

**Comprehensive  
Annual Financial  
Report, City of  
Montgomery, Ohio  
For the year ended  
December 31, 2020**





CITY OF

MONTGOMERY

A CHARMING PAST. A GLOWING FUTURE.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2020

Issued by:  
Department of Finance  
Katie Smiddy  
Director



CITY OF

MONTGOMERY

A CHARMING PAST. A GLOWING FUTURE.

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### HAMILTON COUNTY, OHIO

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## *INTRODUCTORY SECTION*

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CITY OF

MONTGOMERY

A CHARMING PAST. A GLOWING FUTURE.



June 17, 2021

To the Citizens of the City of Montgomery, Ohio:

We are pleased to present the Comprehensive Annual Financial Report for the City of Montgomery for the fiscal year ended December 31, 2020. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

### ***INTRODUCTION***

This report represents a commitment by the City of Montgomery to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

This letter should be read in conjunction with the Management's Discussion and Analysis (MD&A) that can be found immediately following the Independent Auditors' Report.

### **The Reporting Entity**

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "the Financial Reporting Entity," in that the financial statements include all the organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

The City provides the following services to its residents and businesses: police and fire protection, emergency medical response, parks and recreational activities, planning, zoning, street maintenance, solid waste collection, income tax collection and other governmental services. The City also has one blended component unit (Montgomery Community Improvement Corporation), which was established under Ohio law to provide a means of attracting businesses to Montgomery to enhance the community. This entity's board of directors consists entirely of Montgomery's council members.

## ***CITY OF MONTGOMERY, OHIO***

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### ***Letter of Transmittal***

***For the Year Ended December 31, 2020***

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#### **The City of Montgomery**

The City of Montgomery is a vibrant Ohio community located 12 miles north of Cincinnati. Its 5.3 square mile area serves an estimated residential population of 10,805. Montgomery was incorporated as a village in 1910 and became a city in 1971. It is a home-rule city with a Council-Manager form of government. The City's responsibilities and structure are outlined in the City Charter, which was adopted by its citizens in 1981 and was last amended in 2002.

#### **City Council**

The legislative body of Montgomery consists of a seven-member Council. Each council member is elected by the City at large for overlapping four-year terms, which are staggered to expire on a four-seat cycle, followed by the expiration of three seats, every two years. The term of a council member begins on the last Sunday of November of the year the member is elected to office. The Council elects a Mayor and Vice Mayor from within its ranks. These officers each serve a two-year term. The Mayor's primary duties include presiding over City Council meetings and performing ceremonial civic duties. The Vice Mayor assumes the duties of the Mayor in his or her absence. In 1996, the City obtained the services of a magistrate to oversee the proceedings of Montgomery's Mayor's Court.

The City Council has established various boards and commissions to help in its many efforts - from arts to a sister city - to enhance the City. The following is a brief description of their purposes and goals:

#### **Arts Commission**

This Commission was established to foster the visual and performing arts within the City. It was established when a Montgomery resident bequeathed his estate, including artwork, to the City with the request that the City promote artistic endeavors. The Commission advises Council on the prudent and productive use of its financial resources, including the assets held in trust. It sponsors activities throughout the year, such as a photography contest and concerts, which are open to the general public.

#### **Beautification and Tree Commission**

This Commission develops a yearly plan for the care of trees, shrubs, and flowers in public areas. It also proposes programs and makes recommendations for the use of allocated funds. Throughout the year, the Commission sponsors events, including the Arbor Day celebration and a Beautification Week, when flowers are planted by volunteers in beds throughout the City. The Commission also gives out the Beautification Awards to homes and businesses with outstanding landscaping. Through the Commission's efforts, the City has received the designation of Tree City USA from the National Arbor Day Foundation for twenty-five consecutive years.

#### **Board of Tax Review**

This Board is defined by ordinance to hear appeals from persons dissatisfied with rulings or decisions made by the Tax Commissioner or other City officials regarding taxes and penalties imposed. The Board has the authority to affirm, reverse or modify such rulings or decisions. Hearings requested by a taxpayer before the Board are not meetings of a public body subject to Sections 121.22 of the Ohio Revised Code.

## ***CITY OF MONTGOMERY, OHIO***

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### ***Letter of Transmittal For the Year Ended December 31, 2020***

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#### ***Board of Zoning Appeals***

This Board was established to interpret the provisions of the zoning code in order to carry out the intent of the code. Public hearings and meetings are held to review various requests and any other appeals related to the provisions and administration of the City's zoning code.

#### ***Civil Service Commission***

Defined by the City Charter, the Civil Service Commission ensures that all appropriate civil service examinations and procedures are applied when appointments and promotions are made in the City's classified services. This Commission makes recommendations to City Council concerning the determination of merit and fitness as the basis for promotions, demotions, suspensions and removals of employees in classified positions. It is charged with recommending standards to ensure that open classified positions are filled based on competitive examinations and merit, efficiency, character, conduct and seniority. Full-time police and firefighters, excluding the Chief of Police, Police Lieutenant, Fire Chief and the Assistant Fire Chief, are the only classified positions in the City of Montgomery.

#### ***Environmental Advisory Commission***

This Commission has a mission statement that focuses upon making Montgomery an environmentally-conscious community. Members provide education and information to the public and are a resource for the City on yard waste, recycling, storm water management, water resources management, air pollution control, noise pollution control and soil and landscape protection and protection of flora and fauna. Commission members assist with Adopt-a-Spot, Cardboard Recycling, City-wide garage sale, One-Stop-Drop, and educational programs.

#### ***Landmarks Commission***

The Landmarks Commission provides for the preservation of Montgomery's historical, architectural and archeological heritage. It provides research into the historical aspects of various Montgomery properties, and works to designate and protect those areas, places, buildings or objects that possess significance in terms of the City's cultural, social, economic, political or architectural heritage. Its members work to educate the City's residents and businesses concerning the City's historical heritage, work with other preservation organizations and the Ohio Preservation Office. It also makes recommendations to the Planning Commission and City Council on matters of legislation and development that may affect the City's landmarks or heritage.

#### ***Parks and Recreation Commission***

The City has worked to acquire and develop desirable areas for its park system that supports all the Montgomery neighborhoods, including the Montgomery Community Pool. The Commission's goal is to improve the quality of life for Montgomery residents through the development and maintenance of an integrated park system and by offering a well-rounded recreation program. Its activities include long-term planning for repair and replacement of park equipment.

#### ***Planning Commission***

This Commission is defined by the City Charter to hold public hearings and make recommendations to City Council concerning the City's subdivision, platting and zoning ordinances and regulations. It works in cooperation with other governmental or private planning agencies to secure the maximum benefits for Montgomery. It regularly conducts studies and surveys, as well as plans for the growth, development, redevelopment, rehabilitation, and renewal of the City.

***Letter of Transmittal  
For the Year Ended December 31, 2020***

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***Sister Cities Commission***

The Sister Cities Commission, like the Arts Commission, is another cultural endeavor designed to enhance City life and to provide education and understanding concerning other cultures. It participates in an active exchange program with our Sister City in France, Neuilly-Plaisance. Activities sponsored during the year include an annual Bastille Day Celebration, professional and student exchanges, and an International Reception.

We are pleased and honored to have many volunteers who dedicate hundreds of hours to each of these endeavors. Without them, many projects and activities, which enhance the quality of life in Montgomery, would not be possible.

***ECONOMIC CONDITIONS AND OUTLOOK***

Montgomery is a premier community in which to live, work and play. Its prime location, along Interstates 71 and 275 in northeastern Hamilton County, alluring properties, and easy access to the greater Cincinnati region has created consistently high values for both residential and commercial properties. Montgomery is located in the Sycamore Community Schools district, a district that is nationally recognized for its academic excellence.

The City's economy is diverse with an ideal mix of residential, office and retail use. Primary employers include Bethesda North Hospital, the Sycamore Community School district, the world-famous Montgomery Inn, the Ohio National Financial Services, and TriHealth, Inc. In addition to the economic contributions of those major employers, the City has experienced an expanding medical services sector with a variety of general and specialty medical practitioners and clinics, including completion of the new Thomas Comprehensive Care Center, a 135,000-square foot medical office building located on the Bethesda North Hospital campus.

The COVID-19 pandemic greatly impacted the economy in 2020 and could potentially have minor residual impacts throughout 2021. In 2020, the City partnered with Management Partners to utilize their Fiscal Diagnostic Tool to better understand current revenues and develop sophisticated forecasts to ensure budget sustainability through the economic downturn. The Fiscal Diagnostic Tool along with making smart decisions about budget reductions, enabled the City to remain fiscally sound in 2020. Concerted efforts in financial planning, including multi-year budgeting, capital improvement planning, and the use of targeted fund balances, will allow the City to enter 2021 with continued goals of delivering high quality products and services to our citizens, businesses, and community visitors.

***MAJOR INITIATIVES***

On the southern end of the City, construction began on Montgomery Quarter. This \$150 million mixed-use project will feature a unique urban-suburban lifestyle blend and will include professional office, boutique hotel, luxury apartments, condominiums, and a restaurant row built around a new community green. Initial site work has been completed. Construction of the parking garages began at the end of 2020 and is expected to be complete by the end of 2021.

***Letter of Transmittal  
For the Year Ended December 31, 2020***

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Construction of the first office building is expected to begin in the summer of 2021 and be complete by the spring of 2022. Fifth Third Private Bank, a division of downtown Cincinnati-based Fifth Third Bank has signed a lease for 15,000 square feet, covering the entire top floor of the first four-story office building in Montgomery Quarter. This lease helps kick off the development that has been in the works for six years.

As a companion piece to the Montgomery Quarter, the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) approved and awarded funding for a grant application submitted by the City for an interchange modification project at Montgomery Road and Ronald Reagan Cross County Highway. The project includes the construction of a modified two-lane roundabout, installation of a traffic signal in and around the interchange, and demolition of the existing bridge at this location. The project will have a safe and positive impact on traffic while opening more land for redevelopment. Initial work on the project began in December of 2019 and is expected to be completed by July 2021.

On the northern end of the City, the first two condominium buildings, known as The Wicks at the Vintage Club were also substantially completed with a model opening in February of 2020. Building A was completed in 2020 and is the home of Orange Theory Fitness. Building B was also completed and is now the home of GE Credit Union. Unfortunately, the COVID-19 pandemic delayed the construction of Building C; however, a building permit has been secured for this building and construction should start in spring of 2021. The final product will be an attractive mixed-use development with retail, office, restaurants, and condominiums that will complement the existing homes and The Christ Hospital Health Network medical office building.

The Planning Commission approved a Final Development Site Plan in December of 2020 to allow TriHealth to construct a two-story 16,500 square foot addition to Bethesda North Campus as part of the master facility plan. The expansion will provide space for GI/Endoscopy service on the lower level and Cardiology/Cath Labs on the first level and will allow TriHealth to continue to meet the needs of their patients today and for years to come.

Sycamore Community Schools began the design and approval process for their facilities master plan which will involve renovations and/or new construction on many of the campuses throughout the district. The projects within the City include an addition to E.H. Green Intermediate School at 5200 Aldine Drive, a new Junior High at 5757 Cooper Road and an addition and new stadium at the High School at 7400 Cornell Road. These projects are all anticipated to start in early to mid-2021.

During 2020 the City of Montgomery was recognized for achievements in a wide variety of areas and by a diverse group of organizations which included:

- The Certificate of Achievement for Excellence in Financial Reporting for our 2019 Comprehensive Annual Financial Report. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by our entire City. This is the twenty fourth consecutive year the City has received this award.



***Letter of Transmittal***

***For the Year Ended December 31, 2020***

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- The Tree City USA and Growth Award for 2020. This represents the twenty fifth year in a row that the City has received the Tree City USA Award and twenty second year that it has received the Growth Award.
- Montgomery was awarded the designation of a Top Workplace in 2020 by the Cincinnati Enquirer, in partnership with Energage. Out of the many recipients of this award for the Cincinnati area, the City of Montgomery was the only municipality selected.
- Montgomery was honored with the CLIMB (Cincinnati Lifts Inclusion and Minority Business) Award in 2020 by the Cincinnati Business Courier. The CLIMB Award honors individuals and organizations in Greater Cincinnati who have helped the region achieve greater heights of success through building a diverse workforce, championing equitable practices, and developing inclusive cultures.
- The City of Montgomery Diversity and Inclusion Committee was honored with the Local Government Innovation Award during the 2020 Alliance for Innovation Transforming Local Government Conference. The committee was recognized for its efforts to bring awareness of diversity and inclusion to the Montgomery community. The Montgomery Diversity and Inclusion Committee was formed in January 2018 and is comprised of residents representing various faiths, nationalities, age groups, and life experiences.
- Montgomery was honored with the Local Government Innovation Award during the 2020 Alliance for Innovation Transforming Local Government Conference. The City's Diversity and Inclusion Committee was recognized for its efforts to bring awareness of diversity and inclusion to the Montgomery community. A case study was presented by City staff and resident
- In June, was presented by Keith Faber, Auditor of the State of Ohio, the "Auditor of State Award with Distinction" award for the fiscal year 2019 financial audit. Fewer than five percent of all Ohio government agencies are eligible for this award.
- Continued positive feedback from its insurance and risk management pool, the Miami Valley Risk Management Association (MVRMA), as the City received a 100% rating on its Safety Performance Evaluation Checklist (SPEC) review in 2020. This is eleven years in a row that the City has received this rating.

In 2020, the City continued its work on updates to its park system. The work involved delivered upgrades to the City's various parks and recreation facilities through infrastructure and facility upgrades. All improvements are necessary to sustain the quality experience enjoyed by users of the parks, to ensure the safety of the facilities and equipment, and to maintain the operational and financial schedules and plans for the upkeep of the parks.

***Letter of Transmittal  
For the Year Ended December 31, 2020***

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In 2020, the following park improvements were completed:

- Fountain replacement/refurbishment in various parks.
- Resurface tennis courts at Swaim Park.
- Lighting repairs and upgrades to LED as needed in various parks.
- Replacement of playground equipment in Swaim Parks.
- Resurface, repair and restripe parking lots at various parks.
- Asphalt path improvements various paths throughout the parks.

In 2020, the following capital improvements were completed:

Major infrastructure repairs and rehabilitation of approximately 2.19 centerline miles of roadway resurfacing for all or portions of nine streets including: Fourwinds Drive, Gentlewind Drive, Knollwind Drive, Tailwind Drive (North and South), Weller Road, Weil Road, and Trail Lane.

In 2020, 20 of the 704 fire hydrants were replaced within the City. This work was done in conjunction with the street resurfacing program and was the seventh year of a multi-year comprehensive plan to address the aging fire hydrants in the community.

Public works staff completed the annual Street Crack Seal program. Crack seal is the best performing, yet least expensive, maintenance activity for extending the life of asphalt pavement. Approximately 7 centerline miles of roadway were treated in 2020, including all or portions of 42 streets.

Another yearly program completed in 2020 is the Corrugated Metal Pipe lining program. This new program began in 2019 to address the City's aged metal storm sewer pipe infrastructure. Lining the corrugated metal pipes extend their life, add structural integrity, and is more cost effective than performing a complete pipe replacement. In 2020, 120-feet of 60-inch diameter corrugated metal pipe was lined at 10580 Tanagerhills Drive.

In 2020, the City was again recognized with a Tree City USA Award for the twenty fifth year and also a Tree City USA Growth Award for the twenty second year for its ongoing commitment and action focused on environmental stewardship through care of public trees in the City's urban forest.

The City contracted with W.G Stang to construct concrete sidewalk on the east side of Montgomery Road from Radabaugh Drive to the City Safety Center. The City was approved for a reimbursement grant up to \$290,680.00 from the Ohio-Kentucky-Indiana Regional Council of Governments (OKI). The grant represented an 80% share of the construction costs.

***Letter of Transmittal  
For the Year Ended December 31, 2020***

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***FINANCIAL HIGHLIGHTS***

Accounting Controls

The City's budgetary accounting system was designed to provide reasonable assurance that:

1. The City's assets are protected against loss and unauthorized use or disposition; and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated using the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and members of the finance department.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary Control

Budgetary control is maintained within the personal services and non-personnel categories within each department through the encumbering of estimated purchase amounts prior to the release of formal purchase orders to vendors. Purchase orders which result in an overrun above appropriated balances are not released until additional appropriations are made available via amendments to the annual appropriations ordinance.

***FINANCIAL PLANNING AND POLICIES***

It is the mission of the City to develop, maintain and implement financial accounting policies and procedures and protect and optimize the financial resources of the City. The City provides a sound accounting system for safeguarding the City's assets through the recording and reporting of financial transactions according to mandated laws and guidelines of the federal law, Ohio Revised Code, generally accepted accounting principles (GAAP), and the City of Montgomery's codified ordinances. The departmental goals are to develop sound fiscal policies, provide solid financial management for the City, maintain reserves and fiscal integrity, and protect the assets of the citizens of Montgomery.

The City has established a five-year capital improvement program which drives the City's annual operating budget; a fiscal policy on cash reserves for the General Fund, the Capital Improvement Fund, the General Obligation Bond Retirement Fund, the Arts and Amenities Fund and the Fire/EMS Fund; and a conservative investment policy for the safe-guarding of investment income.

***Letter of Transmittal  
For the Year Ended December 31, 2020***

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***OTHER INFORMATION***

Independent Audit

Included in this report is the unmodified audit opinion rendered on the City's financial statements for the year ended December 31, 2020, by the State of Ohio Auditor's Office. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual Financial Report. This annual independent audit serves to maintain and strengthen the City's accounting and budgetary controls.

Certificate of Achievement

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 Montgomery for its comprehensive annual financial report for the fiscal year ended December 31, 2019. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

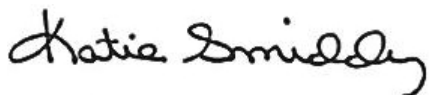
A Certificate of Achievement is valid for a period of one year only. The City of Montgomery has received a Certificate of Achievement for the last twenty-five consecutive years (fiscal years which ended on December 31, 1995-2019). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting this report to the GFOA.

Acknowledgments

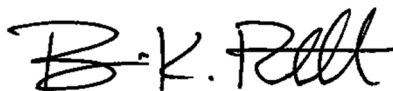
We want to extend sincere appreciation to the many individuals who have contributed their time and effort in gathering data for this report, particularly the various City departmental staff and members of the Hamilton County Auditor's Office.

Also, it is important to recognize the continued dedication and support of the Montgomery City Council and its Financial Planning Committee. Their commitment to sound financial practices and reporting is the reason this report is possible.

Respectfully submitted,



Katie Smiddy  
Finance Director



Brian Riblet  
City Manager

## ***CITY OF MONTGOMERY, OHIO***

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### ***List of Principal Officials For the Year Ended December 31, 2020***

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#### ***Elected Officials***

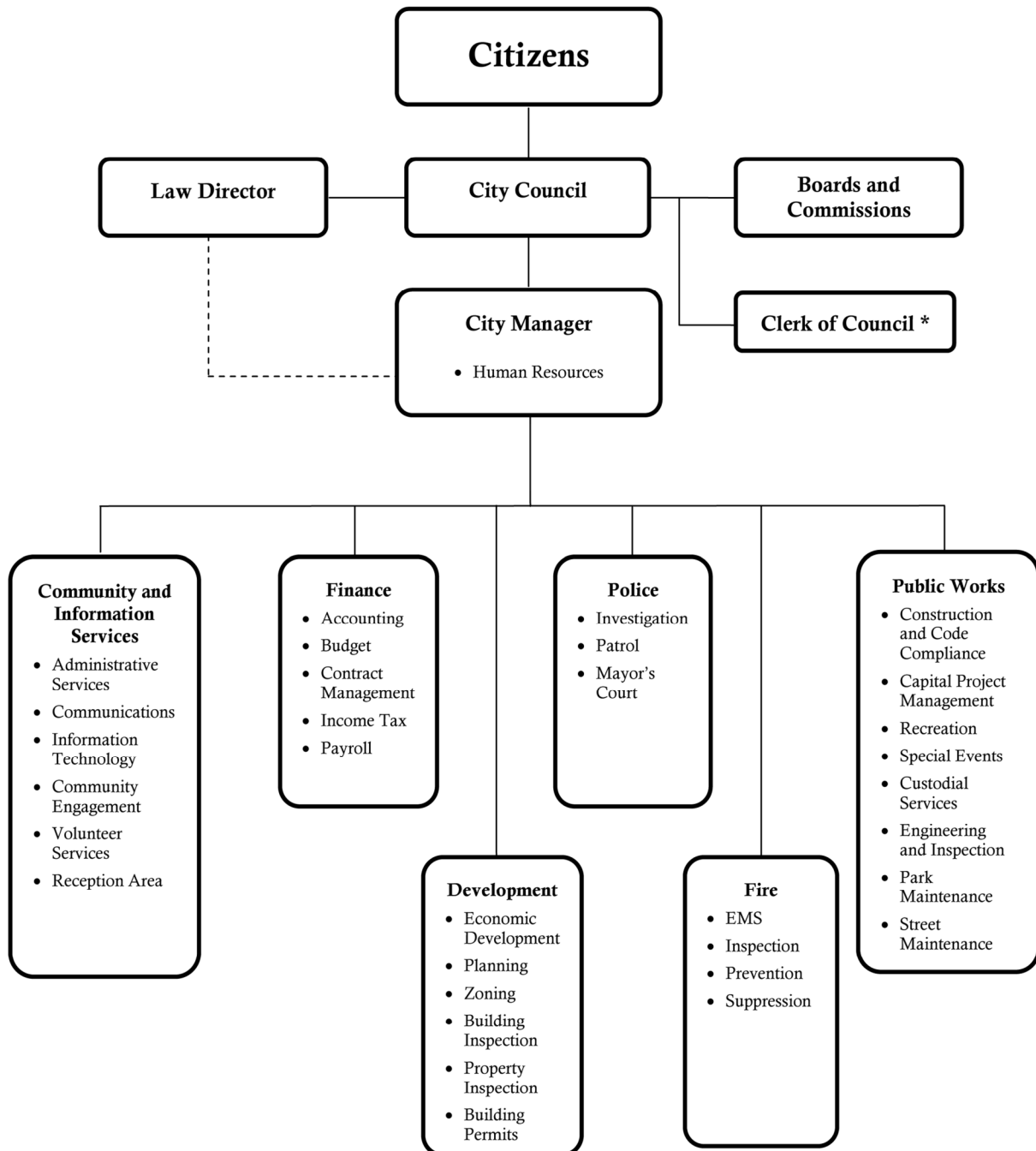
<b><u>Name</u></b>	<b><u>Title</u></b>	<b><u>Term Expires</u></b>
Chris Dobrozsi	Mayor	December 2021
Linda Roesch	Vice Mayor	December 2021
Lee Ann Bissmeyer	Council	December 2021
Ken Suer	Council	December 2021
Gerri Harbison	Council	December 2023
Craig Margolis	Council	December 2023
Mike Cappel	Council	December 2023

#### ***Appointed Officials***

<b><u>Name</u></b>	<b><u>Title</u></b>	<b><u>Term Expires</u></b>
Terry Donnellon	Director of Law	Indefinite
Connie Gaylor	Clerk of Council	Indefinite
Brian Riblet	City Manager	Indefinite

**City Organizational Chart**  
**For the Year Ended December 31, 2020**

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\* Clerk of Council functions are provided through the Administrative Coordinator position in the Community and Information Services Department with the City Council confirming the appointment as Clerk of Council

***Government Finance Officers Association of the United States and Canada  
Certificate of Achievement for Excellence in Financial Reporting***

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Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Montgomery  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*Christopher P. Morill*

Executive Director/CEO



## ***FINANCIAL SECTION***

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CITY OF

MONTGOMERY

A CHARMING PAST. A GLOWING FUTURE.

# OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash  
11117 Kenwood Road  
Blue Ash, Ohio 45242-1817  
(513) 361-8550 or (800) 368-7419  
[SouthwestRegion@ohioauditor.gov](mailto:SouthwestRegion@ohioauditor.gov)

## INDEPENDENT AUDITOR'S REPORT

City of Montgomery  
Hamilton County  
10101 Montgomery Road  
Montgomery, Ohio 45242

To the City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Montgomery, Hamilton County, Ohio (the City), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2020, and the respective changes in financial position thereof and the respective budgetary comparisons for the General Fund and Fire Protection / EMS Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 17 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.

### ***Other Matters***

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

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

#### ***Supplementary and Other Information***

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2021, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Keith Faber". The signature is fluid and cursive, with the first name "Keith" and last name "Faber" clearly distinguishable.

