



**Comprehensive Annual Financial Report
for the year ended December 31, 2020**



CITY OF PIQUA, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended December 31, 2020

**Prepared by:
Department of Finance
Benjamin A. Goodin, Acting Director**

**CITY OF PIQUA, OHIO
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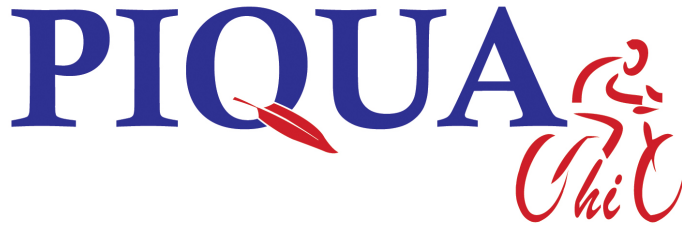
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Introductory Section





July 30, 2021

Honorable Mayor Kris Lee, City Commission Members
and Citizens of the City of Piqua, Ohio:

This Comprehensive Annual Financial Report is for the year ended December 31, 2020. We believe this report, prepared by the Department of Finance, presents financial and operating information about the City's activities during the year that should be useful to citizens, taxpayers and investors. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief the enclosed data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth 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 included.

Reporting Entity

This report includes all funds of the City. The City provides a full range of services including police and fire protection, parks, recreation and cultural facilities, street maintenance, health programs, planning, zoning and general governmental services. In addition, the City owns and operates business-type activities, with the major ones consisting of a power system, a sewer system, a water system, a stormwater system and a waste disposal system.

Piqua, founded in 1807, celebrated its Bicentennial in 2007. Piqua operates and is governed by the laws of the State of Ohio and its own charter which was adopted by the electorate in 1929. The Charter provides for a commission-manager form of government. Legislative authority is vested in a five-member commission. All members are elected from wards for four-year terms and serve in a part-time capacity. The Commission determines compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriations and borrowings, licensing and regulating of businesses and trades, and other municipal purposes. The City's Chief Executive and Administrative Officer is the City Manager who is appointed by the City Commission.

Local Economic Conditions and Outlook

The City of Piqua is a community (2010 Census 20,552) in Miami County, located in the west central part of the state, twenty-five miles north of Dayton. Inter and intra state highways I-75, Route 36 and Route 66 serve as the City's major transportation arteries. Edison Community College, with over 3,400 students, is located on the east side of the city.

The City does not depend on one firm for local employment; as many as ten companies employ in excess of 200 people each, lending to the City's diversification. The City has four industrial parks with plenty of room for expansion. The City's emphasis on economic retention and development are significant factors affecting the future economic strength of the community. Promoting Piqua as a good place for all types of businesses, new and existing, will continue to be one of our highest priorities.

Despite the unusual conditions of the past year, economic development activity remained steady. The construction of a new industrial building, major expansion of a manufacturing facility, and the construction of a new multi-family work force housing complex set the pace in 2020 during which, there was a total of \$27.8 million in commercial permit activity. Residential construction continued at a pace consistent with prior years at \$3.3 million in permit activity in 2020.

Major Initiatives

Current Year Projects: During 2020, the City continued efforts to enhance and expand services provided to local residents. The City continued supporting the Future Piqua Strategic Plan recommendations; including public access television and a quarterly community newsletter (financial support is shared between the City and the Chamber of Commerce).

The following significant events took place in 2020:

- Improved signage, sidewalks, and traffic signals in the City's downtown and surrounding areas.
- Implemented Downtown redevelopment grant to continue façade improvements to downtown structures
- Continued the Riverfront Redevelopment Project marketing and land acquisitions
- Continued beautification project on East Ash Street and US 36
- Continued implementation of the Parks Master Plan
- Continued construction on Wastewater treatment plant expansion
- Continued implementation of new Utility Automated Meter Infrastructure System
- Completion and opening of the Kettering Health Network medical center in Piqua

Future Projects: The city anticipates the following significant events to take place in 2021:

- Continue the redevelopment of the City's downtown and surrounding areas. The redevelopment includes improved signage, sidewalks, brick pavers, traffic signals, streetlights and parking
- Continue neighborhood improvements through the Neighborhood Associations, City's Neighborhood Improvement Team, Housing Enhancement League of Piqua (HELP), and CDBG Community Housing Improvement Program
- Continue the Community Campus Initiative in Historic East Piqua
- Continue the Riverfront Redevelopment efforts
- Continue monitoring long range financial plan
- Encourage tourism and recreational trail events
- Continue efforts to improve the Regional Public Safety Training facility with area educational facility
- Complete the city wide GIS Database for Utilities
- Continue to enhance the city thru street and ally resurfacing programs
- Private and public development of the Great Miami River Corridor
- Completion of the Wastewater treatment plant expansion
- Completion and adoption of a five year Capital Improvement Plan
- Completion of a Pool Feasibility Study
- Hosting the fifth annual Piqua 4th Fest in the downtown district

Financial Information

Management of the City is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary System: Detailed provisions regulating the City’s budget, tax levies and appropriations are set forth in the City Charter and in the Ohio Revised Code. The City Manager is required to submit to the City Commission annually, an appropriation measure, which must be adopted by the first Commission meeting in January. The Miami County Auditor must certify that the City’s appropriation measure does not exceed the amounts set forth in the County Budget Commission’s Certificate of Estimated Resources.

The City maintains legal budgetary control utilizing GAAP at an object level (personnel/administrative support, operation and maintenance, capital expenditures and transfers) for all funds. Lower levels within each object level are accounted for and reported internally. Such lower levels are referred to as the suffix level. All purchases are properly approved through the legislative process or issuance of a purchase order.

Expenditures are controlled at the suffix level throughout the year and any budgetary adjustments (at the object level), if necessary, are with the approval of the City Commission.

Accounting System: The City’s accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds to be used are in accordance with GAAP and the number of individual funds established is determined by legal requirements and sound financial administration.

The City’s records are maintained on modified accrual basis for all governmental and similar fiduciary fund types. Accordingly, revenues are recognized when susceptible to accrual (i.e. both measurable and available). Expenditures, other than interest on long-term debt, are recorded as liabilities when incurred. Proprietary funds utilize the accrual basis of accounting and the electric system employs the Federal Energy Commission’s system of accounts. A more detailed explanation of the basis of accounting for the various funds is included in the Notes to the Basic Financial Statements, located in the Financial Section of this report.

Financial Reporting: Beginning in 2002, the City has prepared financial statements following GASB Statement 34, “Basic Financial Statements – Management’s Discussion and Analysis – for State and Local Governments.” As part of this new reporting model, management is responsible for preparing a Management’s Discussion and Analysis of the City. This discussion follows the Independent Auditor’s Report, providing an assessment of the City’s finances for 2020.

General Government

General Governmental Revenues: The 2020 municipal income tax revenue of \$11,755,500 increased 4.8%. Property tax revenues increased slightly in 2020 while shared revenues decreased slightly. Interest revenue was similar to 2019 but is expected to be down in 2021 as interest rates are expected to remain low. Municipal income tax revenue is up through March 2021 but is expected to be similar to 2019 levels due to the extended filing deadline in 2020. Grants revenue increased in 2020 due to the CARES Act relief program.

General Governmental Expenditures: The 2020 General Governmental expenditures and other financing uses increased 83% compared with 2019 primarily due to a change in modeling of Ohio Police & Fire (OP&F) retiree health care stipends in 2019.

General Fund Balances: Current year activity contributed to a \$2,798,572 increase in the unassigned fund balance from 2019 due to the CARES Act relief funds, project delays, and lower expenses.

Business-Type Funds

The City's utility operations, consisting of a power system, a water system, a wastewater system, a stormwater system, and a solid refuse system, account for over half of the total City revenues. The City also operates smaller enterprises such as a golf course and a swimming pool.

Power System: Total customer revenues were \$27.7 million with usage down from 2019 levels. Revenues decreased based on temporary business shut downs due to Covid-19 regulations. No operating grants were received in 2020. With revenue down, expenses exceeded revenue by \$1,439,380 in 2020.

The system supplies electricity to more than 10,800 accounts within its service area. The power system, established in the 1930's, purchases power from power wholesalers, while supplementing power needs with fuel oil generation. The system is responsible for purchasing and generating power, transmitting and distributing electricity, and providing all related services.

The City of Piqua obtains its power supply from various sources. Two megawatts of Power is available from the New York Power Authority (NYPA). A twenty-year transmission agreement with the Dayton Power & Light Company guarantees supply access. Alternative contracts and projects are being considered by the Power system. During 2006, the City entered into a contract with Dayton Power & Light and AMP Ohio to provide power at an economic price. Piqua Power participates in the American Public Power Association's Reliable Public Power Provider (RP3) program. In 2019 Piqua achieved Diamond status, one of only fifty-four municipal electric systems in the country, representing less than 3% of all eligible electric systems for its superior reliability, safety, workforce development and system improvement programs.

Water System: Customer revenues of \$7.5 million were higher than 2019 levels due to a rate increase while usage was down slightly. Small operating and capital grants were received in 2020. Operating expenses of \$7.1 million were slightly down. Net revenue from operations was \$413,658 in 2020. More than 8,800 accounts are serviced by Piqua's municipal water system.

Wastewater System: Customer revenues of \$6.8 million were higher than 2019 due to a rate increase while usage was down. Capital grants and contributions of \$31,955 were received in 2020. Operating expenses of \$4.2 million were similar to 2019. Net revenue from operations was \$2,620,194 in 2020.

Refuse System: System revenues of \$2.2 million were similar to 2019 levels. Operating expenses of \$1.9 million were down from 2019. Net revenues from operations was \$282,006. Refuse service is provided to more than 8,200 customers.

Stormwater System: Customer revenues of \$1.2 million and were similar to 2019 levels. Capital grants of \$122,046 were received in 2020. Operating expenses of \$1.1 million were down due to projects completed in 2019. Net revenues from operations was \$189,171 in 2020. Stormwater service is provided to approximately 7,900 customers.

The Independent Audit

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Clark Schaefer Hackett has completed an audit of the 2020 financial statements. The 2019 audit was also completed by Clark Schaefer Hackett. All State of Ohio compliance and federal grant audit requirements are included as part of the independent annual engagement. See page 9 of the Financial Section of this report for their unmodified opinions.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded for the thirtieth consecutive year a Certificate of Achievement for Excellence in Financial Reporting to the City of Piqua, Ohio, 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 governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such 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 Piqua, Ohio has received a Certificate of Achievement for thirty consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

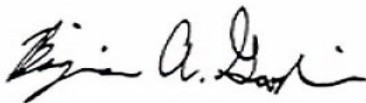
To the many conscientious people who have contributed so much of their time and effort to the preparation of this report our sincere appreciation is extended. The Finance Department staff is commended for their commitment to professional excellence once again exemplified by the contents of this report. Timely preparation of this report was accomplished by the diligent efforts and contributions of the entire Finance Department. Finally, contributions to the financial condition of the City of Piqua by the Mayor, members of City Commission, and Department Directors and Managers cannot be overlooked. Their support and guidance are invaluable factors necessary for the City to continue to successfully manage the financial affairs and reporting requirements of municipal government within the Piqua Community.

Respectfully submitted,

Paul Oberdorfer
City Manager



Benjamin A. Goodin,
Acting Director of Finance



Department of Finance Staff: Lisa Cavender-Asst. Finance Director, Stacy Burton-Financial Analyst II, Jamie Richard, Beverly Yount, Kelley McGlinch and Kayla Hamilton

CITY OF PIQUA, OHIO

**2020
CITY OFFICIALS**

Kris E. Lee, Mayor
Thomas S. Fogt, Commissioner
Cindy J. Pearson, Commissioner
James C. Grissom, Commissioner
Kathryn B. Hinds, Commissioner

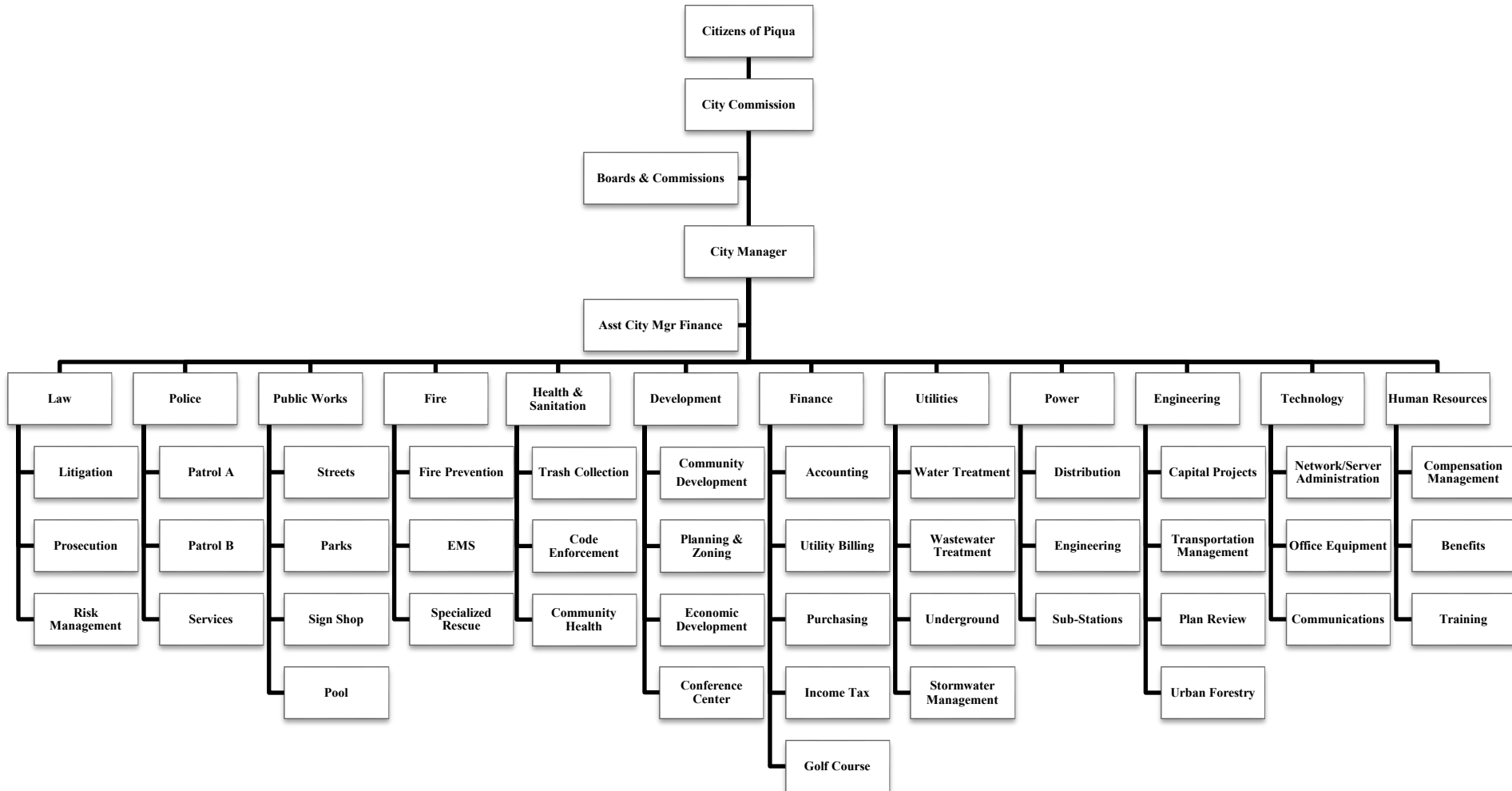
CITY MANAGER

L. Paul Oberdorfer

INDEPENDENT AUDITORS

Clark Schaefer Hackett & Co

City of Piqua 2020 Organization Chart





Government Finance Officers Association

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

Presented to

**City of Piqua
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

Financial Section



INDEPENDENT AUDITORS' REPORT

City Commission
City of Piqua, Ohio

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
July 30, 2021

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2020

The discussion and analysis of the City of Piqua'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 and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at December 31, 2020 by \$131.1 million (net position).
- The City's total net position increased by \$5.3 million or 4.2 percent in 2020. Net position of the governmental activities increased \$2.7 million, which represents a 5.0 percent increase from 2019. Net position of the business type activities increased \$2.6 million which represents a 3.6 percent increase from 2019.
- The total cost of the City's programs increased \$7.9 million or 14.1 percent. The cost of governmental activities increased \$8.8 million or 83.9 percent, while the cost of business-type activities decreased \$0.9 million or 2.1 percent.
- At the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$21.9 million. The combined governmental funds fund balance increased \$3.9 million from the prior year's ending fund balance. Approximately \$8.0 million of the \$21.9 million fund balance is considered unassigned at December 31, 2020.
- The general fund reported a fund balance of \$12.4 million at the end of the current fiscal year. The unassigned fund balance for the general fund was \$8.2 million or 70.0 percent of total general fund expenditures (including transfers out). There was a \$2.2 million increase in the total general fund balance for the year ended December 31, 2020.
- The City had \$4.1 million more in debt outstanding at December 31, 2020 than at December 31, 2019.
- Total costs of governmental services decreased by \$0.7 million, while net costs of services for governmental activities decreased by \$3.6 million with the effects of net pension and OPEB liabilities removed (see Table 4).

Using This Annual Financial Report

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City of Piqua's financial situation as a whole and also give a detailed view of the City's fiscal condition.

The Statement of Net Position and the Statement of Activities (on pages 24-25) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail and start on page 26. For governmental funds, these statements tell how services were financed in the short term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2020

Reporting the City of Piqua as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

- **Governmental Activities** – Most of the City's programs and services are reported here, including general government, public safety, street and maintenance, parks and recreation, Fort Piqua Plaza, community development and the public health district which became a blended component unit in 2019. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.
- **Business-Type Activities** – These services are provided on a fee basis to recover all of the expenses of the goods or services provided. The City's electric, water, refuse, wastewater, stormwater, golf and municipal pool activities are reported here.

Reporting the City of Piqua's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 26 and provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Funds are established to help control and manage money for particular purposes or to show that the City is meeting legal responsibilities for using certain taxes, grants, and other money. The City of Piqua's three kinds of funds – *governmental, proprietary, and fiduciary* – use different accounting approaches.

- ***Governmental funds*** – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. On the government-wide statements, these funds are reported using the accrual method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of timing of related cash flows. The governmental fund statements, using a modified accrual system of accounting, provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements or on an accompanying schedule.
- ***Proprietary funds*** – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Piqua uses enterprise funds to account for its electric, water, refuse, wastewater, stormwater services, golf and municipal pool. Internal service

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2020

funds are an accounting method used to accumulate and allocate costs internally among the City's various functions. The City of Piqua uses an internal service fund to account for its information technology and insurance activities. As these activities predominantly benefit governmental rather than business-type functions, they are shown within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water, wastewater, refuse, and stormwater systems which are considered to be major funds of the city as well as non major enterprise funds consisting of golf and municipal pool.

- *Fiduciary funds* – Funds 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 as the resources of those funds are not available to support the City's own programs.

Notes to the basic financial statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 34 through 65 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budget, proportionate share of net pension and OPEB liabilities, and pension and OPEB contributions. The City adopts an annual appropriation budget for its general fund and other funds. A budgetary comparison schedule has been provided for the general fund and other special revenue funds to demonstrate compliance with this budget. Also provided are the schedules of the City's proportionate share of the net pension and OPEB liabilities for OPERS and Ohio Police and Fire and schedules of the City contributions for pension and OPEB plans to OPERS and Ohio Police and Fire. Required supplementary information can be found on pages 66 through 76 of this report.

The combining statements in connection with non-major governmental and enterprise funds and internal service funds are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages 79 through 92 of this report.

The City of Piqua as a Whole

Recall that the analysis of the Statement of Net Position looks at the City as a whole. One of the most important questions to consider is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information to help answer this question. The Net Position statement shows the difference between assets with deferred outflows and liabilities with deferred inflows, which is one way to measure the City's financial position. As reviewed over time, increases or decreases in the City's net position are an indicator of whether the City's financial health is improving or deteriorating. However, other non-financial factors must also be considered such as changes in the property tax base of the city, the condition of the City's roads and neighborhoods, and the reputation of the public schools in order to assess the overall health of the City. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities for both 2020 and 2019.

