Bonds	(9,439)	0	0	0
Bond Anticipation Notes	(550,000)	(4,500,000)	(5,200,000)	(3,000,000)
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>\$21,810,613</u>	<u>\$21,815,496</u>	<u>\$21,889,482</u>	<u>\$22,923,638</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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</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>	<u>\$585,983,430</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>	<u>61,528,260</u>
7,241,603	13,531,603	11,905,000	10,255,000	15,920,000	14,015,000
20,995,000	13,950,000	10,805,000	10,380,000	9,940,000	7,620,000
0	0	0	0	0	0
4,600,000	0	500,000	400,000	800,000	600,000
0	0	302,000	302,000	302,000	77,194
<u>32,836,603</u>	<u>27,481,603</u>	<u>23,512,000</u>	<u>21,337,000</u>	<u>26,962,000</u>	<u>22,312,194</u>
(7,241,603)	(13,531,603)	(11,905,000)	(10,255,000)	(15,920,000)	(14,015,000)
(20,995,000)	(13,950,000)	(10,805,000)	(10,380,000)	(9,940,000)	(7,620,000)
0	0	0	0	0	0
(4,600,000)	0	(500,000)	(400,000)	(800,000)	(600,000)
0	0	(302,000)	(302,000)	(302,000)	(77,194)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</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>	<u>\$61,528,260</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<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>	<u>\$32,229,089</u>
32,836,603	27,481,603	23,512,000	21,337,000	26,962,000	22,312,194
(7,241,603)	(13,531,603)	(11,905,000)	(10,255,000)	(15,920,000)	(14,015,000)
(20,995,000)	(13,950,000)	(10,805,000)	(10,380,000)	(9,940,000)	(7,620,000)
0	0	0	0	0	0
(4,600,000)	0	(500,000)	(400,000)	(800,000)	(600,000)
0	0	302,000	0	0	0
<u>\$22,886,692</u>	<u>\$23,098,844</u>	<u>\$25,872,180</u>	<u>\$27,316,494</u>	<u>\$27,836,821</u>	<u>\$32,229,089</u>
100.00%	100.00%	98.85%	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)	
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
2021	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)	
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
2021	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	
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
2021	5,356,823	2,961,970	2,394,853	90,000	454,614	544,614	4.40

(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	
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
2021	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)
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
2021	20,841	658,096,257	31,577	65,960	33.9

(1) 2011-2020 from 2010 Federal Census; 2021 from 2020 Federal Census--Note: 2020 Census data was 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

<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>	<u>School Enrollment (3)</u>	<u>Warren County Unemployment Rate (4)</u>
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
28.9	5,007	2.6

CITY OF LEBANON, OHIO  
 PRINCIPAL EMPLOYERS  
 2021 AND 2012

2021

Employer	Employees
Warren County	1,427
Advics Manufacturing	1,268
Lebanon City Schools	889
FedEx Ground Package System	778
Countryside YMCA	755
Mane Inc.	729
Sheakley HR	683
Wal-Mart Associates Inc.	480
Kroger Limited Partnership Inc.	459
Minute Men Select Inc.	337
Total	7,805

2012

Employer	Employees
Warren County	1,191
Lebanon City School District	890
Countryside YMCA	781
Advics Manufacturing	601
Wal-Mart	442
Kroger Limited Partnership Inc.	386
Amtex Inc.	298
Mane Inc.	278
Warren County BDD (MRDD)	225
Lebanon Citizens National Bank	170
Total	5,262