Keith Faber  
Auditor of State  
Columbus, Ohio  
June 17, 2021



***Management's Discussion and Analysis  
For the Year Ended December 31, 2020***

***Unaudited***

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

***FINANCIAL HIGHLIGHTS***

Key financial highlights for 2020 are as follows:

- ❑ Net position of governmental activities increased \$1,076,673, which represents a 1% increase from 2019.
- ❑ General revenues accounted for \$22,896,637 in revenue or 88% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$3,088,060 or 12% of total revenues of \$25,984,697.
- ❑ The City had \$24,908,024 in expenses related to governmental activities; only \$3,088,060 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$22,896,637 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$12,470,957 in revenues and other financing sources and \$10,765,264 in expenditures and other financing uses. The general fund's fund balance increased \$1,705,693 to \$17,511,485.

***OVERVIEW OF THE FINANCIAL STATEMENTS***

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplemental information*, and an optional section that presents *combining and individual statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.



**Government-wide Statements**

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred outflows/inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position is one way to measure the City's financial health.

- Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the City's overall health, the reader needs to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are comprised of:

- *Governmental Activities* – Most of the City's programs and services are reported here including public safety, parks and recreation, community economic development, public works and general government.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

***Governmental Funds*** – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

***Fiduciary Funds*** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position.

**Management's Discussion and Analysis  
For the Year Ended December 31, 2020****Unaudited**

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**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

The following table provides a comparison of the City's net position at December 31, 2020 and 2019:

	Governmental Activities	
	2020	2019
Current and Other Assets	\$87,149,674	\$57,369,480
Capital Assets, Net	66,428,064	64,650,242
Total Assets	153,577,738	122,019,722
Deferred Outflows of Resources	5,043,386	5,851,902
Net Pension Liability	13,312,399	15,224,854
Net OPEB Liability	3,859,799	3,421,266
Other Long-Term Liabilities	48,660,757	18,908,999
Other Liabilities	1,467,273	1,140,383
Total Liabilities	67,300,228	38,695,502
Deferred Inflows of Resources	12,972,860	11,904,759
Net Position		
Net Investment in Capital Assets	44,110,982	49,348,148
Restricted	23,932,760	22,918,214
Unrestricted (Deficit)	10,304,294	5,005,001
Total Net Position	\$78,348,036	\$77,271,363

A 25% increase in assets can mostly be attributed to an increase in cash. The increase in cash was the result of the issuance of long-term debt for the Montgomery Quarter project. This resulted in a corresponding increase in liabilities, and relatively stable net position.

The net pension liability (NPL) is reported by the City pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net OPEB liability (NOL) is reported by the City pursuant to 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 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*.

***Management's Discussion and Analysis  
For the Year Ended December 31, 2020***

***Unaudited***

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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 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 and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

**Management's Discussion and Analysis  
For the Year Ended December 31, 2020****Unaudited**

Changes in Net Position – The following table shows the changes in net position for 2020 and 2019:

	Governmental Activities	
	2020	2019
Revenues		
Program Revenues:		
Charges for Services and Sales	\$1,142,275	\$1,481,529
Operating Grants and Contributions	1,495,785	942,813
Capital Grants and Contributions	450,000	417,273
Total Program Revenues	3,088,060	2,841,615
General Revenues:		
Property Taxes	10,373,129	10,104,586
Income Taxes	10,350,161	9,899,146
Other Local Taxes	49,658	57,591
Intergovernmental, Unrestricted	923,971	914,767
Investment Earnings	279,680	824,461
Miscellaneous	920,038	231,247
Total General Revenues	22,896,637	22,031,798
Total Revenues	25,984,697	24,873,413
Program Expenses		
Public Safety	8,547,724	2,149,098
Parks and Recreation	1,445,179	1,571,912
Community Economic Development	4,339,017	750,246
Public Works	3,482,365	3,739,794
General Government	5,979,642	6,533,156
Interest and Fiscal Charges	1,114,097	956,673
Total Expenses	24,908,024	15,700,879
Total Change in Net Position	1,076,673	9,172,534
Beginning Net Position	77,271,363	68,098,829
Ending Net Position	\$78,348,036	\$77,271,363

**Governmental Activities**

Governmental activities net position increased \$1,076,673, or 1%. The Covid-19 pandemic impacted multiple revenue sources. A decrease in charges for services was a direct result of limited recreation and court activities. An increase in operating grants was the result of Coronavirus Relief Funding. Investment earnings were also impacted by the pandemic. An increase in miscellaneous revenue was due to refunds received from the Ohio Bureau of Workers' Compensation.

A substantial decrease in public safety expense in the prior year due to changes in the Ohio Police and Fire net OPEB liability resulted in a subsequent increase in public safety expense in the current year. An increase in community economic development can be attributed to a loss on sale of land. As part of the Montgomery Quarter development project, the City sold certain parcels of land to Gateway Partners Montgomery for use in the development.

## ***CITY OF MONTGOMERY, OHIO***

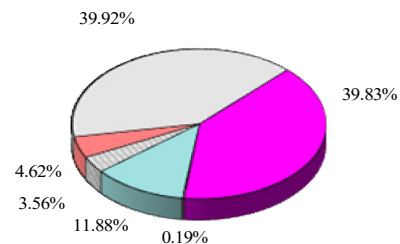
### ***Management's Discussion and Analysis For the Year Ended December 31, 2020***

***Unaudited***

The City has a 1% earnings tax for residents levied on all earned income, which includes, but is not limited to, qualified wages, the net profit of any business income, rental income and gambling winnings. Credit is given to residents employed in another city; the credit is limited to 1%. A 1% earnings tax is levied on all entities doing business within Montgomery, and employers within the City are required to withhold a 1% earning tax on all compensation paid to their employees.

Property taxes and income taxes each made up 40% of revenues for governmental activities in fiscal year 2020. The City's reliance upon tax revenues is demonstrated by the following graph indicating 80% of total revenues from general tax revenues:

Revenue Sources	2020	Percent of Total
Property Taxes	\$10,373,129	39.92%
Income Taxes	10,350,161	39.83%
Other Local Taxes	49,658	0.19%
Program Revenues	3,088,060	11.88%
Intergovernmental, Unrestricted	923,971	3.56%
General Other	1,199,718	4.62%
Total Revenue	<u>\$25,984,697</u>	<u>100.00%</u>



### **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

The City's governmental funds reported a combined fund balance of \$72,426,172, which is an increase from last year's balance of \$41,867,713. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2020 and 2019:

	Fund Balance December 31, 2020	Fund Balance December 31, 2019	Increase (Decrease)
General	\$17,511,485	\$15,805,792	\$1,705,693
Fire Protection / EMS	9,922,567	6,503,566	3,419,001
Vintage Club Tax Increment	2,826,428	2,536,696	289,732
Montgomery Quarter Construction	19,839,851	0	19,839,851
Other Governmental	22,325,841	17,021,659	5,304,182
Total	<u>\$72,426,172</u>	<u>\$41,867,713</u>	<u>\$30,558,459</u>

*General Fund* – The City's General Fund balance change is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

## CITY OF MONTGOMERY, OHIO

### Management's Discussion and Analysis For the Year Ended December 31, 2020

Unaudited

	2020 Revenues	2019 Revenues	Increase (Decrease)
Taxes	\$10,577,896	\$10,288,516	\$289,380
Intergovernmental Revenues	506,060	500,761	5,299
Charges for Services	60,845	116,646	(55,801)
Rental Revenue	41,425	73,916	(32,491)
Licenses, Permits and Fees	463,851	458,916	4,935
Investment Earnings	163,407	513,477	(350,070)
Fines and Forfeitures	82,750	104,796	(22,046)
All Other Revenue	574,079	113,499	460,580
Total	<u>\$12,470,313</u>	<u>\$12,170,527</u>	<u>\$299,786</u>

General Fund revenues increased 2% when compared to revenues in the prior year. The Covid-19 pandemic impacted multiple general fund revenue sources. A decrease in charges for services and rental revenue was a direct result of limited recreation activities. Decreased court activities resulted in a decrease in fines and forfeitures. Investment earnings were also impacted by the pandemic. These various decreases were offset by refunds received from the Ohio Bureau of Workers' Compensation.

	2020 Expenditures	2019 Expenditures	Increase (Decrease)
Public Safety	\$3,446,469	\$3,563,467	(\$116,998)
Parks and Recreation	1,052,513	1,104,344	(51,831)
Community Economic Development	613,839	632,324	(18,485)
Public Works	668,073	627,299	40,774
General Government	3,875,370	3,823,384	51,986
Total	<u>\$9,656,264</u>	<u>\$9,750,818</u>	<u>(\$94,554)</u>

General Fund expenditures decreased \$94,554 from the prior year. In 2020 a portion of public safety costs were shifted to the Coronavirus and CARES Act Payroll Relief Funds. A decrease in parks and recreation expenditures can mostly be attributed to decreased recreation activities due to the pandemic.

*Fire Protection/EMS Fund* - The fund balance of the Fire Protection/EMS Fund, a major governmental fund, increased \$3,419,001. Revenues and expenditures were consistent with the prior year.

*Vintage Club Tax Increment Fund* – The fund balance of the Vintage Club Tax Increment Fund, a major governmental fund, increased 11% during 2020. Revenues were consistent with the prior year. In the prior year this fund used existing fund balance to retire bonds previously issued. This resulted in a subsequent decrease in expenditures in 2020.

*Montgomery Quarter Construction Fund* – The Montgomery Quarter Construction Fund, a major governmental fund, reported the issuance of \$18,000,000 of special obligation bonds and \$7,500,000 of note proceeds, which will be used for development and construction costs of the Montgomery Quarter, which is a mixed-use development at the southern gateway of downtown.

**Management's Discussion and Analysis  
For the Year Ended December 31, 2020****Unaudited**

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The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. For the General Fund, original revenue estimates, final revenue estimates, and actual budget basis revenues were not significantly different. Final budgeted expenditures were not significantly different from original estimates. Controlled costs across all General Fund departments resulted in actual expenditures that were 15% less than final budget amounts.

**CAPITAL ASSETS AND DEBT ADMINISTRATION****Capital Assets**

At the end of 2020 the City had \$66,428,064 net of accumulated depreciation invested in land, buildings, improvements, infrastructure, equipment and vehicles. The following table shows 2020 and 2019 balances:

	Governmental Activities		Increase (Decrease)
	2020	2019	
Land	\$17,985,739	\$23,684,504	(\$5,698,765)
Construction In Progress	11,271,690	3,564,128	7,707,562
Buildings	16,749,859	16,702,590	47,269
Improvements Other than Buildings	6,188,715	5,934,830	253,885
Infrastructure	33,703,784	32,864,248	839,536
Machinery and Equipment	3,511,465	3,211,041	300,424
Less: Accumulated Depreciation	(22,983,188)	(21,311,099)	(1,672,089)
Totals	<u>\$66,428,064</u>	<u>\$64,650,242</u>	<u>\$1,777,822</u>

Construction in progress included roundabout installation, and infrastructure improvements at the Vintage Club housing development and Montgomery Quarter development. Infrastructure additions included sidewalk improvements as well as routine street resurfacing improvements. Machinery and equipment additions included equipment purchases in the police, fire, administration, parks, and street departments.

As part of the Montgomery Quarter development project, the City sold certain parcels of land to Gateway Partners Montgomery for use in the development, resulting in a decrease in land assets.

Additional information on the City's capital assets can be found in Note 8.



**Management's Discussion and Analysis  
For the Year Ended December 31, 2020****Unaudited**

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**Debt and Other Long-Term Obligations**

The following table summarizes the City's debt and other long-term obligations outstanding as of December 31, 2020 and 2019:

	2020	2019
Governmental Activities:		
Special Obligation TIF Bonds	\$39,973,794	\$17,651,370
Long-term Notes	7,536,172	0
Special Assessment Bonds	45,000	215,000
Compensated Absences	1,105,791	1,042,629
Total Governmental Activities	<u>\$48,660,757</u>	<u>\$18,908,999</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. At December 31, 2020, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 11.

**ECONOMIC FACTORS**

In 2020:

- On the southern end of the City, construction began on Montgomery Quarter. This \$150 million mixed-use project will feature a unique urban-suburban lifestyle blend and will include professional office, boutique hotel, luxury apartments, condominiums, and a restaurant row built around a new community green. Initial site work has been completed. Construction of the parking garages began at the end of 2020 and are expected to be complete by the end of 2021.
- As a companion piece to the Montgomery Quarter, the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) approved and awarded funding for a grant application submitted by the City for an interchange modification project at Montgomery Road and Ronald Reagan Cross County Highway. The project includes the construction of a modified two-lane roundabout, installation of a traffic signal in and around the interchange, and demolition of the existing bridge at this location. The project will have a safe and positive impact on traffic while opening more land for redevelopment. Initial work on the project began in December of 2019 and is expected to be completed by July 2021.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If the reader has questions about this report or needs additional financial information, please contact Katie Smiddy, Finance Director of the City of Montgomery.



# ***CITY OF MONTGOMERY, OHIO***

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## ***Statement of Net Position December 31, 2020***

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	<b>Governmental Activities</b>
<b>Assets:</b>	
Cash and Cash Equivalents	\$ 33,178,673
Investments	35,254,120
Receivables:	
Taxes	12,919,192
Accounts	51,624
Intergovernmental	820,306
Interest	31,348
Special Assessments	928,983
Prepaid Items	168,866
Restricted Assets:	
Investments	3,796,562
Non-Depreciable Capital Assets	29,257,429
Depreciable Capital Assets, Net	37,170,635
<b>Total Assets</b>	<b>153,577,738</b>
<b>Deferred Outflows of Resources:</b>	
Deferred Charge on Debt Refunding	438,719
Pension	3,130,982
OPEB	1,473,685
<b>Total Deferred Outflows of Resources</b>	<b>5,043,386</b>
<b>Liabilities:</b>	
Accounts Payable	968,916
Accrued Wages and Benefits	207,405
Intergovernmental Payable	167,590
Accrued Interest Payable	123,362
Noncurrent Liabilities:	
Due Within One Year	1,516,976
Due in More Than One Year:	
Net Pension Liability	13,312,399
Net OPEB Liability	3,859,799
Other Liabilities Due in More Than One Year	47,143,781
<b>Total Liabilities</b>	<b>67,300,228</b>
<b>Deferred Inflows of Resources:</b>	
Property Tax Levy for Next Fiscal Year	10,280,608
Pension	1,799,834
OPEB	892,418
<b>Total Deferred Inflows of Resources</b>	<b>12,972,860</b>

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	<b>Governmental Activities</b>
<b>Net Position:</b>	
Net Investment in Capital Assets	44,110,982
Restricted For:	
Capital Projects	5,122,512
Debt Service	4,522,406
Public Works	2,549,593
Public Safety	10,384,027
Arts and Amenities:	
Expendable	260,253
Nonexpendable	379,528
Other Purposes	714,441
Unrestricted	10,304,294
<b>Total Net Position</b>	<b>\$ 78,348,036</b>

See accompanying notes to the basic financial statements

## ***CITY OF MONTGOMERY, OHIO***

### ***Statement of Activities For the Year Ended December 31, 2020***

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Public Safety	\$ 8,547,724	\$ 402,773	\$ 21,748	\$ 0
Parks and Recreation	1,445,179	130,826	0	0
Community Economic Development	4,339,017	323,653	0	0
Public Works	3,482,365	84,942	624,766	450,000
General Government	5,979,642	200,081	849,271	0
Interest and Fiscal Charges	1,114,097	0	0	0
<b>Total Governmental Activities</b>	<b>\$ 24,908,024</b>	<b>\$ 1,142,275</b>	<b>\$ 1,495,785</b>	<b>\$ 450,000</b>

#### **General Revenues**

Property Taxes

Income Taxes

Other Local Taxes

Intergovernmental, Unrestricted

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

## ***CITY OF MONTGOMERY, OHIO***

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### **Net (Expense) Revenue and Changes in Net Position**

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<b>Governmental Activities</b>	
<hr/>	
\$	(8,123,203)
	(1,314,353)
	(4,015,364)
	(2,322,657)
	(4,930,290)
	(1,114,097)
<hr/>	
\$	(21,819,964)
<hr/>	

	10,373,129
	10,350,161
	49,658
	923,971
	279,680
	920,038
<hr/>	
	22,896,637
<hr/>	
	1,076,673
	77,271,363
<hr/>	
\$	78,348,036
<hr/>	

# CITY OF MONTGOMERY, OHIO

## Balance Sheet Governmental Funds December 31, 2020

	General	Fire Protection / EMS	Vintage Club Tax Increment	Montgomery Quarter Construction
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 9,332,154	\$ 5,498,120	\$ 2,675,948	\$ 2,443,007
Investments	7,419,536	4,458,315	0	18,000,021
Receivables:				
Taxes	4,295,498	5,410,527	2,562,016	0
Accounts	48,834	1,990	0	0
Intergovernmental	244,143	121,022	95,106	0
Interest	14,942	8,946	0	0
Special Assessments	0	0	0	0
Interfund Loans Receivable	0	0	0	0
Prepaid Items	127,571	30,344	0	0
Restricted Assets:				
Investments	113,118	0	152,566	0
<b>Total Assets</b>	<b>\$ 21,595,796</b>	<b>\$ 15,529,264</b>	<b>\$ 5,485,636</b>	<b>\$ 20,443,028</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 170,162	\$ 7,833	\$ 2,000	\$ 603,177
Accrued Wages and Benefits Payable	125,056	62,229	0	0
Intergovernmental Payable	166,040	303	86	0
Interfund Loans Payable	0	0	0	0
<b>Total Liabilities</b>	<b>461,258</b>	<b>70,365</b>	<b>2,086</b>	<b>603,177</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	1,286,069	271,944	121,756	0
Property Tax Levy for Next Fiscal Year	2,336,984	5,264,388	2,535,366	0
<b>Total Deferred Inflows of Resources</b>	<b>3,623,053</b>	<b>5,536,332</b>	<b>2,657,122</b>	<b>0</b>
<b>Fund Balances:</b>				
Nonspendable	131,178	30,344	0	0
Restricted	113,118	9,892,223	2,826,428	19,839,851
Committed	433,445	0	0	0
Assigned	1,445,980	0	0	0
Unassigned	15,387,764	0	0	0
<b>Total Fund Balances</b>	<b>17,511,485</b>	<b>9,922,567</b>	<b>2,826,428</b>	<b>19,839,851</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 21,595,796</b>	<b>\$ 15,529,264</b>	<b>\$ 5,485,636</b>	<b>\$ 20,443,028</b>

See accompanying notes to the basic financial statements



## ***CITY OF MONTGOMERY, OHIO***

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Other Governmental Funds	Total Governmental Funds
\$ 13,229,444	\$ 33,178,673
5,376,248	35,254,120
651,151	12,919,192
800	51,624
360,035	820,306
7,460	31,348
928,983	928,983
392,840	392,840
10,951	168,866
3,530,878	3,796,562
<u>\$ 24,488,790</u>	<u>\$ 87,542,514</u>
\$ 185,744	\$ 968,916
20,120	207,405
1,161	167,590
392,840	392,840
<u>599,865</u>	<u>1,736,751</u>
1,419,214	3,098,983
143,870	10,280,608
<u>1,563,084</u>	<u>13,379,591</u>
389,684	551,206
16,867,369	49,538,989
0	433,445
5,390,927	6,836,907
(322,139)	15,065,625
<u>22,325,841</u>	<u>72,426,172</u>
<u>\$ 24,488,790</u>	<u>\$ 87,542,514</u>

## ***CITY OF MONTGOMERY, OHIO***

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### ***Reconciliation Of Total Governmental Fund Balances To Net Position Of Governmental Activities December 31, 2020***

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<b>Total Governmental Fund Balances</b>		<b>\$ 72,426,172</b>
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***Amounts reported for governmental activities in the  
statement of net position are different because***

Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		66,428,064
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Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.		3,098,983
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The net pension/OPEB liability is not due and payable in the current period;  
therefore, the liability and related deferred inflows/outflows are not  
reported in governmental funds:

Deferred Outflows - Pension	3,130,982	
Deferred Inflows - Pension	(1,799,834)	
Net Pension Liability	(13,312,399)	
Deferred Outflows - OPEB	1,473,685	
Deferred Inflows - OPEB	(892,418)	
Net OPEB Liability	<u>(3,859,799)</u>	(15,259,783)

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

Special Obligation Bonds Payable	(39,590,000)	
Bond Premium/Discount	(383,794)	
Special Assessment Bonds Payable	(45,000)	
Long-term Note Payable	(7,500,000)	
Long-term Note Premium	(36,172)	
Compensated Absences Payable	(1,105,791)	
Deferred Loss on Debt Refunding	438,719	
Accrued Interest Payable	<u>(123,362)</u>	<u>(48,345,400)</u>

<b><i>Net Position of Governmental Activities</i></b>		<b><u><u>\$ 78,348,036</u></u></b>
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See accompanying notes to the basic financial statements



# CITY OF MONTGOMERY, OHIO

## Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended December 31, 2020

	General	Fire Protection / EMS	Vintage Club Tax Increment	Montgomery Quarter Construction
<b>Revenues:</b>				
Taxes	\$ 10,577,896	\$ 5,444,002	\$ 2,354,732	\$ 0
Intergovernmental Revenues	506,060	244,989	190,212	200,000
Charges for Services	60,845	191,993	0	0
Rental Revenue	41,425	0	0	0
Licenses, Permits and Fees	463,851	0	0	0
Investment Earnings	163,407	51,220	2,014	21
Special Assessments	0	0	0	0
Fines and Forfeitures	82,750	0	0	0
Donations	0	675	0	0
All Other Revenue	574,079	221,705	4,089	0
<b>Total Revenues</b>	<b>12,470,313</b>	<b>6,154,584</b>	<b>2,551,047</b>	<b>200,021</b>
<b>Expenditures:</b>				
Current:				
Public Safety	3,446,469	2,742,176	0	0
Parks and Recreation	1,052,513	0	0	0
Community Economic Development	613,839	0	0	0
Public Works	668,073	0	0	0
General Government	3,875,370	0	1,423,645	0
Capital Outlay	0	0	0	5,860,170
Debt Service:				
Principal Retirement	0	0	530,000	0
Interest and Fiscal Charges	0	0	307,670	0
<b>Total Expenditures</b>	<b>9,656,264</b>	<b>2,742,176</b>	<b>2,261,315</b>	<b>5,860,170</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,814,049	3,412,408	289,732	(5,660,149)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	644	6,593	0	0
Premium on Debt Issuance	0	0	0	0
Special Obligation Bonds Issued	0	0	0	18,000,000
Long Term Note Issuance	0	0	0	7,500,000
Transfers In	0	0	0	0
Transfers Out	(1,109,000)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(1,108,356)</b>	<b>6,593</b>	<b>0</b>	<b>25,500,000</b>
Net Change in Fund Balances	1,705,693	3,419,001	289,732	19,839,851
<b>Fund Balances at Beginning of Year</b>	<b>15,805,792</b>	<b>6,503,566</b>	<b>2,536,696</b>	<b>0</b>
<b>Fund Balances End of Year</b>	<b>\$ 17,511,485</b>	<b>\$ 9,922,567</b>	<b>\$ 2,826,428</b>	<b>\$ 19,839,851</b>

See accompanying notes to the basic financial statements

**CITY OF MONTGOMERY, OHIO**

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Other Governmental Funds	Total Governmental Funds
\$ 2,266,517	\$ 20,643,147
1,718,995	2,860,256
267,729	520,567
0	41,425
21,000	484,851
80,562	297,224
182,999	182,999
9,404	92,154
0	675
120,165	920,038
<u>4,667,371</u>	<u>26,043,336</u>
1,062,242	7,250,887
228,902	1,281,415
48,503	662,342
1,119,528	1,787,601
134,171	5,433,186
3,986,446	9,846,616
200,000	730,000
771,458	1,079,128
<u>7,551,250</u>	<u>28,071,175</u>
(2,883,879)	(2,027,839)
2,092,161	2,099,398
81,900	81,900
4,905,000	22,905,000
0	7,500,000
1,829,000	1,829,000
(720,000)	(1,829,000)
<u>8,188,061</u>	<u>32,586,298</u>
5,304,182	30,558,459
17,021,659	41,867,713
<u>\$ 22,325,841</u>	<u>\$ 72,426,172</u>

## ***CITY OF MONTGOMERY, OHIO***

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### ***Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities For The Year Ended December 31, 2020***

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Net Change in Fund Balances - Total Governmental Funds \$ 30,558,459

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

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

Capital Outlay	9,294,486	
Depreciation Expense	(1,790,939)	7,503,547

The statement of activities reports losses arising from the disposal of capital assets. Conversely, the governmental funds do not report any loss on the disposal of capital assets.