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Table 1
Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Assets						
Current and other assets	\$ 29,225,052	\$ 25,273,194	\$ 38,679,248	\$ 35,746,136	\$ 67,904,300	\$ 61,019,330
Capital assets	54,805,038	54,781,343	155,589,514	153,714,505	210,394,552	208,495,848
<i>Total Assets</i>	84,030,090	80,054,537	194,268,762	189,460,641	278,298,852	269,515,178
Deferred outflows of resources						
Pension	3,241,914	7,215,646	1,275,313	3,528,216	4,517,227	10,743,862
OPEB	2,409,768	2,220,862	862,839	511,626	3,272,607	2,732,488
<i>Total Deferred outflows of resources</i>	5,651,682	9,436,508	2,138,152	4,039,842	7,789,834	13,476,350
Liabilities						
Long-term liabilities	24,864,649	30,217,231	111,550,929	112,089,030	136,415,578	142,306,261
Other liabilities	1,245,972	1,426,002	7,623,418	9,110,418	8,869,390	10,536,420
<i>Total Liabilities</i>	26,110,621	31,643,233	119,174,347	121,199,448	145,284,968	152,842,681
Deferred Inflows of Resources						
Property Taxes	1,348,617	1,315,462	-	-	1,348,617	1,315,462
Pension	3,696,820	1,209,009	1,985,465	382,733	5,682,285	1,591,742
OPEB	1,815,955	1,290,307	876,090	111,305	2,692,045	1,401,612
<i>Total Deferred Inflows of Resources</i>	6,861,392	3,814,778	2,861,555	494,038	9,722,947	4,308,816
Net position:						
Net investment in capital assets	54,805,038	54,781,343	55,875,007	58,077,820	110,680,045	112,859,163
Restricted	7,097,698	5,585,312	-	-	7,097,698	5,585,312
Unrestricted	(5,192,977)	(6,333,621)	18,496,005	13,729,177	13,303,028	7,395,556
<i>Total Net Position</i>	\$ 56,709,759	\$ 54,033,034	\$ 74,371,012	\$ 71,806,997	\$ 131,080,771	\$ 125,840,031

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2020 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." In 2018, the City adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net pension asset and deferred outflows related to pension and OPEB.

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

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

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

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

The employee enters the employment exchange with the knowledge that the employer’s promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan 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 the net OPEB liability is satisfied, these liabilities is separately identified within the long-term liability section of the statement of net position.

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

The amount by which the City’s assets and deferred outflows exceed its liabilities and deferred inflows is called net position. Net position may serve over time as a useful indicator of a government’s financial position. At year-end, the City’s net position was \$131.1 million compared to \$125.8 million in 2019, an increase of \$5.3 million. Net Position for governmental activities increased \$2.7 million, while business-type activities increased \$2.6 million.

Of that amount, in 2020 approximately \$110.7 million (84.4%) was invested in capital assets, net of debt related to those assets. At year-end 2019 that amount was approximately \$112.9 million (89.7%). The largest portion of the City’s net position (84.4%) reflects investments in net capital assets (e.g. land, construction in progress, buildings, improvements, machinery and equipment, vehicles, and infrastructure), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

For 2020 another \$7.1 million (5.4%) was subject to legislative and external restrictions upon its use. For 2019 \$5.6 million (4.4%) was subject to external restrictions.

Our total net position of the City’s governmental activities increased \$2.7 million during the current year; \$23,695 increase in net investment in capital assets and \$1.1 million increase in unrestricted net position. Restricted net position increased by \$1.5 million.

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Total net position of the City's business-type activities increased \$2.6 million during the current year; \$2.2 million due to a decrease in net investment in capital assets and \$4.8 million due to an increase in unrestricted net position. In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for the current year.

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for Services	\$ 2,178,738	\$ 1,808,710	\$ 45,951,999	\$ 45,640,129	\$ 48,130,737	\$ 47,448,839
Operating Grants/Contributions	2,178,563	368,907	6,878	210,811	2,185,441	579,718
Capital Grants/Contributions	1,333,209	586,256	192,666	402,608	1,525,875	988,864
General revenues:						
Property Taxes	1,295,579	1,193,452			1,295,579	1,193,452
Income Taxes	11,755,500	11,214,549			11,755,500	11,214,549
Other Taxes	3,257,618	3,508,561			3,257,618	3,508,561
Investment Earnings & Misc.	286,949	280,303	401,570	531,217	688,519	811,520
Total Revenues	22,286,156	18,960,738	46,553,113	46,784,765	68,839,269	65,745,503
Program Expenses						
General Government	2,683,524	2,850,355			2,683,524	2,850,355
Public Safety	10,866,935	725,613			10,866,935	725,613
Street and Maintenance	4,370,557	4,986,536			4,370,557	4,986,536
Parks and Recreation	647,360	1,026,207			647,360	1,026,207
Community Development	202,377	448,170			202,377	448,170
Public Health and Welfare	532,993	460,049			532,993	460,049
Electric			29,201,513	29,045,304	29,201,513	29,045,304
Wastewater			4,218,936	4,214,338	4,218,936	4,214,338
Water			7,067,226	7,240,937	7,067,226	7,240,937
Refuse			1,887,641	2,201,254	1,887,641	2,201,254
Stormwater			1,139,818	1,644,155	1,139,818	1,644,155
Golf			730,064	756,483	730,064	756,483
Pool			49,585	137,540	49,585	137,540
Total Expenses	19,303,746	10,496,930	44,294,783	45,240,011	63,598,529	55,736,941
Increase (Decrease) in Net Position before Transfers & Proceeds	2,982,410	8,463,808	2,258,330	1,544,754	5,240,740	10,008,562
Transfers	(305,685)	(160,000)	305,685	160,000	-	-
Increase(Decrease) in Net Position	2,676,725	8,303,808	2,564,015	1,704,754	5,240,740	10,008,562
Net Position Beginning	54,033,034	45,729,226	71,806,997	70,102,243	125,840,031	115,831,469
Net Position Ending	\$ 56,709,759	\$ 54,033,034	\$ 74,371,012	\$ 71,806,997	\$ 131,080,771	\$ 125,840,031

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Governmental Activities

Governmental activities increased the City's net position by \$2,676,725 in 2020. Total revenues increased by \$3,325,418 mostly due to increased operating grants by \$1,809,656, capital grants by \$746,953, income taxes by \$540,951, charges for services by \$370,028 and property taxes by \$102,127 while other taxes decreased by \$250,943. Our program expenses increased in 2020 by \$8,806,816 primarily due to a change in the prior year related to the modeling for provision of health care stipends for retirees in the Ohio Police & Fire Pension Fund (OP&F). In the prior year, the OPEB adjustment decreased expenses reported for public safety (police and fire departments) by \$10.5 million which explains the \$10.1 million increase in those expenses for 2020 as there was no such negative adjustment related to OP&F OPEB plan.

There was a decrease in General Government by \$166,831, a decrease in Parks and Recreation by \$378,847, a decrease in Street Maintenance projects by \$615,979, a decrease in Community Development by \$245,793 and an increase in Public Health by \$72,944. Most of the decreases in expenses related to the City limiting spending due to the uncertainty about the economy caused by the Pandemic.

Several types of revenues fund our governmental activities with city income tax being the largest contributor. The income tax revenue for 2020 was up at \$11,755,500 compared to \$11,214,549 in 2019, an increase of 4.8 percent. The City's income tax rate was 2.0 percent for 2020, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City provides 100 percent credit up to 2.00 percent for those who pay income tax to another city.

Program revenues saw an increase of \$370,028 in charges for services. Operating grants increased \$1,809,656 mainly from the CARES Act funding as a result of the COVID-19 public health emergency, and capital grants increased \$746,953 in 2020. General revenues from other taxes, such as Kilowatt-hour tax and Local Government Funds, decreased in 2020, we received \$250,943 less than in 2019, a 7.15% decrease mostly due to decreased intergovernmental shared revenue collections. Overall increases in program revenues totaled \$2,926,637 or 105.9%. With the combination of program revenues, property tax, income tax, intergovernmental funding, investment earnings and existing net position, all expenses in the governmental activities are funded. The City monitors its source of revenues very closely for fluctuations.

The Statement of Activities reports the expenses of each of the governmental activities programs and the related program revenue that offsets the cost of each program. The amount by which the cost of a particular program exceeds its program revenue represents the extent to which that program must be subsidized by general revenues. The following table summarizes the net cost of each program:

Table 3
Government Activities with GASB 68 and 75 costs included

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2020	2019	2020	2019	2020	2019
General Government	\$ 2,683,524	\$ 2,850,355	\$ 635,817	\$ 595,174	\$ 2,047,707	\$ 2,255,181
Public Safety	10,866,935	725,613	3,206,822	1,096,847	7,660,113	(371,234)
Street and Maintenance	4,370,557	4,986,536	1,111,428	607,676	3,259,129	4,378,860
Parks and Recreation	647,360	1,026,207	297,811	23,675	349,549	1,002,532
Community Development	202,377	448,170	92,003	344,053	110,374	104,117
Public Health and Welfare	532,993	460,049	346,629	96,448	186,364	363,601
Total	\$ 19,303,746	\$ 10,496,930	\$ 5,690,510	\$ 2,763,873	\$ 13,613,236	\$ 7,733,057

As explained above, the provisions of GASB Statements 68 and 75 distort the true financial position of the City. The same provisions require the City to recognize a pension/OPEB adjustment that increased expenses by \$1.4 million in 2020 compared to a reduction in expenses by \$8.1 million in 2019. This caused an \$8.5 million swing in expense from one year to the next. As a result, it is very difficult to ascertain the true operational cost of services

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and the change in cost of services from year to year. The chart below shows total costs of services and net cost of services by function with the GASB Statements 68 and 75 pension and OPEB costs removed and will be used in Financial Highlights.

Table 4
Government Activities with GASB 68 and 75 costs excluded

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2020	2019	2020	2019	2020	2019
General Government	\$ 2,505,117	\$ 2,482,159	\$ 635,817	\$ 595,174	\$ 1,869,300	\$ 1,886,985
Public Safety	9,968,577	9,659,169	3,206,822	1,096,847	6,761,755	8,562,322
Street and Maintenance	4,136,626	4,650,332	1,111,428	607,676	3,025,198	4,042,656
Parks and Recreation	604,950	942,634	297,811	23,675	307,139	918,959
Community Development	185,893	423,086	92,003	344,053	93,890	79,033
Public Health and Welfare	489,682	385,980	346,629	96,448	143,053	289,532
Total	\$ 17,890,845	\$ 18,543,360	\$ 5,690,510	\$ 2,763,873	\$ 12,200,335	\$ 15,779,487

Using Table 4, the largest program function for the City relates to Public Safety, which accounts for 55.7 percent of total program expenses in 2020. Street Maintenance accounts for 23.1 percent of total program expenses, while General Government accounts for 14.0 percent. Public Safety net cost of services decreased because of CARES Act funding received due to the COVID-19 public health emergency, which were used primarily to fund safety personnel costs. Street and Maintenance net cost of services decreased as significant street projects were completed. Public Health and Welfare increase due to the services provided by the Health Department to address the pandemic. Expenses associated with Parks and Recreation and Community Development decreased due to related activities decreasing during 2020 due to the limited ability of the public to access programs offered by those departments.

Business-Type Activities

The Business-Type activities of the City, which include the City's Electric, Wastewater, Water, Refuse and Stormwater operations as well as Golf and Pool activities, increased the City's net position by \$2,564,015 in 2020.

Table 5
Business-type Activities

	Total Cost of Services		Program Revenues		Net Revenue (Expense) from Operations	
	2020	2019	2020	2019	2020	2019
Electric	\$ 29,201,513	\$ 29,045,304	\$ 27,762,133	\$ 29,080,515	\$ (1,439,380)	\$ 35,211
Wastewater	4,218,936	4,214,338	6,839,130	6,284,229	2,620,194	2,069,891
Water	7,067,226	7,240,937	7,480,884	6,967,309	413,658	(273,628)
Refuse	1,887,641	2,201,254	2,169,647	2,029,645	282,006	(171,609)
Stormwater	1,139,818	1,644,155	1,328,989	1,403,681	189,171	(240,474)
Golf	730,064	756,483	570,748	439,271	(159,316)	(317,212)
Pool	49,585	137,540	12	48,898	(49,573)	(88,642)
Total	\$ 44,294,783	\$ 45,240,011	\$ 46,151,543	\$ 46,253,548	\$ 1,856,760	\$ 1,013,537

For 2020 the Wastewater, Water, Refuse and Stormwater utilities had program revenues in excess of expenses. For the most part, increases in expenses closely parallel inflation and growth in the demand for services. Electric saw expenses in excess of revenues of \$1,439,380. Golf and Pool activity funds also had expenses in excess of program revenues of \$208,889 in 2020 as compared to \$405,854 in 2019. Due to COVID-19, the Pool could not open in 2020 and the Golf Course was required to close for a short period of time.

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The City's Funds

Information about the City's major governmental funds starts on page 26. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues in 2020 of \$21.9 million compared to \$18.6 million in 2019. All governmental funds had expenditures in 2020 of \$17.7 million compared to \$18.1 million in 2019. The most significant fund is our general fund, which had an unassigned fund balance at year-end of \$8.2 million in 2020 compared to \$5.4 million in 2019. The General fund accounts for such activities as Police and Fire protection, and parks and recreation along with city administration. Within the General fund, revenues exceeded expenditures by \$2,500,524 in 2020 as compared to expenditures exceeding revenues by \$24,297 in 2019. The funds are monitored consistently with adjustments made to the budgets to accommodate yearly revenues.

Within the Street Maintenance Fund, revenues exceeded expenditures by \$1,056,625 in 2020 as compared to expenditures exceeding revenues by \$97,072 in 2019 as fewer street maintenance projects were completed. Fund balance at year-end in 2020 was \$3,817,743 as compared to \$2,752,437 in 2019, a 38.7 percent increase.

Within the Street Levy Construction Fund, revenues exceeded expenditures by \$784,635 in 2020 compared to \$847,699 in 2019 as more grants were received and more street repair projects were completed. Fund balance at year-end in 2020 was \$5,124,055 as compared to \$4,274,858 in 2019. The City was able to increase the level of fund balance in anticipation of increased street maintenance needs in 2021.

Information about the Enterprise Funds starts on the Balance Sheet on page 29. These funds are accounted for on an accrual basis. All business type funds had operating revenues of \$45.4 million in 2020 and \$45.2 million in 2019. Operating expenses were \$42.4 million in 2020 and \$43.3 million in 2019.

The enterprise fund balances increased \$2.3 million with the Electric fund decreasing \$1.4 million, Wastewater increasing \$2.7 million, Water increasing \$0.5 million and Refuse increasing \$0.3 million in 2020. Stormwater increased its 2020 fund net position by \$0.2 million. The Pool fund increased by \$4,697 its 2020 net position. The Golf fund net position was down \$9,116 compared to 2019. The City is consistent with reviews of these funds, and the necessary adjustments are made to ensure strength in our enterprise funds.

General Fund Budgetary Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the same basis as the entity reports. The most significant governmental budgeted fund is the General Fund. The Commission is provided with a detailed line item budget for all departments and after a discussion at a regularly held commission meeting, which is open to the public; the budget is adopted at an object level by City commission. Within each object, appropriations can be transferred between line items with the approval of the Finance Director and the respective department head. The Commission must approve any revisions in the budget that alter the object level totals or the total appropriations for any department or fund. During the course of fiscal 2020, the City amended its general fund budget at the end of the fiscal year. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the 2020 general fund, original budgeted revenues were \$13.7 million. The final budgeted revenue amount was \$12.5 million. Actual revenues were \$13.8 million. Actual revenues were slightly higher than the original budget amounts due to increased income taxes, property taxes, and licenses/fees while capital donations decreased. For the 2019 general fund, original budgeted revenues were \$13.5 million. The final budgeted revenue amount was \$13.5 million. Actual revenues collected were \$13.0 million.

For 2020, original general fund appropriations were budgeted at \$17.2 million. Final budgeted appropriations were \$15.2 million. Actual expenditures were \$11.3 million. This decrease was achieved through continued lower personnel costs and general government operating expenditures especially in light of the unknown effects of the COVID-19 pandemic. For 2019, original general fund appropriations were budgeted at \$16.8 million. Final budgeted appropriations were \$16.9 million. Actual expenditures were \$13.0 million. This decrease was achieved through continued lower personnel costs and general government operating expenditures.

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Capital Asset and Debt Administration

Table 6
Capital Assets, Net of Depreciation at December 31

	Governmental Activities		Business-Type Activities	
	2020	2019	2020	2019
Land and Land Improvements	\$ 5,448,679	\$ 5,401,179	\$ 2,772,088	\$ 2,720,371
Infrastructure Land	2,556,177	2,481,394	-	-
Construction in Progress	474,547	1,205,755	50,800,938	46,408,000
Buildings and Improvements	15,620,777	15,979,464	60,882,649	62,782,270
Furniture, Fixtures and Equipment	4,062,596	3,294,085	29,085,061	29,664,360
Infrastructure	26,642,262	26,419,466	-	-
Underground Piping			11,221,934	11,237,359
Intangible Assets	-	-	826,844	902,145
Total Capital Assets	\$54,805,038	\$54,781,343	\$ 155,589,514	\$ 153,714,505

Total Capital Assets for the City of Piqua for the year ended December 31, 2020 were \$210,394,552, an increase of \$1,898,704 over 2019. Additions in 2020 were \$17,211,627 less than in 2019 based on the completion of many large utility and street projects in 2019. The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. Additional information concerning the City's capital assets can be found in Note F of the financial statements.

Debt

At December 31, 2020, the City of Piqua had \$4.1 million more in debt of loans at \$99.7 million compared to \$95.6 million in debt outstanding at December 31, 2019.

Table 7
Outstanding Debt at December 31

	Business-type Activities	
	2020	2019
OWDA Loans	\$ 98,635,252	\$ 94,539,082
OPWC Loans	1,079,255	1,097,603
Total	\$ 99,714,507	\$ 95,636,685

The Ohio Water Development Authority ("OWDA") Loans from direct borrowings are paid semi-annually from wastewater and water revenues. Loan funds were used for construction, maintenance and operation of the city's wastewater system, the City's hydropillar water tower, and engineering design and construction of a new water treatment plant.

During 2009, \$3,919,940 was borrowed from the Ohio Water Development Authority ("OWDA 2009") to fund the Wastewater Sewer Equalization tank. In 2010 an additional \$409,936 was borrowed for the same project. The Wastewater Sewer project notes are paid with sewer utility revenues.

During 2014, \$44,879,845 was borrowed from the Ohio Water Development Authority ("OWDA 2014") for construction of a new Water Treatment Plant and to repay the design loan. Construction was completed in 2018. The Water Treatment Plant notes are paid with water utility revenues.

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During 2015, \$3,854,485 was borrowed from the Ohio Water Development Authority (“OWDA 2015”) under a cooperative agreement to install new raw and finished pipelines from the new water plant to the existing lines. Construction was completed in 2018. The Water pipeline notes are paid with Water utility revenues.

During 2016, \$3,288,841 was borrowed from the Ohio Water Development Authority (“OWDA 2016”) for construction of a new 1-million-gallon water tower, water main, and demolition of an old water tower. Construction began in 2016 and was completed in 2018. The water tower notes are paid with water utility revenue.

During 2017, \$53,224,030 of borrowing was approved by the Ohio Water Development Authority (“OWDA 2017”) to expand and upgrade the existing Wastewater Treatment Plant and to repay the design loan. A principal forgiveness of \$50,000 was also awarded. Construction began in 2017 and will continue through 2021. The Wastewater upgrade notes are paid with wastewater utility revenue.

During 2017, \$98,320 was borrowed from the Ohio Public Works Commission (“OPWC 2017”) for updating Stormwater drainage. Construction was completed in 2018. The Stormwater drainage notes are paid with the Stormwater Utility Revenue.

During 2019, \$1,002,560 of borrowing was issued under a cooperative agreement with Ohio Public Works Commission (“OPWC 2019”) for assisting in the cost of updating five lift stations throughout the City. The Wastewater Lift Station notes are paid with the Wastewater Utility Revenue.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10.5 percent of total assessed valuation. The City’s overall legal debt margin was \$34,094,650 on December 31, 2020.

Additional information concerning the City’s debt can be found in Note G of the financial statements.

Economic Factors and the 2021 General Fund Budget

The City’s key objectives set for the 2021 budget were Economic development, job creation, enhancements to public safety, and long-term fiscal stability. With the uncertainty surrounding the economy, the City closely monitors and takes into consideration the impact on two primary revenue sources: income tax revenue and state shared revenue.

In the 2021 budget process City Commission decided that it was important to: 1) continue the City’s investment in Economic development and job creation; 2) safety for the citizens of Piqua and City employees; and 3) adopt a budget designed to promote long-term fiscal stability. In order to meet the objectives of the 2021 budget, the City recognized the need to continue its pattern of cost containment while pursuing new revenue sources.

General fund expenditure appropriations for 2021 have been approved by City Commission in the amount of \$16.0 million. This appropriation level is approximately \$4.7 million more than actual 2020 general fund budgetary basis expenditures. The appropriation level was set based on similar estimated revenues in the General Fund compared to 2020 levels.

The United States, the State of Ohio and the City all declared a state of emergency in March 2020 due to global Coronavirus Disease 2019 (COVID-19) pandemic which continues at this time. The City of Piqua experienced higher operating costs in Fire and Police services; however the impact was lessened with the CARES Act emergency federal funding. Temporary closure of recreational facilities resulted in loss of revenues. The financial impact of COVID-19 will impact subsequent periods of the City. The impact on the City’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated at this time but are being closely monitored for current and future budgets.