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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government</b>										
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	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	6.50
Tax	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	3.50
Law	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00
Administration	4.00	5.00	5.00	5.00	4.00	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	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00
Court	7.00	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00	7.00
Probation	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00
<b>Security of Persons and Property</b>										
<b>Police</b>										
Police - Chiefs/Administrative	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Police - Sergeants/Captains	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	7.00
Police - Officers	22.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	22.00	21.00
Police - Dispatchers	8.00	8.00	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00
<b>Fire (2)(3)</b>										
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	3.00	9.00	9.00	9.00	12.00
<b>Public Health</b>										
Cemetery	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Leisure Time Services</b>										
Parks & Recreation (3)	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	3.00	3.50
<b>Community Development</b>										
Building and Zoning	1.00	0.00	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	2.00	3.00	3.00	3.00	3.00	3.00
<b>Internal Service</b>										
Automotive Maintenance	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Transportation</b>										
Street M&R (3)	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00
<b>Basic Utility Services</b>										
Electric - Administrative	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.75
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	12.00	12.00	12.00	12.00	12.00	12.00	13.00	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	0.25
Water - Administration	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.25
Water - Maintenance	3.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	2.50
Water - Supply and Treatment	1.00	0.00	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	1.25
Wastewater - Maintenance	2.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.50
Wastewater - Collection and Treatment	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00
<b>Totals:</b>	<b>139.00</b>	<b>136.00</b>	<b>135.00</b>	<b>135.00</b>	<b>132.00</b>	<b>137.00</b>	<b>145.00</b>	<b>146.00</b>	<b>150.00</b>	<b>153.00</b>

**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	2012	2013	2014	2015
<b>General Government</b>				
<i><b>Council and Clerk</b></i>				
Number of Ordinances and Resolutions Passed	115	114	99	132
Number of Planning Commission Docket Items	28	32	34	63
Zoning Board of Appeals Docket Items	3	3	11	9
<i><b>Finance Department (1)</b></i>				
Number of Checks Issued	4,753	5,509	4,425	4,173
Number of Purchase Orders Issued	1,084	1,045	873	992
Amount of Checks Written (includes interfund transfers)	\$78,807,285	\$72,899,728	\$78,072,236	\$71,328,633
Interest Earnings for Fiscal Year (cash basis)	\$455,725	\$231,840	\$251,836	\$390,473
Number of Supplemental Appropriations Issued	42	20	21	23
Agency Ratings - Moody's Financial Services	Aa2	Aa2	Aa2	Aa2
Health Insurance Costs vs. General Fund Expenditures	10.50%	11.13%	11.90%	10.19%
General Fund Receipts (cash basis in thousands)	\$9,951	\$10,055	\$10,604	\$10,857
General Fund Expenditures (cash basis in thousands)	\$8,945	\$10,186	\$10,323	\$10,663
General Fund (unexpended) Cash Balances (in thousands)	\$4,853	\$4,721	\$5,003	\$5,196
<i><b>Income Tax Department</b></i>				
Number of Individual Returns	9,982	9,807	10,573	10,091
Number of Business Returns	1,470	1,522	1,713	1,346
Number of Business Withholding Accounts	2,344	2,385	2,632	1,310
Annual Number of Corporate Withholding Forms Processed	8,298	8,411	8,448	8,010
Annual Number of Balance Due Statements Forms Processed	800	745	760	586
Annual Number of Estimated Payment Forms Processed	2,118	2,158	2,017	1,801
Annual Number of Reconciliations of Withholdings Processed	1,166	1,343	1,278	1,726
<i><b>Engineering Department</b></i>				
Capital Improvement (public and private) Overseen by Dept.	\$5,885,336	\$8,577,939	\$11,874,633	\$2,173,804
<i><b>Municipal Court</b></i>				
Number of Civil Cases	754	593	605	638
Number of Criminal Cases	1,515	1,475	1,573	1,562
<i><b>Civil Service</b></i>				
Number of Police Entry Tests Administered	1	1	30	57
Number of Police Promotional Tests Administered	0	0	5	1
Number of Hires of Police Officers from Certified Lists	2	2	2	2
Number of Promotions from Police Certified Lists	1	0	2	2