(5,725,725)

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

Pension	1,151,879	
OPEB	18,559	1,170,438

Except for amounts reported as deferred inflows/outflows, changes in the net pension and OPEB liabilities are reported as pension/OPEB expense in the statement of activities:

Pension	(2,091,157)	
OPEB	(425,219)	(2,516,376)

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

(58,639)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position.

Special Obligation Bond Issuance	(22,905,000)	
Long-term Note Issuance	(7,500,000)	
Premium on Debt Issuance	(81,900)	(30,486,900)

Repayment of bond and loan principal is an expenditure in the governmental but the repayment reduces long-term liabilities in the statement of net position.

Special Obligation Bond Principal Payment	560,000	
Special Assessment Bond Principal Payment	170,000	
Amortize Deferred Loss on Bond Refunding	(25,807)	
Bond Premium/Discount Amortization	68,304	772,497

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

(77,466)

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

Compensated Absences		(63,162)
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***Change in Net Position of Governmental Activities*** \$ 1,076,673

See accompanying notes to the basic financial statements

**CITY OF MONTGOMERY, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 10,483,029	\$ 10,483,029	\$ 10,488,292	\$ 5,263
Intergovernmental Revenue	472,800	472,800	496,805	24,005
Charges for Services	126,401	126,401	65,974	(60,427)
Rental Revenue	76,900	76,900	44,425	(32,475)
Licenses, Permits and Fees	519,600	519,600	464,512	(55,088)
Investment Earnings	210,000	210,000	114,821	(95,179)
Fines and Forfeitures	115,500	115,500	81,887	(33,613)
All Other Revenues	87,054	87,054	565,879	478,825
Total Revenues	12,091,284	12,091,284	12,322,595	231,311
<b>Expenditures:</b>				
Current:				
Public Safety	4,154,003	4,158,603	3,525,955	632,648
Parks and Recreation	1,301,685	1,310,185	1,089,351	220,834
Community Economic Development	914,071	914,071	621,988	292,083
Public Works	757,661	757,661	672,149	85,512
General Government	4,308,305	4,458,305	3,928,339	529,966
Total Expenditures	11,435,725	11,598,825	9,837,782	1,761,043
Excess (Deficiency) of Revenues Over (Under) Expenditures	655,559	492,459	2,484,813	1,992,354
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	5,000	5,000	644	(4,356)
Transfers In	930	930	930	0
Transfers Out	(999,000)	(1,059,000)	(1,059,000)	0
Total Other Financing Sources (Uses):	(993,070)	(1,053,070)	(1,057,426)	(4,356)
Net Change in Fund Balance	(337,511)	(560,611)	1,427,387	1,987,998
Fund Balance at Beginning of Year	14,701,308	14,701,308	14,701,308	0
Prior Year Encumbrances	113,889	113,889	113,889	0
Fund Balance at End of Year	\$ 14,477,686	\$ 14,254,586	\$ 16,242,584	\$ 1,987,998

See accompanying notes to the basic financial statements

# **CITY OF MONTGOMERY, OHIO**

## **Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Special Revenue Fund – Fire Protection / EMS Fund For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 5,264,388	\$ 5,264,388	\$ 5,444,002	\$ 179,614
Intergovernmental Revenue	233,000	233,000	244,989	11,989
Charges for Services	176,200	176,200	191,993	15,793
Investment Earnings	24,500	24,500	51,406	26,906
Donations	200	200	675	475
All Other Revenues	14,650	14,650	218,715	204,065
Total Revenues	5,712,938	5,712,938	6,151,780	438,842
<b>Expenditures:</b>				
Current:				
Public Safety	4,588,723	4,588,723	3,006,458	1,582,265
Total Expenditures	4,588,723	4,588,723	3,006,458	1,582,265
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,124,215	1,124,215	3,145,322	2,021,107
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	6,714	6,714
Total Other Financing Sources (Uses):	0	0	6,714	6,714
Net Change in Fund Balance	1,124,215	1,124,215	3,152,036	2,027,821
Fund Balance at Beginning of Year	6,569,608	6,569,608	6,569,608	0
Prior Year Encumbrances	10,644	10,644	10,644	0
Fund Balance at End of Year	\$ 7,704,467	\$ 7,704,467	\$ 9,732,288	\$ 2,027,821

See accompanying notes to the basic financial statements



**CITY OF MONTGOMERY, OHIO**

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**Statement of Net Position  
Fiduciary Funds  
December 31, 2020**

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	Private Purpose Trust	Custodial
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 34,613	\$ 0
Restricted Assets:		
Cash and Cash Equivalents with Fiscal Agent	0	5,843
<b>Total Assets</b>	<u>34,613</u>	<u>5,843</u>
<b>Liabilities:</b>		
Intergovernmental Payable	0	2,421
Due to Others	0	3,422
<b>Total Liabilities</b>	<u>0</u>	<u>5,843</u>
<b>Net Position:</b>		
Restricted For:		
Historical Site Preservation	34,613	0
<b>Total Net Position</b>	<u>\$ 34,613</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

**CITY OF MONTGOMERY, OHIO**

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**Statement of Changes in Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2020**

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	Private Purpose Trust	Custodial
<b>Additions:</b>		
Fines and Forfeiture Collections for other Governments	\$ 0	\$ 32,352
Fee Collections for other Governments	0	5,186
Private Donations	305	0
Total Additions	305	37,538
<b>Deductions:</b>		
Distribution of Fines and Forfeitures to other Governments	0	32,352
Distribution of Fees to other Governments	0	5,186
Administrative Expenses	2,846	0
Total Deductions	2,846	37,538
Change in Net Position	(2,541)	0
Net Position at Beginning of Year	37,154	0
Net Position End of Year	<u>\$ 34,613</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Montgomery, Ohio (the City) is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter provides for a Council/Manager form of government. The community was established in 1902.

The financial statements are presented as of December 31, 2020 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

**A. Reporting Entity**

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, *"The Financial Reporting Entity,"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity includes all component units, funds, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, emergency medical services, parks and recreation, planning, zoning, street maintenance, refuse collection and other governmental services.

*Blended Component Unit* - The Community Improvement Corporation of the City of Montgomery (the "CIC") was created in accordance with Chapter 1702 of the Ohio Revised Code. As a legally separate not-for-profit corporation, the CIC's purpose is to provide economic development loans. The balances and transactions of the CIC have been reported as a special revenue fund of the primary government because the governing board of the corporation is composed of those persons who are serving as members of the City Council of the City of Montgomery, the City has a history of providing financial support to the CIC, and any long term debt of the CIC would be paid by the City. Separately issued financial statements for the CIC can be obtained by contacting the City of Montgomery Finance Department, 10101 Montgomery Rd, Montgomery, Ohio 45242, or at the City's website at <http://montgomeryohio.org>.

**B. Basis of Presentation - Fund Accounting**

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting (Continued)**

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

For financial statement presentation purposes, the various funds of the City are grouped into the following generic fund types:

***Governmental Funds*** - Those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

General Fund - This fund is used to account for all financial resources except those accounted 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 limitations of the City Charter.

Fire Protection/EMS Fund – This fund is used to account for property taxes and charges for emergency medical services provided which are used to fund Fire Department operations.

Vintage Club Tax Increment Fund – To account for service payments (in lieu of taxes) as a result of the Vintage Club tax increment financing agreement. These monies will pay the debt service on money borrowed to complete improvements around the project site.

Montgomery Quarter Construction Fund - To account for debt proceeds and other sources to be used for development and construction costs of the Montgomery Quarter, which is a mixed-use development at the southern gateway of downtown.

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting** (Continued)

***Fiduciary Funds***

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's only trust fund is a private purpose trust to account for monies used for the upkeep of historical sites that are not owned by the City. The City's custodial funds account for funds flowing through the Mayor's Court, and building permit surcharges.

**C. Basis of Presentation – Financial Statements**

**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 fiduciary funds.

Interfund receivables and payables between governmental activities have been eliminated in the government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets and liabilities within the governmental activities. Interfund services provided and used are not eliminated through the process of consolidation.

The government-wide statements are prepared using the economic resources measurement focus. This approach differs from the manner in which governmental fund 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.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the City's governmental activities. 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 and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which 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 function is self-financing or draws from the general revenues of the City.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements (Continued)**

**Fund Financial Statements** – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities, deferred outflows/inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

Fiduciary funds are reported using the economic resources measurement focus.

**D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is considered to be 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting** (Continued)

Revenue considered susceptible to accrual at year end includes income taxes, interest on investments, and state levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance). Other revenue, including licenses, permits, certain charges for services, and miscellaneous revenue, is recorded as revenue when received in cash because it is generally not measurable until actually received.

Special assessment installments, including related accrued interest, which are measurable but not available at December 31, are recorded as deferred inflows of resources. Property taxes measurable as of December 31, 2020, but which are not intended to finance 2020 operations, and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflows of resources. Property taxes are further described in Note 4.

The accrual basis of accounting is utilized for reporting purposes by the government wide statements and fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

**E. Budgetary Process**

The annual budgetary process is prescribed by Charter and by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds, other than custodial funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The Montgomery Community Improvement Corporation Fund (special revenue fund) was not budgeted and only exists on a GAAP basis. The legal level of budgetary control is established at the personnel or non-personnel cost level within each department or fund. Budgetary control is maintained by not permitting expenditures to exceed appropriations at those levels without the approval of City Council. Administrative control is maintained through the establishment of more detailed line-item budgets.

**1. Tax Budget**

By July 15, the City Manager submits an annual tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20th of each year, for the period January 1 to December 31 of the following year.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**2. Estimated Resources**

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Budget Commission then certifies its actions to the City by September 1<sup>st</sup> of each year. As part of the certification process, the City receives an official certificate of estimated resources, which states that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed or fall short of current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2020.

**3. Appropriations**

A temporary appropriation ordinance to control expenditures may be passed on or about January 1st of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1st of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the object level, and may only be modified during the year by ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the legal level of control. During the year, several supplemental appropriations were necessary to budget contingency funds and intergovernmental grants. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual (Non-GAAP Budgetary Basis)" for the General Fund and Major Special Revenue Funds are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

**4. Lapsing of Appropriations**

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



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****E. Budgetary Process (Continued)****5. Budgetary Basis of Accounting**

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. In addition, under the budgetary basis, encumbrances are recognized as expenditures and note proceeds are recognized as an other financing source. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" for the General Fund and Major Special Revenue Fund:

	Net Change in Fund Balance	
	General Fund	Fire Protection EMS Fund
GAAP Basis (as reported)	\$1,705,693	\$3,419,001
Increase (Decrease):		
Accrued Revenues at December 31, 2020 received during 2021	(1,103,738)	(7,153)
Accrued Revenues at December 31, 2019 received during 2020	959,570	4,470
Accrued Expenditures at December 31, 2020 paid during 2021	461,258	70,365
Accrued Expenditures at December 31, 2019 paid during 2020	(546,556)	(113,607)
2019 Prepays for 2020	116,357	32,451
2020 Prepays for 2021	(127,571)	(30,344)
Outstanding Encumbrances	(61,798)	(223,147)
Perspective Difference:		
Activity of Funds Reclassified for GAAP Reporting Purposes	24,172	0
Budget Basis	<u>\$1,427,387</u>	<u>\$3,152,036</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Cash and Cash Equivalents**

During fiscal year 2020, cash and cash equivalents included amounts in demand deposits, certificates of deposit with original maturity dates of three months or less, and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is a very liquid investment and is reported as a cash equivalent in the basic financial statements.

The City pools its cash for investment and resource management purposes. Each fund's equity in cash and cash equivalents represents the balance on hand as if each had maintained its own cash and cash investment account. See Note 3, "Cash and Cash Equivalents."

**G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" and GASB Statement No. 72, "Fair Value Measurement and Application," the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements.

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. See Note 3, "Cash and Cash Equivalents."

The City's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. For fiscal year 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

**H. Prepaid Items**

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Capital Assets and Depreciation**

Capital assets are defined by the City as assets with an initial, individual cost of more than \$3,000 and an estimated useful life threshold of three or more years.

**1. Property, Plant and Equipment - Governmental Activities**

Governmental activities capital assets are those that generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at acquisition value at the date received. Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined at December 31, 1985 by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

**2. Depreciation**

All capital assets are depreciated, excluding land and construction in progress. Depreciation on newly acquired/constructed streets begins in the year following acquisition. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Buildings and Improvements	10 - 40
Machinery, Equipment, Furniture and Fixtures	5 - 15
Infrastructure	5 - 100

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Long-Term Obligations**

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

<u>Obligation</u>	<u>Fund</u>
Special Assessment Bonds	Reserve of Montgomery Bond Retirement Fund
Special Obligation Bonds	Vintage Club Tax Increment Fund, Vintage Club North Tax Increment Fund
Compensated Absences/Net	General Fund
Pension Liability/Net OPEB	Special Revenue Funds
Liability	(Fire Protection/EMS Fund, COPS Grant Fund, Street Construction, Maintenance and Repair Fund)

**K. Compensated Absences**

All full-time City employees earn vacation at varying rates based upon length of service. An employee's vacation must be used during the period in which it is earned unless the City Manager allows the balance to be carried over to the following year. Upon separation from the City, the employee (or his estate) is paid for his accumulated unused vacation leave balance. All full-time City employees earn sick leave at the rate of 12 days per year of active service. Upon retirement from the City, an employee with 10-19 years of service to the City shall receive one day of monetary compensation for every three days of unused sick leave. An employee who retires with twenty or more years of service to the City shall receive one day of monetary compensation for every two days of unused sick leave. The monetary compensation shall be at the hourly rate of compensation of the employee at the time of retirement.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered, to rights that vest or accumulate, and where payment of the obligation is probable and can be reasonably determined. For governmental funds, that portion of unpaid compensated absences for payments that come due each period upon the occurrence of the relevant event is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Net Position**

Net position represents the difference between assets, liabilities, and deferred outflows/inflows of resources. 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 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.

**M. Pension/OPEB**

For purposes of measuring the net pension/OPEB liability, 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.

**N. Interfund Transactions**

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

The City generally eliminates the effect of interfund activity in the government-wide financial statements to remove indirect expenses, except where the elimination would distort the costs and program revenues reported for the various functions. Interfund services provided and used are not eliminated through the process of consolidation.

**O. Intergovernmental Revenues**

In governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis, and shared revenues are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**P. Interfund Assets/Liabilities**

Short-term interfund loans are classified as "Interfund Receivables/Payables," while long-term interfund loans are classified as "Interfund Loans Receivable/Payable."

**Q. Fund Balances**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

*Nonspendable* – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

*Restricted* – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. 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 (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

*Committed* – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

*Assigned* – Assigned fund balance consists of amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes.

*Unassigned* – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted (committed, assigned and unassigned) resources as they are needed.

*Targeted/Minimum Fund Balance* – The City has established a targeted fund balance policy of six to twelve months of operating expenditures and transfers for the General Fund, which is reported in unassigned fund balance.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**R. 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.

**S. Restricted Assets**

A bond reserve account and principal and interest debt service account are classified as restricted assets because these funds are being held for specified purposes.

**T. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows for the deferred charge on debt refunding and for deferred pension/OPEB amounts. The deferred charge on debt refunding is reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources are reported for pension/OPEB amounts on the government-wide statement of net position. See Notes 9 and 10.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide statement of net position. See Notes 9 and 10.

# **CITY OF MONTGOMERY, OHIO**

## **Notes to the Basic Financial Statements For the Year Ended December 31, 2020**

### **NOTE 2 – FUND BALANCE CLASSIFICATION**

Fund balance is classified as nonspendable, restricted, committed, assigned, and 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	Fire Protection/ EMS	Vintage Club Tax Increment	Montgomery Quarter Construction	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid Items	\$127,571	\$30,344	\$0	\$0	\$10,951	\$168,866
Permanent Fund Corpus	0	0	0	0	378,733	378,733
Unclaimed Funds	3,607	0	0	0	0	3,607
Total Nonspendable	131,178	30,344	0	0	389,684	551,206
Restricted:						
Fire Protection/EMS	0	9,892,223	0	0	0	9,892,223
Parks and Recreation	0	0	0	0	48,976	48,976
Law Enforcement and Education	0	0	0	0	353,152	353,152
Court Computerization	0	0	0	0	56,778	56,778
Environmental Impact Mitigation	0	0	0	0	261,840	261,840
Street Improvements	0	0	0	0	1,918,576	1,918,576
Municipal Pool Operations	0	0	0	0	242,822	242,822
Cemetery Maintenance	0	0	0	0	436,139	436,139
Economic Development	0	0	0	0	2,131,186	2,131,186
Contractor Deposits	0	0	0	0	160,803	160,803
Debt Service Payments	113,118	0	2,826,428	0	4,560,483	7,500,029
Capital Improvements	0	0	0	19,839,851	6,436,361	26,276,212
Arts and Amenities	0	0	0	0	260,253	260,253
Total Restricted	113,118	9,892,223	2,826,428	19,839,851	16,867,369	49,538,989
Committed:						
Compensated Absences	433,445	0	0	0	0	433,445
Total Committed	433,445	0	0	0	0	433,445
Assigned:						
Supplies and Services	60,467	0	0	0	0	60,467
Budget Resource	1,385,513	0	0	0	0	1,385,513
Capital Improvements	0	0	0	0	5,390,927	5,390,927
Total Assigned	1,445,980	0	0	0	5,390,927	6,836,907
Unassigned (Deficits):	15,387,764	0	0	0	(322,139)	15,065,625
Total Fund Balances	\$17,511,485	\$9,922,567	\$2,826,428	\$19,839,851	\$22,325,841	\$72,426,172



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 3 - CASH AND CASH EQUIVALENTS**

Cash resources of several individual funds are combined to form a pool of cash and investments. In addition, investments are separately held by a number of individual funds. The City has adopted an Investment Policy that follows Ohio Revised Code Chapter 135 and applies the prudent person standard. The prudent person standard requires the Finance Director to exercise the care, skill and experience that a prudent person would use to manage his/her personal financial affairs and to seek investments that will preserve principal while maximizing income.

Statutes require the classification of funds held by the City into three categories.

Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- 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, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)**

- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

**A. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute.

Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

At year end the carrying amount of the City's deposits was \$34,237,459 and the bank balance was \$35,421,871. Federal depository insurance covered \$6,260,870 of the bank balance and \$29,161,001 was collateralized with both pooled and pledged securities.

**B. Investments**

The City's investments at December 31, 2020 were as follows:

	Fair Value	Credit Rating	Fair Value Hierarchy	Concentration of Credit Risk	Investment Maturities (in Years)		
					less than 1	1-3	3-5
STAR Ohio <sup>4</sup>	\$1,731	AAAm <sup>1</sup>	NA	0.005%	\$1,731	\$0	\$0
Marketable CD's	3,586,635	AAA <sup>3</sup>	Level 2	9.430%	752,923	2,318,971	514,741
US Money Market <sup>4</sup>	23,456,536	AA+ <sup>1</sup> / Aaa <sup>2</sup>	NA	61.675%	23,456,536	0	0
FHLMC	6,986,210	AA+ <sup>1</sup> / Aaa <sup>2</sup>	Level 2	18.369%	0	1,000,410	5,985,800
FFCB	2,000,000	AA+ <sup>1</sup> / Aaa <sup>2</sup>	Level 2	5.259%	0	0	2,000,000
FNMA	2,001,240	AAA <sup>1</sup> / Aaa <sup>2</sup>	Level 2	5.262%	0	0	2,001,240
Total Investments	<u>\$38,032,352</u>			<u>100.00%</u>	<u>\$24,211,190</u>	<u>\$3,319,381</u>	<u>\$10,501,781</u>

<sup>1</sup> Standard & Poor's

<sup>2</sup> Moody's Investor Service

<sup>3</sup> All are fully FDIC insured and therefore have an implied AAA credit rating

<sup>4</sup> Reported at amortized cost

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)**

**B. Investments (Continued)**

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. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Level 2 inputs are significant other observable inputs. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 inputs are significant unobservable inputs.

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date, the City has no investment policy beyond Ohio Revised Code relating to interest rate risk.

*Investment Credit Risk* – The City has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

*Concentration of Credit Risk* – The City places no limit on the amount it may invest in any one issuer.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

**C. Reconciliation of Cash, Cash Equivalents and Investments**

The classification of cash, cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. Certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	Cash and Cash Equivalents	Investments
Per Financial Statements	\$33,219,129	\$39,050,682
Certificates of Deposit (with maturities of more than 3 months)	1,020,061	(1,020,061)
STAR Ohio	(1,731)	1,731
Per GASB Statement No. 3	<u>\$34,237,459</u>	<u>\$38,032,352</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 4 - TAXES**

**A. Property Taxes**

Property taxes include amounts levied against all real estate and public utility property located in the City. Real property taxes (other than public utility) collected during 2020 were levied after October 1, 2019 on assessed values as of January 1, 2019, the lien date. Assessed values are established by the county auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments are made in the third year following reappraisal. The last reappraisal was completed in 2017. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Montgomery. The County Auditor remits in February and August of each year the City's portion of the taxes collected.

The full tax rate for all City operations for the year ended December 31, 2020 was \$16.05 per \$1,000 of assessed value. The assessed value upon which the 2020 tax collections were based was \$596,678,640. This amount constitutes \$586,354,320 in real property assessed value and \$10,324,320 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is 1.605% (16.05 mills) of assessed value.

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 4 – TAXES (Continued)**

**B. Income Tax**

The City levies a tax of 1% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employees' compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds are received by the General Fund and Capital Improvement Fund.

**NOTE 5 - RECEIVABLES**

Receivables at December 31, 2020 consisted of taxes, accounts receivable, special assessments, interfund receivables, interest receivables, and intergovernmental receivables arising from shared revenues. All receivables are considered collectible in full. Those receivables that relate to amounts not intended to finance the current fiscal year are offset by deferred inflows of resources.

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## ***CITY OF MONTGOMERY, OHIO***

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2020***

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#### **NOTE 6 - INTERFUND BALANCES**

Individual interfund balances at December 31, 2020 are as follows:

<u>Fund</u>	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
Other Governmental Funds	\$392,840	\$392,840
Totals	<u>\$392,840</u>	<u>\$392,840</u>

The interfund loans receivable/payable on the Governmental Balance Sheet include loans to the Triangle Tax Increment Fund to assist with cash flow issues.

#### **NOTE 7 - TRANSFERS**

Following is a summary of transfers in and out for all funds for 2020:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$0	\$1,109,000
Other Governmental Funds	1,829,000	720,000
Totals	<u>\$1,829,000</u>	<u>\$1,829,000</u>

Transfers are used to move revenues from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; to return money to the fund from which it was originally provided once a project is completed; and to transfer capital assets.

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# CITY OF MONTGOMERY, OHIO

## Notes to the Basic Financial Statements For the Year Ended December 31, 2020

### NOTE 8 - CAPITAL ASSETS

Summary by category of changes in governmental activities capital assets at December 31, 2020:

#### Historical Cost:

Class	December 31, 2019	Additions	Deletions	December 31, 2020
<b>Capital assets not being depreciated:</b>				
Land	\$23,684,504	\$0	(\$5,698,765)	\$17,985,739
Construction in Progress	3,564,128	7,968,678	(261,116)	11,271,690
Subtotal	27,248,632	7,968,678	(5,959,881)	29,257,429
<b>Capital assets being depreciated:</b>				
Buildings	16,702,590	47,269	0	16,749,859
Improvements Other than Buildings	5,934,830	253,885	0	6,188,715
Infrastructure	32,864,248	967,487	(127,951)	33,703,784
Machinery and Equipment	3,211,041	318,283	(17,859)	3,511,465
Subtotal	58,712,709	1,586,924	(145,810)	60,153,823
Total Cost	\$85,961,341	\$9,555,602	(\$6,105,691)	\$89,411,252

#### Accumulated Depreciation:

Class	December 31, 2019	Additions	Deletions	December 31, 2020
Buildings	(\$3,377,096)	(\$423,451)	\$0	(\$3,800,547)
Improvements Other than Buildings	(4,192,959)	(154,254)	0	(4,347,213)
Infrastructure	(12,264,059)	(822,871)	107,477	(12,979,453)
Machinery and Equipment	(1,476,985)	(390,363)	11,373	(1,855,975)
Total Depreciation	(\$21,311,099)	(\$1,790,939) *	\$118,850	(\$22,983,188)
<b>Net Value:</b>	<b>\$64,650,242</b>			<b>\$66,428,064</b>

\* Depreciation was charged to governmental functions as follows:

Public Safety	\$288,097
Parks and Recreation	106,764
Community Economic Development	16,699
Public Works	1,350,265
General Government	29,114
Total Depreciation Expense	<u>\$1,790,939</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS**

***Net Pension Liability***

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

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

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

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

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

***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 cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member's FAS for the first 30 years of service.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 3.00% COLA adjustment on the defined benefit portion of their benefit.