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2020

Current Financial Related Activities

The City anticipates the following significant events to take place in 2021:

- Private and public development of the Great Miami River Corridor
- Community Housing Improvement and Streetscaping programs
- Completion of the Wastewater Treatment Plant expansion and upgrade
- Continue Parks and City-wide beautification programs
- Expand the city wide street resurfacing program

The City of Piqua has committed itself to financial excellence. The City has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence for thirty consecutive years.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. This report is also available on the City's website at www.piquaoh.org. If you have any questions about this report or need additional financial information, contact City of Piqua's Finance Department, 201 West Water Street, Piqua, Ohio 45356, (937) 778-2065.

CITY OF PIQUA, OHIO

STATEMENT OF NET POSITION DECEMBER 31, 2020

	Government Activities	Business Type Activities	Total Activities
ASSETS:			
Equity in pooled cash and cash equivalents	\$ 22,416,531	\$ 30,036,122	\$ 52,452,653
Equity in pooled investments	1,021,034	608,278	1,629,312
Restricted cash	14,096	6,069	20,165
Accounts receivable	5,846,252	6,792,908	12,639,160
Allowance for bad debts	-	(1,080,929)	(1,080,929)
Interfund balances	(304,511)	304,511	-
Inventories	-	910,643	910,643
Prepaid items and other assets	224,504	88,100	312,604
Loans receivable, net of allowance	7,146	-	7,146
Recoverable purchased power	-	1,013,546	1,013,546
Capital assets not being depreciated	8,479,403	53,006,901	61,486,304
Capital assets being depreciated, net	46,325,635	102,582,613	148,908,248
Total assets	<u>84,030,090</u>	<u>194,268,762</u>	<u>278,298,852</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred by pensions	3,241,914	1,275,313	4,517,227
Deferred by OPEB	2,409,768	862,839	3,272,607
Total deferred outflow of resources	<u>5,651,682</u>	<u>2,138,152</u>	<u>7,789,834</u>
LIABILITIES:			
Accounts payable	201,077	2,652,464	2,853,541
Salary and benefits payable	184,255	159,765	344,020
Other accruals	7,593	601,614	609,207
Long-term liabilities:			
Due within one year	853,047	4,209,575	5,062,622
Due in more than one year:			
Net pension liability	18,829,468	8,267,344	27,096,812
Net OPEB liability	4,849,415	5,499,129	10,348,544
Other amounts due in more than one year	1,185,766	97,784,456	98,970,222
Total liabilities	<u>26,110,621</u>	<u>119,174,347</u>	<u>145,284,968</u>
DEFERRED INFLOWS OF RESOURCES:			
Property taxes	1,348,617	-	1,348,617
Deferred by pension	3,696,820	1,985,465	5,682,285
Deferred by OPEB	1,815,955	876,090	2,692,045
Total deferred inflows of resources	<u>6,861,392</u>	<u>2,861,555</u>	<u>9,722,947</u>
NET POSITION:			
Net investment in capital assets	54,805,038	55,875,007	110,680,045
Restricted by: legislation	6,865,980	-	6,865,980
Restricted by: debt covenants	396,496	-	396,496
Unrestricted	(5,357,755)	18,496,005	13,138,250
Total net position	<u>\$ 56,709,759</u>	<u>\$ 74,371,012</u>	<u>\$ 131,080,771</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES:							
General government	\$ 2,683,524	\$ 626,139	\$ 6,000	\$ 3,678	\$ (2,047,707)	\$ -	\$ (2,047,707)
Public safety	10,866,935	1,349,774	1,846,248	10,800	(7,660,113)	-	(7,660,113)
Streets and maintenance	4,370,557	48,684	21,013	1,041,731	(3,259,129)	-	(3,259,129)
Parks and recreation	647,360	19,786	1,025	277,000	(349,549)	-	(349,549)
Community development	202,377	42,246	49,757	-	(110,374)	-	(110,374)
Public health and welfare	532,993	92,109	254,520	-	(186,364)	-	(186,364)
Total governmental activities	<u>19,303,746</u>	<u>2,178,738</u>	<u>2,178,563</u>	<u>1,333,209</u>	<u>(13,613,236)</u>	<u>-</u>	<u>(13,613,236)</u>
BUSINESS-TYPE ACTIVITIES:							
Electric	29,201,513	27,724,732	-	37,401	-	(1,439,380)	(1,439,380)
Wastewater	4,218,936	6,807,175	-	31,955	-	2,620,194	2,620,194
Refuse	1,887,641	2,169,647	-	-	-	282,006	282,006
Water	7,067,226	7,476,242	3,378	1,264	-	413,658	413,658
Storm Water	1,139,818	1,206,943	-	122,046	-	189,171	189,171
Golf	730,064	567,248	3,500	-	-	(159,316)	(159,316)
Municipal Pool	49,585	12	-	-	-	(49,573)	(49,573)
Total business-type activities	<u>44,294,783</u>	<u>45,951,999</u>	<u>6,878</u>	<u>192,666</u>	<u>-</u>	<u>1,856,760</u>	<u>1,856,760</u>
Total	<u>\$ 63,598,529</u>	<u>\$ 48,130,737</u>	<u>\$ 2,185,441</u>	<u>\$ 1,525,875</u>	<u>(13,613,236)</u>	<u>1,856,760</u>	<u>(11,756,476)</u>
GENERAL REVENUES:							
Property taxes					1,295,579	-	1,295,579
Shared revenues unrestricted					2,171,950	-	2,171,950
Income tax					11,755,500	-	11,755,500
Locally levied taxes					1,085,668	-	1,085,668
Investment earnings					277,750	401,570	679,320
Miscellaneous					9,199	-	9,199
Total general revenues					<u>16,595,646</u>	<u>401,570</u>	<u>16,997,216</u>
Transfers, in (out)					<u>(305,685)</u>	<u>305,685</u>	<u>-</u>
Change in net position					2,676,725	2,564,015	5,240,740
Total net position:							
Beginning of year					<u>54,033,034</u>	<u>71,806,997</u>	<u>125,840,031</u>
End of year					<u>\$ 56,709,759</u>	<u>\$ 74,371,012</u>	<u>\$ 131,080,771</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General Fund	Street Maintenance	Street Levy Construction	Health District	Debt Service	Other Governmental	Total Governmental
ASSETS							
Equity in pooled cash and cash equivalents	\$ 11,029,704	\$ 3,381,577	\$ 4,937,844	\$ 18,268	\$ 396,496	\$ 377,292	\$ 20,141,181
Restricted cash	14,096						14,096
Accounts receivable	4,193,015	994,550	212,243	-	14,793	56,144	5,470,745
Interfund receivable	3,000	-	64,562	-	-	-	67,562
Prepaid items and other assets	5,667	-	-	-	-	-	5,667
Loans Receivable, net of allowance	-	-	-	-	-	7,146	7,146
Total Assets	\$ 15,245,482	\$ 4,376,127	\$ 5,214,649	\$ 18,268	\$ 411,289	\$ 440,582	\$ 25,706,397
LIABILITIES							
Accounts payable	\$ 49,227	\$ 2,192	\$ 7,844	\$ 15,073	\$ -	\$ 6,098	\$ 80,434
Interfund payable	-	-	-	-	-	168,247	168,247
Salaries and benefits	157,229	15,809	-	3,195	-	3,222	179,455
Other accruals	7,593	-	-	-	-	-	7,593
Restricted deposits	60,891	-	-	-	-	-	60,891
Total Liabilities	274,940	18,001	7,844	18,268	-	177,567	496,620
DEFERRED INFLOWS OF RESOURCES							
Property taxes	1,829,917	-	-	-	14,793	51,288	1,895,998
State shared taxes	214,816	447,703	-	-	-	3,190	665,709
Income taxes	486,570	92,680	82,750	-	-	-	662,000
Other unavailable revenue	73,827	-	-	-	-	-	73,827
Total deferred inflows of resources	2,605,130	540,383	82,750	-	14,793	54,478	3,297,534
FUND BALANCES							
Nonspendable fund balance	5,667	-	-	-	-	-	5,667
Restricted fund balance	9,816	3,817,743	5,124,055	-	396,496	373,315	9,721,425
Assigned fund balance	4,166,562	-	-	-	-	-	4,166,562
Unassigned fund balance	8,183,367	-	-	-	-	(164,778)	8,018,589
Total fund balances	12,365,412	3,817,743	5,124,055	-	396,496	208,537	21,912,243
Total liabilities, deferred inflows of resources, and fund balances	\$ 15,245,482	\$ 4,376,127	\$ 5,214,649	\$ 18,268	\$ 411,289	\$ 440,582	

Amounts reported for governmental activities in the Statement of Net Position (page 24) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	54,805,038
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	1,948,917
The net unamortized portion of pension liability deferred inflows and outflows are	(454,906)
The net unamortized portion of OPEB liability deferred inflows and outflows are	593,813
The following long-term liabilities are not due and payable in the current period and therefore are not reported as expenditures in the funds	
Vacation and Sick leave compensated balances	(1,977,922)
Net Pension Liability	(18,829,468)
Net OPEB Liability	(4,849,415)
Internal service funds are used to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	3,561,459
Net position of governmental activities	<u>\$ 56,709,759</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-- GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	General Fund	Street Maintenance	Street Levy Construction	Health District	Debt Service	Other Governmental	Total Governmental
REVENUES:							
Municipal income tax	\$ 8,512,171	\$ 1,622,654	\$ 1,448,675	\$ -	\$ -	\$ -	\$ 11,583,500
Property taxes	1,244,398	-	-	-	2,884	48,297	1,295,579
State shared revenues	683,130	1,540,958	-	-	-	6,374	2,230,462
Locally levied taxes	1,085,668	-	-	-	-	-	1,085,668
Licenses and permits, fees	1,260,052	935	-	91,469	-	1,100	1,353,556
Grants: capital	14,478	590	1,041,141	-	-	-	1,056,209
Grants: operating	39,529	-	21,013	254,520	-	1,848,300	2,163,362
Investment income	26,076	9,243	13,936	-	1,242	5,508	56,005
Donations: capital	277,000	-	-	-	-	-	277,000
Donations: operating	15,201	-	-	-	-	-	15,201
Other fines, rents, and reimbursements	686,742	47,749	-	640	-	90,311	825,442
Total revenues	<u>13,844,445</u>	<u>3,222,129</u>	<u>2,524,765</u>	<u>346,629</u>	<u>4,126</u>	<u>1,999,890</u>	<u>21,941,984</u>
EXPENDITURES:							
General government administration	1,680,917	-	-	-	-	-	1,680,917
Public safety	7,779,307	-	-	-	-	1,798,543	9,577,850
Public health	-	-	-	487,051	-	31,277	518,328
Street repairs and maintenance	-	1,802,903	940,410	-	-	-	2,743,313
Parks and recreation	492,402	-	-	-	-	-	492,402
Fort Piqua Plaza	196,686	-	-	-	-	-	196,686
Community planning and development	96,773	-	-	-	-	88,435	185,208
Other	-	-	-	-	152	52,359	52,511
Capital costs	1,097,836	362,601	799,720	-	-	14,000	2,274,157
Total expenditures	<u>11,343,921</u>	<u>2,165,504</u>	<u>1,740,130</u>	<u>487,051</u>	<u>152</u>	<u>1,984,614</u>	<u>17,721,372</u>
Excess (deficiency) of revenues over expenditures	<u>2,500,524</u>	<u>1,056,625</u>	<u>784,635</u>	<u>(140,422)</u>	<u>3,974</u>	<u>15,276</u>	<u>4,220,612</u>
OTHER FINANCING SOURCES (USES):							
Proceeds from sale of capital assets	24,062	8,681	-	-	-	-	32,743
Transfers, in	-	-	64,562	140,422	-	-	204,984
Transfers, out	(345,422)	-	-	-	-	(165,247)	(510,669)
Total other financing sources (uses)	<u>(321,360)</u>	<u>8,681</u>	<u>64,562</u>	<u>140,422</u>	<u>-</u>	<u>(165,247)</u>	<u>(272,942)</u>
Net change in fund balance	2,179,164	1,065,306	849,197	-	3,974	(149,971)	3,947,670
Fund balance-beginning of year	<u>10,186,248</u>	<u>2,752,437</u>	<u>4,274,858</u>	<u>-</u>	<u>392,522</u>	<u>358,508</u>	<u>17,964,573</u>
Fund balance-end of year	<u>\$ 12,365,412</u>	<u>\$ 3,817,743</u>	<u>\$ 5,124,055</u>	<u>\$ -</u>	<u>\$ 396,496</u>	<u>\$ 208,537</u>	<u>\$ 21,912,243</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

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

Total net change in fund balances Governmental funds	\$ 3,947,670
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures; however in the Statement of Activities, the cost of those assets are allocated over their useful lives as depreciation expense. This is the amount by which capital outlays (\$2,274,158) exceeds depreciation expense (\$2,208,872)	65,286
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds: (Income Tax \$172,000; State shared taxes (\$111,631); Special assessments \$53,119; and EMS billings (\$260))	113,228
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Vacation and sick leave compensated balances	(119,701)
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows (\$1,529,162). Except for these amounts, changes in the net pension liability are reported as pension expense in the statement of activities (\$2,406,820).	(877,658)
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows (\$27,473). Except for these amounts, changes in the net OPEB liability are reported as OPEB expense in the statement of activities (\$544,267).	(516,794)
The net book value of assets retired (the difference of original cost (\$949,723) and accumulated depreciation (\$926,178) is not recorded on the Governmental Fund Statements, but is recorded as an expense on the Statement of Activities	(23,545)
An Internal Service Fund is used by management to charge the cost of certain activities to individual funds. The net revenue (expense) of the internal service fund related to governmental activities is reported with governmental activities	88,239
Change in the net position of governmental activities on the Statement of Activities	<u><u>\$ 2,676,725</u></u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**BALANCE SHEET
PROPRIETARY FUNDS
DECEMBER 31, 2020**

	Business-type Activities						Total	Governmental Activities - Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise Funds		
ASSETS								
CURRENT ASSETS:								
Equity in pooled cash and cash equivalents	\$ 8,000,782	\$ 9,664,713	\$ 2,154,298	\$ 8,530,006	\$ 1,550,836	\$ 135,487	\$ 30,036,122	\$ 2,275,350
Equity in pooled investments	-	488,795	119,483	-	-	-	608,278	1,021,034
Restricted cash	6,069	-	-	-	-	-	6,069	-
Accounts receivable	4,065,004	995,864	332,572	1,163,900	118,080	16,803	6,692,223	375,507
Interfund receivable	-	3,100	-	63,247	34,338	-	100,685	-
Allowance for uncollectible accounts	(673,383)	(155,557)	(82,194)	(148,144)	(21,651)	-	(1,080,929)	-
Inventories	749,521	-	-	143,475	6,866	10,781	910,643	-
Prepaid items and other assets	-	2,500	78,000	500	7,100	-	88,100	218,837
Total Current Assets	12,147,993	10,999,415	2,602,159	9,752,984	1,695,569	163,071	37,361,191	3,890,728
NONCURRENT ASSETS:								
Recoverable purchased power	1,013,546	-	-	-	-	-	1,013,546	-
Capital assets not being depreciated	1,341,490	50,247,555	56,958	941,760	48,794	370,344	53,006,901	-
Capital assets being depreciated	29,390,281	9,770,905	374,189	59,494,595	2,862,787	689,856	102,582,613	54,939
Total Noncurrent Assets	31,745,317	60,018,460	431,147	60,436,355	2,911,581	1,060,200	156,603,060	54,939
Total Assets	43,893,310	71,017,875	3,033,306	70,189,339	4,607,150	1,223,271	193,964,251	3,945,667
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred by pensions	583,998	254,461	95,354	232,241	46,080	63,179	1,275,313	44,617
Deferred by OPEB	342,605	169,559	71,499	202,202	49,211	27,763	862,839	38,605
Total Deferred Outflows of Resources	926,603	424,020	166,853	434,443	95,291	90,942	2,138,152	83,222
Total Assets and deferred outflows of resources	\$ 44,819,913	\$ 71,441,895	\$ 3,200,159	\$ 70,623,782	\$ 4,702,441	\$ 1,314,213	\$ 196,102,403	\$ 4,028,889

See accompanying notes to the basic financial statements

Continued

CITY OF PIQUA, OHIO

**BALANCE SHEET
PROPRIETARY FUNDS
DECEMBER 31, 2020**

	Business-type Activities							Governmental Activities - Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise Funds	Total	
LIABILITIES								
CURRENT LIABILITIES:								
Accounts payable	\$ 2,001,478	\$ 580,261	\$ 46,914	\$ 22,951	\$ 255	\$ 605	\$ 2,652,464	\$ 19,958
Salaries and benefits	31,704	92,461	7,425	16,427	6,525	5,223	159,765	4,800
Accrued vacation, personal, and sick leave	361,893	138,186	54,791	114,195	22,617	14,769	706,451	31,467
Accruals and prepaid memberships	458,426	52,287	-	84,251	4,214	2,436	601,614	-
Current portion of long term debt	-	2,214,902	-	1,284,944	3,278	-	3,503,124	-
Total Current Liabilities	2,853,501	3,078,097	109,130	1,522,768	36,889	23,033	7,623,418	56,225
LONG-TERM LIABILITIES:								
Accrued vacation, personal, and sick leave	272,602	111,971	55,417	89,640	18,379	11,518	559,527	45,395
Net Pension Liability	3,503,985	1,590,096	656,093	1,761,848	414,027	341,295	8,267,344	362,544
Net OPEB Liability	2,276,875	1,053,101	436,729	1,244,843	295,323	192,258	5,499,129	237,508
Long term liabilities	1,013,546	49,464,548	-	46,656,709	90,126	-	97,224,929	-
Total Long-Term Liabilities	7,067,008	52,219,716	1,148,239	49,753,040	817,855	545,071	111,550,929	645,447
Total Liabilities	9,920,509	55,297,813	1,257,369	51,275,808	854,744	568,104	119,174,347	701,672
DEFERRED INFLOWS OF RESOURCES:								
Deferred by pensions	790,230	384,597	166,065	473,647	112,860	58,066	1,985,465	90,385
Deferred by OPEB	346,047	170,649	72,928	207,121	52,592	26,753	876,090	39,953
Total deferred inflows of resources	1,136,277	555,246	238,993	680,768	165,452	84,819	2,861,555	130,338
NET POSITION								
Net investment in capital assets	30,731,771	8,339,010	431,147	12,494,702	2,818,177	1,060,200	55,875,007	54,939
Unrestricted	3,031,356	7,249,826	1,272,650	6,172,504	864,068	(398,910)	18,191,494	3,141,940
Total Net Position	33,763,127	15,588,836	1,703,797	18,667,206	3,682,245	661,290	74,066,501	3,196,879
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 44,819,913	\$ 71,441,895	\$ 3,200,159	\$ 70,623,782	\$ 4,702,441	\$ 1,314,213		\$ 4,028,889
Adjustment to consolidate the internal service fund activities related to enterprise funds							304,511	
Total net position per the government-wide Statement of Net Position							\$ 74,371,012	

CITY OF PIQUA, OHIO

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Business-type Activities						Total	Governmental Activities- Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise Funds		
OPERATING REVENUES:								
Customer services	\$ 27,306,885	\$ 6,692,293	\$ 2,116,087	\$ 7,272,501	\$ 1,164,222	\$ 548,598	\$ 45,100,586	\$ 794,876
Penalty charges	141,999	47,803	17,263	53,634	4,870	-	265,569	-
Total operating revenues	27,448,884	6,740,096	2,133,350	7,326,135	1,169,092	548,598	45,366,155	794,876
OPERATING EXPENSES:								
Fossil fuels used for production	178,014	-	-	-	-	-	178,014	-
Purchased power	21,888,376	-	-	-	-	-	21,888,376	-
Salaries and employee benefits	2,605,267	1,542,740	686,678	1,796,193	498,500	267,507	7,396,885	545,759
Depreciation	1,913,575	781,789	66,528	1,673,958	185,853	129,879	4,751,582	18,047
Materials and supplies	368,356	170,774	200,324	448,485	62,003	147,194	1,397,136	17,772
Utilities	32,215	404,478	7,111	303,550	10,933	81,790	840,077	9,823
Outside services	1,305,840	444,831	767,132	703,733	311,419	76,659	3,609,614	210,037
Billing costs	525,876	275,944	136,725	323,170	42,069	-	1,303,784	-
Chemicals	-	58,766	-	246,612	-	42,850	348,228	-
Other	391,621	58,889	15,131	147,579	26,398	34,318	673,936	150,238
Total operating expenses	29,209,140	3,738,211	1,879,629	5,643,280	1,137,175	780,197	42,387,632	951,676
Operating income (loss)	(1,760,256)	3,001,885	253,721	1,682,855	31,917	(231,599)	2,978,523	(156,800)
NON-OPERATING REVENUES (EXPENSES):								
Interest on debt	-	(469,310)	-	(1,414,548)	-	-	(1,883,858)	-
Interest income	17,355	21,566	8,399	17,988	5,211	18	70,537	27,194
Other, net	275,848	67,079	36,297	150,107	37,851	18,662	585,844	525,584
Operating grants	-	-	-	3,378	-	3,500	6,878	-
Net non-operating revenues (expenses)	293,203	(380,665)	44,696	(1,243,075)	43,062	22,180	(1,220,599)	552,778
Capital grants	37,401	31,955	-	1,264	122,046	-	192,666	-
Transfers, in	-	3,100	-	63,247	34,338	205,000	305,685	-
Change in net position	(1,429,652)	2,656,275	298,417	504,291	231,363	(4,419)	2,256,275	395,978
Total net position-beginning of year	35,192,779	12,932,561	1,405,380	18,162,915	3,450,882	665,709		2,800,901
Total net position-end of year	\$ 33,763,127	\$ 15,588,836	\$ 1,703,797	\$ 18,667,206	\$ 3,682,245	\$ 661,290		\$ 3,196,879
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds							307,740	
Change in net position of business-type activities							\$ 2,564,015	