2016	2017	2018	2019	2020	2021
117	126	108	106	125	118
37	52	62	55	51	44
10	12	11	11	10	7
4,101	4,207	4,494	4,781	5,679	7,938
997	1,114	1,674	1,372	1,333	1,334
\$86,679,935	\$88,570,629	\$78,726,004	\$79,743,248	\$79,177,548	\$82,694,250
\$496,631	\$501,666	\$421,578	\$536,396	\$521,034	\$417,376
14	12	4	6	6	6
Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
8.57%	9.18%	8.73%	6.51%	6.98%	7.22%
\$10,904	\$12,537	\$13,064	\$13,028	\$14,679	\$14,057
\$12,924	\$10,980	\$11,935	\$12,221	\$12,104	\$13,882
\$3,177	\$4,734	\$5,863	\$6,670	\$9,246	\$9,421
7,746	10,941	9,060	9,402	8,487	9,143
1,693	2,475	1,644	1,549	1,410	1,277
1,955	2,281	2,495	2,768	3,072	3,209
10,750	12,103	13,789	13,735	26,982	29,558
600	915	1,040	1,810	920	1,421
1,846	2,980	3,943	6,371	6,817	6,369
1,951	1,778	2,094	2,357	2,770	2,926
\$8,346,500	\$7,311,859	\$4,042,190	\$10,008,121	\$11,888,230	\$7,803,318
592	649	658	755	493	603
1,685	1,626	1,583	1,636	1,122	1,128
73	0	77	78	59	27
0	1	0	0	1	0
2	0	1	1	3	3
0	2	0	0	2	0

(continued)

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

Function/Program	2012	2013	2014	2015
<b><i>Building Department Indicators</i></b>				
Commercial Construction Permits Issued	67	65	93	81
Estimated Value of Commercial Construction	\$37,700,000	\$33,482,059	\$44,964,185	\$125,985,538
Residential Construction Building Permits Issued	88	170	176	149
Estimated Value of Residential Construction	\$3,200,000	\$2,533,487	\$5,870,806	\$3,308,718
<b>Security of Persons and Property</b>				
<b><i>Police</i></b>				
Total Calls for Services	22,410	21,449	21,932	22,617
Number of Traffic Citations Issued	1,472	1,656	1,406	1,192
Number of Parking Citations Issued	130	572	48	352
Number of Criminal Arrests	1,232	1,138	1,308	1,118
Number of Accident Reports Completed	419	550	645	413
Part 1 Offenses (major offenses)	585	500	494	355
Animal Complaints	378	317	358	362
DUI Arrests	70	104	137	78
Traffic Crashes	419	550	452	413
Crash Injuries	80	100	73	91
Crash Deaths	0	1	0	0
Prisoners	0	0	0	0
Prisoner Meal Costs	\$0	\$0	\$0	\$0
Gasoline Costs of Fleet	\$81,418	\$78,641	\$83,046	\$53,001
<b><i>Fire</i></b>				
EMS Calls	2,262	2,169	2,099	1,948
Ambulance Billing Collections (net)	\$420,701	\$370,420	\$424,694	\$432,627
Fire Calls	1,428	1,528	591	786
Fires with Loss	31	19	15	9
Fires with Losses Exceeding \$10K	7	7	6	4
Fire Losses	\$401,631	\$249,056	\$331,491	\$235,434
Fire Safety Inspections	35	38	300	375
Number of Times Mutual Aid Given to Fire and EMS	44	24	37	39
Number of Times Mutual Aid Received for Fire and EMS	69	56	25	39
<b>Public Health</b>				
Cemetery Receipts (includes interfund transfers)	\$167,721	\$158,214	\$178,975	\$189,634