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. 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. 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% each year. For additional information, see the Plan Statement in the OPERS Comprehensive Annual Financial Report.

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$378,761 for 2020. Of this amount, \$29,896 is reported as an intergovernmental payable.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at [www.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 OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

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

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3.00% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3.00% of their base pension or disability benefit.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

	<u>Police</u>	<u>Firefighters</u>
<b>2020 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2020 through December 31, 2020	12.25 %	12.25 %
<b>2020 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2020 through December 31, 2020	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$773,118 for 2020. Of this amount, \$63,271 is reported as an intergovernmental payable.

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

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$3,615,340	\$9,697,059	\$13,312,399
Proportion of the Net Pension Liability-2020	0.018291%	0.143947%	
Proportion of the Net Pension Liability-2019	<u>0.018013%</u>	<u>0.126080%</u>	
Percentage Change	<u>0.000278%</u>	<u>0.017867%</u>	
Pension Expense	\$542,058	\$1,549,099	\$2,091,157

## ***CITY OF MONTGOMERY, OHIO***

### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2020***

#### **NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Changes in assumptions	\$193,101	\$238,036	\$431,137
Differences between expected and actual experience	0	367,065	367,065
Change in proportionate share	36,627	1,144,274	1,180,901
City contributions subsequent to the measurement date	<u>378,761</u>	<u>773,118</u>	<u>1,151,879</u>
Total Deferred Outflows of Resources	<u>\$608,489</u>	<u>\$2,522,493</u>	<u>\$3,130,982</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$721,179	\$468,446	\$1,189,625
Differences between expected and actual experience	45,710	500,119	545,829
Change in proportionate share	<u>34,064</u>	<u>30,316</u>	<u>64,380</u>
Total Deferred Inflows of Resources	<u>\$800,953</u>	<u>\$998,881</u>	<u>\$1,799,834</u>

\$1,151,879 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2021	(\$94,903)	\$201,988	\$107,085
2022	(219,831)	250,698	30,867
2023	29,865	454,824	484,689
2024	(286,356)	(197,602)	(483,958)
2025	<u>0</u>	<u>40,586</u>	<u>40,586</u>
Total	<u>(\$571,225)</u>	<u>\$750,494</u>	<u>\$179,269</u>

#### ***Actuarial Assumptions - OPERS***

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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2019 and December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2019
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	1.4 percent simple through 2020. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2018
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2018. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

**Discount Rate** The discount rate used to measure the total pension liability was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.2 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability	\$5,962,866	\$3,615,340	\$1,504,983

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

**Actuarial Assumptions – OPF**

OPF's total pension liability as of December 31, 2019 is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2019, compared with January 1, 2018, are presented below.

	January 1, 2019	January 1, 2018
Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

For the January 1, 2019 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 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

For the January 1, 2019 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 Modified 2016 Improvement Scale.



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

<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 long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2019 are summarized below:

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

\* levered 2x

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

***Discount Rate*** For 2019, the total pension liability was calculated using the discount rate of 8.00 percent. The discount rate used for 2018 was 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$13,439,787	\$9,697,059	\$6,566,638

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability***

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

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

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

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

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

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)**

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

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Comprehensive Annual Financial Report referenced below for additional information.

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

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

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

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)**

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2020. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2020.

***Plan Description – Ohio Police & 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.

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](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.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)**

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

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

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

The City's contractually required contribution to OP&F was \$18,559 for 2020. Of this amount, \$1,514 is reported as an intergovernmental payable.

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

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

	OPERS	OP&F	Total
Proportionate Share of the Net OPEB Liability	\$2,437,925	\$1,421,874	\$3,859,799
Proportion of the Net OPEB Liability-2020	0.017650%	0.143947%	
Proportion of the Net OPEB Liability-2019	0.017435%	0.126080%	
Percentage Change	0.000215%	0.017867%	
OPEB Expense	\$235,530	\$189,689	\$425,219

**CITY OF MONTGOMERY, OHIO****Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020****NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)**

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

	OPERS	OP&F	Total
<b>Deferred Outflows of Resources</b>			
Changes in assumptions	\$385,898	\$831,281	\$1,217,179
Differences between expected and actual experience	65	0	65
Change in proportionate share	16,272	221,610	237,882
City contributions subsequent to the measurement date	0	18,559	18,559
Total Deferred Outflows of Resources	<u>\$402,235</u>	<u>\$1,071,450</u>	<u>\$1,473,685</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on OPEB plan investments	\$124,136	\$65,432	\$189,568
Changes in assumptions	0	303,017	303,017
Differences between expected and actual experience	222,962	152,911	375,873
Change in proportionate share	23,960	0	23,960
Total Deferred Inflows of Resources	<u>\$371,058</u>	<u>\$521,360</u>	<u>\$892,418</u>

\$18,559 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2021	\$48,843	\$94,362	\$143,205
2022	35,280	94,360	129,640
2023	100	107,780	107,880
2024	(53,046)	86,621	33,575
2025	0	93,203	93,203
2026	0	34,915	34,915
2027	0	20,290	20,290
Total	<u>\$31,177</u>	<u>\$531,531</u>	<u>\$562,708</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)**

***Actuarial Assumptions - OPERS***

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

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

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.16 percent
Prior Measurement date	3.96 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior Measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.75 percent
Prior Measurement date	3.71 percent
Health Care Cost Trend Rate:	
Current measurement date	10.5 percent initial, 3.5 percent ultimate in 2030
Prior Measurement date	10.0 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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.



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)**

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

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

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

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

**Discount Rate** A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)**

The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

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

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
City's proportionate share of the net OPEB liability	\$3,190,414	\$2,437,925	\$1,835,424

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

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

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$2,365,983	\$2,437,925	\$2,508,948

***Changes between Measurement Date and Reporting Date***

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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)****Actuarial Assumptions – OP&F**

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

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

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

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

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Single discount rate	3.56 percent	4.66 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)**

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 prior experience study was completed December 31, 2011.

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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)**

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

\* levered 2x

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

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)**

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate*** The net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.56 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.56 percent), or one percentage point higher (4.56 percent) than the current rate.

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
City's proportionate share of the net OPEB liability	\$1,763,030	\$1,421,874	\$1,138,394

***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.

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# CITY OF MONTGOMERY, OHIO

## Notes to the Basic Financial Statements For the Year Ended December 31, 2020

### NOTE 11 - DEBT AND OTHER LONG-TERM OBLIGATIONS

Detail of the changes in the debt and other long-term obligations of the City for the year ended December 31, 2020 is as follows:

		Balance December 31, 2019	Issued	(Retired)	Balance December 31, 2020	Amount Due Within One Year
<b>Governmental Activities Debt:</b>						
Special Obligation TIF Bonds:						
1.97-3.25% Vintage Club Improvements Refunding	2019	\$11,550,000	\$0	(\$530,000)	\$11,020,000	\$530,000
3.38-5.00% Vintage Club Improvements Phase II	2018	5,695,000	0	(30,000)	5,665,000	40,000
0.84-3.56% Montgomery Quarter Phase I	2020	0	22,905,000	0	22,905,000	0
		17,245,000	22,905,000	(560,000)	39,590,000	570,000
Premium (Discount)		406,370	0	(22,576)	383,794	0
Total Special Obligation TIF Bonds		17,651,370	22,905,000	(582,576)	39,973,794	570,000
Long-term Notes:						
1.50% Montgomery Quarter Infrastructure	2020	0	7,500,000	0	7,500,000	375,000
Premium (Discount)		0	81,900	(45,728)	36,172	0
Total Long-term Notes		0	7,581,900	(45,728)	7,536,172	375,000
Special Assessment Bonds						
With Governmental Commitment:						
2.00-3.80% Public Improvement Refunding	2003	215,000	0	(170,000)	45,000	45,000
<b>Governmental Activities Other Long-Term Obligations:</b>						
Compensated Absences		1,042,629	552,520	(489,358)	1,105,791	526,976
Total Governmental Activities		\$18,908,999	\$31,039,420	(\$1,287,662)	\$48,660,757	\$1,516,976

The principal amount of the City's special assessment debt outstanding at December 31, 2020 of \$45,000 is general obligation debt (backed by the full faith and credit of the City) that is to be retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. The fund balance of \$81,789 in the Reserve of Montgomery Bond Retirement Fund at December 31, 2020 is restricted for the retirement of outstanding special assessment bonds.

In December 2019 the City defeased \$11,755,000 of Vintage Club Improvement Bonds through the issuance of \$11,550,000 Vintage Club Improvement Refunding Bonds, as well as additional cash on hand. The proceeds of the refunding bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$11,290,000 at December 31, 2020 are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 11 - DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)****A. Principal and Interest Requirements**

Principal and interest requirements to retire long-term debt outstanding at December 31, 2020 are as follows:

Years	Special Obligation Bonds		Special Assessment Bonds		Long-term Notes	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$570,000	\$1,171,889	\$45,000	\$1,710	\$375,000	\$112,500
2022	580,000	1,198,310	0	0	375,000	112,187
2023	650,000	1,185,612	0	0	375,000	101,250
2024	1,050,000	1,169,638	0	0	375,000	95,625
2025	1,385,000	1,146,780	0	0	375,000	90,000
2026-2030	7,845,000	5,161,757	0	0	1,875,000	365,625
2031-2035	9,270,000	3,955,585	0	0	1,875,000	225,000
2036-2040	6,805,000	2,512,862	0	0	1,875,000	84,375
2041-2045	5,115,000	1,653,715	0	0	0	0
2046-2050	6,320,000	693,274	0	0	0	0
Totals	<u>\$39,590,000</u>	<u>\$19,849,422</u>	<u>\$45,000</u>	<u>\$1,710</u>	<u>\$7,500,000</u>	<u>\$1,186,562</u>

**NOTE 12 – COMPENSATED ABSENCES**

The costs of vacation time, compensatory time in lieu of overtime, and sick leave benefits are recorded as they are earned. Employees earn sick leave up to a maximum of 960 hours and vacation leave at varying rates based upon length of service, with a maximum accumulation of the amount earned over a two-year period. Upon retirement and, in certain instances, termination, an individual will be compensated for his/her accumulated sick leave at a maximum rate of 50%. If a full-time employee has accumulated 864 hours or more of unused sick leave, the employee may redeem sick leave hours at the employee's current rate of pay at the rate of one hour of compensation for each three hours of sick leave redeemed.

As of December 31, 2020, the liability for unpaid compensated absences was \$1,105,791 for all funds of the City, a net increase of \$63,162 from the amount at December 31, 2019 of \$1,042,629.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 13 – RISK MANAGEMENT**

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. In 1992 the City entered into a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) with other local cities. As of December 31, 2020, the pool has twenty two members. The pool has been operational since December of 1988 and was formed in accordance with Section 2744 of the Ohio Revised Code. This jointly governed organization provides real and personal property, crime, surety, general liability, boiler and machinery, employment practices liability, police professional and public official liability coverage up to the limits stated below. Membership in MVRMA is intended to provide broad based coverage up to the limits stated below, with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate. MVRMA is a non-profit corporation governed by a twenty two member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote.

Management is provided by an Executive Director, who is assisted by a Claims Manager, a full-time Loss Control Manager and office staff. The board is responsible for its own financial matters and the corporation maintains its own books of account. Budgeting and financing of MVRMA is subject to the approval of the board, and the organization is covered by policies, procedures, and formally adopted bylaws.

The individual MVRMA, Inc. members are not considered "participants having equity interest" as defined by GASB Statement No. 14 since members have no rights to any assets of MVRMA, Inc. other than possible residual claims upon dissolution. The risk of loss is transferred from the City to the pool. Therefore, MVRMA, Inc. is a multi-jurisdictional arrangement that has the characteristics of a joint venture but has additional features that distinguish it, for financial reporting purposes, from the traditional joint venture defined in GASB Statement No. 14.

The following is a summary of insurance coverages at year end:

Pollution Liability	\$2,000,000	per occurrence
Public Officials/Personal Injury	12,000,000	per occurrence
Property	1,000,000,000	per occurrence
Boiler and Machinery	100,000,000	per occurrence
Flood	25,000,000	per occurrence and aggregate
Cyber Liability	2,000,000	per occurrence and aggregate
Earthquake (Property)	25,000,000	per occurrence and aggregate

The member deductible per occurrence for all types of claims is \$2,500.

MVRMA issues a stand-alone financial report that includes financial statements and required supplementary information for MVRMA, Inc. Interested parties may obtain a copy by making a written request to 3085 Woodman Drive, Suite 200 Kettering, Ohio 45420.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020***

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**NOTE 13 – RISK MANAGEMENT (Continued)**

Workers' Compensation claims are covered under the State of Ohio Bureau of Workers' Compensation. The City participates in the Ohio Municipal League's Workers' Compensation Retrospective Rating Program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on the group's accident history and administrative costs. The City also pays unemployment claims to the State of Ohio as incurred.

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

**NOTE 14 – ACCOUNTABILITY**

The fund deficit at December 31, 2020 of \$322,139 in the Triangle Tax Increment Fund was the result of recognizing interfund loans payable on the modified accrual basis, which result in expenditures greater than those on the cash basis. A deficit does not exist on a cash basis. The General Fund provides transfers, upon City Council's approval, when cash is required, not when accruals occur.

**NOTE 15 – CONTINGENCIES**

The City is a party to various legal proceedings, which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect on the financial condition of the City.

**NOTE 16 – SIGNIFICANT COMMITMENTS**

At December 31, 2020 the City had encumbrance commitments in the Governmental Funds as follows:

<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$61,798
Fire Protection/EMS Fund	223,147
Other Governmental Funds	<u>2,873,415</u>
Total Governmental Funds	<u><u>\$3,158,360</u></u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2020**

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**NOTE 16 – SIGNIFICANT COMMITMENTS (Continued)**

The City had the following contractual commitments at December 31, 2020:

Project	Remaining Contractual Commitment	Expected Date of Completion
Montgomery Quarter Roundabout Design	\$1,532,785	2021
Vintage Club Construction	788,734	2021
Vehicle	206,000	2021
Pfeiffer Rd Roundabout Design	57,433	2021
Montgomery Quarter Design	27,236	2021
Park Equipment/Maintenance	24,671	2021
Fleet Study	20,000	2021
Building repair/Maintenance	18,278	2021
Miscellaneous maintenance and repair	16,913	2021
Supplies	16,482	2021
Sidewalk replacement	15,201	2021
Downtown Study	10,000	2021
Codification of Ordinances	8,000	2021
Paving	4,500	2021
Software	3,586	2021
Law Enforcement Equipment	2,366	2021
	<u>\$2,752,185</u>	

**NOTE 17 – COVID-19**

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

**NOTE 18 – SUBSEQUENT EVENT**

On May 5, 2021, the City approved via ordinance the issuance of \$7,500,000 in Notes for the purpose of Public Infrastructure Improvements.



*REQUIRED SUPPLEMENTARY INFORMATION*

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***Schedule of City's Proportionate Share of the Net Pension Liability  
Last Seven Years***

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**Ohio Public Employees Retirement System**

Fiscal Year	2014	2015	2016
City's proportion of the net pension liability (asset)	0.019235%	0.019235%	0.018781%
City's proportionate share of the net pension liability (asset)	\$2,267,556	\$2,319,956	\$3,253,093
City's covered payroll	\$2,484,715	\$2,378,800	\$2,409,608
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	91.26%	97.53%	135.01%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

**Ohio Police and Fire Pension Fund**

Fiscal Year	2014	2015	2016
City's proportion of the net pension liability (asset)	0.120189%	0.120189%	0.121738%
City's proportionate share of the net pension liability (asset)	\$5,853,615	\$6,226,327	\$7,831,504
City's covered payroll	\$2,416,973	\$2,468,266	\$2,599,662
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	242.19%	252.26%	301.25%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability, which is the prior year end.

See accompanying notes to the required supplementary information

***CITY OF MONTGOMERY, OHIO***

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<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
0.019403%	0.018644%	0.018013%	0.018291%
\$4,406,031	\$2,924,875	\$4,933,395	\$3,615,340
\$2,508,225	\$2,463,823	\$2,432,964	\$2,594,079
175.66%	118.71%	202.77%	139.37%
77.25%	84.66%	74.70%	82.17%
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
0.122559%	0.123872%	0.126080%	0.143947%
\$7,762,786	\$7,602,584	\$10,291,459	\$9,697,059
\$2,644,822	\$2,796,625	\$2,946,123	\$3,509,128
293.51%	271.85%	349.32%	276.34%
68.36%	70.91%	63.07%	69.89%

**CITY OF MONTGOMERY, OHIO**

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***Schedule of City Pension Contributions  
Last Eight Years***

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**Ohio Public Employees Retirement System**

Fiscal Year	2013	2014	2015
Contractually required contribution	\$323,013	\$285,456	\$289,153
Contributions in relation to the contractually required contribution	323,013	285,456	289,153
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$2,484,715	\$2,378,800	\$2,409,608
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

**Ohio Police and Fire Pension Fund**

Fiscal Year	2013	2014	2015
Contractually required contribution	\$412,819	\$502,539	\$522,272
Contributions in relation to the contractually required contribution	412,819	502,539	522,272
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$2,416,973	\$2,468,266	\$2,599,662
Contributions as a percentage of covered payroll	17.08%	20.36%	20.09%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2013 is not available.

See accompanying notes to the required supplementary information



***CITY OF MONTGOMERY, OHIO***

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<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$300,987	\$320,297	\$340,615	\$363,171	\$378,761
<u>300,987</u>	<u>320,297</u>	<u>340,615</u>	<u>363,171</u>	<u>378,761</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,508,225	\$2,463,823	\$2,432,964	\$2,594,079	\$2,705,436
12.00%	13.00%	14.00%	14.00%	14.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$541,043	\$572,262	\$602,975	\$729,074	\$773,118
<u>541,043</u>	<u>572,262</u>	<u>602,975</u>	<u>729,074</u>	<u>773,118</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,644,822	\$2,796,625	\$2,946,123	\$3,509,128	\$3,711,738
20.46%	20.46%	20.47%	20.78%	20.83%



**CITY OF MONTGOMERY, OHIO*****Schedule of City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability  
Last Four Years*****Ohio Public Employees Retirement System**

Year	2017	2018	2019	2020
City's proportion of the net OPEB liability (asset)	0.018793%	0.018021%	0.017435%	0.017650%
City's proportionate share of the net OPEB liability (asset)	\$1,898,168	\$1,956,925	\$2,273,113	\$2,437,925
City's covered payroll	\$2,508,225	\$2,463,823	\$2,432,964	\$2,594,079
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	75.68%	79.43%	93.43%	93.98%
Plan fiduciary net position as a percentage of the total OPEB liability	54.50%	54.14%	46.33%	47.80%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

**Ohio Police and Fire Pension Fund**

Year	2017	2018	2019	2020
City's proportion of the net OPEB liability (asset)	0.122559%	0.123872%	0.126080%	0.143947%
City's proportionate share of the net OPEB liability (asset)	\$5,817,617	\$7,018,415	\$1,148,153	\$1,421,874
City's covered payroll	\$2,644,822	\$2,796,625	\$2,946,123	\$3,509,128
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	219.96%	250.96%	38.97%	40.52%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%	47.08%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2016 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability, which is the prior year end.

See accompanying notes to the required supplementary information

**CITY OF MONTGOMERY, OHIO**

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***Schedule of City's Other Postemployment Benefit (OPEB) Contributions  
Last Eight Years***

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**Ohio Public Employees Retirement System**

Year	2013	2014	2015
Contractually required contribution	\$24,847	\$47,576	\$48,192
Contributions in relation to the contractually required contribution	24,847	47,576	48,192
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$2,484,715	\$2,378,800	\$2,409,608
Contributions as a percentage of covered payroll	1.00%	2.00%	2.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

**Ohio Police and Fire Pension Fund**

Year	2013	2014	2015
Contractually required contribution	\$86,355	\$12,341	\$12,998
Contributions in relation to the contractually required contribution	86,355	12,341	12,998
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$2,416,973	\$2,468,266	\$2,599,662
Contributions as a percentage of covered payroll	3.57%	0.50%	0.50%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2013 is not available.

See accompanying notes to the required supplementary information

***CITY OF MONTGOMERY, OHIO***

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<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$50,165	\$24,638	\$0	\$0	\$0
<u>50,165</u>	<u>24,638</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,508,225	\$2,463,823	\$2,432,964	\$2,594,079	\$2,705,436
2.00%	1.00%	0.00%	0.00%	0.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$13,224	\$13,983	\$14,731	\$17,546	\$18,559
<u>13,224</u>	<u>13,983</u>	<u>14,731</u>	<u>17,546</u>	<u>18,559</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,644,822	\$2,796,625	\$2,946,123	\$3,509,128	\$3,711,738
0.50%	0.50%	0.50%	0.50%	0.50%

***Notes to the Required Supplementary Information  
For the Year Ended December 31, 2020***

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**NET PENSION LIABILITY**

**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

*Changes in benefit terms:* There were no changes in benefit terms for the period 2014-2020.

*Changes in assumptions:*

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality Table.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

2020: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

**OHIO POLICE AND FIRE (OP&F) PENSION FUND**

*Changes in benefit terms:* There were no changes in benefit terms for the period 2014-2020.

*Changes in assumptions:*

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

***Notes to the Required Supplementary Information  
For the Year Ended December 31, 2020***

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**NET PENSION LIABILITY** (Continued)

**OHIO POLICE AND FIRE (OP&F) PENSION FUND** (Continued)

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%
- For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006
- For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006

2019-2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

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***Notes to the Required Supplementary Information  
For the Year Ended December 31, 2020***

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**NET OPEB LIABILITY**

**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

*Changes in benefit terms:* There were no changes in benefit terms for the periods 2018-2020.

*Changes in assumptions:*

For 2018, the single discount rate changed from 4.23% to 3.85%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

**OHIO POLICE AND FIRE (OP&F) PENSION FUND**

*Changes in benefit terms:*

2018: There were no changes in benefit terms.

2019: The retiree health care model and the current self-insured health care plan were replaced with a stipend-based health care model.

2020: There were no changes in benefit terms.

*Changes in assumptions:*

2018: The single discount rate changed from 3.79% to 3.24%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.24% to 4.66%.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.66% to 3.56%.



***COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES***

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***THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE  
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS AND FIDUCIARY  
FUNDS.***

***Nonmajor Governmental Funds***

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***Special Revenue Funds***

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Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

**Compensated Absences Fund**

To account for transfers in to be used for payout of accumulated sick and vacation time upon resignation or retirement. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

**Memorial Fund**

To account for revenue that is donated for special purchases, most notably trees and benches.

**Parks and Recreation Fundraising Fund**

To account for monies received from gifts and donations given to the City to support projects that will enhance the city's parks and gateways.

**Law Enforcement Fund**

To account for revenues received by the Police Department for contraband per state statute.

**Drug Law Enforcement Fund**

To account for revenues received from mandatory fines for drug offenses.

**DUI Enforcement and Education Fund**

To account for resources used to educate the public regarding laws governing the operation of motor vehicles while under the influence of alcohol.

**Mayor's Court Technology Fund**

To account for the assessment fee charged to each issued citation to be used only for the purchase and maintenance of computerizing the Mayor's Court operations.

**Community Oriented Policing Services (COPS) Grant Fund**

To account for federal grant monies designated for the cost of additional police officers.

**Law Enforcement Assistance Fund**

To account for reimbursements received from the State of Ohio for continuing professional training programs for police officers.

**Environmental Impact Tax Fund**

To account for revenue that is generated from fees attached to the new development in the City which is matched with City funds.

(Continued)

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***Special Revenue Funds (Continued)***

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**Street Construction, Maintenance and Repair Fund**

To account for revenues distributed by the State from the motor vehicle registration and gasoline tax. Expenditures may only be used for City street construction, maintenance and repair.

**State Highway Fund**

To account for the portion of the state gasoline tax designated for construction, maintenance and repair of State highways located within the City.

**Permissive Motor Vehicle License Fund**

To account for the permissive auto license taxes levied for street construction, maintenance and repairs.

**Municipal Pool Fund**

To account for the operations of the municipal pool run by the City.

**Cemetery Fund**

To account for revenues generated from operating the City owned Hopewell Cemetery. The revenues are used to maintain the property.

**Montgomery Community Improvement Corporation (CIC) Fund**

To account for the activities of the Montgomery Community Improvement Corporation (CIC). The CIC was created to provide economic development loans. (This fund is not part of the City's appropriated budget, therefore no budgetary schedule is presented.)