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

	Business-type Activities						Governmental Activities- Internal Service Funds	
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise		Total
OPERATING ACTIVITIES:								
Receipts from customers	\$ 27,821,862	\$ 6,731,778	\$ 2,133,111	\$ 7,328,860	\$ 1,134,396	\$ 555,651	\$ 45,705,658	\$ -
Receipts from interfund charges	-	-	-	-	-	-	-	1,167,327
Payments to suppliers and service providers	(24,488,275)	(3,043,962)	(1,144,426)	(2,238,359)	(510,712)	(383,533)	(31,809,267)	(503,895)
Payments to employees for salaries and benefits	(2,147,860)	(1,386,476)	(635,228)	(1,583,363)	(433,660)	(236,087)	(6,422,674)	(360,668)
Net cash provided by (used in) operating activities	1,185,727	2,301,340	353,457	3,507,138	190,024	(63,969)	7,473,717	302,764
NONCAPITAL FINANCING ACTIVITIES:								
Transfers, in	-	3,100	-	63,247	34,338	205,000	305,685	-
Net cash provided by (used in) noncapital financing activities	-	3,100	-	63,247	34,338	205,000	305,685	-
CAPITAL AND RELATED FINANCING ACTIVITIES:								
Proceeds from issuance of bonds and notes	-	6,535,599	-	-	-	-	6,535,599	-
Principal paid on bonds and notes	-	(1,205,554)	-	(1,250,584)	(1,639)	-	(2,457,777)	-
Interest paid on bonds and notes	-	(469,310)	-	(1,414,548)	-	-	(1,883,858)	-
Acquisition and construction of capital	(1,670,324)	(5,509,566)	(29,009)	(196,976)	(209,254)	(84,608)	(7,699,737)	-
Proceeds from the sale of capital assets	18,860	-	-	-	-	8,556	27,416	-
Net cash provided by (used in) capital & related financing activities	(1,651,464)	(648,831)	(29,009)	(2,862,108)	(210,893)	(76,052)	(5,478,357)	-
INVESTING ACTIVITIES:								
Purchases of investment securities	-	(488,795)	(119,483)	-	-	-	(608,278)	(1,021,034)
Proceeds from sale or maturity of investment securities	-	478,068	116,861	-	-	-	594,929	998,626
Interest received	17,355	24,652	9,153	17,988	5,211	18	74,377	28,910
Net cash provided by (used in) investing activities	17,355	13,925	6,531	17,988	5,211	18	61,028	6,502
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(448,382)	1,669,534	330,979	726,265	18,680	64,997	2,362,073	309,266
CASH AND CASH EQUIVALENTS - Beginning of year	8,455,233	7,995,179	1,823,319	7,803,741	1,532,156	70,490	27,680,118	1,966,084
CASH AND CASH EQUIVALENTS - End of year	\$ 8,006,851	\$ 9,664,713	\$ 2,154,298	\$ 8,530,006	\$ 1,550,836	\$ 135,487	\$ 30,042,191	2,275,350
OPERATING INCOME (LOSS)								
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	\$ (1,760,256)	\$ 3,001,885	\$ 253,721	\$ 1,682,855	\$ 31,917	\$ (231,599)	\$ 2,978,523	(156,800)
Depreciation	1,913,575	781,789	66,528	1,673,958	185,853	129,879	4,751,582	18,047
(Increase)/Decrease in Accounts Receivable	97,130	(75,397)	(36,536)	(150,760)	(72,547)	(16,554)	(254,664)	(153,133)
(Increase)/Decrease in Inventory	75,163	-	-	(24,796)	(4,869)	7,934	53,432	-
(Increase)/Decrease in Prepaids	(45,683)	-	-	7,153	-	-	(38,530)	15,400
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	746,274	372,157	158,243	445,101	120,083	59,832	1,901,690	86,861
Increase/(Decrease) in Accounts Payable	172,543	(1,630,280)	(17,823)	(47,587)	(53,021)	(8,656)	(1,584,824)	(3,693)
Increase/(Decrease) in Accrued Wages and Benefits	13,776	(64,969)	(42,799)	(51,766)	(6,545)	(4,148)	(156,451)	5,723
Increase/(Decrease) in Deferred Revenues	-	-	-	-	-	1,445	1,445	-
Increase/(Decrease) in Net Pension Liability & Net OPEB Liability	(1,231,719)	(614,241)	(261,179)	(734,635)	(198,197)	(98,754)	(3,138,725)	(143,364)
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	929,076	463,317	197,005	554,130	149,499	74,490	2,367,517	108,139
Net (Increase)/Decrease in Other Operating Net Position	275,848	67,079	36,297	153,485	37,851	22,162	592,722	525,584
Net cash provided by (used in) operating activities	\$ 1,185,727	\$ 2,301,340	\$ 353,457	\$ 3,507,138	\$ 190,024	\$ (63,969)	\$ 7,473,717	\$ 302,764
SUPPLEMENTAL INFORMATION - Noncash activities:								
Capital assets financed through payables	\$ -	\$ 214,036	\$ -	\$ -	\$ -	\$ -	\$ 214,036	\$ -
Donated Capital	\$ 37,401	\$ 31,955	\$ -	\$ 1,264	\$ 122,046	\$ -	\$ 192,666	\$ -
Recoverable purchased power contract	\$ 14,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,031	\$ -

CITY OF PIQUA, OHIO

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020**

	<u>Private Purpose Centennial Trust</u>
ASSETS:	
Equity in pooled cash	\$ 479
Total Assets	<u>\$ 479</u>
LIABILITIES:	
Accounts payable	<u>\$ -</u>
Total Liabilities	\$ -
NET POSITION	
Restricted for:	
Individuals, organization, or other governments	<u>\$ 479</u>
Total Net Position	<u>\$ 479</u>

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

ADDITIONS	
Interest income	<u>\$ 2</u>
Total additions	<u>2</u>
Change in net position	2
Total net position-beginning of year	<u>477</u>
Total net position-end of year	<u>\$ 479</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity—The City of Piqua, Ohio, (the “City”) was incorporated in 1823 and operates under a Commission-Manager form of government. The following services are provided by the City: public safety (police and fire), highways and streets, electricity, water, wastewater, refuse, storm water, conference center, parks and recreation, public improvements, planning and zoning, public health and general governmental administrative services.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Beginning 2019, it was determined that the City of Piqua Health District (the District) was a legally separate entity under GASB Statement 61, *The Financial Reporting Entity*, updated for GASB 80, *Blending Requirements for Certain Component Units*. The District provides public health services, and is a body corporate and politic. A five-member Board and a Health Commissioner govern the District. Since the District provides services entirely to the City, it is reported as a blended component unit. It is included as a major fund in the governmental statements.

BASIS OF PRESENTATION

Government-Wide Statements—The statement of net position and the statement of activities display information about the primary government. Eliminations have been made to minimize the double counting of internal activities. Inter-fund receivables and payables between governmental and business type activities have been eliminated in the Government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets, deferred outflows of resources, liabilities, and deferred inflows of resources, within the governmental and business type activities total column. Internal service fund balances, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities Statement of Activities. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported through taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business type activities, which rely to a significant extent on fees and charges for support. The government-wide financial statements do not include the assets and liabilities of the City’s fiduciary funds.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or a function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements—The fund financial statements provide information about the City’s funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as non-major funds.

The City reports the following major governmental funds:

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government, which are not required to be accounted for in another fund.

Street Maintenance Fund accounts for the portion of gasoline tax and motor vehicle license fees restricted for maintenance of streets.

Street Levy Construction Fund accounts for a .25% levied income tax restricted for the specific purpose of street construction.

Health District accounts for the City of Piqua Health District that provides public health services and is a body politic and corporate, whose operations are supported by the City's General Fund which account for grants restricted to providing public health services within the City.

Debt Service Fund is used to account for the resources received and used to pay principal and interest on long-term general obligation debt of governmental funds. Revenues and financing resources are derived primarily from property taxes.

Enterprise Funds (Business type funds) are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City reports the following major enterprise funds: electric, water, wastewater, refuse, and storm water.

Other enterprise funds of the City are used to account for the operations of the City's golf course and municipal pool. These funds are non-major funds whose activity has been aggregated and presented in a single column as non-major enterprise funds.

The City, in its business type funds, accounts for all recurring type revenues, including all revenues, which the City controls through statutory pricing or regulatory authority, as operating revenue and all recurring type expenses as operating expense. Non-recurring revenues such as gains on sales of assets and revenues over which the City has minimal or no control, primarily interest earnings, are accounted for as nonoperating revenues. Interest expense and other non-recurring expenses over which the City has minimal or no control are reported as non-operating expense.

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance activities and information technology functions. Because these activities predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Fiduciary Fund Types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organization, other governments, and/or other funds. The City reports a private purpose centennial trust fund used to account for donations restricted to the City's celebrations of the founding of the City.

Basis of Accounting - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied.

Government-wide and proprietary type fund financial statements measure and report all assets (both financial and capital), deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenses, gains and losses using the economic resources measurements focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

All governmental funds are accounted for using a current financial resources measurement focus and are reported on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to use to pay liabilities of the current period which, for the City’s purposes, is considered to be 60 days after year end. Revenues considered susceptible to accrual are community development block grants, delinquent property taxes, income taxes, kwh taxes, hotel/motel taxes, franchise fees, emergency service billings, and interest on investments. Property taxes levied before year end are not recognized as revenue until the next calendar year. The fiscal period for which property taxes are levied at year-end in the State of Ohio is the succeeding calendar year.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for interest on unmatured general long-term debt which are recognized when payment is due. Inventory and prepaid items are recognized when used.

Cash and Cash Equivalents and Investments—City funds are pooled and invested to improve cash management. Each fund type’s portion of the pool is shown on the Statement of Net Position as “pooled cash and cash equivalents” and “pooled investments”. For purposes of the statement of cash flows, the proprietary type funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The City’s investment policy authorizes the City to invest in obligations of the United States Government or other investments where the principal and interest are collateralized by the full faith and credit of the United States Government, and bonds of other states, cities and political subdivisions.

Receivables—Receivables primarily consist of municipal income taxes, state shared revenue taxes, property taxes, kwh taxes, hotel/motel taxes, franchise fees, emergency service billings, and utility charges.

Inventory—Inventory is valued at average cost. The business type fund inventories are capitalized or expensed when used.

Prepaid Items—Payments made to vendors for services that will benefit beyond year-end are recorded as prepaid items and are recorded as an expense or expenditure when used (consumption method).

Capital Assets—Capital assets are recorded based on historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The City defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Property, plant, and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Buildings	34 – 50 years
Land improvements other than buildings	25 – 75 years
Machinery and equipment	10 – 30 years
Vehicles	5 – 10 years
Computer equipment	5 years
Public domain infrastructure	45 years
Sewer and water lines and underground piping	34 – 50 years

Fund Balance Classifications—Fund balance is reported as nonspendable when the amounts so included cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

Fund balance is reported as restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Commission enacts legislation requiring specific revenue to be used for a special purpose. The City Commission can modify or rescind that legislation at any time through additional legislation.

Fund balance is reported as assigned when a revenue source is not previously restricted or committed but the Finance Director determines, in the Director's professional opinion, that the assigning of the revenue is the desire of the City Commission and in the best interest of the City. This authority is given to the Finance Director through the City Charter.

The City applies restricted resources first when expenditures are incurred for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The City has not adopted a formal fund balance policy.

Use of Estimates—The preparation of the basic 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 could differ from those estimates.

Deferred Outflows/Inflows of Resources— In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until that time. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges for pension and OPEB and on the proprietary statements. The deferred outflows of resources related to pension are explained further in Note J and for OPEB in Note K.

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

Grants and Other Intergovernmental Revenues—Federal grants, assistance awards made on the basis of entitlement periods, are recorded as intergovernmental receivables and revenues when entitlement occurs and other reimbursement-type grants are recorded as intergovernmental receivables and revenues when eligible expenditures/expenses are incurred.

Pensions and Other Postemployment Benefits (OPEB)—For purpose of measuring the net pension and the net OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expenses, information about the fiduciary net position of the pension and OPEB plans and addition to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension and OPEB plans. For this purpose, benefit payments

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

(including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension and OPEB plans report investments at fair value.

Compensated Absences—City employees are granted vacation, personal and sick leave. These leave benefits are accrued as a liability using the vesting method. The liability is based on the leave accumulated at December 31 by those employees who are currently eligible to receive termination payments as well as leave accumulated by those employees expected to become eligible to receive termination benefits in the future. In the event of termination, an employee may be reimbursed for accumulated vacation, personal and sick leave at various rates based on years of service. Vested vacation, personal, and sick leave is recorded as an expense in the government-wide statements for the period in which the leave was earned. For governmental fund type employees, an expenditure is recorded in the governmental funds' statements for only the portion of vested vacation, personal and sick leave that is expected to be paid out due to retirements or resignations.

Vested vacation, personal, and sick leave is recorded as an expense in both the government wide statements and statements for all business type funds. Payment of vacation, personal and sick leave recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. Management believes that sufficient resources will be made available when payment is due.

B. POOLED CASH DEPOSITS AND INVESTMENTS

Deposits—Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. Any public depository in which the City places deposits must provide pledged collateral for the amount of deposits not covered by the Federal Deposit Insurance Corporation (FDIC) by (1) maintaining eligible securities pledged to the City which are deposited with a qualified trustee by the public depository as security for repayment whose market value at all times shall be 105 percent of the deposits being secured, or (2) 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 the State of Ohio to secure the repayment of all public monies deposited in the public depository. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured, or at a lower rate if so established by the Treasurer of State. At December 31, 2020, the carrying amount of the City's deposits was \$41,908,533 while the balance as shown by the bank statements was \$42,656,570. As of December 31, 2020, \$40,276,188 of the City's bank balance was exposed to custodial risk as discussed above, while \$2,380,382 was covered by Federal Deposit Insurance.

Investments—The ORC, the City's charter, and the City's investment policy authorize the City to invest in the State Treasury Asset Reserve of Ohio (STAR Ohio), certificates of deposit, repurchase agreements, United States treasury bills and notes, notes issued by United States agencies, bankers' acceptances and commercial paper of the highest rating. All investments are reported at fair value which is based on quoted market prices.

Investments with an original maturity of three months or less at the time of purchase, and investments of the cash management pool are reported as cash equivalents on the financial statements. Investments are reported at fair value. The City's investments in STAR Ohio and open-end mutual funds are determined by the share price. There are no limitations or restrictions on withdrawals from these investments due to redemption notice periods, liquidity fees, or redemption gates. STAR Ohio does require notice to be given 24 hours in advance for all deposits or withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transactions 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 STAR Ohio Investors will be combined for these purposes. STAR Ohio is not registered with the Securities and Exchange Commission but has adopted Governmental Accounting Standards Board ("GASB"), Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, and is managed by the State Treasurer's office.

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a failure of a depository institution or counterparty to a transaction, the City will be unable to recover the value of deposits, investments or collateral securities in the possession of an outside party. Except in regards to repurchase agreements, the City’s investment policy does not address custodial credit risk. At December 31, 2020, all investments were registered in the name of the City.

Credit Risk – Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. The City does not have a formal investment policy regarding exposure to credit risk. The City’s exposure to credit risk, based on both Moody’s and Standard & Poor’s Credit Ratings, is as follows:

<u>Investment Type</u>	<u>Quality Rating</u>	<u>Measurement Value</u>
STAR Ohio	AAAm	\$ 12,189,426

Concentration of Credit Risk – Concentration of credit risk is the risk of inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by lack of diversification. The following table includes the percentage to total of each investment type held by the City at December 31, 2020.

<u>Investment Type</u>	<u>Measurement Value</u>	<u>% of Total</u>
STAR Ohio	\$ 12,189,426	100.00%

Interest Rate Risk – Interest rate risk is the risk that an interest rate change could adversely affect an investment’s fair value. According to the City’s investment policy, the maximum maturity for any single security may not exceed 5 years.

<u>Investment Type</u>	<u>Investment Maturities (in years)</u>			<u>Measurement Value</u>
	<u>Less than 1</u>	<u>1 – 5</u>	<u>Greater than 5</u>	
STAR Ohio	\$ 12,189,426	-	-	\$ 12,189,426

C. PROPERTY TAXES

Property tax revenues include amounts collected for all real, and public utility property located in the City. Property taxes are levied each January 1 on the assessed value listed as of the prior January 1. Assessed values are established by the County Auditor for real and public utility property at 35% of appraised market value. Property values are required to be updated every three years and revalued every six years. A revaluation was completed in 2017.

The property tax calendar is as follows:

Levy date	January 1, 2019
Lien date	January 1, 2020
Tax bill mailed	January 20, 2020
First installment payment due	February 20, 2020
Second installment payment due	July 20, 2020

The assessed value for real estate in the City at January 1, 2020 is \$ 324,710,950.

The County Treasurer collects property taxes on behalf of taxing districts, including the City of Piqua. The County Auditor periodically remits to the City its portion of taxes collected. Property taxes may be paid on either an annual or semiannual basis. Although total property tax collections for the next fiscal year are measurable, amounts to be received are not available at December 31, 2020, nor are they intended to finance 2020 operations. Therefore, the City has recorded property taxes receivable with a corresponding amount as deferred inflows of resources.

Ohio law prohibits taxation of property in excess of \$10 per \$1,000 (10.0 mills) of assessed value without a vote of the citizens. The City’s share is currently \$3.70 (3.70 mills) of assessed value. In 2017, the City also received an additional 0.60 mills to fund safety pension costs and 0.20 mills for costs of the Miami Conservancy District.

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D. INCOME TAXES

The City levies a 2.00% income tax on all income earned within the City. Income tax in excess of 1% is voter approved. During 2014, the citizens of Piqua passed an additional .25% income tax levy effective January 1, 2015. Income tax is allocated by fund in accordance with voter and commission authorizations. In addition, City residents pay City tax on income earned outside the City; however, a credit is allowed for income taxes paid to other municipalities.

Employers within the City withhold income tax on employee compensation and remit payments at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file an annual declaration.

E. RECEIVABLES

Governmental receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investment, accounts and notes receivable. Loans receivable represent real estate second mortgages which are partially forgivable over five to fifteen year periods netted by an estimated allowance for forgiveness or amounts uncollectible. The real estate second mortgages are \$680,436 with an estimated allowance for forgiveness of \$673,290.

Business type receivables at year end consisted primarily of billed and unbilled utility revenues, grants receivable, reimbursement receivables and interest receivables on investments.