2016	2017	2018	2019	2020	2021
119	104	93	72	109	101
\$54,500,000	\$39,764,540	\$17,048,291	\$91,157,101	\$79,457,327	\$42,036,128
200	196	218	230	242	254
\$7,400,000	\$7,482,998	\$6,551,520	\$6,356,505	\$14,651,186	\$18,708,396
23,864	24,648	24,242	24,018	21,913	24,861
1,626	1,441	881	851	693	868
121	537	127	192	42	615
1,199	1,158	1,048	969	703	701
455	433	415	446	370	470
397	350	426	386	317	337
332	299	299	335	274	262
105	56	52	48	37	60
455	433	415	446	370	470
93	76	90	81	101	82
0	0	0	1	2	0
0	0	0	0	0	0
\$0	\$0	0	0	0	0
\$47,552	\$54,016	\$57,043	\$58,727	\$45,870	\$67,551
2,434	2,452	2,553	2,488	2,391	2,716
\$475,864	\$492,836	\$535,269	\$531,959	\$531,959	\$653,085
777	734	914	926	890	927
19	20	18	21	13	15
12	5	7	8	7	8
\$1,539,500	\$827,501	\$254,500	\$1,490,000	\$196,000	\$711,931
375	490	1,171	1,090	115	734
77	47	87	89	64	72
86	73	54	78	113	258
\$164,639	\$156,424	\$173,658	\$174,002	\$178,286	\$177,530

(continued)

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

Function/Program	2012	2013	2014	2015
<b>Leisure Time Services</b>				
<i>Recreation Receipts</i>				
Farmer's Market	\$1,740	\$1,600	\$1,540	\$1,150
Recreation Programs	20,600	19,940	20,995	21,945
Field Usage Fees	43,280	29,332	41,945	50,778
	<u>43,280</u>	<u>29,332</u>	<u>41,945</u>	<u>50,778</u>
Total Recreation Department Receipts	<u>\$65,620</u>	<u>\$50,872</u>	<u>\$64,480</u>	<u>\$73,873</u>
<b>Transportation</b>				
Crackseal Coating Program (Miles)	7.00	8.00	8.50	6.50
Street Repair (Curbs, aprons, berms, asphalt) (hours)	1,700	2,000	2,150	2,400
Street Sweeper (hours)	750	1,300	750	1,100
Cold Patch (hours)	20	30	48	40
After Hours Sewer and Water Calls	100	64	117	74
Sewer Cleaning (feet)	36,112	51,451	68,813	85,434
Sewer Jet, Vac-All, Video (feet)	19,541	23,998	17,241	15,485
Landscaping Stump-Chipper Service (hours)	50	20	80	100
Leaf Collection (hours)	2,000	1,900	2,250	1,500
Downtown Square Repair After Events (hours)	400	500	550	500
Equipment Repair/Body Shop (hours)	4,458	4,507	5,334	5,224
Sign Department (hours)	850	1,000	1,150	1,600
Tons of Snow Melting Salt Purchased (Nov-Mar)	840	2,400	3,000	700
Cost of Salt Purchased	\$33,028	\$112,832	\$208,172	\$214,245
<b>Water Department</b>				
Water Rates per 1st 2,500 Gallons of Water Used	\$12.67	\$14.24	\$14.24	\$16.34
Avg. Number of Water Accounts Billed Monthly	7,350	7,360	7,377	7,412
Total Water Collections Annually	\$3,040,209	\$2,987,747	\$3,209,751	\$3,518,933
<b>Wastewater Department</b>				
Wastewater Rates per 1st 2,500 Gallons Used	\$16.70	\$17.20	\$17.20	\$18.06
Total Flow of Wastewater Treatment Plant (MG)	928.000	1,045.000	1,022.000	1,036.900
Average Daily Flow (millions of gallons per day)	2.500	2.860	2.810	2.840
Tons of Dry Sludge Removed	472.00	348.31	473.43	454.37