**Contractor Deposits Fund**

To account for bond payments made by contractors working within the City to ensure their project is completed within City requirements.

**Coronavirus Relief Fund**

This fund is used to account for Coronavirus Relief funds received through passage of the CARES Act. These funds can be used for necessary expenditures incurred due to the Covid-19 public health emergency. (The Balance Sheet is not presented because there are no assets or liabilities at year end).

**CARES Act Payroll Relief Fund**

To account for payroll relief payments to employees who work for the City made possible by the passage of the CARES Act. (The Balance Sheet is not presented because there are no assets or liabilities at year end).

**Unclaimed Monies Fund**

To account for funds which rightfully belong to the payor and are refunded when the payor provides proof of claim for the funds within the period specified by law. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

***Debt Service Funds***

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The debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for the payment.

**Special Assessment Bond Retirement Fund**

To account for the accumulation of special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of principal and interest on the City's special assessment bonds.

**General Obligation Bond Retirement Fund**

To account for payments of principal and interest on the City's general obligation bonds. Revenues for this purpose include income taxes and investment income.

**Vintage Club North Tax Increment Fund**

To account for service payments (in lieu of taxes) as a result of the Vintage Club tax increment financing agreement. These monies will pay the debt service on money borrowed to complete improvements around the project site.

**Reserve of Montgomery Bond Retirement Fund**

This fund is used to account for accumulation of resources set up to fund the community improvement district that is part of the Great Traditions project and will be paid back as part of a thirty year special assessment.

**Montgomery Quarter Tax Increment Fund**

To account for service payments (in lieu of taxes) as a result of the Montgomery Quarter tax increment financing agreement. These monies will pay the debt service on money borrowed to complete improvements around the project site. (This fund is not part of the City's appropriated budget, therefore no budgetary schedule is presented.)

***Capital Projects Funds***

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The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

**Capital Improvement Fund**

To account for monies set aside for improvements in the City.

**Downtown Improvement Fund**

To account for monies set aside for improvements in the downtown/heritage district of the City.

**Triangle Tax Increment Fund**

To account for revenues and expenditures as part of the Tax Increment Financing for redevelopment of the Property at 9356 Montgomery Road also known as the Triangle.

(Continued)

***Capital Projects Funds (Continued)***

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**Montgomery Quarter Roundabout Fund**

To account for debt proceeds and other sources to be used for traffic pattern roundabout improvements in the Montgomery Quarter.

**Urban Redevelopment Fund**

To account for the lease payments received from the Village Corner and Montgomery Commons projects in the downtown area.

**Vintage Club Capital Improvement Fund**

To account for infrastructure improvements at the Vintage Club housing development to be financed by tax increment financing bonds.

***Permanent Fund***

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The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the City's programs.

**Arts and Amenities Fund**

To account for donations and other income to be used for the Arts Commission and the Sister Cities Commission.

# CITY OF MONTGOMERY, OHIO

## Combining Balance Sheet Nonmajor Governmental Funds December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 5,497,033	\$ 1,029,605	\$ 6,063,820	\$ 638,986	\$ 13,229,444
Investments	0	0	5,376,248	0	5,376,248
Receivables:					
Taxes	25,249	0	625,902	0	651,151
Accounts	800	0	0	0	800
Intergovernmental	360,035	0	0	0	360,035
Interest	0	0	7,460	0	7,460
Special Assessments	0	928,983	0	0	928,983
Interfund Loans Receivable	0	0	392,840	0	392,840
Prepaid Items	9,526	0	630	795	10,951
Restricted Assets:					
Investments	0	3,530,878	0	0	3,530,878
<b>Total Assets</b>	<b>\$ 5,892,643</b>	<b>\$ 5,489,466</b>	<b>\$ 12,466,900</b>	<b>\$ 639,781</b>	<b>\$ 24,488,790</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 24,996	\$ 0	\$ 160,748	\$ 0	\$ 185,744
Accrued Wages and Benefits Payable	20,120	0	0	0	20,120
Intergovernmental Payable	1,161	0	0	0	1,161
Interfund Loans Payable	0	0	392,840	0	392,840
<b>Total Liabilities</b>	<b>46,277</b>	<b>0</b>	<b>553,588</b>	<b>0</b>	<b>599,865</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable Amounts	226,568	928,983	263,663	0	1,419,214
Property Tax Levy for Next Fiscal Year	0	0	143,870	0	143,870
<b>Total Deferred Inflows of Resources</b>	<b>226,568</b>	<b>928,983</b>	<b>407,533</b>	<b>0</b>	<b>1,563,084</b>
<b>Fund Balances:</b>					
Nonspendable	9,526	0	630	379,528	389,684
Restricted	5,610,272	4,560,483	6,436,361	260,253	16,867,369
Assigned	0	0	5,390,927	0	5,390,927
Unassigned	0	0	(322,139)	0	(322,139)
<b>Total Fund Balances</b>	<b>5,619,798</b>	<b>4,560,483</b>	<b>11,505,779</b>	<b>639,781</b>	<b>22,325,841</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 5,892,643</b>	<b>\$ 5,489,466</b>	<b>\$ 12,466,900</b>	<b>\$ 639,781</b>	<b>\$ 24,488,790</b>

# CITY OF MONTGOMERY, OHIO

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 50,826	\$ 0	\$ 2,215,691	\$ 0	\$ 2,266,517
Intergovernmental Revenues	1,468,995	0	250,000	0	1,718,995
Charges for Services	266,689	0	0	1,040	267,729
Licenses, Permits and Fees	21,000	0	0	0	21,000
Investment Earnings	10,353	6,519	59,503	4,187	80,562
Special Assessments	1,725	181,274	0	0	182,999
Fines and Forfeitures	9,404	0	0	0	9,404
All Other Revenue	117,353	0	2,812	0	120,165
<b>Total Revenues</b>	<b>1,946,345</b>	<b>187,793</b>	<b>2,528,006</b>	<b>5,227</b>	<b>4,667,371</b>
<b>Expenditures:</b>					
Current:					
Public Safety	1,062,242	0	0	0	1,062,242
Parks and Recreation	215,160	0	0	13,742	228,902
Community Economic Development	48,503	0	0	0	48,503
Public Works	1,119,528	0	0	0	1,119,528
General Government	35,423	6,759	91,989	0	134,171
Capital Outlay	0	0	3,986,446	0	3,986,446
Debt Service:					
Principal Retirement	0	200,000	0	0	200,000
Interest and Fiscal Charges	0	771,458	0	0	771,458
<b>Total Expenditures</b>	<b>2,480,856</b>	<b>978,217</b>	<b>4,078,435</b>	<b>13,742</b>	<b>7,551,250</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(534,511)	(790,424)	(1,550,429)	(8,515)	(2,883,879)
<b>Other Financing Sources (Uses):</b>					
Sale of Capital Assets	2,092,161	0	0	0	2,092,161
Premium on Debt Issuance	0	81,900	0	0	81,900
Special Obligation Bonds Issued	0	3,905,000	1,000,000	0	4,905,000
Transfers In	1,109,000	0	720,000	0	1,829,000
Transfers Out	0	0	(720,000)	0	(720,000)
<b>Total Other Financing Sources (Uses)</b>	<b>3,201,161</b>	<b>3,986,900</b>	<b>1,000,000</b>	<b>0</b>	<b>8,188,061</b>
Net Change in Fund Balances	2,666,650	3,196,476	(550,429)	(8,515)	5,304,182
<b>Fund Balances at Beginning of Year</b>	<b>2,953,148</b>	<b>1,364,007</b>	<b>12,056,208</b>	<b>648,296</b>	<b>17,021,659</b>
<b>Fund Balances End of Year</b>	<b>\$ 5,619,798</b>	<b>\$ 4,560,483</b>	<b>\$ 11,505,779</b>	<b>\$ 639,781</b>	<b>\$ 22,325,841</b>

**CITY OF MONTGOMERY, OHIO**

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**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2020**

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	Memorial	Parks and Recreation Fundraising	Law Enforcement	Drug Law Enforcement
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 38,881	\$ 10,335	\$ 207,515	\$ 5,634
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	0	0	0
Prepaid Items	0	0	0	0
<b>Total Assets</b>	<u>\$ 38,881</u>	<u>\$ 10,335</u>	<u>\$ 207,515</u>	<u>\$ 5,634</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 240	\$ 0	\$ 58	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
<b>Total Liabilities</b>	<u>240</u>	<u>0</u>	<u>58</u>	<u>0</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances:</b>				
Nonspendable	0	0	0	0
Restricted	38,641	10,335	207,457	5,634
<b>Total Fund Balances</b>	<u>38,641</u>	<u>10,335</u>	<u>207,457</u>	<u>5,634</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 38,881</u>	<u>\$ 10,335</u>	<u>\$ 207,515</u>	<u>\$ 5,634</u>



***CITY OF MONTGOMERY, OHIO***

DUI Enforcement and Education	Mayor's Court Technology	COPS Grant	Law Enforcement Assistance	Environmental Impact Tax	Street Construction Maintenance and Repair
\$ 14,996	\$ 56,803	\$ 66,989	\$ 15,520	\$ 261,840	\$ 1,574,262
0	0	0	0	0	0
0	0	0	0	0	0
0	0	45,432	0	0	278,976
0	160	1,712	0	0	7,654
<u>\$ 14,996</u>	<u>\$ 56,963</u>	<u>\$ 114,133</u>	<u>\$ 15,520</u>	<u>\$ 261,840</u>	<u>\$ 1,860,892</u>
\$ 0	\$ 25	\$ 0	\$ 0	\$ 0	\$ 16,412
0	0	2,876	0	0	17,244
0	0	0	0	0	558
<u>0</u>	<u>25</u>	<u>2,876</u>	<u>0</u>	<u>0</u>	<u>34,214</u>
0	0	0	0	0	185,984
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>185,984</u>
0	160	1,712	0	0	7,654
14,996	56,778	109,545	15,520	261,840	1,633,040
<u>14,996</u>	<u>56,938</u>	<u>111,257</u>	<u>15,520</u>	<u>261,840</u>	<u>1,640,694</u>
<u>\$ 14,996</u>	<u>\$ 56,963</u>	<u>\$ 114,133</u>	<u>\$ 15,520</u>	<u>\$ 261,840</u>	<u>\$ 1,860,892</u>

(Continued)

**CITY OF MONTGOMERY, OHIO****Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2020**

	State Highway	Permissive Motor Vehicle License	Municipal Pool	Cemetery
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 95,477	\$ 170,822	\$ 243,779	\$ 439,191
Receivables:				
Taxes	0	25,249	0	0
Accounts	0	0	0	800
Intergovernmental	22,620	13,007	0	0
Prepaid Items	0	0	0	0
<b>Total Assets</b>	<b>\$ 118,097</b>	<b>\$ 209,078</b>	<b>\$ 243,779</b>	<b>\$ 439,991</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 57	\$ 998	\$ 362	\$ 3,844
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	595	8
<b>Total Liabilities</b>	<b>57</b>	<b>998</b>	<b>957</b>	<b>3,852</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	15,080	25,504	0	0
<b>Total Deferred Inflows of Resources</b>	<b>15,080</b>	<b>25,504</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	0	0
Restricted	102,960	182,576	242,822	436,139
<b>Total Fund Balances</b>	<b>102,960</b>	<b>182,576</b>	<b>242,822</b>	<b>436,139</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 118,097</b>	<b>\$ 209,078</b>	<b>\$ 243,779</b>	<b>\$ 439,991</b>

**CITY OF MONTGOMERY, OHIO**

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Montgomery CIC	Contractor Deposits	Total Nonmajor Special Revenue Funds
\$ 2,134,186	\$ 160,803	\$ 5,497,033
0	0	25,249
0	0	800
0	0	360,035
0	0	9,526
<u>\$ 2,134,186</u>	<u>\$ 160,803</u>	<u>\$ 5,892,643</u>
\$ 3,000	\$ 0	\$ 24,996
0	0	20,120
0	0	1,161
<u>3,000</u>	<u>0</u>	<u>46,277</u>
0	0	226,568
<u>0</u>	<u>0</u>	<u>226,568</u>
0	0	9,526
<u>2,131,186</u>	<u>160,803</u>	<u>5,610,272</u>
<u>2,131,186</u>	<u>160,803</u>	<u>5,619,798</u>
<u>\$ 2,134,186</u>	<u>\$ 160,803</u>	<u>\$ 5,892,643</u>

**CITY OF MONTGOMERY, OHIO****Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020**

	Memorial	Parks and Recreation Fundraising	Law Enforcement	Drug Law Enforcement
<b>Revenues:</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Licenses, Permits and Fees	0	0	0	0
Investment Earnings	0	0	0	0
Special Assessments	0	0	0	0
Fines and Forfeitures	0	0	35	345
All Other Revenue	3,750	0	0	0
<b>Total Revenues</b>	<u>3,750</u>	<u>0</u>	<u>35</u>	<u>345</u>
<b>Expenditures:</b>				
Current:				
Public Safety	0	0	75,127	0
Parks and Recreation	1,984	0	0	0
Community Economic Development	0	0	0	0
Public Works	0	0	0	0
General Government	0	0	0	0
<b>Total Expenditures</b>	<u>1,984</u>	<u>0</u>	<u>75,127</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,766	0	(75,092)	345
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	1,766	0	(75,092)	345
<b>Fund Balances at Beginning of Year</b>	<u>36,875</u>	<u>10,335</u>	<u>282,549</u>	<u>5,289</u>
<b>Fund Balances End of Year</b>	<u>\$ 38,641</u>	<u>\$ 10,335</u>	<u>\$ 207,457</u>	<u>\$ 5,634</u>

***CITY OF MONTGOMERY, OHIO***

DUI Enforcement and Education	Mayor's Court Technology	COPS Grant	Law Enforcement Assistance	Environmental Impact Tax	Street Construction Maintenance and Repair
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	12,301	0	0	564,391
0	0	104,164	0	0	0
0	0	0	0	21,000	0
0	0	0	0	0	5,977
0	0	0	0	1,725	0
358	8,666	0	0	0	0
0	0	14	0	0	54,416
358	8,666	116,479	0	22,725	624,784
632	2,920	163,207	0	0	0
0	0	0	0	0	0
0	0	0	0	323	0
0	0	0	0	0	934,500
0	0	0	0	0	0
632	2,920	163,207	0	323	934,500
(274)	5,746	(46,728)	0	22,402	(309,716)
0	0	0	0	0	565
0	0	120,000	0	24,000	900,000
0	0	120,000	0	24,000	900,565
(274)	5,746	73,272	0	46,402	590,849
15,270	51,192	37,985	15,520	215,438	1,049,845
\$ 14,996	\$ 56,938	\$ 111,257	\$ 15,520	\$ 261,840	\$ 1,640,694

(Continued)

**CITY OF MONTGOMERY, OHIO****Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020**

	State Highway	Permissive Motor Vehicle License	Municipal Pool	Cemetery
<b>Revenues:</b>				
Taxes	\$ 0	\$ 50,826	\$ 0	\$ 0
Intergovernmental Revenues	45,764	26,183	0	0
Charges for Services	0	0	77,583	84,942
Licenses, Permits and Fees	0	0	0	0
Investment Earnings	705	1,010	0	2,606
Special Assessments	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	250	0
<b>Total Revenues</b>	<b>46,469</b>	<b>78,019</b>	<b>77,833</b>	<b>87,548</b>
<b>Expenditures:</b>				
Current:				
Public Safety	0	0	0	0
Parks and Recreation	0	0	213,176	0
Community Economic Development	0	0	0	0
Public Works	38,958	92,189	0	53,881
General Government	0	0	0	0
<b>Total Expenditures</b>	<b>38,958</b>	<b>92,189</b>	<b>213,176</b>	<b>53,881</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,511	(14,170)	(135,343)	33,667
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	15,000	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>0</b>
Net Change in Fund Balances	7,511	(14,170)	(120,343)	33,667
<b>Fund Balances at Beginning of Year</b>	<b>95,449</b>	<b>196,746</b>	<b>363,165</b>	<b>402,472</b>
<b>Fund Balances End of Year</b>	<b>\$ 102,960</b>	<b>\$ 182,576</b>	<b>\$ 242,822</b>	<b>\$ 436,139</b>

# ***CITY OF MONTGOMERY, OHIO***

Montgomery CIC	Contractor Deposits	Coronavirus Relief	Cares Act Payroll Relief	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 50,826
0	0	311,102	509,254	1,468,995
0	0	0	0	266,689
0	0	0	0	21,000
55	0	0	0	10,353
0	0	0	0	1,725
0	0	0	0	9,404
0	58,923	0	0	117,353
55	58,923	311,102	509,254	1,946,345
0	0	311,102	509,254	1,062,242
0	0	0	0	215,160
48,180	0	0	0	48,503
0	0	0	0	1,119,528
0	35,423	0	0	35,423
48,180	35,423	311,102	509,254	2,480,856
(48,125)	23,500	0	0	(534,511)
2,091,596	0	0	0	2,092,161
50,000	0	0	0	1,109,000
2,141,596	0	0	0	3,201,161
2,093,471	23,500	0	0	2,666,650
37,715	137,303	0	0	2,953,148
\$ 2,131,186	\$ 160,803	\$ 0	\$ 0	\$ 5,619,798

# CITY OF MONTGOMERY, OHIO

## Combining Balance Sheet Nonmajor Debt Service Funds December 31, 2020

	Special Assessment Bond Retirement	General Obligation Bond Retirement	Vintage Club North Tax Increment	Reserve of Montgomery Bond Retirement	Montgomery Quarter Tax Increment	Total Nonmajor Debt Service Funds
<b>Assets:</b>						
Cash and Cash Equivalents	\$ 179,528	\$ 768,288	\$ 0	\$ 81,789	\$ 0	\$ 1,029,605
Receivables:						
Special Assessments	0	0	0	928,983	0	928,983
Restricted Assets:						
Investments	0	0	118,308	0	3,412,570	3,530,878
<b>Total Assets</b>	<u>\$ 179,528</u>	<u>\$ 768,288</u>	<u>\$ 118,308</u>	<u>\$ 1,010,772</u>	<u>\$ 3,412,570</u>	<u>\$ 5,489,466</u>
<b>Liabilities:</b>						
<b>Total Liabilities</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Deferred Inflows of Resources:</b>						
Unavailable Amounts	0	0	0	928,983	0	928,983
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>928,983</u>	<u>0</u>	<u>928,983</u>
<b>Fund Balances:</b>						
Restricted	179,528	768,288	118,308	81,789	3,412,570	4,560,483
<b>Total Fund Balances</b>	<u>179,528</u>	<u>768,288</u>	<u>118,308</u>	<u>81,789</u>	<u>3,412,570</u>	<u>4,560,483</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 179,528</u>	<u>\$ 768,288</u>	<u>\$ 118,308</u>	<u>\$ 1,010,772</u>	<u>\$ 3,412,570</u>	<u>\$ 5,489,466</u>



# CITY OF MONTGOMERY, OHIO

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Debt Service Funds For the Year Ended December 31, 2020

	Special Assessment Bond Retirement	General Obligation Bond Retirement	Vintage Club North Tax Increment	Reserve of Montgomery Bond Retirement	Montgomery Quarter Tax Increment	Total Nonmajor Debt Service Funds
<b>Revenues:</b>						
Investment Earnings	\$ 0	\$ 4,746	\$ 1,769	\$ 0	\$ 4	\$ 6,519
Special Assessments	172	0	0	181,102	0	181,274
<b>Total Revenues</b>	<u>172</u>	<u>4,746</u>	<u>1,769</u>	<u>181,102</u>	<u>4</u>	<u>187,793</u>
<b>Expenditures:</b>						
Current:						
General Government	22	0	1,200	5,537	0	6,759
Debt Service:						
Principal Retirement	0	0	30,000	170,000	0	200,000
Interest and Fiscal Charges	0	28,048	242,806	8,170	492,434	771,458
<b>Total Expenditures</b>	<u>22</u>	<u>28,048</u>	<u>274,006</u>	<u>183,707</u>	<u>492,434</u>	<u>978,217</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	150	(23,302)	(272,237)	(2,605)	(492,430)	(790,424)
<b>Other Financing Sources (Uses):</b>						
Premium on Debt Issuance	0	81,900	0	0	0	81,900
Special Obligation Bonds Issued	0	0	0	0	3,905,000	3,905,000
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>81,900</u>	<u>0</u>	<u>0</u>	<u>3,905,000</u>	<u>3,986,900</u>
Net Change in Fund Balances	150	58,598	(272,237)	(2,605)	3,412,570	3,196,476
<b>Fund Balances at Beginning of Year</b>	<u>179,378</u>	<u>709,690</u>	<u>390,545</u>	<u>84,394</u>	<u>0</u>	<u>1,364,007</u>
<b>Fund Balances End of Year</b>	<u>\$ 179,528</u>	<u>\$ 768,288</u>	<u>\$ 118,308</u>	<u>\$ 81,789</u>	<u>\$ 3,412,570</u>	<u>\$ 4,560,483</u>

**CITY OF MONTGOMERY, OHIO****Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2020**

	Capital Improvement	Downtown Improvement	Triangle Tax Increment	Montgomery Quarter Roundabout
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 2,183,447	\$ 2,400,241	\$ 70,701	\$ 1,180,132
Investments	1,770,834	1,946,661	0	0
Receivables:				
Taxes	474,013	0	151,889	0
Interest	3,554	3,906	0	0
Interfund Loans Receivable	392,840	0	0	0
Prepaid Items	0	0	0	0
<b>Total Assets</b>	<b>\$ 4,824,688</b>	<b>\$ 4,350,808</b>	<b>\$ 222,590</b>	<b>\$ 1,180,132</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 22,823	\$ 137,925	\$ 0	\$ 0
Interfund Loans Payable	0	0	392,840	0
<b>Total Liabilities</b>	<b>22,823</b>	<b>137,925</b>	<b>392,840</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	253,556	2,088	8,019	0
Property Tax Levy for Next Fiscal Year	0	0	143,870	0
<b>Total Deferred Inflows of Resources</b>	<b>253,556</b>	<b>2,088</b>	<b>151,889</b>	<b>0</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	0	0
Restricted	4,548,309	0	0	0
Assigned	0	4,210,795	0	1,180,132
Unassigned	0	0	(322,139)	0
<b>Total Fund Balances</b>	<b>4,548,309</b>	<b>4,210,795</b>	<b>(322,139)</b>	<b>1,180,132</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 4,824,688</b>	<b>\$ 4,350,808</b>	<b>\$ 222,590</b>	<b>\$ 1,180,132</b>

**CITY OF MONTGOMERY, OHIO**

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Urban Redevelopment	Vintage Club Capital Improvement	Total Nonmajor Capital Projects Funds
\$ 229,299	\$ 0	\$ 6,063,820
0	1,658,753	5,376,248
0	0	625,902
0	0	7,460
0	0	392,840
630	0	630
<u>\$ 229,929</u>	<u>\$ 1,658,753</u>	<u>\$ 12,466,900</u>
\$ 0	\$ 0	\$ 160,748
0	0	392,840
<u>0</u>	<u>0</u>	<u>553,588</u>
0	0	263,663
0	0	143,870
<u>0</u>	<u>0</u>	<u>407,533</u>
630	0	630
229,299	1,658,753	6,436,361
0	0	5,390,927
0	0	(322,139)
<u>229,929</u>	<u>1,658,753</u>	<u>11,505,779</u>
<u>\$ 229,929</u>	<u>\$ 1,658,753</u>	<u>\$ 12,466,900</u>

**CITY OF MONTGOMERY, OHIO****Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2020**

	Capital Improvement	Downtown Improvement	Triangle Tax Increment	Montgomery Quarter Roundabout
<b>Revenues:</b>				
Taxes	\$ 2,051,577	\$ 0	\$ 164,114	\$ 0
Intergovernmental Revenues	0	0	0	250,000
Investment Earnings	23,455	26,546	0	0
All Other Revenue	2,812	0	0	0
<b>Total Revenues</b>	<u>2,077,844</u>	<u>26,546</u>	<u>164,114</u>	<u>250,000</u>
<b>Expenditures:</b>				
Current:				
General Government	0	0	82,979	0
Capital Outlay	1,940,630	387,566	0	1,089,868
<b>Total Expenditures</b>	<u>1,940,630</u>	<u>387,566</u>	<u>82,979</u>	<u>1,089,868</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	137,214	(361,020)	81,135	(839,868)
<b>Other Financing Sources (Uses):</b>				
Special Obligation Bonds Issued	0	1,000,000	0	0
Transfers In	0	0	0	720,000
Transfers Out	0	(720,000)	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>280,000</u>	<u>0</u>	<u>720,000</u>
Net Change in Fund Balances	137,214	(81,020)	81,135	(119,868)
<b>Fund Balances at Beginning of Year</b>	<u>4,411,095</u>	<u>4,291,815</u>	<u>(403,274)</u>	<u>1,300,000</u>
<b>Fund Balances End of Year</b>	<u><u>\$ 4,548,309</u></u>	<u><u>\$ 4,210,795</u></u>	<u><u>\$ (322,139)</u></u>	<u><u>\$ 1,180,132</u></u>