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CITY OF PIQUA, OHIO
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F. CAPITAL ASSETS

A summary of changes in general capital assets is as follows:

	Beginning Balance	Increases	Decreases	Construction In Progress Placed in Service	Ending Balance
Capital assets not being depreciated:					
Land and licenses	\$ 5,401,179	\$ 70,000	\$ (22,500)	\$ -	\$ 5,448,679
Infrastructure land	2,481,394	-	-	74,783	2,556,177
Construction in progress	<u>1,205,755</u>	<u>1,286,938</u>	<u>-</u>	<u>(2,018,146)</u>	<u>474,547</u>
Assets not depreciated	<u>9,088,328</u>	<u>1,356,938</u>	<u>(22,500)</u>	<u>(1,943,363)</u>	<u>8,479,403</u>
Capital assets being depreciated:					
Buildings and improvements	21,982,895	-	-	126,545	22,109,440
Furniture, fixtures and equipment	13,583,070	917,220	(927,223)	679,662	14,252,729
Infrastructure	<u>41,246,647</u>	<u>-</u>	<u>-</u>	<u>1,137,156</u>	<u>42,383,803</u>
Depreciated capital assets	76,812,612	917,220	(927,223)	1,943,363	78,745,972
Accumulated depreciation:					
Buildings and improvements	(6,003,431)	(485,232)	-	-	(6,488,663)
Furniture, fixtures and equipment	(10,288,985)	(827,326)	926,178	-	(10,190,133)
Infrastructure	<u>(14,827,181)</u>	<u>(914,360)</u>	<u>-</u>	<u>-</u>	<u>(15,741,541)</u>
Total accumulated depreciation	<u>(31,119,597)</u>	<u>(2,226,918)</u>	<u>926,178</u>	<u>-</u>	<u>(32,420,337)</u>
Net capital assets being depreciated	<u>\$ 45,693,015</u>	<u>\$ (1,309,698)</u>	<u>\$ (1,045)</u>	<u>\$ 1,943,363</u>	<u>\$ 46,325,635</u>
Net capital assets	<u>\$ 54,781,343</u>	<u>\$ 47,240</u>	<u>\$ (23,545)</u>	<u>\$ -</u>	<u>\$ 54,805,038</u>

* Depreciation expense was charged to governmental functions as follows:

General governmental	\$ 457,647
Public safety	303,121
Street repairs and maintenance	1,346,091
Parks	<u>102,013</u>
Governmental functions depreciation expense	2,208,872
Information technology (internal service fund)	<u>18,046</u>
Total depreciation expense	<u>\$ 2,226,918</u>

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A summary of changes in enterprise fund capital assets is as follows:

	Beginning Balance	Increases	Decreases	Construction In Progress Placed in Service	Ending Balance
Capital assets not being depreciated:					
Land and licenses	\$ 2,138,463	\$ 67,500	\$ -	\$ -	\$ 2,205,963
Construction in progress	<u>46,408,000</u>	<u>5,954,358</u>	<u>-</u>	<u>(1,561,420)</u>	<u>50,800,938</u>
Assets not depreciated	<u>48,546,463</u>	<u>6,021,858</u>	<u>-</u>	<u>(1,561,420)</u>	<u>53,006,901</u>
Capital assets being depreciated:					
Land improvements	1,100,954	-	-	-	1,100,954
Buildings and improvements	84,239,144	7,748	-	-	84,246,892
Underground piping	29,289,720	-	(430)	464,166	29,753,456
Furniture, fixtures and equipment	84,755,405	624,401	(229,011)	1,097,254	86,248,049
Intangible assets	<u>2,559,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,559,922</u>
Depreciated capital assets	201,945,145	632,149	(229,441)	1,561,420	203,909,273
Accumulated depreciation:					
Land improvements	(519,046)	(15,783)	-	-	(534,829)
Buildings and improvements	(21,456,874)	(1,907,369)	-	-	(23,364,243)
Underground piping	(18,052,361)	(479,591)	430	-	(18,531,522)
Furniture, fixtures and equipment	(55,091,045)	(2,273,538)	201,595	-	(57,162,988)
Intangible assets	<u>(1,657,777)</u>	<u>(75,301)</u>	<u>-</u>	<u>-</u>	<u>(1,733,078)</u>
Total accumulated depreciation	<u>(96,777,103)</u>	<u>(4,751,582)</u>	<u>202,025</u>	<u>-</u>	<u>(101,326,660)</u>
Net capital assets being depreciated	<u>\$105,168,042</u>	<u>\$ (4,119,433)</u>	<u>\$ (27,416)</u>	<u>\$ 1,561,420</u>	<u>\$102,582,613</u>
Net capital assets	<u>\$153,714,505</u>	<u>\$ 1,902,425</u>	<u>\$ (27,416)</u>	<u>\$ -</u>	<u>\$155,589,514</u>

* Depreciation expense was charged to enterprise functions as follows:

Electric	\$ 1,913,575
Water	1,673,958
Wastewater	781,789
Refuse	66,528
Storm Water	185,853
Golf	122,238
Municipal Pool	<u>7,641</u>
Total depreciation expense	<u>\$ 4,751,582</u>

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G. LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Maturity Dates	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:						
Compensated absences		1,848,534	150,172	20,784	1,977,922	792,156
Restricted deposits		51,674	12,608	3,391	60,891	60,891
Net Pension Liability						
OPERS		5,345,452	-	1,762,239	3,583,213	-
OP&F		19,043,436	-	3,797,181	15,246,255	-
Total Net Pension Liability		<u>24,388,888</u>	<u>-</u>	<u>5,559,420</u>	<u>18,829,468</u>	<u>-</u>
Net OPEB Liability						
OPERS		2,517,636	96,227	-	2,613,863	-
OP&F		2,124,556	110,996	-	2,235,552	-
Total Net OPEB Liability		<u>4,642,192</u>	<u>207,223</u>	<u>-</u>	<u>4,849,415</u>	<u>-</u>
Total governmental long-term liabilities		<u>\$ 30,931,288</u>	<u>\$ 370,003</u>	<u>\$ 5,583,595</u>	<u>\$ 25,717,696</u>	<u>\$ 853,047</u>
Business-Type Activities:						
OWDA Loan-2009, 3.52%, Direct Borrowing	1/1/2030	\$ 2,538,867	\$ -	\$ 215,908	\$ 2,322,959	\$ 223,574
OWDA Loan-2014, 2.54%-3.54%, Direct Borrowing	7/1/2047	42,500,704	-	1,003,163	41,497,541	1,033,984
OWDA Loan-2015, 2.53%, Direct Borrowing	7/1/2047	3,632,421	-	92,808	3,539,613	95,171
OWDA Loan-2016, 0.76%, Direct Borrowing	7/1/2038	3,059,112	-	154,613	2,904,499	155,789
OWDA Loan-2017, 0.80%, Direct Borrowing	7/1/2045	42,807,978	6,535,599	972,937	48,370,640	1,957,909
OPWC Loan-2017, 0.0%, Direct Borrowing	7/1/2048	95,043	-	1,639	93,404	3,278
OPWC Loan-2019, 0.0%, Direct Borrowing	7/1/2049	1,002,560	-	16,709	985,851	33,419
AMP-Ohio stranded cost payable		999,515	14,031	-	1,013,546	-
Compensated Absences		1,395,182	321,058	450,261	1,265,979	706,451
Net Pension Liability - OPERS		11,587,354	-	3,320,010	8,267,344	-
Net OPEB Liability - OPERS		<u>5,317,844</u>	<u>181,285</u>	<u>-</u>	<u>5,499,129</u>	<u>-</u>
Total Business-type long-term liabilities		<u>\$114,936,580</u>	<u>\$ 7,051,973</u>	<u>\$ 6,228,048</u>	<u>\$ 115,760,505</u>	<u>\$ 4,209,575</u>

The City's outstanding OPWC loans from direct borrowings contain a provision that in an event of default, the amount of such default shall bear interest thereafter at the rate of 8% per annum until the date of payment, and outstanding amounts become immediately due. Also, the Lender may direct the county treasurer to pay the outstanding amount from portion of the local government fund that would otherwise be appropriated to the City.

The OWDA loans from direct borrowings contain a provision that in an event of default, outstanding amounts become immediately due if the City is unable to make payment.

Ohio Water Development Authority (OWDA 2009) Wastewater Sewer Project Note in the overall amount of \$4,329,876 was issued under a cooperative agreement for construction, maintenance and operation of a state sewer project. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$2,670,318. Principal and interest paid for the current year and total customer net revenues were \$290,468 and \$3,783,674, respectively.

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Ohio Water Development Authority (OWDA 2014) Water Plant Construction note in the overall amount of \$44,879,845 was issued under a cooperative agreement to construct a 7 million gallon per day raw water treatment plant. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$61,041,134. Principal and interest paid for the current year and total customer net revenues were \$2,303,439 and \$3,356,813, respectively.

Ohio Water Development Authority (OWDA 2015) Water Plant Offsite Pipelines note in the overall amount of \$3,854,485 was issued under a cooperative agreement to install new raw and finished pipelines from the new water plant to the existing lines located at the existing water plant location. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$4,879,314. Principal and interest paid for the current year and total customer net revenues were \$184,125 and \$3,356,813, respectively.

Ohio Water Development Authority (OWDA 2016) New Central Water Tower note in the overall amount of \$3,288,841 was issued under a cooperative agreement to construct a 1 million gallon elevated storage tank with approximately 5,300 linear feet of 12-inch water main and demolition of two – 250,000 gallon, legged storage tanks constructed in the 1950's. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$3,107,436. Principal and interest paid for the current year and total customer net revenues were \$177,568 and \$3,356,813, respectively.

Ohio Water Development Authority (OWDA 2017) Wastewater Plant Expansion note in the overall amount of \$53,224,030 was issued under a cooperative agreement to expand and upgrade the existing wastewater treatment plant. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal issued to date is \$49,343,577. Within the terms of the loan were the repayment of the (OWDA 2012) note of \$4,392,539 and a principal forgiveness of \$50,000. Construction of the wastewater plant expansion began in October 2017 and will continue through 2021. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal issued to date and interest to be repaid is \$53,785,258. Principal and interest paid for the current year and total customer net revenues were \$1,187,874 and \$3,783,674, respectively.

Ohio Public Works Commission (OPWC 2017) Shawnee Stormwater Diversion note in the amount of \$98,320 was issued under a cooperative agreement to assist in the cost for updating stormwater drainage in the Shawnee neighborhood area. Payments to the OPWC will be made from the utility's pledged future revenues. The OPWC 2017 note is 0% interest bearing with an outstanding principal balance of \$93,404. Principal paid for the current year were \$1,639 and \$217,770, respectively.

Ohio Public Works Commission (OPWC 2019) Wastewater Lift Station note in the amount of \$1,002,560 was issued under a cooperative agreement to assist in the cost for updating five lift stations throughout the city. Payments to OPWC will be made from the utility's pledged future revenues. The OPWC 2019 note is 0% interest bearing with outstanding principal balance of \$985,851. Principal paid for the current year and customer net revenues were \$16,709 and \$3,783,674, respectively.

Restricted deposits are confiscated funds held under court order until released by judicial authority.

Compensated absences are repaid from the General Fund, Street Maintenance, Community Development, Electric, Water, Wastewater, Refuse, Stormwater, Golf, and Information Technology Funds.

Pension and OPEB liabilities are repaid from the General Fund, Street Maintenance, Community Development, Electric, Water, Wastewater, Refuse, Stormwater, Golf, Pool and Information Technology Funds.

AMP Ohio Stranded Cost – The City is a participant in both American Municipal Power (AMP) and the American Municipal Power Generating Station Project (AMPGS). This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The AMPGS Project required participants to sign

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“take or pay” contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. The City’s share of the project was 20,000 kW of a total capacity of 771,281 kW, giving the City a 2.59 percent share of the project. In November 2009, the participants in the project voted to terminate the AMPGS project due to projected escalating costs. These costs were therefore deemed impaired and the participants are obligated to pay contract costs already incurred.

As a result of a March 31, 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City’s estimated share at March 31, 2014 of the impaired costs is \$3,466,911. The City received a credit of \$1,067,635 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$904,497 related to the AMPGS costs deemed to have future benefit for the project participants, leaving a net impaired cost estimate of \$1,494,779. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City’s liability. These amounts will be recorded as they become estimable. The City made payments in 2020 totaling \$14,031. The remaining stranded cost is \$1,013,546. This incurred cost has been previously capitalized and reported as a regulated asset, as allowed by GASB Codification Re10.

The annual requirements to pay principal and interest on long-term obligations at December 31, 2020 are listed as follows:

Year Ending December 31	Notes Payable-Direct Borrowings	
	Business Type Activities	
	Principal	Interest
2021	3,503,123	1,866,054
2022	3,562,142	1,808,207
2023	3,622,637	1,748,926
2024	3,683,621	1,689,200
2025	3,748,227	1,625,896
2026-2030	19,446,190	7,141,853
2031-2035	19,904,918	5,482,962
2036-2040	21,244,536	3,699,424
2041-2045	17,217,110	1,674,486
2046-2050	3,782,003	111,198
	\$ 99,714,507	\$ 26,848,206

H. INTERFUND TRANSACTIONS

During the course of normal operations, the City has numerous transactions among funds which caused interfund balances from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund receivable and payable balances at December 31, 2020 are as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ -	\$ 3,000
Street Levy Construction Fund	-	64,562
Non-major Governmental Funds	168,247	-
Water Fund	-	63,247
Wastewater Fund	-	3,100
Stormwater Fund	-	34,338
	\$ 168,247	\$ 168,247

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Transfers are used to move revenues; from the fund that statute or budget requires to collect them, to the fund that the statute or budget requires to expend them; or moving unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; or to provide additional resources for current operations or debt service. Interfund transfers for the year ended December 31, 2020 consisted of the following:

Governmental	Transfers In	Transfers Out
General Fund	\$ -	\$ 345,422
Health Department	140,422	
Street Levy Construction	64,562	
Scarborough TIF Fund		165,247
Proprietary		
Water	63,247	
Wastewater	3,100	
Golf	150,000	
Stormwater	34,338	
Municipal Pool	55,000	
	\$ 510,669	\$ 510,669

I. CHANGE IN ACCOUNTING PRINCIPLES

For 2020, the City implemented GASB Statement No. 83, *Certain Asset Retirement Obligations*; Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*; and Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform asset retirement activities related to its tangible capital assets should recognize a liability based on the best estimate of the current value of outlays expected to be incurred, including probability weighting of all potential outcomes.

GASB Statement No. 90 requires that majority equity interest that meets the definition of an investments, as defined by the Statement, should be measured using the equity method, unless it is held by the government which is only engaged in fiduciary activities, a fiduciary fund, or an endowment or permanent fund. Those governments or funds should measure the majority equity interest at fair value.

The implementation of these statements did not affect the City’s financial statements presented for calendar year 2020.

GASB Statement No. 95 provided temporary relief to governments due to the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation guides scheduled to be implemented for the period June 15, 2018 and later. The implementation of GASB Statement No. 87, *Leases*, was postponed for 18 months, with remainder of the effective Statements being postponed for one year.

J. 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.

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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 salaries and benefits payable on both the accrual and modified accrual basis of accounting.

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

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

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

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions. For 2020, member contribution rates were 10% of salary and employer contribution rates were 14%. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required pension contribution was \$1,063,493 for 2020 and \$18,293 is reported as a salaries and benefits payable.

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

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

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

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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 OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

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

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

	Police	Firefighters
2020 Statutory Maximum Contribution Rates:		
Employer	19.50%	24.00%
Employee:		
January 1, 2020 through December 31, 2020	12.25%	12.25%
2020 Actual Contribution Rates:		
Employer:		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	0.50%	0.50%
Total Employer	19.50%	24.00%
Employee:		
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 OP&F was \$1,192,134 for 2020 and \$13,791 is reported as a salaries and benefits 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. OP&F’s total pension liability was measured as of December 31, 2019, and was determined by rolling forward the total pension liability as of January 1, 2019 to December 31, 2019. The City’s proportion of the net pension liability 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:

	OPERS	OP&F	Total
Proportionate share of the net pension liability	\$ 11,850,524	\$ 15,246,288	\$ 27,096,812
Proportion of the net pension liability	0.0602416%	0.2263224%	
Change in proportionate share	(0.0017009%)	(0.0069777%)	
Pension expense	\$ 1,883,426	\$ 1,809,949	\$ 3,693,375

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

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	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 577,121	\$ 577,121
Change in assumptions	641,818	374,256	1,016,074
Change in City's proportionate share	4	668,401	668,405
City contributions subsequent to the measurement date	<u>1,063,493</u>	<u>1,192,134</u>	<u>2,255,627</u>
Total	<u>\$ 1,705,315</u>	<u>\$ 2,811,912</u>	<u>\$ 4,517,227</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ (163,844)	\$ (786,312)	\$ (950,156)
Net difference between projected and actual earnings on pension plan investments	(2,382,554)	(736,519)	(3,119,073)
Change in City's proportionate share	<u>(497,728)</u>	<u>(1,115,328)</u>	<u>(1,613,056)</u>
Total	<u>\$ (3,044,126)</u>	<u>\$ (2,638,159)</u>	<u>\$ (5,682,285)</u>

City contributions subsequent to the measurement date of \$2,255,627 are reported as deferred outflows of resources related to pension and 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&F</u>	<u>Total</u>
Fiscal Year Ending December 31:			
2021	(655,723)	(247,543)	(903,266)
2022	(887,405)	(178,815)	(1,066,220)
2023	95,623	245,420	341,043
2024	(948,538)	(735,747)	(1,684,285)
2025	(2,079)	(101,696)	(103,775)
After	<u>(4,182)</u>	<u>-</u>	<u>(4,182)</u>
	<u>\$ (2,402,304)</u>	<u>\$ (1,018,381)</u>	<u>\$ (3,420,685)</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.

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

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Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75%
COLA or Ad Hoc COLA	
Pre - January 7, 2013 retirees	3.00%, simple
Post - January 7, 2013 retirees	1.40% simple through 2020, then 2.15% simple
Investment rate of return:	7.20%
Actuarial cost method	Individual Entry Age
Mortality tables	RP-2014

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

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

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 a loss of 17.20% for 2019.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	25.00%	1.83%
Domestic Equities	19.00%	5.75%
Real Estate	10.00%	5.20%
Private Equity	12.00%	10.70%
International Equities	21.00%	7.66%
Other Investments	<u>13.00%</u>	<u>4.98%</u>
Total	<u>100.00%</u>	<u>5.61%</u>

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Discount Rate: The discount rate used to measure the total pension liability was 7.2 percent. The projections 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 represents 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	\$ 19,638,762	\$ 11,850,524	\$ 4,956,679

Actuarial Assumptions – OP&F: OP&F's total pension liability as of December 31, 2019 is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan 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 experiences and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2019 are presented below. The payroll growth rate is comprised of 2.75 percent plus a productivity increase rate of 0.5 percent. The cost-of-living adjustments is comprised of 3.0 percent simple rate; 2.2 percent simple for increases based on the lesser of the increase in the consumer price index (CPI) and 3.0 percent.

	January 1, 2019 with actuarial liabilities rolled forward to December 31, 2019
Valuation date	
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	3.25%
Inflation assumption	2.75%
Cost-of-living adjustments	2.20% and 3.00% simple

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

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

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

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

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash & Cash Equivalents	-%	1.00%
Domestic Equity	16.00%	5.40%
Non-U.S. 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	<u>12.00%</u>	6.40%
Total	<u>120.00%</u>	

Note: Assumptions are geometric. *Levered 2x

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

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Discount Rate: The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, OP&F's fiduciary net position was projected to 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	\$ 21,130,825	\$ 15,246,288	\$ 10,324,456

K. DEFINED BENEFIT OTHER POSTEMPLOYMENT 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, health care cost trends and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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

GASB Statement No. 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require the retirement systems to provide health care to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

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Plan Description—Ohio Public Employees Retirement System (OPERS)

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan, a cost-sharing, multiple-employer defined benefit plan; the Member-Directed Plan, a defined contribution plan; and the Combined Plan, a cost-sharing, multiple-employer defined benefit plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for postemployment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an other post employment benefit (OPEB) as described in GASB No. 75. See OPERS' annual 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 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% of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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

For the year ended December 31, 2020, OPERS did not allocate any employer contributions to postemployment health care.

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

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multi-employer defined postemployment healthcare plan. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees.

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On January 1, 2019, OP&F changed the way it supported retiree health care. A stipend-based health care model has replaced the self-insured group health care plan that had been in place. OP&F has contracted with a vendor who can assist eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a health reimbursement arrangement and can be used to reimburse retirees for qualified health care expenses.

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

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

Funding Policy—The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5% and 24.0% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB plan.

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

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

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

The City's contractually required contribution to OP&F was \$27,473 for 2020. Of this amount, \$321 is reported as an accrued salaries and benefits payable.