Source: City of Lebanon records

(1) Receipts and expenditures include interfund transfers

2016	2017	2018	2019	2020	2021
\$1,200	\$2,350	\$1,960	\$1,965	\$1,350	\$1,665
17,236	19,457	16,727	12,225	779	5,375
48,640	43,510	57,100	50,720	16,975	45,607
<u>\$67,076</u>	<u>\$65,317</u>	<u>\$75,787</u>	<u>\$64,910</u>	<u>\$19,104</u>	<u>\$52,647</u>
3.00	28.00	2.10	4.07	2.00	5.00
1,800	2,200	1,340	1,645	1,099	1,308
980	1,440	473	199	120	1,412
94	120	350	341	73	112
59	25	52	57	59	58
34,435	28,931	70,023	19,312	11,446	16,218
28,634	16,500	26,748	70,785	20,602	26,046
80	140	53	60	0	0
1,800	1,440	695	255	313	221
500	768	890	1,350	368	1,152
6,677	7,052	7,680	7,809	6,912	4,485
600	840	215.50	78.50	182.00	132.50
998	2,615	1,294	1,000	1,150	1,764
\$112,649	\$65,176	\$135,852	\$131,627	\$85,344	\$153,300
\$17.32	\$18.01	\$18.73	\$19.29	\$19.29	\$19.87
7,421	7,466	7,520	7,545	7,586	7,640
\$4,015,783	\$4,226,355	\$4,468,877	\$4,626,255	\$4,744,977	\$4,859,925
\$18.06	\$18.06	\$18.60	\$18.60	\$18.60	\$19.16
1,061.652	1,042.478	1,125.952	1,123.590	1,048.030	1,070.169
2.901	2.856	3.103	3.078	2.863	2.932
444.71	473.43	499.56	551.00	535.35	575.66

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

Function/Program	2012	2013	2014	2015
<b>General Government</b>				
Square Footage Occupied	12,226	12,226	12,226	12,226
Administrative Vehicles	7	7	7	10
Inspection Vehicles	3	3	3	3
Information Technology	1	1	1	1
<b>Cemetery</b>				
Square Footage of Building	4,126	4,126	4,126	4,126
Vehicles	1	1	1	1
<b>Police</b>				
Stations	1	1	1	1
Square Footage of Building	17,610	17,610	17,610	17,610
Vehicles	16	18	16	19
<b>Fire</b>				
Stations	2	2	2	2
Square Footage of Buildings	17,331	17,331	17,331	17,331
Vehicles	20	20	19	17
<b>Recreation</b>				
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	3
Number of Disc Golf Course	1	1	1	1
<b>Other Public Works</b>				
Streets (miles)	94.813	95.040	102.893	102.893
Service Vehicles	24	24	21	23
Auto Maintenance Internal Service	2	2	2	1
Square Footage of Building(NEW-2015)				37,060
<b>Electric</b>				
Vehicles	19	20	17	18
<b>Sanitation</b>				
Vehicles	1	1	1	1
<b>Telecommunications</b>				
Vehicles	2	2	2	2
<b>Wastewater</b>				
Sanitary Sewers (miles)	113.799	114.327	114.406	114.419
Storm Sewers (miles)	88.05	88.52	90.00	90.94
Vehicles	7	7	6	6
<b>Water Department</b>				
Water Lines (miles)	113.609	113.636	114.145	114.145
Vehicles	10	10	10	10

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

2016	2017	2018	2019	2020	2021
12,226	12,226	12,226	12,226	12,226	12,226
10	10	10	10	9	7
3	3	3	4	5	4
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	20	22	23	23	22
2	2	2	2	2	2
17,331	17,331	17,331	17,331	17,331	30,602
16	17	16	13	14	14
16	16	17	17	17	17
6	6	6	5	5	5
12	13	13	10	10	10
37	37	37	37	37	37
3	3	3	4	4	4
1	1	1	1	1	1
102.893	102.969	103.246	103.246	104.114	105.066
25	22	23	23	22	25
1	1	2	2	2	4
37,060	37,060	37,060	37,060	37,060	37,060
18	17	18	19	18	21
1	1	1	1	1	1
2	2	2	1	1	1
114.778	116.260	116.501	116.501	117.109	117.863
91.68	91.76	92.09	92.28	93.07	93.64
5	5	6	6	6	10
114.781	116.287	116.481	116.481	117.519	119.016
11	12	11	11	10	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 8/11/2022**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)