**CITY OF MONTGOMERY, OHIO**

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Urban Redevelopment	Vintage Club Capital Improvement	Total Nonmajor Capital Projects Funds
\$ 0	\$ 0	\$ 2,215,691
0	0	250,000
2,057	7,445	59,503
0	0	2,812
2,057	7,445	2,528,006
9,010	0	91,989
46,795	521,587	3,986,446
55,805	521,587	4,078,435
(53,748)	(514,142)	(1,550,429)
0	0	1,000,000
0	0	720,000
0	0	(720,000)
0	0	1,000,000
(53,748)	(514,142)	(550,429)
283,677	2,172,895	12,056,208
\$ 229,929	\$ 1,658,753	\$ 11,505,779

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 10,483,029	\$ 10,483,029	\$ 10,488,292	\$ 5,263
Intergovernmental Revenues	472,800	472,800	496,805	24,005
Charges for Services	126,401	126,401	65,974	(60,427)
Rental Revenue	76,900	76,900	44,425	(32,475)
Licenses, Permits and Fees	519,600	519,600	464,512	(55,088)
Investment Earnings	210,000	210,000	114,821	(95,179)
Fines and Forfeitures	115,500	115,500	81,887	(33,613)
All Other Revenues	87,054	87,054	565,879	478,825
Total Revenues	12,091,284	12,091,284	12,322,595	231,311
<b>Expenditures:</b>				
Public Safety:				
Police:				
Personal Services	3,606,318	3,606,318	3,146,571	459,747
Nonpersonnel	475,985	475,985	308,254	167,731
Total Police	4,082,303	4,082,303	3,454,825	627,478
Disaster Service:				
Nonpersonnel	9,300	9,300	5,000	4,300
Total Disaster Service	9,300	9,300	5,000	4,300
Public Health and Welfare:				
Personal Services	57,750	58,750	58,050	700
Total Public Health and Welfare	57,750	58,750	58,050	700
Civil Service:				
Nonpersonnel	4,650	8,250	8,080	170
Total Civil Service	4,650	8,250	8,080	170
Total Public Safety	4,154,003	4,158,603	3,525,955	632,648
Parks and Recreation:				
Recreation:				
Personal Services	259,311	259,311	236,564	22,747
Nonpersonnel	102,769	102,769	51,407	51,362
Total Recreation	362,080	362,080	287,971	74,109

(Continued)

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
City Parks:				
Personal Services	357,348	357,348	307,342	50,006
Nonpersonnel	278,190	278,190	235,777	42,413
Total City Parks	635,538	635,538	543,119	92,419
Lodges:				
Nonpersonnel	44,479	52,979	51,446	1,533
Total Lodges	44,479	52,979	51,446	1,533
City Beautiful:				
Nonpersonnel	146,292	146,292	128,499	17,793
Total City Beautiful	146,292	146,292	128,499	17,793
Special Events:				
Nonpersonnel	113,296	113,296	78,316	34,980
Total Special Events	113,296	113,296	78,316	34,980
Total Parks and Recreation	1,301,685	1,310,185	1,089,351	220,834
Community Economic Development:				
Landmarks Commission:				
Nonpersonnel	15,250	15,250	13,917	1,333
Total Landmarks Commission	15,250	15,250	13,917	1,333
Historical Building Operations:				
Nonpersonnel	54,400	54,400	29,097	25,303
Total Historical Building Operations	54,400	54,400	29,097	25,303
Development:				
Personal Services	416,721	416,721	222,646	194,075
Nonpersonnel	418,800	418,800	352,507	66,293
Total Development	835,521	835,521	575,153	260,368
Planning Commission:				
Nonpersonnel	8,900	8,900	3,821	5,079
Total Planning Commission	8,900	8,900	3,821	5,079
Total Community Economic Development	914,071	914,071	621,988	292,083
Public Works:				
Personal Services	574,623	574,623	546,942	27,681
Nonpersonnel	183,038	183,038	125,207	57,831
Total Public Works	757,661	757,661	672,149	85,512

(Continued)

**CITY OF MONTGOMERY, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
General Government:				
Administration:				
Personal Services	587,977	587,977	513,520	74,457
Nonpersonnel	32,600	32,600	15,443	17,157
Total Administration	620,577	620,577	528,963	91,614
Finance Administration:				
Personal Services	578,737	578,737	583,991	(5,254)
Nonpersonnel	93,125	93,125	74,842	18,283
Total Finance Administration	671,862	671,862	658,833	13,029
Legal Administration:				
Nonpersonnel	233,500	233,500	230,664	2,836
Total Legal Administration	233,500	233,500	230,664	2,836
Council:				
Personal Services	18,364	18,364	14,018	4,346
Nonpersonnel	4,400	4,400	4,206	194
Total Council	22,764	22,764	18,224	4,540
Mayor's Court:				
Personal Services	32,554	32,554	32,368	186
Nonpersonnel	76,908	76,908	62,732	14,176
Total Mayor's Court	109,462	109,462	95,100	14,362
Citizen Engagement and Outreach:				
Personal Services	581,959	581,959	543,462	38,497
Nonpersonnel	202,982	202,982	125,036	77,946
Total Citizen Engagement and Outreach	784,941	784,941	668,498	116,443
General Administration:				
Personal Services	10,000	10,000	3,971	6,029
Nonpersonnel	1,855,199	2,005,199	1,724,086	281,113
Total General Administration	1,865,199	2,015,199	1,728,057	287,142
Total General Government	4,308,305	4,458,305	3,928,339	529,966
Total Expenditures	11,435,725	11,598,825	9,837,782	1,761,043
Excess (Deficiency) of Revenues Over (Under) Expenditures	655,559	492,459	2,484,813	1,992,354

(Continued)



**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2020***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	5,000	5,000	644	(4,356)
Transfers In	930	930	930	0
Transfers Out	(999,000)	(1,059,000)	(1,059,000)	0
Total Other Financing Sources (Uses)	(993,070)	(1,053,070)	(1,057,426)	(4,356)
Net Change in Fund Balance	(337,511)	(560,611)	1,427,387	1,987,998
Fund Balance at Beginning of Year	14,701,308	14,701,308	14,701,308	0
Prior Year Encumbrances	113,889	113,889	113,889	0
Fund Balance at End of Year	<u>\$ 14,477,686</u>	<u>\$ 14,254,586</u>	<u>\$ 16,242,584</u>	<u>\$ 1,987,998</u>

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Special Revenue Fund – Fire Protection / EMS Fund  
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 5,264,388	\$ 5,264,388	\$ 5,444,002	\$ 179,614
Intergovernmental Revenues	233,000	233,000	244,989	11,989
Charges for Services	176,200	176,200	191,993	15,793
Investment Earnings	24,500	24,500	51,406	26,906
Donations	200	200	675	475
All Other Revenues	14,650	14,650	218,715	204,065
Total Revenues	5,712,938	5,712,938	6,151,780	438,842
<b>Expenditures:</b>				
Public Safety:				
Personal Services	3,216,606	3,216,606	2,312,132	904,474
Nonpersonnel	1,372,117	1,372,117	694,326	677,791
Total Expenditures	4,588,723	4,588,723	3,006,458	1,582,265
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,124,215	1,124,215	3,145,322	2,021,107
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	6,714	6,714
Total Other Financing Sources (Uses)	0	0	6,714	6,714
Net Change in Fund Balance	1,124,215	1,124,215	3,152,036	2,027,821
Fund Balance at Beginning of Year	6,569,608	6,569,608	6,569,608	0
Prior Year Encumbrances	10,644	10,644	10,644	0
Fund Balance at End of Year	\$ 7,704,467	\$ 7,704,467	\$ 9,732,288	\$ 2,027,821

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Debt Service Fund – Vintage Club Tax Increment Fund  
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 2,642,991	\$ 2,642,991	\$ 2,354,732	\$ (288,259)
Intergovernmental Revenues	200,000	200,000	190,212	(9,788)
Investment Earnings	9,500	9,500	2,014	(7,486)
All Other Revenues	0	0	4,089	4,089
Total Revenues	2,852,491	2,852,491	2,551,047	(301,444)
<b>Expenditures:</b>				
General Government:				
Nonpersonnel	1,720,961	1,720,961	1,461,435	259,526
Total General Government	1,720,961	1,720,961	1,461,435	259,526
Debt Service:				
Principal Retirement	465,000	465,000	530,000	(65,000)
Interest and Fiscal Charges	499,497	499,497	307,670	191,827
Total Expenditures	2,685,458	2,685,458	2,299,105	386,353
Net Change in Fund Balance	167,033	167,033	251,942	84,909
Fund Balance at Beginning of Year	2,576,572	2,576,572	2,576,572	0
Fund Balance at End of Year	\$ 2,743,605	\$ 2,743,605	\$ 2,828,514	\$ 84,909

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Projects Fund – Montgomery Quarter Construction Fund  
For the Year Ended December 31, 2020***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 250,000	\$ 200,000	\$ 200,000	\$ 0
Total Revenues	250,000	200,000	200,000	0
<b>Expenditures:</b>				
Capital Outlay:				
Nonpersonnel	6,450,000	6,450,000	5,256,993	1,193,007
Total Expenditures	6,450,000	6,450,000	5,256,993	1,193,007
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,200,000)	(6,250,000)	(5,056,993)	1,193,007
<b>Other Financing Sources (Uses):</b>				
Note Issuance	0	0	7,500,000	7,500,000
Bond Issuance	6,000,000	30,350,000	0	(30,350,000)
Total Other Financing Sources (Uses)	6,000,000	30,350,000	7,500,000	(22,850,000)
Net Change in Fund Balance	(200,000)	24,100,000	2,443,007	(21,656,993)
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ (200,000)	\$ 24,100,000	\$ 2,443,007	\$ (21,656,993)

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

COMPENSATED ABSENCES FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
General Government:				
Personal Services	50,000	50,000	26,607	23,393
Total Expenditures	50,000	50,000	26,607	23,393
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,000)	(50,000)	(26,607)	23,393
<b>Other Financing Sources (Uses):</b>				
Transfers In	58,689	58,689	0	(58,689)
Total Other Financing Sources (Uses)	58,689	58,689	0	(58,689)
Net Change in Fund Balance	8,689	8,689	(26,607)	(35,296)
Fund Balance at Beginning of Year	460,052	460,052	460,052	0
Fund Balance at End of Year	\$ 468,741	\$ 468,741	\$ 433,445	\$ (35,296)

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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	MEMORIAL FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
All Other Revenues	<u>\$        3,000</u>	<u>\$        3,000</u>	<u>\$        3,750</u>	<u>\$          750</u>
Total Revenues	<u>          3,000</u>	<u>          3,000</u>	<u>          3,750</u>	<u>          750</u>
<b>Expenditures:</b>				
Parks and Recreation:				
Nonpersonnel	<u>          4,000</u>	<u>          4,000</u>	<u>          1,744</u>	<u>          2,256</u>
Total Expenditures	<u>          4,000</u>	<u>          4,000</u>	<u>          1,744</u>	<u>          2,256</u>
Net Change in Fund Balance	<u>         (1,000)</u>	<u>         (1,000)</u>	<u>          2,006</u>	<u>          3,006</u>
Fund Balance at Beginning of Year	<u>         36,875</u>	<u>         36,875</u>	<u>         36,875</u>	<u>              0</u>
Fund Balance at End of Year	<u><u>      \$  35,875</u></u>	<u><u>      \$  35,875</u></u>	<u><u>      \$  38,881</u></u>	<u><u>      \$   3,006</u></u>

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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**PARKS AND RECREATION FUNDRAISING FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
All Other Revenues	\$ 500	\$ 500	\$ 0	\$ (500)
Total Revenues	<u>500</u>	<u>500</u>	<u>0</u>	<u>(500)</u>
<b>Expenditures:</b>				
Parks and Recreation:				
Nonpersonnel	<u>500</u>	<u>500</u>	<u>0</u>	<u>500</u>
Total Expenditures	<u>500</u>	<u>500</u>	<u>0</u>	<u>500</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	<u>10,335</u>	<u>10,335</u>	<u>10,335</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 10,335</u>	<u>\$ 10,335</u>	<u>\$ 10,335</u>	<u>\$ 0</u>

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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<b>LAW ENFORCEMENT FUND</b>				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 800	\$ 800	\$ 35	\$ (765)
Donations	900	900	0	(900)
Total Revenues	<u>1,700</u>	<u>1,700</u>	<u>35</u>	<u>(1,665)</u>
<b>Expenditures:</b>				
Public Safety:				
Nonpersonnel	<u>4,500</u>	<u>109,500</u>	<u>104,604</u>	<u>4,896</u>
Total Expenditures	<u>4,500</u>	<u>109,500</u>	<u>104,604</u>	<u>4,896</u>
Net Change in Fund Balance	(2,800)	(107,800)	(104,569)	3,231
Fund Balance at Beginning of Year	<u>282,549</u>	<u>282,549</u>	<u>282,549</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 279,749</u>	<u>\$ 174,749</u>	<u>\$ 177,980</u>	<u>\$ 3,231</u>



**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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DRUG LAW ENFORCEMENT FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 1,000	\$ 1,000	\$ 345	\$ (655)
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>345</u>	<u>(655)</u>
<b>Expenditures:</b>				
Public Safety:				
Nonpersonnel	<u>400</u>	<u>400</u>	<u>0</u>	<u>400</u>
Total Expenditures	<u>400</u>	<u>400</u>	<u>0</u>	<u>400</u>
Net Change in Fund Balance	600	600	345	(255)
Fund Balance at Beginning of Year	<u>5,289</u>	<u>5,289</u>	<u>5,289</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,889</u>	<u>\$ 5,889</u>	<u>\$ 5,634</u>	<u>\$ (255)</u>

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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DUI ENFORCEMENT AND EDUCATION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 1,000	\$ 1,000	\$ 358	\$ (642)
Total Revenues	1,000	1,000	358	(642)
<b>Expenditures:</b>				
Public Safety:				
Nonpersonnel	10,500	10,500	632	9,868
Total Expenditures	10,500	10,500	632	9,868
Net Change in Fund Balance	(9,500)	(9,500)	(274)	9,226
Fund Balance at Beginning of Year	15,270	15,270	15,270	0
Fund Balance at End of Year	\$ 5,770	\$ 5,770	\$ 14,996	\$ 9,226

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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MAYOR'S COURT TECHNOLOGY FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 15,138	\$ 15,138	\$ 8,446	\$ (6,692)
All Other Revenues	0	0	150	150
Total Revenues	15,138	15,138	8,596	(6,542)
<b>Expenditures:</b>				
Public Safety:				
Nonpersonnel	11,761	11,761	2,118	9,643
Total Expenditures	11,761	11,761	2,118	9,643
Net Change in Fund Balance	3,377	3,377	6,478	3,101
Fund Balance at Beginning of Year	49,535	49,535	49,535	0
Fund Balance at End of Year	\$ 52,912	\$ 52,912	\$ 56,013	\$ 3,101

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

	COPS GRANT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 133,000	\$ 133,000	\$ 103,765	\$ (29,235)
All Other Revenues	108	108	14	(94)
Total Revenues	133,108	133,108	103,779	(29,329)
<b>Expenditures:</b>				
Public Safety:				
Personal Services	190,686	190,686	160,862	29,824
Nonpersonnel	3,600	3,600	848	2,752
Total Expenditures	194,286	194,286	161,710	32,576
Excess (Deficiency) of Revenues Over (Under) Expenditures	(61,178)	(61,178)	(57,931)	3,247
<b>Other Financing Sources (Uses):</b>				
Transfers In	60,000	60,000	120,000	60,000
Total Other Financing Sources (Uses)	60,000	60,000	120,000	60,000
Net Change in Fund Balance	(1,178)	(1,178)	62,069	63,247
Fund Balance at Beginning of Year	4,920	4,920	4,920	0
Fund Balance at End of Year	\$ 3,742	\$ 3,742	\$ 66,989	\$ 63,247

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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LAW ENFORCEMENT ASSISTANCE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 1,000	\$ 1,000	\$ 0	\$ (1,000)
Total Revenues	1,000	1,000	0	(1,000)
<b>Expenditures:</b>				
Public Safety:				
Nonpersonnel	1,000	1,000	0	1,000
Total Expenditures	1,000	1,000	0	1,000
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	15,520	15,520	15,520	0
Fund Balance at End of Year	\$ 15,520	\$ 15,520	\$ 15,520	\$ 0

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

ENVIRONMENTAL IMPACT TAX FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Licenses, Permits and Fees	\$ 24,000	\$ 24,000	\$ 21,000	\$ (3,000)
Special Assessments	0	0	1,725	1,725
Total Revenues	24,000	24,000	22,725	(1,275)
<b>Expenditures:</b>				
Community Economic Development:				
Nonpersonnel	48,000	48,000	323	47,677
Total Expenditures	48,000	48,000	323	47,677
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,000)	(24,000)	22,402	46,402
<b>Other Financing Sources (Uses):</b>				
Transfers In	24,000	24,000	24,000	0
Total Other Financing Sources (Uses)	24,000	24,000	24,000	0
Net Change in Fund Balance	0	0	46,402	46,402
Fund Balance at Beginning of Year	215,438	215,438	215,438	0
Fund Balance at End of Year	\$ 215,438	\$ 215,438	\$ 261,840	\$ 46,402

**CITY OF MONTGOMERY, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

<b>STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND</b>				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 644,960	\$ 644,960	\$ 569,465	\$ (75,495)
Investment Earnings	5,500	5,500	5,977	477
All Other Revenues	4,324	4,324	54,416	50,092
Total Revenues	<u>654,784</u>	<u>654,784</u>	<u>629,858</u>	<u>(24,926)</u>
<b>Expenditures:</b>				
Public Works:				
Personal Services	751,057	751,057	653,151	97,906
Nonpersonnel	381,556	381,556	312,822	68,734
Total Expenditures	<u>1,132,613</u>	<u>1,132,613</u>	<u>965,973</u>	<u>166,640</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(477,829)	(477,829)	(336,115)	141,714
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	1,000	1,000	565	(435)
Transfers In	900,000	900,000	900,000	0
Total Other Financing Sources (Uses)	<u>901,000</u>	<u>901,000</u>	<u>900,565</u>	<u>(435)</u>
Net Change in Fund Balance	423,171	423,171	564,450	141,279
Fund Balance at Beginning of Year	962,086	962,086	962,086	0
Prior Year Encumbrances	34,556	34,556	34,556	0
Fund Balance at End of Year	<u>\$ 1,419,813</u>	<u>\$ 1,419,813</u>	<u>\$ 1,561,092</u>	<u>\$ 141,279</u>

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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	STATE HIGHWAY FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 64,199	\$ 64,199	\$ 46,175	\$ (18,024)
Investment Earnings	650	650	705	55
Total Revenues	<u>64,849</u>	<u>64,849</u>	<u>46,880</u>	<u>(17,969)</u>
<b>Expenditures:</b>				
Public Works:				
Nonpersonnel	<u>50,500</u>	<u>50,500</u>	<u>39,874</u>	<u>10,626</u>
Total Expenditures	<u>50,500</u>	<u>50,500</u>	<u>39,874</u>	<u>10,626</u>
Net Change in Fund Balance	14,349	14,349	7,006	(7,343)
Fund Balance at Beginning of Year	71,971	71,971	71,971	0
Prior Year Encumbrances	<u>16,500</u>	<u>16,500</u>	<u>16,500</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 102,820</u>	<u>\$ 102,820</u>	<u>\$ 95,477</u>	<u>\$ (7,343)</u>



**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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**PERMISSIVE MOTOR VEHICLE LICENSE FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 54,000	\$ 54,000	\$ 51,411	\$ (2,589)
Intergovernmental Revenues	27,000	27,000	26,484	(516)
Investment Earnings	1,248	1,248	1,010	(238)
Total Revenues	<u>82,248</u>	<u>82,248</u>	<u>78,905</u>	<u>(3,343)</u>
<b>Expenditures:</b>				
Public Works:				
Nonpersonnel	123,762	123,762	98,617	25,145
Total Expenditures	<u>123,762</u>	<u>123,762</u>	<u>98,617</u>	<u>25,145</u>
Net Change in Fund Balance	(41,514)	(41,514)	(19,712)	21,802
Fund Balance at Beginning of Year	141,421	141,421	141,421	0
Prior Year Encumbrances	42,762	42,762	42,762	0
Fund Balance at End of Year	<u>\$ 142,669</u>	<u>\$ 142,669</u>	<u>\$ 164,471</u>	<u>\$ 21,802</u>

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

MUNICIPAL POOL FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 224,461	\$ 224,461	\$ 77,583	\$ (146,878)
All Other Revenues	500	500	250	(250)
Total Revenues	224,961	224,961	77,833	(147,128)
<b>Expenditures:</b>				
Parks and Recreation:				
Nonpersonnel	294,827	294,827	212,219	82,608
Total Expenditures	294,827	294,827	212,219	82,608
Excess (Deficiency) of Revenues Over (Under) Expenditures	(69,866)	(69,866)	(134,386)	(64,520)
<b>Other Financing Sources (Uses):</b>				
Transfers In	15,000	15,000	15,000	0
Total Other Financing Sources (Uses)	15,000	15,000	15,000	0
Net Change in Fund Balance	(54,866)	(54,866)	(119,386)	(64,520)
Fund Balance at Beginning of Year	342,565	342,565	342,565	0
Prior Year Encumbrances	20,600	20,600	20,600	0
Fund Balance at End of Year	\$ 308,299	\$ 308,299	\$ 243,779	\$ (64,520)

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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CEMETERY FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Charges for Services	\$ 40,000	\$ 40,000	\$ 84,142	\$ 44,142
Investment Earnings	2,500	2,500	2,606	106
Total Revenues	42,500	42,500	86,748	44,248
<b>Expenditures:</b>				
Public Works:				
Nonpersonnel	64,778	64,778	60,457	4,321
Total Expenditures	64,778	64,778	60,457	4,321
Net Change in Fund Balance	(22,278)	(22,278)	26,291	48,569
Fund Balance at Beginning of Year	395,294	395,294	395,294	0
Prior Year Encumbrances	7,428	7,428	7,428	0
Fund Balance at End of Year	<u>\$ 380,444</u>	<u>\$ 380,444</u>	<u>\$ 429,013</u>	<u>\$ 48,569</u>

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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CONTRACTOR DEPOSITS FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
All Other Revenues	\$ 100,000	\$ 100,000	\$ 58,923	\$ (41,077)
Total Revenues	100,000	100,000	58,923	(41,077)
<b>Expenditures:</b>				
General Government:				
Nonpersonnel	100,000	100,000	35,423	64,577
Total Expenditures	100,000	100,000	35,423	64,577
Net Change in Fund Balance	0	0	23,500	23,500
Fund Balance at Beginning of Year	137,303	137,303	137,303	0
Fund Balance at End of Year	\$ 137,303	\$ 137,303	\$ 160,803	\$ 23,500

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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	CORONAVIRUS RELIEF FUND			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 311,102	\$ 311,102	\$ 0
Total Revenues	<u>0</u>	<u>311,102</u>	<u>311,102</u>	<u>0</u>
<b>Expenditures:</b>				
Public Safety:				
Nonpersonnel	<u>0</u>	<u>311,102</u>	<u>311,102</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>311,102</u>	<u>311,102</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

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CARES ACT PAYROLL RELIEF FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 509,254	\$ 509,254	\$ 0
Total Revenues	<u>0</u>	<u>509,254</u>	<u>509,254</u>	<u>0</u>
<b>Expenditures:</b>				
Public Safety:				
Personal Services	<u>0</u>	<u>509,254</u>	<u>509,254</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>509,254</u>	<u>509,254</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2020***

UNCLAIMED MONIES FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
All Other Revenues	\$ 1,000	\$ 1,000	\$ 3,550	\$ 2,550
Total Revenues	1,000	1,000	3,550	2,550
<b>Expenditures:</b>				
General Government:				
Nonpersonnel	500	500	185	315
Total Expenditures	500	500	185	315
Excess (Deficiency) of Revenues Over (Under) Expenditures	500	500	3,365	2,865
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(930)	(930)	(930)	0
Total Other Financing Sources (Uses)	(930)	(930)	(930)	0
Net Change in Fund Balance	(430)	(430)	2,435	2,865
Fund Balance at Beginning of Year	1,172	1,172	1,172	0
Fund Balance at End of Year	\$ 742	\$ 742	\$ 3,607	\$ 2,865