OPEB Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB: The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 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 respective retirement systems relative to the contributions of all participating entities. The following is information related to the proportionate share and OPEB expense:

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	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate share of the net OPEB liability	\$ 8,112,992	\$ 2,235,552	\$ 10,348,544
Proportion of the net OPEB liability	0.058736200%	0.226322428%	
Change in proportion share	-0.001362700%	-0.006977700%	
OPEB (Negative) Expense	\$ 910,606	\$ 255,689	\$ 1,166,295

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 218	\$ -	\$ 218
Change in assumptions	1,284,200	1,306,990	2,591,190
Change in City's proportionate share and difference in employer contributions	12,119	641,607	653,726
City contributions subsequent to the measurement date	-	27,473	27,473
Total	<u>\$ 1,296,537</u>	<u>\$ 1,976,070</u>	<u>\$ 3,272,607</u>

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ (741,970)	\$ (240,412)	\$ (982,382)
Net difference between projected and actual earnings on OPEB plan investments	(413,112)	(102,872)	(515,984)
Change in assumptions	-	(476,429)	(476,429)
Change in City's proportionate share and difference in employer contributions	(185,506)	(531,744)	(717,250)
Total	<u>\$ (1,340,588)</u>	<u>\$ (1,351,457)</u>	<u>\$ (2,692,045)</u>

\$27,473 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Fiscal Year Ending December 31:			
2021	\$ 81,815	\$ 115,420	\$ 197,235
2022	50,332	115,420	165,752
2023	329	136,522	136,851
2024	(176,527)	103,254	(73,273)
2025	-	94,403	94,403
After	-	32,121	32,121
	<u>\$ (44,051)</u>	<u>\$ 597,140</u>	<u>\$ 553,089</u>

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverages provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total 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 Statement No. 74:

Wage inflation	3.25%
Projected salary increases	3.25% to 10.75%, including wage inflation
Single discount rate:	
Current measurement date	3.16%
Prior measurement date	3.96%
Investment rate of return	
Current measurement date	6.00%
Prior measurement date	6.00%
Municipal bond rate	
Current measurement date	2.75%
Prior measurement date	3.71%
Health care cost trend rate	
Current measurement date	10.50% initial, 3.50% ultimate in 2030
Prior measurement date	10% initial, 3.25% ultimate in 2029
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for 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 tables.

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

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	36.00%	1.53%
Domestic Equities	21.00%	5.75%
REITs	6.00%	5.69%
International Equities	23.00%	7.66%
Other Investments	<u>14.00%</u>	<u>4.90%</u>
Total	<u>100.00%</u>	<u>4.55%</u>

Discount Rate: A single discount rate of 3.16% was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.75%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 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%, as well as what the City's proportionate share of the net OPEB liability if it were calculated using a discount rate that is 1.0% point lower (2.16%) or 1.0% point higher (4.16%) than the current rate:

	<u>1% Decrease (2.16%)</u>	<u>Current Discount Rate of 3.16%</u>	<u>1% Increase (4.16%)</u>
City's proportionate share of the net OPEB liability	\$ 10,616,842	\$ 8,112,992	\$ 6,107,797

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.50%. 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% 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	\$ 7,873,355	\$ 8,112,992	\$ 8,349,105

Changes Subsequent to the Measurement 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 measurement period, but are expected to decrease the associated OPEB liability.

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

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

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

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

Key Methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation are presented below:

Actuarial valuation date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	3.25%
Single discount rate:	
Current measurement date	3.56%
Prior measurement date	4.66%
Municipal bond rate:	
Current measurement date	2.75%
Prior measurement date	4.13%
Cost of living adjustments	3.0% simple; 2.2% simple for increase based on the lesser of the increases in CPI and 3.0%

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

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

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

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

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

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

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash & cash equivalents	-%	1.00%
Domestic equity	16.00%	5.40%
Non-US equity	16.00%	5.80%
Private markets	8.00%	8.00%
Core fixed income *	23.00%	2.70%
High yield fixed income	7.00%	4.70%
Private credit	5.00%	5.50%
US inflation linked bonds *	17.00%	2.50%
Master Limited Partnerships	8.00%	6.60%
Real assets	8.00%	7.40%
Private real estate	<u>12.00%</u>	6.40%
Total	<u>120.00%</u>	

Note: Assumptions are geometric. *Levered 2x

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

Discount Rate: Total OPEB liability was calculated using the discount rate of 3.56%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8.0%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, a municipal bond rate of 2.75% at December 31, 2019 and 4.13% at December 31, 2018 was blended with the long-term rate of 8.0%, which resulted in a blended discount rate of 3.56% at December 31, 2019 and 4.66% at December 31, 2018.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate: Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net OPEB liability calculated using the discount rate of 3.56%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (2.56%) and 1% point higher (4.56%) than the current discount rate.

	1% Decrease 2.56%	Current Discount Rate of 3.56%	1% Increase 4.56%
City's proportionate share of the net OPEB liability	\$ 2,771,940	\$ 2,235,552	\$ 1,789,851

L. OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code ("IRC") Section 457. The plan, which is available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

M. OHIO PROFESSIONAL FIRE FIGHTERS DEFERRED COMPENSATION PROGRAM

In addition to the Ohio Public Employees Deferred Compensation Program; the City offers its sworn fire officers an optional deferred compensation plan created in accordance with Internal Revenue Code (“IRC”) Section 457. The plan, which is only available to sworn fire officers, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

N. CONTINGENCIES

The City participates in several federally assisted programs, which are subject to program compliance audits by the grantors or their representatives. The grantor agencies, at their option, may perform economy and efficiency audits, program results audits or conduct monitoring visits. Such audits and visits could lead to reimbursement to the grantor agencies. Management believes such reimbursements, if any, would not be material.

O. 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 2002, the City joined the Miami Valley Risk Management Association, Inc. (MVRMA, a joint insurance pool. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability.

The City pays an annual premium to MVRMA for this coverage. The agreement provides that MVRMA will be self-sustaining through member premiums and the purchase of excess and stop-loss insurance. The city’s deductible per occurrence for all types of claims is \$2,500. During 2020, MVRMA’s per occurrence retention limit for most property claims was \$250,000; exceptions include a retention of \$10,000-\$350,000 per occurrence for boiler and machinery. Liability had a per occurrence retention limit of \$500,000 with the exception of cyber and pollution liability, which had a retention limit of \$100,000. MVRMA purchases excess insurance and/or reinsurance to cover claims excess of MVRMA’s self-insured retention (SIR) up to the limits stated below:

General Liability	\$12,000,000 per occurrence
Automobile Liability	\$12,000,000 per occurrence
Boiler and Machinery	\$100,000,000 per occurrence
Property	\$500,000,000 per occurrence
Flood	\$25,000,000 per occurrence
Earthquake Shock	\$25,000,000 per occurrence
Public Officials Liability	\$12,000,000 per occurrence
Cyber Liability	\$2,000,000 per occurrence
Pollution Liability	\$2,000,000 per occurrence

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has been no significant reduction in coverage from the prior year.

The City joined a workers’ compensation group rating plan, which allows local governments to group the experience of employers for workers’ compensation rating purposes. The City pays the State Workers’ Compensation System a premium based on a rate per \$100 of salaries. The City employee’s health plan is provided through a fully insured plan with Medical Mutual.

P. PURCHASED POWER

The City’s electric distribution system during 2020 purchased wholesale electric power from American Municipal Power (AMP). AMP provides this power through a mixture of long term take or pay purchase contracts with the City. Included in these contracts with AMP are; the Prairie State Energy Campus Project (20 megawatts) generation started during 2012, Fremont Natural Gas Energy Center (13 megawatts)

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2020

generation started in 2012, and the Ohio River Hydroelectric Project (8 megawatts) generation that started during Spring 2016. AMP provides the remaining power requirements with market based purchases from various sources including New York Power Authority, Blue Creek Wind Farm, and other pooled market sources.

Q. FUND BALANCE AND EQUITY

Under the guidelines of GASB statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions” the City’s fund balance classifications are presented below:

	General	Street Maintenance	Street Levy Construction	Health District	Debt Service	Other Governmental	Total
Nonspendable:							
Prepaid Items	\$ 5,667	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,667
Restricted:							
Community Outreach	9,816	-	-	-	-	-	9,816
Transportation	-	3,817,743	5,124,055	-	-	-	8,941,798
Debt Service	-	-	-	-	396,496	-	396,496
Community Development	-	-	-	-	-	280,392	280,392
Held in Trust	-	-	-	-	-	46,100	46,100
Conservation	-	-	-	-	-	46,823	46,823
Assigned:							
Subsequent Appropriations	2,955,218	-	-	-	-	-	2,955,218
Unpaid Obligations	1,211,344	-	-	-	-	-	1,211,344
Unassigned	8,183,367	-	-	-	-	(164,778)	8,018,589
Total	\$ 12,365,412	\$ 3,817,743	\$ 5,124,055	\$ -	\$ 396,496	\$ 208,537	\$ 21,912,243

At December 31, 2020, the City had three funds which reported deficit ending equity positions as follows: (\$164,778) in the Community Development, a nonmajor special revenue fund; (\$68,674) in the Municipal Pool, a nonmajor enterprise fund; and (\$462,368) in the Information Technology internal service fund. These deficits occurred as a result of recording certain obligations in the funds during the year. General Fund resources are utilized to eliminate deficits occurring on a cash basis, but not when liabilities are recorded.

R. TAX ABATEMENTS

In prior years, the City of Piqua has provided various tax incentives under Community Reinvestment Area (CRA) programs. The city authorized incentives through passage of public ordinance, based upon each businesses investment criteria and through a contractual application process with each entity, including proof that the improvement has been made and certification by the local housing officer. The tax abatement under this program is equal to 100% of the additional property tax resulting from the increase in the assessed value as a result of the improvements for fifteen years following the year of certification. The amount of the tax abatement is deducted from the annual tax bill of the entities. The establishment of the CRA provided the city the ability to maintain and expand business opportunities and create new, or maintaining old jobs within each designated CRA.

As of December 31, 2020, the City of Piqua had 30 individual agreements under the CRA program and all were within pre-1994 established CRA’s. None of the agreements are individually significant and the total amount of taxes abated under all these agreements for calendar year 2020 was approximately \$36,100.

S. ASSET RETIREMENT OBLIGATION

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage treatment system to the Ohio EPA for approval. Through this permitting process, the City would be responsible to address any public safety issues associated with its sewage treatment facilities and the permit would specify the procedures required to dispose of all or part of the sewage treatment plant. At this time, the City has not applied for, nor does it have, an approved permit from Ohio EPA to dispose of all or part of its sewage

CITY OF PIQUA, OHIO
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December 31, 2020

treatment plant. In addition, certain equipment utilized within the City's electric utility have certain disposal requirements when replaced.

Due to the lack of specific legal requirements for retiring the sewage treatment plant and the lack of reliable estimate(s) to dispose of the electric utility equipment currently in use, the City has determined the amount of the Asset Retirement Obligation (ARO) associated with these capital assets cannot be reasonable estimated at this time.

T. COVID-19 PANDEMIC

The United States and the State of Ohio declared a state of emergency in March 2020 due to the global Coronavirus Disease 2019 (COVID-19) pandemic. The financial impact of COVID-19 will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated. The City is expected to receive additional funding from the American Rescue Plan Act (ARP) that was passed in March 2021. As of the date of these financial statements, the exact amount of ARP funding the City will receive has not been finalized.

Required Supplemental Information



CITY OF PIQUA, OHIO

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

	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability Traditional Plan	0.060242%	0.061942%	0.064039%	0.059773%	0.059689%	0.059202%	0.059202%
City's Proportionate Share of the Net Pension Liability	\$ 11,850,524	\$ 16,932,784	\$ 10,009,518	\$ 13,573,432	\$ 10,338,908	\$ 7,130,365	\$ 6,976,403
City's Covered Payroll	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683	\$ 7,117,562
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	160.17%	233.29%	132.27%	171.82%	135.39%	96.96%	98.02%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Traditional Plan	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 is not available - Will show ten years once information is available

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

Notes to Schedule:

Change in assumptions: In 2017, changes in assumptions for OPERS were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a reduction in the discount rate from 8.0% to 7.5%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.

In 2019, a reduction of the discount rate was made from 7.50% to 7.20%.

CITY OF PIQUA, OHIO

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

	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability Firefighters	0.123537%	0.126505%	0.135633%	0.123811%	0.127186%	0.128314%	0.128314%
Police	0.102786%	0.106796%	0.110854%	0.100781%	0.107399%	0.102498%	0.102498%
City's Proportionate Share of the Net Pension Liability	\$ 15,246,288	\$ 19,043,458	\$ 15,128,021	\$ 14,225,431	\$ 15,091,006	\$ 11,957,013	\$ 11,241,259
City's Covered Payroll	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201	\$ 4,342,890
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	284.55%	361.65%	281.97%	295.69%	317.96%	264.29%	258.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.89%	63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

(1) Information prior to 2014 is not available - Will show ten years once information is available

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

Notes to Schedule:

Change in assumptions: In 2018, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2016. Significant changes included a reduction in the discount rate from 8.25% to 8.0%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CITY PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - TRADITIONAL & COMBINED PLANS
LAST EIGHT YEARS (1)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 1,063,493	\$ 1,035,808	\$ 1,016,165	\$ 983,765	\$ 947,963	\$ 916,345	\$ 882,442	\$ 925,283
Contributions in Relation to the Contractually Required Contribution	<u>(1,063,493)</u>	<u>(1,035,808)</u>	<u>(1,016,165)</u>	<u>(983,765)</u>	<u>(947,963)</u>	<u>(916,345)</u>	<u>(882,442)</u>	<u>(925,283)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683	\$ 7,117,562
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available - Will show ten years once information is available

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CITY PENSION CONTRIBUTIONS
OHIO POLICE AND FIRE PENSION FUND
LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 1,192,134	\$ 1,139,853	\$ 1,119,829	\$ 1,099,915	\$ 960,782	\$ 1,004,709	\$ 966,087	\$ 786,837	\$ 630,686	\$ 626,176
Contributions in Relation to the Contractually Required Contribution	<u>(1,192,134)</u>	<u>(1,139,853)</u>	<u>(1,119,829)</u>	<u>(1,099,915)</u>	<u>(960,782)</u>	<u>(1,004,709)</u>	<u>(966,087)</u>	<u>(786,837)</u>	<u>(630,686)</u>	<u>(626,176)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201	\$ 4,342,890	\$4,224,150	\$4,203,860
Contributions as a Percentage of Covered Payroll	21.33%	21.27%	21.27%	20.50%	19.97%	21.17%	21.35%	18.12%	14.93%	14.90%

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST FOUR YEARS (1) (2)**

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.0587362%	0.0600989%	0.0621394%	0.0580901%
City's Proportionate Share of the Net OPEB Liability	\$ 8,112,992	\$ 7,835,480	\$ 6,747,883	\$ 5,867,294
City's Covered Payroll	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	109.66%	107.95%	89.17%	74.27%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	54.04%

Notes to Schedule:

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

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

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

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OHIO POLICE AND FIRE PENSION FUND
LAST FOUR YEARS (1) (2)**

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability				
Firefighters	0.1235368%	0.1265045%	0.1356330%	0.1238110%
Police	0.1027857%	0.1067957%	0.1108540%	0.1007810%
City's Proportionate Share of the Net OPEB Liability	\$ 2,235,552	\$ 2,124,556	\$ 13,965,600	\$ 10,660,878
City's Covered Payroll	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	41.72%	40.35%	260.31%	221.60%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.08%	46.57%	14.13%	15.96%

Notes to Schedule:

Change in assumptions: In 2018, the single discount rate changed from 3.79% to .24%.

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

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

Change in benefit terms: Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend based health care model, depositing stipends into individual health reimbursements account that retirees will use to be reimbursed for health care expenses.

(1) Information prior to 2017 is not available. The City will continue to present information for years available until a full ten-year is compiled.

(2) Amounts presented for each year were determined as of the City's measurement date, which is prior year-end.

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CITY OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ 84,943	\$ 160,556	\$ 153,959	\$ 148,692	\$ 71,176	\$ 278,322	\$ 279,626
Contributions in Relation to the Contractually Required Contribution	-	-	-	(84,943)	(160,556)	(153,959)	(148,692)	(71,176)	(278,322)	(279,626)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683	\$ 7,117,562	\$ 6,958,050	\$ 6,990,650
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	1.12%	2.03%	2.02%	2.02%	1.00%	4.00%	4.00%

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CITY OPEB CONTRIBUTIONS
OHIO POLICE AND FIRE PENSION FUND
LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 27,473	\$ 26,232	\$ 25,789	\$ 25,300	\$ 24,068	\$ 23,731	\$ 22,711	\$ 157,168	\$ 285,130	\$ 283,575
Contributions in Relation to the Contractually Required Contribution	(27,473)	(26,232)	(25,789)	(25,300)	(24,068)	(23,731)	(22,711)	(157,168)	(285,130)	(283,575)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201	\$ 4,342,890	\$ 4,224,150	\$ 4,203,860
Contributions as a Percentage of Covered Payroll	0.49%	0.49%	0.49%	0.47%	0.50%	0.50%	0.50%	3.62%	6.75%	6.75%

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND
FOR YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance-with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Municipal income tax	\$ 7,864,500	\$7,864,500	\$ 8,512,171	\$ 647,671
Property taxes	1,144,070	1,251,469	1,244,398	(7,071)
State shared revenues	675,150	690,042	683,130	(6,912)
Locally levied taxes	1,166,168	1,166,168	1,085,668	(80,500)
Licenses and permits, fees	1,140,455	1,140,455	1,260,052	119,597
Grants: capital	-	-	14,478	14,478
Grants: operating	25,000	25,000	39,529	14,529
Interest income	53,025	53,025	26,076	(26,949)
Donations: capital	1,300,000	-	277,000	277,000
Donations: operating	-	-	15,201	15,201
Other fines, rents, and reimbursements	322,275	322,275	686,742	364,467
Total revenues	<u>13,690,643</u>	<u>12,512,934</u>	<u>13,844,445</u>	<u>1,331,511</u>
EXPENDITURES:				
GENERAL GOVERNMENT ADMINISTRATION:				
City building:				
Operating expenditures	128,576	158,576	128,788	29,788
Capital	198,000	168,000	126,545	41,455
Total city building	<u>326,576</u>	<u>326,576</u>	<u>255,333</u>	<u>71,243</u>
City commission:				
Personal services/administrative support	29,548	29,548	28,892	656
Operating expenditures	62,336	62,336	45,885	16,451
Total city commission	<u>91,884</u>	<u>91,884</u>	<u>74,777</u>	<u>17,107</u>
Office of city manager:				
Personal services/administrative support	77,885	77,885	15,009	62,876
Operating expenditures	9,278	9,278	1,498	7,780
Total office of city manager	<u>87,163</u>	<u>87,163</u>	<u>16,507</u>	<u>70,656</u>
Purchasing department:				
Personal services/administrative support	2,824	2,824	2,626	198
Operating expenditures	167	167	115	52
Total purchasing department	<u>2,991</u>	<u>2,991</u>	<u>2,741</u>	<u>250</u>
Law department:				
Personal services/administrative support	26,424	26,424	25,623	801
Operating expenditures	54,603	54,603	40,254	14,349
Total law department	<u>81,027</u>	<u>81,027</u>	<u>65,877</u>	<u>15,150</u>
Finance department:				
Personal services/administrative support	227,538	230,781	226,665	4,116
Operating expenditures	13,960	10,717	7,197	3,520
Total finance department	<u>241,498</u>	<u>241,498</u>	<u>233,862</u>	<u>7,636</u>
Human resources department:				
Personal services/administrative support	33,268	33,268	32,464	804
Operating expenditures	5,385	5,663	3,840	1,823
Total human resources department	<u>38,653</u>	<u>38,931</u>	<u>36,304</u>	<u>2,627</u>

See notes to required supplemental information

(Continued)

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND
FOR YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance-with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Engineering department:				
Personal services/administrative support	92,837	92,837	79,263	13,574
Operating expenditures	7,741	7,741	6,614	1,127
Total engineering department	<u>100,578</u>	<u>100,578</u>	<u>85,877</u>	<u>14,701</u>
Public Relations:				
Personal services/administrative support	42,327	42,327	39,793	2,534
Operating expenditures	5,794	5,794	2,754	3,040
Total income tax department	<u>48,121</u>	<u>48,121</u>	<u>42,547</u>	<u>5,574</u>
Income tax department:				
Personal services/administrative support	227,111	227,111	151,885	75,226
Operating expenditures	199,816	199,816	163,068	36,748
Total income tax department	<u>426,927</u>	<u>426,927</u>	<u>314,953</u>	<u>111,974</u>
Planning and zoning:				
Personal services/administrative support	268,644	268,644	260,066	8,578
Operating expenditures	101,104	101,104	59,706	41,398
Total planning and zoning	<u>369,748</u>	<u>369,748</u>	<u>319,772</u>	<u>49,976</u>
General government:				
Operating expenditures	712,633	462,633	357,666	104,967
Capital	200,000	150,000	76,452	73,548
Total general government	<u>912,633</u>	<u>612,633</u>	<u>434,118</u>	<u>178,515</u>
Civil Service Commission:				
Operating expenditures	7,558	7,558	1,248	6,310
Total civil service commission	<u>7,558</u>	<u>7,558</u>	<u>1,248</u>	<u>6,310</u>
TOTAL GENERAL GOVERNMENT	<u><u>2,735,357</u></u>	<u><u>2,435,635</u></u>	<u><u>1,883,916</u></u>	<u><u>551,719</u></u>
PUBLIC SAFETY:				
Fire department:				
Personal services/administrative support	4,093,311	4,093,311	2,729,108	1,364,203
Operating expenditures	891,745	891,745	529,576	362,169
Capital	2,038,975	738,975	669,938	69,037
Total fire department	<u>7,024,031</u>	<u>5,724,031</u>	<u>3,928,622</u>	<u>1,795,409</u>
Police department:				
Personal services/administrative support	4,830,250	4,830,250	3,944,479	885,771
Operating expenditures	793,195	793,195	576,143	217,052
Capital	215,217	215,217	206,426	8,791
Total police department	<u>5,838,662</u>	<u>5,838,662</u>	<u>4,727,048</u>	<u>1,111,614</u>
TOTAL PUBLIC SAFETY	<u><u>12,862,693</u></u>	<u><u>11,562,693</u></u>	<u><u>8,655,670</u></u>	<u><u>2,907,023</u></u>