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2020***

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	SPECIAL ASSESSMENT BOND RETIREMENT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		
<b>Revenues:</b>					
Special Assessments	<u>\$          0</u>	<u>\$          0</u>	<u>\$        172</u>	<u>\$        172</u>	
Total Revenues	<u>          0</u>	<u>          0</u>	<u>        172</u>	<u>        172</u>	
<b>Expenditures:</b>					
General Government:					
Nonpersonnel	<u>          0</u>	<u>          23</u>	<u>          22</u>	<u>          1</u>	
Total Expenditures	<u>          0</u>	<u>          23</u>	<u>          22</u>	<u>          1</u>	
Net Change in Fund Balance	0	(23)	150	173	
Fund Balance at Beginning of Year	<u>179,378</u>	<u>179,378</u>	<u>179,378</u>	<u>0</u>	
Fund Balance at End of Year	<u><u>\$  179,378</u></u>	<u><u>\$  179,355</u></u>	<u><u>\$  179,528</u></u>	<u><u>\$        173</u></u>	



**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2020***

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GENERAL OBLIGATION BOND RETIREMENT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Investment Earnings	\$ 6,000	\$ 6,000	\$ 4,746	\$ (1,254)
Total Revenues	<u>6,000</u>	<u>6,000</u>	<u>4,746</u>	<u>(1,254)</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,000	6,000	4,746	(1,254)
<b>Other Financing Sources (Uses):</b>				
Premium on Debt Issuance	<u>0</u>	<u>0</u>	<u>53,852</u>	<u>53,852</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>53,852</u>	<u>53,852</u>
Net Change in Fund Balance	6,000	6,000	58,598	52,598
Fund Balance at Beginning of Year	<u>709,690</u>	<u>709,690</u>	<u>709,690</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 715,690</u>	<u>\$ 715,690</u>	<u>\$ 768,288</u>	<u>\$ 52,598</u>

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2020***

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**VINTAGE CLUB NORTH TAX INCREMENT FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 15,000	\$ 15,000	\$ 0	\$ (15,000)
Intergovernmental Revenues	1,500	1,500	0	(1,500)
Investment Earnings	5,400	5,400	1,769	(3,631)
Total Revenues	<u>21,900</u>	<u>21,900</u>	<u>1,769</u>	<u>(20,131)</u>
<b>Expenditures:</b>				
General Government:				
Nonpersonnel	12,850	12,850	1,200	11,650
Debt Service:				
Principal Retirement	30,000	30,000	30,000	0
Interest and Fiscal Charges	<u>242,806</u>	<u>242,806</u>	<u>242,806</u>	<u>0</u>
Total Expenditures	<u>285,656</u>	<u>285,656</u>	<u>274,006</u>	<u>11,650</u>
Net Change in Fund Balance	(263,756)	(263,756)	(272,237)	(8,481)
Fund Balance at Beginning of Year	<u>390,545</u>	<u>390,545</u>	<u>390,545</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 126,789</u>	<u>\$ 126,789</u>	<u>\$ 118,308</u>	<u>\$ (8,481)</u>

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2020***

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RESERVE OF MONTGOMERY BOND RETIREMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Special Assessments	\$ 199,000	\$ 199,000	\$ 181,102	\$ (17,898)
Total Revenues	<u>199,000</u>	<u>199,000</u>	<u>181,102</u>	<u>(17,898)</u>
<b>Expenditures:</b>				
General Government:				
Nonpersonnel	6,500	6,500	5,537	963
Debt Service:				
Principal Retirement	335,000	335,000	335,000	0
Interest and Fiscal Charges	<u>8,170</u>	<u>8,170</u>	<u>8,170</u>	<u>0</u>
Total Expenditures	<u>349,670</u>	<u>349,670</u>	<u>348,707</u>	<u>963</u>
Net Change in Fund Balance	(150,670)	(150,670)	(167,605)	(16,935)
Fund Balance at Beginning of Year	84,394	84,394	84,394	0
Prior Year Encumbrances	<u>165,000</u>	<u>165,000</u>	<u>165,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 98,724</u>	<u>\$ 98,724</u>	<u>\$ 81,789</u>	<u>\$ (16,935)</u>

**CITY OF MONTGOMERY, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2020***

<b>CAPITAL IMPROVEMENT FUND</b>				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 1,908,900	\$ 1,908,900	\$ 2,029,176	\$ 120,276
Investment Earnings	30,000	30,000	24,312	(5,688)
All Other Revenues	0	0	2,812	2,812
Total Revenues	<u>1,938,900</u>	<u>1,938,900</u>	<u>2,056,300</u>	<u>117,400</u>
<b>Expenditures:</b>				
Capital Outlay:				
Nonpersonnel	<u>3,347,542</u>	<u>3,364,342</u>	<u>2,208,719</u>	<u>1,155,623</u>
Total Expenditures	<u>3,347,542</u>	<u>3,364,342</u>	<u>2,208,719</u>	<u>1,155,623</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,408,642)	(1,425,442)	(152,419)	1,273,023
<b>Other Financing Sources (Uses):</b>				
Advances In	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
Net Change in Fund Balance	(1,333,642)	(1,350,442)	(77,419)	1,273,023
Fund Balance at Beginning of Year	3,298,125	3,298,125	3,298,125	0
Prior Year Encumbrances	<u>500,592</u>	<u>500,592</u>	<u>500,592</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,465,075</u>	<u>\$ 2,448,275</u>	<u>\$ 3,721,298</u>	<u>\$ 1,273,023</u>

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2020***

<b>DOWNTOWN IMPROVEMENT FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Investment Earnings	\$ 46,000	\$ 46,000	\$ 27,623	\$ (18,377)
Total Revenues	<u>46,000</u>	<u>46,000</u>	<u>27,623</u>	<u>(18,377)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Nonpersonnel	<u>171,861</u>	<u>497,411</u>	<u>457,876</u>	<u>39,535</u>
Total Expenditures	<u>171,861</u>	<u>497,411</u>	<u>457,876</u>	<u>39,535</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(125,861)	(451,411)	(430,253)	21,158
<b>Other Financing Sources (Uses):</b>				
Bond Issuance	0	1,000,000	1,000,000	0
Transfers Out	<u>(720,000)</u>	<u>(720,000)</u>	<u>(720,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(720,000)</u>	<u>280,000</u>	<u>280,000</u>	<u>0</u>
Net Change in Fund Balance	(845,861)	(171,411)	(150,253)	21,158
Fund Balance at Beginning of Year	4,227,923	4,227,923	4,227,923	0
Prior Year Encumbrances	<u>151,861</u>	<u>151,861</u>	<u>151,861</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,533,923</u>	<u>\$ 4,208,373</u>	<u>\$ 4,229,531</u>	<u>\$ 21,158</u>

**CITY OF MONTGOMERY, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2020***

TRIANGLE TAX INCREMENT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Taxes	\$ 200,133	\$ 200,133	\$ 164,114	\$ (36,019)
All Other Revenues	<u>46,500</u>	<u>46,500</u>	<u>0</u>	<u>(46,500)</u>
Total Revenues	<u>246,633</u>	<u>246,633</u>	<u>164,114</u>	<u>(82,519)</u>
<b>Expenditures:</b>				
General Government:				
Nonpersonnel	<u>90,000</u>	<u>90,000</u>	<u>82,979</u>	<u>7,021</u>
Total Expenditures	<u>90,000</u>	<u>90,000</u>	<u>82,979</u>	<u>7,021</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	156,633	156,633	81,135	(75,498)
<b>Other Financing Sources (Uses):</b>				
Advances Out	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>0</u>
Net Change in Fund Balance	81,633	81,633	6,135	(75,498)
Fund Balance at Beginning of Year	<u>64,566</u>	<u>64,566</u>	<u>64,566</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 146,199</u>	<u>\$ 146,199</u>	<u>\$ 70,701</u>	<u>\$ (75,498)</u>

**CITY OF MONTGOMERY, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2020***

**MONTGOMERY QUARTER ROUNDABOUT FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 7,100,000	\$ 7,100,000	\$ 250,000	\$ (6,850,000)
Total Revenues	<u>7,100,000</u>	<u>7,100,000</u>	<u>250,000</u>	<u>(6,850,000)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Nonpersonnel	<u>8,250,000</u>	<u>8,250,000</u>	<u>2,762,214</u>	<u>5,487,786</u>
Total Expenditures	<u>8,250,000</u>	<u>8,250,000</u>	<u>2,762,214</u>	<u>5,487,786</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,150,000)	(1,150,000)	(2,512,214)	(1,362,214)
<b>Other Financing Sources (Uses):</b>				
Note Issuance	1,200,000	1,200,000	0	(1,200,000)
Transfers In	<u>0</u>	<u>0</u>	<u>720,000</u>	<u>720,000</u>
Total Other Financing Sources (Uses)	<u>1,200,000</u>	<u>1,200,000</u>	<u>720,000</u>	<u>(480,000)</u>
Net Change in Fund Balance	50,000	50,000	(1,792,214)	(1,842,214)
Fund Balance at Beginning of Year	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,300,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,350,000</u>	<u>\$ 1,350,000</u>	<u>\$ (492,214)</u>	<u>\$ (1,842,214)</u>

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2020***

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URBAN REDEVELOPMENT FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Investment Earnings	\$ 7,300	\$ 7,300	\$ 2,057	\$ (5,243)
All Other Revenues	<u>4,400</u>	<u>4,400</u>	<u>0</u>	<u>(4,400)</u>
Total Revenues	<u>11,700</u>	<u>11,700</u>	<u>2,057</u>	<u>(9,643)</u>
<b>Expenditures:</b>				
General Government:				
Nonpersonnel	11,280	11,280	9,640	1,640
Capital Outlay:				
Nonpersonnel	<u>56,290</u>	<u>56,290</u>	<u>48,440</u>	<u>7,850</u>
Total Expenditures	<u>67,570</u>	<u>67,570</u>	<u>58,080</u>	<u>9,490</u>
Net Change in Fund Balance	(55,870)	(55,870)	(56,023)	(153)
Fund Balance at Beginning of Year	283,457	283,457	283,457	0
Prior Year Encumbrances	<u>420</u>	<u>420</u>	<u>420</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 228,007</u>	<u>\$ 228,007</u>	<u>\$ 227,854</u>	<u>\$ (153)</u>



**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2020***

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VINTAGE CLUB CAPITAL IMPROVEMENT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Investment Earnings	\$ 32,079	\$ 32,079	\$ 7,445	\$ (24,634)
Total Revenues	<u>32,079</u>	<u>32,079</u>	<u>7,445</u>	<u>(24,634)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Nonpersonnel	<u>1,300,168</u>	<u>1,311,668</u>	<u>1,311,623</u>	<u>45</u>
Total Expenditures	<u>1,300,168</u>	<u>1,311,668</u>	<u>1,311,623</u>	<u>45</u>
Net Change in Fund Balance	(1,268,089)	(1,279,589)	(1,304,178)	(24,589)
Fund Balance at Beginning of Year	872,727	872,727	872,727	0
Prior Year Encumbrances	<u>1,300,168</u>	<u>1,300,168</u>	<u>1,300,168</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 904,806</u>	<u>\$ 893,306</u>	<u>\$ 868,717</u>	<u>\$ (24,589)</u>

**CITY OF MONTGOMERY, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Permanent Fund  
For the Year Ended December 31, 2020***

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ARTS AND AMENITIES FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Charges for Services	\$ 25,450	\$ 25,450	\$ 1,040	\$ (24,410)
Investment Earnings	4,950	4,950	4,187	(763)
Total Revenues	<u>30,400</u>	<u>30,400</u>	<u>5,227</u>	<u>(25,173)</u>
<b>Expenditures:</b>				
Parks and Recreation:				
Nonpersonnel	106,300	106,300	11,037	95,263
Total Expenditures	<u>106,300</u>	<u>106,300</u>	<u>11,037</u>	<u>95,263</u>
Net Change in Fund Balance	(75,900)	(75,900)	(5,810)	70,090
Fund Balance at Beginning of Year	644,796	644,796	644,796	0
Fund Balance at End of Year	<u>\$ 568,896</u>	<u>\$ 568,896</u>	<u>\$ 638,986</u>	<u>\$ 70,090</u>

***Fiduciary Funds***

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Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

***Custodial Funds***

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**Mayor's Court Fund**

To account for funds that flow through the Mayor's Court.

**Ohio Board of Building Standards (OBBS) Fund**

To account for the three percent surcharge levied on building permits issued in the City of Montgomery by the State of Ohio and the one percent surcharge levied on residential permits. These funds are distributed to the State of Ohio on a monthly basis.

**CITY OF MONTGOMERY, OHIO**

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**Combining Statement of Net Position  
Fiduciary Funds  
December 31, 2020**

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	Mayor's Court	OBBS	Total Custodial Funds
<b>Assets:</b>			
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	\$ 3,422	\$ 2,421	\$ 5,843
<b>Total Assets</b>	<u>3,422</u>	<u>2,421</u>	<u>5,843</u>
<b>Liabilities:</b>			
Intergovernmental Payable	0	2,421	2,421
Due to Others	3,422	0	3,422
<b>Total Liabilities</b>	<u>3,422</u>	<u>2,421</u>	<u>5,843</u>
<b>Net Position:</b>			
Unrestricted	0	0	0
<b>Total Net Position</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

**CITY OF MONTGOMERY, OHIO**

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**Combining Statement of Changes in Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2020**

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	Mayor's Court	OBBS	Total Custodial Funds
<b>Additions:</b>			
Fines and Forfeiture Collections for other Governments	\$ 32,352	\$ 0	\$ 32,352
Fee Collections for other Governments	0	5,186	5,186
<b>Total Additions</b>	<u>32,352</u>	<u>5,186</u>	<u>37,538</u>
<b>Deductions:</b>			
Distribution of Fines and Forfeitures to other Governments	32,352	0	32,352
Distribution of Fees to other Governments	0	5,186	5,186
<b>Total Deductions</b>	<u>32,352</u>	<u>5,186</u>	<u>37,538</u>
<b>Net Position at Beginning of Year</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Position End of Year</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



## *STATISTICAL SECTION*

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CITY OF

MONTGOMERY

A CHARMING PAST. A GLOWING FUTURE.



## ***STATISTICAL TABLES***

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

### ***Contents***

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<b>Financial Trends</b>	S 2 – S 13
These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	
<b>Revenue Capacity</b>	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source, the income tax.	
<b>Debt Capacity</b>	S 18 – S 27
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.	
<b>Economic and Demographic Information</b>	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
<b>Operating Information</b>	S 32 – S 37
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.	
<b>Sources Note:</b>	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

## *City of Montgomery*

*Net Position by Component*  
*Last Ten Years*  
*(accrual basis of accounting)*

	*			
	2011	2012	2013	2014
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$36,182,645	\$36,128,095	\$35,944,567	\$39,698,707
Restricted	17,561,697	19,652,718	22,057,822	19,982,948
Unrestricted	14,845,473	14,772,666	14,786,678	9,586,759
Total Primary Government Net Position	<u>\$68,589,815</u>	<u>\$70,553,479</u>	<u>\$72,789,067</u>	<u>\$69,268,414</u>

Source: City Finance Director's Office

\* As Restated

*City of Montgomery*

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		*	*		
2015	2016	2017	2018	2019	2020
\$43,262,398	\$42,821,778	\$46,591,291	\$47,555,921	\$49,348,148	\$44,110,982
17,288,242	18,106,169	18,195,161	21,696,557	22,918,214	23,932,760
10,103,260	10,781,407	1,715,781	(1,153,649)	5,005,001	10,304,294
<u>\$70,653,900</u>	<u>\$71,709,354</u>	<u>\$66,502,233</u>	<u>\$68,098,829</u>	<u>\$77,271,363</u>	<u>\$78,348,036</u>

# City of Montgomery

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

	2011	2012	2013	2014
<b>Expenses</b>				
Governmental Activities:				
Public Safety	\$6,016,951	\$5,938,453	\$5,526,566	\$5,525,153
Parks and Recreation	1,375,420	1,350,375	1,323,018	1,207,002
Community Economic Development	483,968	515,765	660,502	683,325
Public Works	2,322,822	2,368,658	2,457,093	2,528,383
General Government	4,396,020	4,435,686	4,797,717	4,535,252
Interest and Fiscal Charges	173,463	148,817	421,583	646,377
<i>Total Primary Government Expenses</i>	<u>\$14,768,644</u>	<u>\$14,757,754</u>	<u>\$15,186,479</u>	<u>\$15,125,492</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services				
Public Safety	\$327,909	\$389,783	\$379,782	\$330,344
Parks and Recreation	256,030	262,896	279,176	316,669
Community Economic Development	217,495	389,531	357,126	338,339
Public Works	38,212	50,612	44,463	44,718
General Government	263,899	239,153	276,725	879,472
Operating Grants and Contributions	637,823	503,370	594,658	602,689
Capital Grants and Contributions	0	0	0	361,417
<i>Total Primary Government Program Revenues</i>	<u>1,741,368</u>	<u>1,835,345</u>	<u>1,931,930</u>	<u>2,873,648</u>

*City of Montgomery*

2015	2016	2017	2018	2019	2020
\$5,686,783	\$6,155,810	\$6,770,913	\$7,001,538	\$2,149,098	\$8,547,724
1,321,303	1,423,495	1,443,647	1,451,641	1,571,912	1,445,179
681,284	833,598	896,973	981,654	750,246	4,339,017
2,494,890	3,037,588	2,895,186	2,958,271	3,739,794	3,482,365
4,953,073	4,318,323	5,047,160	5,085,300	6,533,156	5,979,642
602,800	582,929	575,223	805,080	956,673	1,114,097
<u>\$15,740,133</u>	<u>\$16,351,743</u>	<u>\$17,629,102</u>	<u>\$18,283,484</u>	<u>\$15,700,879</u>	<u>\$24,908,024</u>
\$346,258	\$334,220	\$451,533	\$460,488	\$473,373	\$402,773
303,576	329,497	396,922	399,223	426,279	130,826
310,367	383,667	295,350	460,387	330,105	323,653
42,864	67,878	59,085	70,870	36,860	84,942
275,305	267,180	207,852	213,003	214,912	200,081
710,112	657,398	567,203	459,038	942,813	1,495,785
488,849	106,742	1,453,524	394,361	417,273	450,000
<u>2,477,331</u>	<u>2,146,582</u>	<u>3,431,469</u>	<u>2,457,370</u>	<u>2,841,615</u>	<u>3,088,060</u>

(continued)

# *City of Montgomery*

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

	2011	2012	2013	2014
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(13,027,276)	(12,922,409)	(13,254,549)	(12,251,844)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$13,027,276)</u>	<u>(\$12,922,409)</u>	<u>(\$13,254,549)</u>	<u>(\$12,251,844)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$5,067,545	\$4,831,239	\$5,108,938	\$5,032,078
Income Taxes	6,829,459	7,163,487	7,564,240	8,438,680
Other Local Taxes	1,096,131	1,686,255	1,651,364	8,205
Intergovernmental Revenue, Unrestricted	1,007,530	672,620	690,532	768,788
Investment Earnings	116,322	203,020	66,401	353,613
Miscellaneous	307,038	329,452	408,662	224,708
<i>Total Primary Government</i>	<u>\$14,424,025</u>	<u>\$14,886,073</u>	<u>\$15,490,137</u>	<u>\$14,826,072</u>
<b>Change in Net Position</b>				
Governmental Activities	\$1,396,749	\$1,963,664	\$2,235,588	\$2,574,228
<i>Total Primary Government Change in Net Position</i>	<u>\$1,396,749</u>	<u>\$1,963,664</u>	<u>\$2,235,588</u>	<u>\$2,574,228</u>

Source: City Finance Director's Office

*City of Montgomery*

2015	2016	2017	2018	2019	2020
(13,262,802)	(14,205,161)	(14,197,633)	(15,826,114)	(12,859,264)	(21,819,964)
<u>(\$13,262,802)</u>	<u>(\$14,205,161)</u>	<u>(\$14,197,633)</u>	<u>(\$15,826,114)</u>	<u>(\$12,859,264)</u>	<u>(\$21,819,964)</u>
\$5,284,135	\$5,637,621	\$6,126,596	\$6,232,147	\$10,104,586	\$10,373,129
8,368,822	8,627,561	9,209,832	9,528,350	9,899,146	10,350,161
5,516	8	42,400	50,803	57,591	49,658
795,633	804,732	804,443	823,338	914,767	923,971
20,625	125,332	243,469	369,190	824,461	279,680
173,557	65,361	240,936	273,844	231,247	920,038
<u>\$14,648,288</u>	<u>\$15,260,615</u>	<u>\$16,667,676</u>	<u>\$17,277,672</u>	<u>\$22,031,798</u>	<u>\$22,896,637</u>
\$1,385,486	\$1,055,454	\$2,470,043	\$1,451,558	\$9,172,534	\$1,076,673
<u>\$1,385,486</u>	<u>\$1,055,454</u>	<u>\$2,470,043</u>	<u>\$1,451,558</u>	<u>\$9,172,534</u>	<u>\$1,076,673</u>

# *City of Montgomery*

## *Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)*

	2011	2012	2013	2014
General Fund				
Nonspendable	\$23,350	\$31,759	\$38,762	\$48,297
Restricted	0	0	0	0
Committed	232,456	213,241	241,177	241,965
Assigned	148,421	0	14,255	480,495
Unassigned	14,583,500	14,739,811	14,854,921	14,081,793
<i>Total General Fund</i>	<u>14,987,727</u>	<u>14,984,811</u>	<u>15,149,115</u>	<u>14,852,550</u>
All Other Governmental Funds				
Nonspendable	378,911	386,807	381,214	386,850
Restricted	14,737,416	14,848,236	21,633,254	19,040,157
Committed	0	0	0	0
Assigned	0	2,762,750	4,938,215	0
Unassigned	(1,028,831)	(1,002,569)	(935,888)	(1,607,986)
Total All Other Governmental Funds	<u>14,087,496</u>	<u>16,995,224</u>	<u>26,016,795</u>	<u>17,819,021</u>
<i>Total Governmental Funds</i>	<u>\$29,075,223</u>	<u>\$31,980,035</u>	<u>\$41,165,910</u>	<u>\$32,671,571</u>

Source: City Finance Director's Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

\* As Restated



*City of Montgomery*

*					
2015	2016	2017	2018	2019	2020
\$57,050	\$153,093	\$149,637	\$152,313	\$117,529	\$131,178
0	0	0	4,000	111,918	113,118
0	0	275,766	380,872	460,052	433,445
632,729	1,231,318	1,337,872	106,421	330,468	1,445,980
13,058,828	13,692,699	13,403,870	13,347,382	14,785,825	15,387,764
13,748,607	15,077,110	15,167,145	13,990,988	15,805,792	17,511,485
385,504	430,879	430,112	428,223	425,881	420,028
15,420,289	15,651,642	15,170,294	19,631,383	20,747,499	49,425,871
0	0	0	0	0	0
3,997,738	4,017,131	3,372,027	5,740,457	5,291,815	5,390,927
(777,518)	(696,585)	(578,147)	(489,939)	(403,274)	(322,139)
19,026,013	19,403,067	18,394,286	25,310,124	26,061,921	54,914,687
\$32,774,620	\$34,480,177	\$33,561,431	\$39,301,112	\$41,867,713	\$72,426,172

# City of Montgomery

## Changes in Fund Balances, Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2011	2012	2013	2014
<b>Revenues:</b>				
Taxes	\$13,207,984	\$13,772,405	\$14,323,258	\$13,493,807
Intergovernmental Revenues	1,524,756	1,910,352	1,356,908	1,729,466
Charges for Services	516,638	570,815	590,048	604,663
Rental Revenue	71,567	74,334	82,171	691,149
Licenses, Permits and Fees	329,972	288,456	463,084	455,962
Investment Earnings	118,982	207,977	68,543	349,700
Special Assessments	240,774	247,118	239,150	210,214
Fines and Forfeitures	182,546	208,992	197,398	161,109
Donations	0	0	0	0
All Other Revenue	308,438	330,070	408,662	225,331
<b>Total Revenue</b>	<b>16,501,657</b>	<b>17,610,519</b>	<b>17,729,222</b>	<b>17,921,401</b>
<b>Expenditures:</b>				
Current:				
Public Safety	5,571,856	5,257,367	5,195,970	5,211,409
Parks and Recreation	1,183,413	1,173,520	1,140,568	1,048,008
Community Economic Development	407,163	423,326	558,761	619,162
Public Works	1,553,391	1,393,153	1,551,869	1,574,078
General Government	4,773,477	3,680,703	4,454,948	3,809,334
Capital Outlay	1,750,423	2,140,335	8,132,369	12,264,416
Debt Service:				
Principal Retirement	619,883	615,883	486,883	1,282,883
Interest and Fiscal Charges	144,521	124,949	374,970	624,701
<b>Total Expenditures</b>	<b>16,004,127</b>	<b>14,809,236</b>	<b>21,896,338</b>	<b>26,433,991</b>
Excess (Deficiency) of Revenues Over Expenditures	497,530	2,801,283	(4,167,116)	(8,512,590)

*City of Montgomery*

2015	2016	2017	2018	2019	2020
\$13,723,722	\$14,398,872	\$15,259,447	\$15,750,906	\$20,025,676	\$20,643,147
1,996,610	1,561,357	1,982,883	2,237,462	1,908,885	2,860,256
551,286	623,876	749,257	782,209	788,935	520,567
75,689	72,428	60,890	58,310	73,916	41,425
460,180	540,237	451,332	626,918	494,451	484,851
24,012	124,366	234,005	359,569	824,095	297,224
200,708	198,496	198,624	190,584	191,640	182,999
190,354	146,426	147,642	127,022	115,548	92,154
0	0	0	184,603	267,031	675
173,557	65,361	249,936	273,844	231,247	920,038
17,396,118	17,731,419	19,334,016	20,591,427	24,921,424	26,043,336
5,401,500	5,402,597	6,078,022	6,138,584	6,738,519	7,250,887
1,146,011	1,230,746	1,221,808	1,295,336	1,346,741	1,281,415
577,778	727,466	771,107	925,533	674,556	662,342
1,671,168	1,640,058	1,712,620	1,598,007	1,770,392	1,787,601
4,135,877	3,835,298	5,569,589	4,454,768	5,440,130	5,433,186
3,535,968	2,305,739	3,916,443	5,405,224	4,053,883	9,846,616
258,883	355,883	465,883	614,883	1,603,815	730,000
577,715	557,895	550,405	785,983	1,001,150	1,079,128
17,304,900	16,055,682	20,285,877	21,218,318	22,629,186	28,071,175
91,218	1,675,737	(951,861)	(626,891)	2,292,238	(2,027,839)

(continued)

## City of Montgomery

*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(modified accrual basis of accounting)*

	2011	2012	2013	2014
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	31,294	103,529	66,903	18,251
Refunding Bonds Issued	0	0	0	0
Discount on Bond Issuance	0	0	0	0
Premium on Bond Issuance	0	0	21,088	0
Special Obligation Bonds Issued	0	0	13,265,000	0
Long Term Note Issuance	0	0	0	0
Payment to Refunding Bond Escrow Agent	0	0	0	0
Transfers In	435,962	2,482,510	2,647,980	2,928,911
Transfers Out	(435,962)	(2,482,510)	(2,647,980)	(2,928,911)
<b>Total Other Financing Sources (Uses)</b>	<u>31,294</u>	<u>103,529</u>	<u>13,352,991</u>	<u>18,251</u>
<b>Net Change in Fund Balance</b>	<u>\$528,824</u>	<u>\$2,904,812</u>	<u>\$9,185,875</u>	<u>(\$8,494,339)</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	5.53%	5.31%	6.13%	12.84%

Source: City Finance Director's Office

*City of Montgomery*

2015	2016	2017	2018	2019	2020
11,831	29,820	33,115	19,389	44,024	2,099,398
0	0	0	0	11,550,000	0
0	0	0	0	(74,083)	0
0	0	0	507,145	0	81,900
0	0	0	5,695,000	0	22,905,000
0	0	0	0	0	7,500,000
0	0	0	0	(11,245,578)	0
5,321,922	1,369,222	721,887	4,527,655	1,740,896	1,829,000
(5,321,922)	(1,369,222)	(721,887)	(4,527,655)	(1,740,896)	(1,829,000)
11,831	29,820	33,115	6,221,534	274,363	32,586,298
\$103,049	\$1,705,557	(\$918,746)	\$5,594,643	\$2,566,601	\$30,558,459
5.84%	6.33%	6.55%	8.87%	13.27%	9.63%

## *City of Montgomery*

### *Income Tax Revenues by Source, Governmental Funds Last Ten Years*

<b>Tax year</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Income Tax Rate	1.00%	1.00%	1.00%	1.00%
Estimated Personal Income	\$480,577	\$506,533	\$506,533	\$514,959
Total Tax Collected	\$7,135,086	\$7,266,418	\$7,791,153	\$8,108,709
Income Tax Receipts				
Withholding	5,166,841	5,132,899	5,492,994	5,682,726
Percentage	72.4%	70.7%	70.5%	70.1%
Corporate	490,950	519,450	531,787	558,753
Percentage	6.9%	7.1%	6.8%	6.9%
Individuals	1,477,295	1,614,069	1,766,372	1,867,230
Percentage	20.7%	22.2%	22.7%	23.0%

Source: City Finance Department

*City of Montgomery*

2015	2016	2017	2018	2019	2020
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
\$525,148	\$552,416	\$565,671	\$608,643	\$643,557	\$658,085
\$8,453,212	\$8,840,826	\$9,172,224	\$9,333,556	\$9,911,567	\$10,145,884
6,095,746	6,411,256	6,580,924	6,740,749	7,236,622	7,437,027
72.1%	72.5%	71.7%	72.2%	73.0%	73.3%
592,503	571,288	586,815	637,066	651,801	686,257
7.0%	6.5%	6.4%	6.8%	6.6%	6.8%
1,764,963	1,858,282	2,004,485	1,955,741	2,023,144	2,022,600
20.9%	21.0%	21.9%	21.0%	20.4%	19.9%





# City of Montgomery

## Income Tax Statistics Current Year and Nine Years Ago

Calendar Year 2020				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	1,345	31.96%	\$58,098	0.78%
20,000 - 49,999	419	9.95%	140,567	1.89%
50,000 - 74,999	268	6.37%	166,502	2.23%
75,000 - 99,999	244	5.80%	213,375	2.86%
Over 100,000	1,933	45.92%	6,875,334	92.24%
Total	4,209	100.00%	\$7,453,876	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Credited to Other Municipalities	\$4,337,987
	\$4,337,987

Calendar Year 2011				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	1,538	35.89%	\$66,503	1.33%
20,000 - 49,999	522	12.18%	178,176	3.56%
50,000 - 74,999	344	8.03%	215,528	4.30%
75,000 - 99,999	338	7.89%	296,756	5.92%
Over 100,000	1,543	36.01%	4,252,503	84.89%
Total	4,285	100.00%	\$5,009,466	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Credited to Other Municipalities	\$3,810,672
	\$3,810,672

Source: City Finance Director's Office

## *City of Montgomery*

### *Ratios of Outstanding Debt By Type Last Ten Years*

	2011	2012	2013	2014
<b>Governmental Activities</b> <sup>(1)</sup>				
General Obligation Bonds Payable	\$1,890,000	\$1,450,000	\$1,130,000	\$0
Special Assessment Bonds	1,526,048	1,350,165	1,183,282	1,030,399
Special Obligation TIF Bonds	0	0	13,265,000	13,265,000
Long-Term Note Payable	0	0	0	0
Total Primary Government	<u>\$3,416,048</u>	<u>\$2,800,165</u>	<u>\$15,578,282</u>	<u>\$14,295,399</u>
 <b>Population</b> <sup>(2)</sup>				
City of Montgomery	10,251	10,251	10,251	10,251
Outstanding Debt Per Capita	\$333	\$273	\$1,520	\$1,395
 <b>Income</b> <sup>(3)</sup>				
Personal (in thousands)	480,577	506,533	506,533	514,959
Percentage of Personal Income	0.71%	0.55%	3.08%	2.78%

**Sources:**

- (1) City Finance Director's Office
- (2) US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis
  - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

*City of Montgomery*

2015	2016	2017	2018	2019	2020
\$0	\$0	\$0	\$0	\$0	\$0
871,516	715,633	549,750	384,867	215,000	45,000
13,165,000	12,965,000	12,665,000	18,417,145	17,651,370	39,973,794
0	0	0	0	0	7,536,172
<u>\$14,036,516</u>	<u>\$13,680,633</u>	<u>\$13,214,750</u>	<u>\$18,802,012</u>	<u>\$17,866,370</u>	<u>\$47,554,966</u>

10,251	10,251	10,582	10,746	10,805	10,932
\$1,369	\$1,335	\$1,249	\$1,750	\$1,654	\$4,350

525,148	552,416	565,671	608,643	643,557	658,085
2.67%	2.48%	2.34%	3.09%	2.78%	7.23%

## *City of Montgomery*

### *Ratios of General Bonded Debt Outstanding Last Ten Years*

Year	2011	2012	2013	2014
<b>Population</b> <sup>(1)</sup>	10,251	10,251	10,251	10,251
<b>Personal Income</b> <sup>(2)</sup>	\$480,577,131	\$506,532,663	\$506,532,663	\$514,958,985
<b>General Bonded Debt</b> <sup>(3)</sup>				
General Obligation Bonds	\$1,890,000	\$1,450,000	\$1,130,000	\$0
<b>Resources Available to Pay Principal</b>	\$1,267,621	\$1,289,798	\$1,215,803	\$2,845,453
<b>Net General Bonded Debt</b>	\$622,379	\$160,202	(\$85,803)	NA
<b>Ratio of Net Bonded Debt to Personal Income</b>	0.13%	0.03%	-0.02%	NA
<b>Net Bonded Debt per Capita</b>	\$60.71	\$15.63	(\$8.37)	NA

**Source:**

(1) U.S. Bureau of Census of Population

(2) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

(3) Includes all general obligation bonded debt supported by property taxes.

*City of Montgomery*

2015	2016	2017	2018	2019	2020
10,251	10,251	10,582	10,746	10,805	10,932
\$525,148,479	\$552,416,139	\$565,671,392	\$608,642,694	\$643,556,605	\$658,084,536
\$0	\$0	\$0	\$0	\$0	\$0
\$347,977	\$657,016	\$695,342	\$701,397	\$709,690	\$768,288
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA



## *City of Montgomery*

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2020*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Montgomery</u>	<u>Amount Applicable to the City of Montgomery</u>
<b>Direct:</b>			
City of Montgomery	\$47,554,966	100.00%	\$47,554,966
<b>Overlapping:</b>			
Sycamore Community School District	142,080,189	31.71%	45,053,628
Hamilton County	112,935,000	3.03%	3,421,931
		Subtotal	<u>48,475,559</u>
		Total	<u>\$96,030,525</u>

**Source:** Ohio Municipal Advisory Council

**Note:** Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

# City of Montgomery

## Debt Limitations Last Ten Years

	2011	2012	2013	2014
<b>Total Debt</b>				
Net Assessed Valuation	\$481,043,250	\$481,049,290	\$484,129,440	\$516,228,830
Legal Debt Limitation (%) <sup>(1)</sup>	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) <sup>(1)</sup>	50,509,541	50,510,175	50,833,591	54,204,027
City Debt Outstanding <sup>(2)</sup>	1,890,000	1,450,000	1,130,000	2,800,000
Less: Applicable Debt Service Fund Amounts	(1,267,621)	(1,289,798)	(1,215,803)	(2,845,453)
Net Indebtedness Subject to Limitation	622,379	160,202	(85,803)	(45,453)
Overall Legal Debt Margin	\$49,887,162	\$50,349,973	\$50,919,394	\$54,249,480
 Debt Margin as a Percentage of Debt Limit				
	98.77%	99.68%	100.17%	100.08%
 <b>Unvoted Debt</b>				
Net Assessed Valuation	\$481,043,250	\$481,049,290	\$484,129,440	\$516,228,830
Legal Debt Limitation (%) <sup>(1)</sup>	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) <sup>(1)</sup>	26,457,379	26,457,711	26,627,119	28,392,586
City Debt Outstanding <sup>(2)</sup>	1,890,000	1,450,000	1,130,000	2,800,000
Less: Applicable Debt Service Fund Amounts	(1,267,621)	(1,289,798)	(1,215,803)	(2,845,453)
Net Indebtedness Subject to Limitation	622,379	160,202	(85,803)	(45,453)
Overall Legal Debt Margin	\$25,835,000	\$26,297,509	\$26,712,922	\$28,438,039

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.

**Source:** City Finance Director's Office



*City of Montgomery*

2015	2016	2017	2018	2019	2020
\$521,032,070	\$525,380,800	\$576,634,020	\$585,606,670	\$596,678,640	\$667,403,120
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
54,708,367	55,164,984	60,546,572	61,488,700	62,651,257	70,077,328
0	0	0	0	0	7,536,172
(347,977)	(657,016)	(695,342)	(701,397)	(709,690)	(768,288)
(347,977)	(657,016)	(695,342)	(701,397)	(709,690)	6,767,884
\$55,056,344	\$55,822,000	\$61,241,914	\$62,190,097	\$63,360,947	\$63,309,444
100.64%	101.19%	101.15%	101.14%	101.13%	90.34%
\$521,032,070	\$525,380,800	\$576,634,020	\$585,606,670	\$596,678,640	\$667,403,120
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
28,656,764	28,895,944	31,714,871	32,208,367	32,817,325	36,707,172
0	0	0	0	0	7,536,172
(347,977)	(657,016)	(695,342)	(701,397)	(709,690)	(768,288)
(347,977)	(657,016)	(695,342)	(701,397)	(709,690)	6,767,884
\$29,004,741	\$29,552,960	\$32,410,213	\$32,909,764	\$33,527,015	\$29,939,288

# *City of Montgomery*

## *Pledged Revenue Coverage Last Ten Years*

	2011	2012	2013	2014	2015
<b>Special Assessment Bonds</b>					
Special Assessment Collections	\$240,774	\$247,118	\$239,150	\$210,214	\$200,708
Debt Service					
Principal	139,883	175,883	166,883	152,883	158,883
Interest	59,282	56,710	50,840	45,230	40,182
Coverage	1.21	1.06	1.10	1.06	1.01
<b>Tax Increment Financing (1)</b>					
Payment in Lieu of Taxes	\$0	\$0	\$1,250,087	\$1,152,795	\$1,260,263
Debt Service					
Principal	0	0	0	0	\$100,000
Interest	0	0	262,502	522,102	522,102
Coverage	0.00	0.00	4.76	2.21	2.03
<b>Tax Increment Financing (2)</b>					
Payment in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0
Debt Service					
Principal	0	0	0	0	\$0
Interest	0	0	0	0	0
Coverage	0.00	0.00	0.00	0.00	0.00

(1) Vintage Club Improvements

(2) Vintage Club Phase II Improvements

**Source:** City Finance Director's Office

*City of Montgomery*

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2016	2017	2018	2019	2020
\$198,496	\$198,624	\$190,584	\$191,640	\$182,999
155,883	165,883	164,883	165,000	170,000
34,842	29,552	23,767	14,440	8,170
1.04	1.02	1.01	1.07	1.03
\$1,593,666	\$2,005,478	\$1,881,600	\$2,176,554	\$2,354,732
\$200,000	\$300,000	\$450,000	\$460,000	\$530,000
521,352	519,152	514,802	506,928	307,669
2.21	2.45	1.95	2.25	2.81
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$30,000
0	0	103,193	242,806	242,806
0.00	0.00	0.00	0.00	0.00

## *City of Montgomery*

### *Demographic and Economic Statistics Last Ten Years*

Calendar Year	2011	2012	2013	2014
<b>Population</b> <sup>(1)</sup>				
City of Montgomery	10,251	10,251	10,251	10,251
Hamilton County	802,374	802,374	802,374	802,374
<b>Income</b> <sup>(2) (a)</sup>				
Total Personal (in thousands)	480,577	506,533	506,533	514,959
Hamilton County Per Capita	46,881	49,413	49,413	50,235
<b>Unemployment Rate</b> <sup>(3)</sup>				
Federal	8.9%	8.1%	7.4%	5.4%
State	8.6%	7.2%	7.4%	4.7%
Hamilton County	8.6%	7.0%	7.1%	4.3%
<b>Civilian Work Force Estimates</b> <sup>(3)</sup>				
State	5,805,000	5,748,000	5,704,000	5,704,300
Hamilton County	405,100	400,000	399,800	400,500

#### **Sources:**

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
  - (a) Per Capita Income is only available by County, Total Personal Income is a calculation
- (3) Ohio Department of Job and Family Services Ohio Labor Market Information

*City of Montgomery*

2015	2016	2017	2018	2019	2020
10,251	10,251	10,582	10,746	10,805	10,932
802,374	807,598	809,099	813,822	817,473	819,501
525,148	552,416	565,671	608,643	643,557	658,085
51,229	53,889	53,456	56,639	59,561	60,198
5.3%	4.9%	3.9%	3.9%	3.5%	6.7%
4.9%	4.9%	4.5%	4.6%	4.1%	5.5%
4.4%	4.4%	4.0%	4.4%	4.5%	5.0%
5,719,500	5,663,000	5,724,000	5,724,000	5,736,300	5,706,400
404,100	403,900	410,000	413,100	410,900	412,300



# *City of Montgomery*

## *Principal Employers Current Year and Nine Years Ago*

Employer	Nature of Business	2020		
		Number of Employees	Rank	Percentage of Total Employment
Bethesda Hospital	Medical	3,465	1	28%
Sycamore School District	Educational	926	2	7%
Ohio National Financial Services	Financial	923	3	7%
TriHealth G LLC.	Medical	567	4	5%
Twin Lakes	Senior Community	338	5	3%
Meadowbrook Care Center	Medical	330	6	3%
Kroger	Retail	282	7	2%
Montgomery Inn	Restaurant	271	8	2%
Christ Hospital Physicians LLC	Medical	250	9	2%
Christ Hospital Health	Medical	228	10	2%
Total		7,580		
Total Employment within the City		12,584		

Employer	Nature of Business	2011		
		Number of Employees	Rank	Percentage of Total Employment
Bethesda Hospital	Medical	2,993	1	20%
Sycamore School District	Educational	1,413	2	9%
Ohio National Financial Services	Financial	835	3	6%
Tri-Health, Inc.	Medical	290	4	2%
Montgomery Inn, Inc.	Restaurant	283	5	2%
Twin Lakes	Senior Community	256	6	2%
Meadowbrook Care Center	Medical	238	7	2%
Kroger Limited Partnership 1	Retail	225	8	1%
Montgomery Care Center	Medical	187	9	1%
Columbia Oldsmobile Inc.	Automobile Retail	134	10	1%
Total		6,854		
Total Employment within the City		15,125		

**Source:** City Finance Director's Office

## *City of Montgomery*

### *Full Time Equivalent Employees by Function Last Ten Years*

	2011	2012	2013	2014	2015
<b>Governmental Activities</b>					
General Government					
Finance	5.00	5.50	5.50	5.50	5.50
Legal/Court	1.50	1.50	1.50	1.00	1.00
Administration	7.00	6.50	6.50	6.50	6.50
Maintenance	1.00	0.00	0.00	0.00	0.00
Public Safety					
Police	24.00	24.00	24.00	24.00	24.00
Fire	25.00	25.00	25.00	25.00	25.00
Public Works					
Street	11.50	11.50	11.50	11.50	11.50
Parks and Recreation					
Parks and Recreation	7.50	7.00	7.00	7.00	7.00
Community Environment					
Service	2.00	2.00	2.00	2.00	2.00
Total Employees	84.50	83.00	83.00	82.50	82.50

**Method:** 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

**Source:** City Finance Director's Office



*City of Montgomery*

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2016	2017	2018	2019	2020
5.50	5.50	5.50	5.50	6.00
1.00	1.00	1.00	1.00	1.00
6.50	6.50	6.50	7.50	7.50
0.00	0.00	0.00	0.00	0.00
24.00	24.00	24.00	24.00	24.00
25.00	25.00	25.00	22.00	21.00
11.50	11.50	11.50	11.50	10.25
7.25	7.25	7.25	7.25	6.50
2.50	2.50	2.50	1.00	2.00
83.25	83.25	83.25	79.75	78.25

# City of Montgomery

## Operating Indicators by Function Last Ten Years

	2011	2012	2013	2014
<b>Governmental Activities</b>				
General Government				
Court				
Number of Traffic Cases	1,529	1,742	2,066	1,829
Licenses and Permits				
Number of Building Permits	253	250	337	423
Number of Building Inspections	733	1,195	1,186	1,603
Information Technology				
Number of Website Visitors	220,001	269,439	292,845	309,065
Number of Online Transactions	2,972	2,914	2,883	2,024
Average Cost per Online Transactions*	\$0.97	\$0.99	\$1.08	\$1.54
Public Safety				
Police				
Number of Moving Citations Issued	1,883	1,929	1,765	1,549
Number of Non-moving Citations Issued	271	261	301	280
Number of Felony Arrests	38	59	39	42
Number of Misdemeanor Arrests	233	326	541	371
Number of Juvenile Arrests	83	105	97	104
Number of DUI/OVI Arrests	38	88	91	49
Number of Auto Accident Reports	766	609	727	516
Fire				
Number of Fire Calls	490	467	490	577
Number of EMS Runs	1,005	998	972	949
Number of Car Seat Inspections	151	151	191	214
Number of Inspections	1,103	1,008	613	906
Public Works				
Street				
Centerline Miles of Streets Resurfaced	3.70	2.43	2.27	2.34
Number of Public Trees Trimmed	135	65	154	48
Number of Households Receiving				
Curbside Brush Chipping	825	803	669	785
Number of Sidewalk Locations Required	65	71	82	77
Parks and Recreation				
Parks and Recreation**				
Number of Classes / Events	82	60	61	73
Number of Pool Passes Sold	518	546	587	666
Number of Pool Daily Patrons	11,237	9,873	10,382	19,763

\*Beginning in 2017, these figures include credit card fees.

\*\*2020 Parks and Recreation activity was significantly impacted by the Covid-19 pandemic.

**Source:** City Finance Director's Office

*City of Montgomery*

2015	2016	2017	2018	2019	2020
1,496	1,219	1,368	1,099	1,106	927
384	427	393	484	437	502
1,711	1,583	1,486	1,819	1,664	1,553
334,014	308,981	331,109	338,846	340,179	288,340
2,796	3,152	2,458	2,712	2,851	6,958
\$1.12	\$0.99	\$5.44	\$5.28	\$5.27	\$2.52
1,589	1,353	1,809	1,217	1,448	1,184
148	66	103	18	243	123
32	49	57	N/A	38	14
384	334	346	174	166	78
49	62	47	N/A	66	34
80	76	48	41	30	29
546	567	497	726	517	316
471	437	443	623	593	519
1,125	1,091	1,099	1,135	1,182	1,072
217	157	143	141	147	15
894	590	976	925	982	877
2.05	2.17	2.48	2.37	2.38	2.19
33	61	88	55	61	53
796	722	548	1,933	1,099	1,151
127	78	86	26	27	9
73	94	96	92	107	83
652	684	736	726	719	0
20,573	23,070	27,424	28,659	27,278	10,109

# *City of Montgomery*

## *Capital Asset Statistics by Function Last Ten Years*

	2011	2012	2013	2014	2015
<b>Governmental Activities</b>					
General Government					
Public Land and Buildings					
Land (acres)	23	23	23	32	32
Buildings	8	8	8	8	8
Public Safety					
Police					
Stations	1	1	1	1	1
Vehicles	16	13	14	14	18
Fire					
Stations	1	1	1	1	1
Vehicles	10	11	10	10	10
Public Works					
Street					
Streets (lane miles)	46	46	46	46	46
Street Lights	316	246	246	246	246
Vehicles	17	16	16	16	21
Parks and Recreation					
Parks and Recreation					
Land (acres)	81	81	81	81	81
Buildings	3	3	3	3	3
Parks	7	7	7	7	7
Playgrounds	6	6	6	6	6
Tennis Courts	10	10	10	10	10
Baseball/Softball Diamonds	9	9	9	9	9
Municipal Pool Land (acres)	2	2	2	2	2
Municipal Pool Buildings	2	2	2	2	2

**Source:** City Finance Director's Office

*City of Montgomery*

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2016	2017	2018	2019	2020
32	43	45	45	45
8	8	9	9	9
1	1	1	1	1
15	17	15	16	17
1	1	1	1	1
12	11	12	12	13
46	46	46	46	46
246	246	246	246	246
20	19	20	20	20
81	81	81	81	81
3	3	3	3	3
7	7	7	7	7
6	6	6	6	6
10	10	10	10	10
9	9	9	9	9
2	2	2	2	2
2	2	2	2	2