See notes to required supplemental information

(Continued)

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND
FOR YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance-with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
PLANNING AND DEVELOPMENT:				
Pro Piqua:				
Operating expenditures	77,000	77,000	75,486	1,514
Capital	-	-	-	-
Total pro piqua	<u>77,000</u>	<u>77,000</u>	<u>75,486</u>	<u>1,514</u>
Neighborhood Improvement Team:				
Personal services/administrative support	10,067	10,067	6,638	3,429
Operating expenditures	34,750	34,750	14,648	20,102
Total neighborhood improvement team	<u>44,817</u>	<u>44,817</u>	<u>21,286</u>	<u>23,531</u>
TOTAL PLANNING AND DEVELOPMENT	<u>121,817</u>	<u>121,817</u>	<u>96,772</u>	<u>25,045</u>
PARKS AND RECREATION:				
Personal services/administrative support	422,865	422,865	309,316	113,549
Operating expenditures	510,276	335,276	183,086	152,190
Capital	226,500	26,500	18,475	8,025
Total parks and recreation	<u>1,159,641</u>	<u>784,641</u>	<u>510,877</u>	<u>273,764</u>
FORT PIQUA PLAZA:				
Operating expenditures	321,782	321,782	191,720	130,062
Capital	20,000	20,000	4,966	15,034
Total fort piqua plaza	<u>341,782</u>	<u>341,782</u>	<u>196,686</u>	<u>145,096</u>
Total expenditures	<u>17,221,290</u>	<u>15,246,568</u>	<u>11,343,921</u>	<u>3,902,647</u>
Deficiency of revenues under expenditures	<u>(3,530,647)</u>	<u>(2,733,634)</u>	<u>2,500,524</u>	<u>5,234,158</u>
OTHER FINANCING SOURCES:				
Issuance of debt	975,000	-	-	-
Proceeds from sale of capital assets	-	-	24,062	24,062
Transfers out	<u>(982,700)</u>	<u>(942,700)</u>	<u>(345,422)</u>	<u>597,278</u>
Total other financing sources	<u>(7,700)</u>	<u>(942,700)</u>	<u>(321,360)</u>	<u>621,340</u>
Net change in fund balance	(3,538,347)	(3,676,334)	2,179,164	5,855,498
Fund balance- January 1, 2020	<u>10,186,248</u>	<u>10,186,248</u>	<u>10,186,248</u>	<u>-</u>
Fund balance December 31, 2020	<u>\$ 6,647,901</u>	<u>\$ 6,509,914</u>	<u>\$ 12,365,412</u>	<u>\$ 5,855,498</u>

See notes to required supplemental information

(Concluded)

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE
STREET MAINTENANCE FUND
FOR YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
REVENUES:				
Municipal income tax	\$ 1,498,000	\$ 1,498,000	\$ 1,622,654	\$ 124,654
State shared revenues	1,677,500	1,677,500	1,540,958	(136,542)
Grants capital	-	-	590	590
Licenses and permits, fees	400	400	935	535
Interest income	30,000	30,000	9,243	(20,757)
Other fines, rents, and reimbursements	1,500	1,500	47,749	46,249
Total revenues	<u>3,207,400</u>	<u>3,207,400</u>	<u>3,222,129</u>	<u>14,729</u>
EXPENDITURES:				
Personal services/administrative support	1,268,638	1,268,638	1,018,354	250,284
Operating expenditures	1,713,371	1,713,371	784,549	928,822
Capital costs	585,300	585,300	362,601	222,699
Total expenditures	<u>3,567,309</u>	<u>3,567,309</u>	<u>2,165,504</u>	<u>1,401,805</u>
Deficiency of revenues under expenditures	(359,909)	(359,909)	1,056,625	1,416,534
OTHER FINANCING SOURCES:				
Proceeds from sale of capital assets	-	-	8,681	8,681
Total other financing sources	<u>-</u>	<u>-</u>	<u>8,681</u>	<u>8,681</u>
Net change in fund balance	(359,909)	(359,909)	1,065,306	1,425,215
Fund balance- January 1, 2020	<u>2,752,437</u>	<u>2,752,437</u>	<u>2,752,437</u>	<u>-</u>
Fund balance December 31, 2020	<u>\$ 2,392,528</u>	<u>\$ 2,392,528</u>	<u>\$ 3,817,743</u>	<u>\$ 1,425,215</u>

See notes to required supplemental information

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
 BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE
 STREET LEVY CONSTRUCTION FUND
 FOR YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
REVENUES:				
Municipal income tax	\$ 1,337,500	\$ 1,337,500	\$ 1,448,675	\$ 111,175
Grants-capital	870,000	870,000	1,041,141	171,141
Grants-operating	-	-	21,013	21,013
Interest income	30,000	30,000	13,936	(16,064)
Total revenues	<u>2,237,500</u>	<u>2,237,500</u>	<u>2,524,765</u>	<u>287,265</u>
EXPENDITURES:				
Operating expenditures	1,336,885	1,336,885	940,410	396,475
Capital costs	1,030,788	1,030,788	799,720	231,068
Total expenditures	<u>2,367,673</u>	<u>2,367,673</u>	<u>1,740,130</u>	<u>627,543</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(130,173)</u>	<u>(130,173)</u>	<u>784,635</u>	<u>914,808</u>
Net change in fund balance	(130,173)	(130,173)	784,635	914,808
Fund balance January 1, 2020	<u>4,274,858</u>	<u>4,274,858</u>	<u>4,274,858</u>	<u>-</u>
Fund balance December 31, 2020	<u>\$ 4,144,685</u>	<u>\$ 4,144,685</u>	<u>\$ 5,059,493</u>	<u>\$ 914,808</u>

See notes to required supplemental information

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE
HEALTH DISTRICT FUND
FOR YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
REVENUES:				
Grants operating	\$ 5,000	\$ 5,000	\$ 254,520	\$ 249,520
Licenses and permits, fees	76,430	76,430	91,469	15,039
Other fines, rents, and reimbursements	2,000	2,000	640	(1,360)
Total revenues	<u>83,430</u>	<u>83,430</u>	<u>346,629</u>	<u>263,199</u>
EXPENDITURES:				
Personal services/administrative support	319,634	379,634	376,814	2,820
Operating expenditures	103,445	123,445	110,237	13,208
Total expenditures	<u>423,079</u>	<u>503,079</u>	<u>487,051</u>	<u>16,028</u>
Deficiency of revenues under expenditures	(339,649)	(419,649)	(140,422)	279,227
OTHER FINANCING SOURCES:				
Transfers in	339,649	419,649	140,422	(279,227)
Total other financing sources	<u>339,649</u>	<u>419,649</u>	<u>140,422</u>	<u>(279,227)</u>
Net change in fund balance	-	-	-	-
Fund balance- January 1, 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance December 31, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to required supplemental information

CITY OF PIQUA, OHIO
Notes to the Required Supplemental Information
December 31, 2020

BUDGETS AND BUDGETARY ACCOUNTING

The City follows procedures prescribed by State law in establishing the budgetary data shown in the financial statements, as follows:

- The City must submit a budget of estimated revenues and expenditures for all governmental funds to the County Budget Commission by July 20 of each year for the following calendar year.
- The County Budget Commission certifies its actions by September 1, and issues a “Certificate of Resources” limiting the maximum amount the City may expend from a given fund during the year.
- On approximately January 1, this Certificate is amended to include any unencumbered balances from the preceding year. The City must prepare its appropriations so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Resources.
- Before the first Commission meeting in January, a permanent appropriation measure must be passed for the period January 1 through December 31. The permanent appropriation may not exceed estimated resources certified by the County Budget Commission.
- Unused appropriations lapse at year-end and are re-appropriated in the following year’s budget.
- All funds have annual budgets, which are prepared in accordance with generally accepted accounting principles and are legally adopted by the City Commission.

The City Manager acts as budget officer for the City and submits a proposed operating budget to the City Commission on an annual basis. Public hearings are held to obtain taxpayer comments. The Commission enacts the budget through passage of an appropriations ordinance. The appropriations ordinance controls expenditures in each fund at the object levels of personal services/administrative support, operating expenditures, transfers, and capital outlay. Amendments to object totals of appropriations require Commission approval. The City Manager has the authority to allocate and amend appropriations at the account level, provided that fund totals appropriated by ordinance are not adjusted. Earnings of the Power, Water, Wastewater, Storm Water, Refuse, Golf, and Municipal Pool systems may not be appropriated for other City uses.

The budget process is controlled by both the State of Ohio Revised Code and the City Charter and is prepared based on anticipated revenues and appropriated expenditures.

The City’s financial position, results of operations and changes in fund balances, as well as the budgetary basis as provided by law, are reported on the basis of GAAP.

Supplemental Data



CITY OF PIQUA, OHIO

NON-MAJOR GOVERNMENTAL FUNDS

Revolving Loan/Federal Program Income	To account for micro-enterprise loans, USDA loans and home mortgages resulting from federal grant activities
Community Development	To account for activities for social, economic, and other special development of the community
Trust	To account for resources recovered or held through legislation or enforcement activities.
Conservancy	To account for receipts and disbursements for the city's share of the district's operation and maintenance.
Federal Grants	To account for federal funds available for CARES Act, FEMA, comprehensive housing, and block grants.

NON-MAJOR ENTERPRISE FUNDS

Golf Course	To account for the city's municipal golf course operations.
Municipal Pool	To account for the city's municipal pool operations.

CITY OF PIQUA, OHIO

NON-MAJOR INTERNAL SERVICE/FIDUCIARY FUNDS

Internal Service Funds

Workers Compensation

To account for the City's worker's compensation program under the State's retrospective rating plan by pooling resources from various funds to pay for workers compensation premiums

Liability Insurance

To account for assets to pay for liabilities that are below third party insurance deductibles or not covered under certain policies and pool resources from various funds to pay for liability insurance premiums

Health Insurance

To account for an internally financed and self-insured health benefits program

Information Technology

To account for centralized communication, networking, and data processing services for all city departments

Fiduciary Funds

Private-Purpose Centennial Trust

To account for assets of a centennial escrow as established by legislation.

CITY OF PIQUA, OHIO

**COMBINING BALANCE SHEET- NON MAJOR FUNDS
DECEMBER 31, 2020**

	Revolving Loan/Federal Program Income	Community Development	Trust
ASSETS:			
Equity in pooled cash and cash equivalents	\$ 269,681	\$ 9,789	\$ 46,100
Accounts receivable	208	-	-
Loans receivable, net of allowance	7,146	-	-
	<u>277,035</u>	<u>9,789</u>	<u>46,100</u>
Total Assets	<u>\$ 277,035</u>	<u>\$ 9,789</u>	<u>\$ 46,100</u>
LIABILITIES:			
Accounts payable	-	6,098	-
Interfund payable	-	165,247	-
Salaries and benefits	-	3,222	-
	<u>-</u>	<u>174,567</u>	<u>-</u>
Total Liabilities	-	174,567	-
DEFERRED INFLOWS OF RESOURCES:			
Property taxes	-	-	-
State shared taxes	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:			
Restricted fund balance	277,035	-	46,100
Unassigned	-	(164,778)	-
Total fund balances	<u>277,035</u>	<u>(164,778)</u>	<u>46,100</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 277,035</u>	<u>\$ 9,789</u>	<u>\$ 46,100</u>

(Continued)

CITY OF PIQUA, OHIO

**COMBINING BALANCE SHEET- NON MAJOR FUNDS
DECEMBER 31, 2020**

	Conservancy	Federal Grants	Total Non major Funds
ASSETS:			
Equity in pooled cash and cash equivalents	\$ 46,823	\$ 4,899	\$ 377,292
Accounts receivable	54,478	1,458	56,144
Loans receivable, net of allowance	-	-	7,146
	<u>101,301</u>	<u>6,357</u>	<u>440,582</u>
Total Assets			
LIABILITIES:			
Accounts payable	-	-	6,098
Interfund payable	-	3,000	168,247
Salaries and benefits	-	-	3,222
	<u>-</u>	<u>-</u>	<u>3,222</u>
Total Liabilities	-	3,000	177,567
DEFERRED INFLOWS OF RESOURCES:			
Property taxes	51,288	-	51,288
State shared taxes	3,190	-	3,190
	<u>54,478</u>	<u>-</u>	<u>54,478</u>
Total deferred inflows of resources			
FUND BALANCES:			
Restricted fund balance	46,823	3,357	373,315
Unassigned	-	-	(164,778)
	<u>46,823</u>	<u>3,357</u>	<u>208,537</u>
Total fund balances			
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 101,301</u>	<u>\$ 6,357</u>	<u>\$ 440,582</u>

(Concluded)

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCE NON MAJOR FUNDS
FOR YEAR ENDED DECEMBER 31, 2020**

	Revolving Loan/Federal Program Income	Community Development	Trust
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
State shared revenues	-	-	-
Licenses and permits, fees	1,100	-	-
Grants: operating	-	-	-
Investment income	5,508	-	-
Other fines, rents, and reimbursements	41,146	-	49,165
Total revenues	<u>47,754</u>	<u>-</u>	<u>49,165</u>
EXPENDITURES:			
Personal services/administrative support	-	-	-
Operation and maintenance	42,034	-	31,277
Capital	-	-	14,000
Total expenditures	<u>42,034</u>	<u>-</u>	<u>45,277</u>
Excess (deficiency) of revenues over expenditures	<u>5,720</u>	<u>-</u>	<u>3,888</u>
OTHER FINANCING USES:			
Transfers out	<u>-</u>	<u>(165,247)</u>	<u>-</u>
Net change in fund balance	5,720	(165,247)	3,888
Fund balance January 1, 2020	<u>271,315</u>	<u>469</u>	<u>42,212</u>
Fund balance December 31, 2020	<u><u>\$ 277,035</u></u>	<u><u>\$ (164,778)</u></u>	<u><u>\$ 46,100</u></u>

(Continued)

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCE NON MAJOR FUNDS
FOR YEAR ENDED DECEMBER 31, 2020**

	<u>Conservancy</u>	<u>Federal Grants</u>	<u>Total Non major Funds</u>
REVENUES:			
Property taxes	\$ 48,297	\$ -	\$ 48,297
State shared revenues	6,374	-	6,374
Licenses and permits, fees	-	-	1,100
Grants; operating	-	1,848,300	1,848,300
Investment income	-	-	5,508
Other fines, rents, and reimbursements	-	-	90,311
Total revenues	<u>54,671</u>	<u>1,848,300</u>	<u>1,999,890</u>
EXPENDITURES:			
Personal services/administrative support	-	1,763,191	1,763,191
Operation and maintenance	52,359	81,753	207,423
Capital	-	-	14,000
Total expenditures	<u>52,359</u>	<u>1,844,944</u>	<u>1,984,614</u>
Excess (deficiency) of revenues over expenditures	<u>2,312</u>	<u>3,356</u>	<u>15,276</u>
OTHER FINANCING USES:			
Transfers out	-	-	(165,247)
Net change in fund balance	2,312	3,356	(149,971)
Fund balance January 1, 2020	<u>44,511</u>	<u>1</u>	<u>358,508</u>
Fund balance December 31, 2020	<u>\$ 46,823</u>	<u>\$ 3,357</u>	<u>\$ 208,537</u>

(Concluded)

CITY OF PIQUA, OHIO

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS
FOR YEAR ENDED DECEMBER 31, 2020**

	Revolving Loan / Federal Program Income			Community Development		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State shared revenues	-	-	-	-	-	-
Licenses and permits, fees	1,320	1,100	(220)	-	-	-
Grants: operating	-	-	-	243,100	-	(243,100)
Investment Income	5,500	5,508	8	-	-	-
Other	23,000	41,146	18,146	-	-	-
Total revenues	<u>29,820</u>	<u>47,754</u>	<u>17,934</u>	<u>243,100</u>	<u>-</u>	<u>(243,100)</u>
EXPENDITURES:						
Personal services	500	-	500	-	-	-
Operation and maintenance	110,500	42,034	68,466	28,459	-	28,459
Capital	-	-	-	-	-	-
Total expenditures	<u>111,000</u>	<u>42,034</u>	<u>68,966</u>	<u>28,459</u>	<u>-</u>	<u>28,459</u>
Excess (deficiency) of revenues over expenditures	<u>(81,180)</u>	<u>5,720</u>	<u>86,900</u>	<u>214,641</u>	<u>-</u>	<u>(214,641)</u>
OTHER FINANCING USES:						
Transfers out	-	-	-	(215,110)	(165,247)	49,863
Net change in fund balance	(81,180)	5,720	86,900	(469)	(165,247)	(164,778)
Fund balance January 1, 2020	<u>271,315</u>	<u>271,315</u>	<u>-</u>	<u>469</u>	<u>469</u>	<u>-</u>
Fund balance December 31, 2020	<u>\$ 190,135</u>	<u>\$ 277,035</u>	<u>\$ 86,900</u>	<u>\$ -</u>	<u>\$ (164,778)</u>	<u>\$ (164,778)</u>

(Continued)

CITY OF PIQUA, OHIO

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS
FOR YEAR ENDED DECEMBER 31, 2020**

	Trust			Conservancy		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ -	\$ -	\$ -	\$ 48,297	\$ 48,297	\$ -
State shared revenues	-	-	-	6,215	6,374	159
Licenses and permits, fees	-	-	-	-	-	-
Grants: operating	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-
Other	60,000	49,165	(10,835)	-	-	-
Total revenues	<u>60,000</u>	<u>49,165</u>	<u>(10,835)</u>	<u>54,512</u>	<u>54,671</u>	<u>159</u>
EXPENDITURES:						
Personal services	-	-	-	-	-	-
Operation and maintenance	64,400	31,277	33,123	52,570	52,359	211
Capital	15,000	14,000	1,000	-	-	-
Total expenditures	<u>79,400</u>	<u>45,277</u>	<u>34,123</u>	<u>52,570</u>	<u>52,359</u>	<u>211</u>
Excess (deficiency) of revenues over expenditures	<u>(19,400)</u>	<u>3,888</u>	<u>23,288</u>	<u>1,942</u>	<u>2,312</u>	<u>370</u>
OTHER FINANCING USES:						
Transfers out	-	-	-	-	-	-
Net change in fund balance	(19,400)	3,888	23,288	1,942	2,312	370
Fund balance January 1, 2020	<u>42,212</u>	<u>42,212</u>	<u>-</u>	<u>44,511</u>	<u>44,511</u>	<u>-</u>
Fund balance December 31, 2020	<u>\$ 22,812</u>	<u>\$ 46,100</u>	<u>\$ 23,288</u>	<u>\$ 46,453</u>	<u>\$ 46,823</u>	<u>\$ 370</u>

(Continued)

CITY OF PIQUA, OHIO

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS
FOR YEAR ENDED DECEMBER 31, 2020**

	Federal Grants			Totals		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ -	\$ -	\$ -	\$ 48,297	\$ 48,297	\$ -
State shared revenues	-	-	-	6,215	6,374	159
Licenses and permits, fees	-	-	-	1,320	1,100	(220)
Grants: operating	2,758,016	1,848,300	(909,716)	3,001,116	1,848,300	(1,152,816)
Investment Income	-	-	-	5,500	5,508	8
Other	-	-	-	83,000	90,311	7,311
Total revenues	<u>2,758,016</u>	<u>1,848,300</u>	<u>(909,716)</u>	<u>3,145,448</u>	<u>1,999,890</u>	<u>(1,145,558)</u>
EXPENDITURES:						
Personal services	1,980,716	1,763,191	217,525	1,981,216	1,763,191	218,025
Operation and maintenance	737,300	81,753	655,547	993,229	207,423	785,806
Capital	-	-	-	15,000	14,000	1,000
Total expenditures	<u>2,718,016</u>	<u>1,844,944</u>	<u>873,072</u>	<u>2,989,445</u>	<u>1,984,614</u>	<u>1,004,831</u>
Excess (deficiency) of revenues over expenditures	<u>40,000</u>	<u>3,356</u>	<u>(36,644)</u>	<u>156,003</u>	<u>15,276</u>	<u>(140,727)</u>
OTHER FINANCING USES:						
Transfers out	-	-	-	(215,110)	(165,247)	49,863
Net change in fund balance	40,000	3,356	(36,644)	(59,107)	(149,971)	(90,864)
Fund balance January 1, 2020	<u>1</u>	<u>1</u>	<u>-</u>	<u>358,508</u>	<u>358,508</u>	<u>-</u>
Fund balance December 31, 2020	<u>\$ 40,001</u>	<u>\$ 3,357</u>	<u>\$ (36,644)</u>	<u>\$ 299,401</u>	<u>\$ 208,537</u>	<u>\$ (90,864)</u>

(Concluded)

CITY OF PIQUA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (GAAP BUDGET)-DEBT SERVICE FUND
FOR YEAR ENDED DECEMBER 31, 2020**

	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:			
Property taxes	\$ 3,000	\$ 2,884	\$ (116)
Investment income	2,000	1,242	(758)
Total revenues	<u>5,000</u>	<u>4,126</u>	<u>(874)</u>
EXPENDITURES:			
Operating expenditures	<u>2,000</u>	<u>152</u>	<u>1,848</u>
Total expenditures	<u>2,000</u>	<u>152</u>	<u>1,848</u>
Excess (deficiency) of revenues over expenditures	<u>3,000</u>	<u>3,974</u>	<u>974</u>
Net change in fund balance	3,000	3,974	974
Fund balance January 1, 2020	<u>392,522</u>	<u>392,522</u>	<u>-</u>
Fund balance December 31, 2020	<u>\$ 395,522</u>	<u>\$ 396,496</u>	<u>\$ 974</u>

CITY OF PIQUA, OHIO

**COMBINING BALANCE SHEET- NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2020**

ASSETS	Golf Course	Municipal Pool	Total
Current assets:			
Equity in pooled cash and cash equivalents	\$ 119,815	\$ 15,672	\$ 135,487
Accounts receivable	16,803	-	16,803
Inventories	10,781	-	10,781
Total Current Assets	<u>147,399</u>	<u>15,672</u>	<u>163,071</u>
Noncurrent assets:			
Capital assets not being depreciated	370,344	-	370,344
Capital assets being depreciated	647,041	42,815	689,856
Total Capital Assets	<u>1,017,385</u>	<u>42,815</u>	<u>1,060,200</u>
Total Assets	<u>1,164,784</u>	<u>58,487</u>	<u>1,223,271</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred by pensions	30,177	33,002	63,179
Deferred by OPEB	23,598	4,165	27,763
Total Deferred outflows of resources	<u>53,775</u>	<u>37,167</u>	<u>90,942</u>
Total Assets and Deferred outflows of resources	<u>\$ 1,218,559</u>	<u>\$ 95,654</u>	<u>\$ 1,314,213</u>
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts payable	\$ 605	\$ -	\$ 605
Salaries and benefits	5,223	-	5,223
Accrued vacation, personal and sick leave	14,769	-	14,769
Accruals and prepaid memberships	2,436	-	2,436
Total Current Liabilities	<u>23,033</u>	<u>-</u>	<u>23,033</u>
NONCURRENT LIABILITIES:			
Accrued vacation, personal and sick leave	11,518	-	11,518
Net Pension Liability	232,762	108,533	341,295
Net OPEB Liability	143,212	49,046	192,258
Total Noncurrent Liabilities	<u>387,492</u>	<u>157,579</u>	<u>545,071</u>
Total Liabilities	<u>410,525</u>	<u>157,579</u>	<u>568,104</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred by pensions	52,702	5,364	58,066
Deferred by OPEB	25,368	1,385	26,753
Total deferred inflows of resources	<u>78,070</u>	<u>6,749</u>	<u>84,819</u>
NET POSITION:			
Net investment in capital assets	1,017,385	42,815	1,060,200
Unrestricted	(287,421)	(111,489)	(398,910)
Total Net Position	<u>729,964</u>	<u>(68,674)</u>	<u>661,290</u>
Total Liabilities, Deferred inflows of resources, and Net Position	<u>\$ 1,218,559</u>	<u>\$ 95,654</u>	<u>\$ 1,314,213</u>

CITY OF PIQUA, OHIO

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

	Golf Course	Municipal Pool	Total
OPERATING REVENUES:			
Customer services	\$ 548,598	\$ -	\$ 548,598
Total operating revenues	548,598	-	548,598
OPERATING EXPENSES:			
Salaries and Employee benefits	267,349	158	267,507
Depreciation	122,238	7,641	129,879
Materials and supplies	139,380	7,814	147,194
Utilities	73,330	8,460	81,790
Outside Services	53,136	23,523	76,659
Chemicals	42,850	-	42,850
Other	31,599	2,719	34,318
Total operating expenses	729,882	50,315	780,197
Operating income (loss)	(181,284)	(50,315)	(231,599)
NON-OPERATING REVENUES:			
Interest income	18	-	18
Other, net	18,650	12	18,662
Operating grants	3,500	-	3,500
Net non-operating revenues	22,168	12	22,180
Transfers, in	150,000	55,000	205,000
Change in net position	(9,116)	4,697	(4,419)
Total net position-beginning of year	739,080	(73,371)	665,709
Total net position-end of year	\$ 729,964	\$ (68,674)	\$ 661,290

CITY OF PIQUA, OHIO

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

	Golf Course	Municipal Pool	Totals
OPERATING ACTIVITIES:			
Receipts from Customers	\$ 555,639	\$ 12	555,651
Payments to suppliers and service providers	(340,110)	(43,423)	(383,533)
Payments to employees for salaries and benefits	(236,087)	-	(236,087)
Net cash provided by (used in) operating activities	(20,558)	(43,411)	(63,969)
NONCAPITAL FINANCING ACTIVITIES:			
Transfers, in	150,000	55,000	205,000
Net cash provided by (used in) noncapital financing activities	150,000	55,000	205,000
CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital	(84,608)	-	(84,608)
Proceeds from sale of capital assets	8,556	-	8,556
Net cash provided by (used in) capital & related financing activities	(76,052)	-	(76,052)
INVESTING ACTIVITIES:			
Interest received	18	-	18
Net cash provided by (used in) investing activities	18	-	18
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	53,408	11,589	64,997
CASH AND CASH EQUIVALENTS - Beginning of year	66,407	4,083	70,490
CASH AND CASH EQUIVALENTS - End of year	\$ 119,815	\$ 15,672	\$ 135,487
OPERATING INCOME (LOSS)	\$ (181,284)	\$ (50,315)	\$ (231,599)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation	122,238	7,641	129,879
(Increase)/Decrease in Accounts Receivable	(16,554)	-	(16,554)
(Increase)/Decrease in Inventory	7,934	-	7,934
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	59,567	265	59,832
Increase/(Decrease) in Accounts Payable	(7,749)	(907)	(8,656)
Increase/(Decrease) in Accrued Wages and Benefits	(4,148)	-	(4,148)
Increase/(Decrease) in Deferred Revenues	1,445	-	1,445
Increase/(Decrease) in Net Pension Liability & Net OPEB Liability	(98,316)	(438)	(98,754)
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	74,159	331	74,490
Net (Increase)/Decrease in Other Operating Net Position	22,150	12	22,162
Net cash provided by (used in) operating activities	<u>\$ (20,558)</u>	<u>\$ (43,411)</u>	<u>\$ (63,969)</u>

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2020**

ASSETS	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Total
Current assets:					
Equity in pooled cash and cash equivalents	\$ 1,212,404	\$ 249,962	\$ 614,950	\$ 198,034	\$ 2,275,350
Equity in pooled investments	271,553	-	749,481	-	1,021,034
Accounts receivable	176	348,239	13,455	13,637	375,507
Prepaid items and other assets	215,128	-	3,709	-	218,837
Total Current Assets	<u>1,699,261</u>	<u>598,201</u>	<u>1,381,595</u>	<u>211,671</u>	<u>3,890,728</u>
Noncurrent assets:					
Capital assets being depreciated	-	-	-	54,939	54,939
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,939</u>	<u>54,939</u>
Total Assets	<u>1,699,261</u>	<u>598,201</u>	<u>1,381,595</u>	<u>266,610</u>	<u>3,945,667</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred by pensions	-	-	-	44,617	44,617
Deferred by OPEB	-	-	-	38,605	38,605
Total Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,222</u>	<u>83,222</u>
Total Assets and Deferred outflows of resources	<u>\$ 1,699,261</u>	<u>\$ 598,201</u>	<u>\$ 1,381,595</u>	<u>\$ 349,832</u>	<u>\$ 4,028,889</u>
LIABILITIES:					
CURRENT LIABILITIES:					
Accounts payable	\$ 16,557	\$ -	\$ 3,253	\$ 148	\$ 19,958
Salaries and benefits	-	-	-	4,800	4,800
Accrued vacation, personal and sick leave	-	-	-	31,467	31,467
Total Current Liabilities	<u>16,557</u>	<u>-</u>	<u>3,253</u>	<u>36,415</u>	<u>56,225</u>
NONCURRENT LIABILITIES:					
Accrued vacation, personal and sick leave	-	-	-	45,395	45,395
Net Pension Liability	-	-	-	362,544	362,544
Net OPEB Liability	-	-	-	237,508	237,508
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>645,447</u>	<u>645,447</u>
Total Liabilities	<u>16,557</u>	<u>-</u>	<u>3,253</u>	<u>681,862</u>	<u>701,672</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred by pensions	-	-	-	90,385	90,385
Deferred by OPEB	-	-	-	39,953	39,953
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,338</u>	<u>130,338</u>
NET POSITION:					
Net investment in capital assets				54,939	54,939
Unrestricted	1,682,704	598,201	1,378,342	(517,307)	3,141,940
Total Net Position	<u>1,682,704</u>	<u>598,201</u>	<u>1,378,342</u>	<u>(462,368)</u>	<u>3,196,879</u>
Total Liabilities, Deferred inflows of resources, and Net Position	<u>\$ 1,699,261</u>	<u>\$ 598,201</u>	<u>\$ 1,381,595</u>	<u>\$ 349,832</u>	<u>\$ 4,028,889</u>

CITY OF PIQUA, OHIO

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

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Total
OPERATING REVENUES:					
Customer services	\$ -	\$ 244,876	\$ -	\$ 550,000	\$ 794,876
Total operating revenues	-	244,876	-	550,000	794,876
OPERATING EXPENSES:					
Salaries and Employee benefits	127,732	-	-	418,027	545,759
Depreciation	-	-	-	18,047	18,047
Materials and supplies	-	-	-	17,772	17,772
Utilities	-	-	-	9,823	9,823
Outside Services	-	-	60,961	149,076	210,037
Other	-	149,671	-	567	150,238
Total operating expenses	127,732	149,671	60,961	613,312	951,676
Operating income (loss)	(127,732)	95,205	(60,961)	(63,312)	(156,800)
NON-OPERATING REVENUES(EXPENSES):					
Interest income	7,062	5,631	14,337	164	27,194
Other, net	511,939	-	-	13,645	525,584
Net non-operating revenues(expenses)	519,001	5,631	14,337	13,809	552,778
Change in net position	391,269	100,836	(46,624)	(49,503)	395,978
Total net position-beginning of year	1,291,435	497,365	1,424,966	(412,865)	2,800,901
Total net position-end of year	\$ 1,682,704	\$ 598,201	\$ 1,378,342	\$ (462,368)	\$ 3,196,879

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF CASH FLOWS-INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Totals
OPERATING ACTIVITIES:					
Receipts from interfund services	\$ 511,939	\$ 107,970	\$ (2,590)	\$ 550,008	\$ 1,167,327
Payments to suppliers and service providers	(103,160)	(149,671)	(66,066)	(184,998)	(503,895)
Payments to employees for salaries and benefits	-	-	-	(360,668)	(360,668)
Net cash provided by (used in) operating activities	<u>408,779</u>	<u>(41,701)</u>	<u>(68,656)</u>	<u>4,342</u>	<u>302,764</u>
CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Net cash provided by (used in) capital & related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
INVESTING ACTIVITIES:					
Purchases of investment securities	(271,553)	-	(749,481)	-	(1,021,034)
Proceeds from sale or maturity of investment securities	265,593	-	733,033	-	998,626
Interest received	8,778	5,631	14,337	164	28,910
Net cash provided by (used in) investing activities	<u>2,818</u>	<u>5,631</u>	<u>(2,111)</u>	<u>164</u>	<u>6,502</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	411,597	(36,070)	(70,767)	4,506	309,266
CASH AND CASH EQUIVALENTS - Beginning of year	800,807	286,032	685,717	193,528	1,966,084
CASH AND CASH EQUIVALENTS - End of year	\$ 1,212,404	\$ 249,962	\$ 614,950	\$ 198,034	\$ 2,275,350
OPERATING INCOME (LOSS)	\$ (127,732)	\$ 95,205	\$ (60,961)	\$ (63,312)	\$ (156,800)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	-	-	-	18,047	18,047
(Increase)/Decrease in Accounts Receivable	-	(136,906)	(2,590)	(13,637)	(153,133)
(Increase)/Decrease in Prepaids	15,400	-	-	-	15,400
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	-	-	-	86,861	86,861
Increase/(Decrease) in Accounts Payable	9,172	-	(5,105)	(7,760)	(3,693)
Increase/(Decrease) in Accrued Wages and Benefits	-	-	-	5,723	5,723
Increase/(Decrease) in Net Pension Liability & Net OPEB Liability	-	-	-	(143,364)	(143,364)
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	-	-	-	108,139	108,139
Net (Increase)/Decrease in Other Operating Net Position	<u>511,939</u>	<u>-</u>	<u>-</u>	<u>13,645</u>	<u>525,584</u>
Net cash provided by (used in) operating activities	<u>\$ 408,779</u>	<u>\$ (41,701)</u>	<u>\$ (68,656)</u>	<u>\$ 4,342</u>	<u>\$ 302,764</u>

Statistical Section



Statistical Section

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

<u>Contents</u>	<u>Pages</u>
Financial Trends	94-98
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Revenue Capacity	99-101
These schedules contain information to help the reader assess the City’s most significant local revenue sources, the property tax, and the municipal income tax.	
Debt Capacity	102-104
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.	
Economic and Demographic Information	105-107
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Operating Information	108-111
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

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

CITY OF PIQUA, OHIO

Table 1

**NET POSITION BY COMPONENT
LAST TEN YEARS
(accrual basis of accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Government Activities										
Net investment in capital assets	\$ 54,805,038	\$ 54,781,343	\$ 55,284,485	\$ 55,432,764	\$ 55,161,266	\$ 56,129,075	\$ 54,540,426	\$ 44,845,328	\$ 42,875,580	\$ 41,507,824
Restricted for other purposes	6,865,980	5,192,790	4,712,851	6,539,588	7,194,708	5,771,392	6,383,282	6,065,752	5,543,543	4,521,790
Restricted for debt service	396,496	392,522	385,547	435,308	426,756	411,558	375,519	439,460	430,978	369,253
Unrestricted	(5,357,755)	(6,333,621)	(14,653,657)	(12,163,651)	1,552,082	2,766,474	1,454,046	24,031,553	23,647,113	23,342,513
Total governmental activities net position	56,709,759	54,033,034	45,729,226	50,244,009	64,334,812	65,078,499	62,753,273	75,382,093	72,497,214	69,741,380
Business-Type Activities										
Net investment in capital assets	55,875,007	58,077,820	58,312,483	59,776,209	60,204,879	60,462,159	55,861,423	57,929,193	55,839,322	49,929,517
Restricted for other purposes	-	-	-	-	-	-	-	-	-	-
Restricted for debt service	-	-	-	-	-	-	-	50,000	50,000	50,000
Unrestricted	18,496,005	13,729,177	11,789,760	12,093,795	16,262,269	14,275,160	15,458,228	18,147,111	18,818,340	20,506,796
Total business-type activities net position	74,371,012	71,806,997	70,102,243	71,870,004	76,467,148	74,737,319	71,319,651	76,126,304	74,707,662	70,486,313
Primary government										
Net investment in capital assets	110,680,045	112,859,163	113,596,968	115,208,973	115,366,145	116,591,234	110,401,849	102,774,521	98,714,902	91,437,341
Restricted for other purposes	6,865,980	5,192,790	4,712,851	6,539,588	7,194,708	5,771,392	6,383,282	6,065,752	5,543,543	4,521,790
Restricted for debt service	396,496	392,522	385,547	435,308	426,756	411,558	375,519	489,460	480,978	419,253
Unrestricted	13,138,250	7,395,556	(2,863,897)	(69,856)	17,814,351	17,041,634	16,912,274	42,178,664	42,465,453	43,849,309
Total primary government activities net position	\$ 131,080,771	\$ 125,840,031	\$ 115,831,469	\$ 122,114,013	\$ 140,801,960	\$ 139,815,818	\$ 134,072,924	\$ 151,508,397	\$ 147,204,876	\$ 140,227,693

Source: City of Piqua Finance Department

2017 Unrestricted balances restated to reflect accounting changes of GASB 75

2014 Unrestricted balances restated to reflect accounting changes of GASB 68

**CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses										
Government activities										
General government	\$ 2,683,524	\$ 2,850,355	\$ 3,239,389	\$ 3,584,949	\$ 3,029,350	\$ 2,488,630	\$ 1,895,842	\$ 1,931,289	\$ 1,878,876	\$ 1,804,464
Public safety	10,866,935	725,613	11,678,570	9,756,089	9,983,842	8,855,194	8,599,246	7,855,812	7,778,195	7,655,764
Streets and maintenance	4,370,557	4,986,536	5,576,482	4,967,109	4,131,246	4,696,334	5,238,564	3,340,057	3,081,248	3,166,350
Parks and recreation	647,360	1,026,207	685,856	826,659	676,708	488,175	509,403	502,923	475,706	425,013
Community development	202,377	448,170	669,541	762,985	626,789	552,143	272,904	766,933	1,944,480	393,106
Public health and welfare	532,993	460,049	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest on long term debt	-	-	2,926	8,858	16,043	26,495	49,855	61,006	68,013	190,218
Total governmental activities expenses	19,303,746	10,496,930	21,852,764	19,906,649	18,463,978	17,106,971	16,565,814	14,458,020	15,226,518	13,634,915
Business-type Activities										
Electric	29,201,513	29,045,304	31,745,544	31,446,393	31,427,181	28,506,759	28,187,077	24,897,844	22,146,622	23,673,009
Wastewater	4,218,936	4,214,338	3,955,381	4,285,812	3,386,384	3,170,850	3,479,419	3,253,677	3,369,098	3,307,060
Refuse	1,887,641	2,201,254	2,054,295	1,658,954	1,512,589	1,924,274	1,701,599	1,606,035	1,594,550	1,593,925
Water	7,067,226	7,240,937	7,129,642	5,516,474	3,841,168	4,191,855	3,444,314	3,116,383	3,051,979	3,300,788
Stormwater	1,139,818	1,644,155	944,602	907,098	662,925	846,714	814,109	707,322	398,234	419,626
Golf	730,064	756,483	732,006	710,706	735,870	662,334	589,459	678,050	683,046	702,282
Fort Piqua Plaza	N/A	N/A	N/A	N/A	N/A	N/A	294,781	301,409	277,319	280,600
Municipal Pool	49,585	137,540	144,502	163,766	196,543	154,212	174,256	188,413	203,742	177,970
Total business-type activities expenses	44,294,783	45,240,011	46,705,972	44,689,203	41,762,660	39,456,998	38,685,014	34,749,133	31,724,590	33,455,260
Total Primary Government activities expenses	\$ 63,598,529	\$ 55,736,941	\$ 68,558,736	\$ 64,595,852	\$ 60,226,638	\$ 56,563,969	\$ 55,250,828	\$ 49,207,153	\$ 46,951,108	\$ 47,090,175
Program revenues										
Government activities										
Charges for Services:										
General government	\$ 626,139	\$ 567,366	\$ 639,955	\$ 692,044	\$ 638,172	\$ 711,281	\$ 368,510	\$ 433,122	\$ 427,061	\$ 412,803
Public safety	1,349,774	1,063,989	995,929	967,297	1,119,504	1,167,432	984,214	1,103,529	1,042,684	1,083,295
Streets and maintenance	48,684	36,873	51,736	88,584	90,606	111,846	80,021	90,011	118,891	98,951
Parks and recreation	19,786	23,675	19,680	17,633	17,939	18,350	24,057	35,797	21,190	22,258
Community development	42,246	29,486	78,188	46,384	70,411	40,711	38,434	43,089	37,036	36,826
Public health and welfare	92,109	87,321	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Operating grants and contributions	2,178,563	368,907	522,293	1,302,597	684,174	1,254,648	1,960,446	1,215,686	2,052,279	778,247
Capital grants and contributions	1,333,209	586,256	393,230	241,228	9,400	1,585,172	554,878	1,732,241	1,890,719	109,763
Total governmental activities program revenues	5,690,510	2,763,873	2,701,011	3,355,767	2,630,206	4,889,440	4,010,560	4,653,475	5,589,860	2,542,143
Business-type Activities										
Charges for Services:										
Electric	27,724,732	29,076,278	29,233,193	28,969,039	30,422,385	29,091,216	27,671,169	23,631,871	23,730,966	23,709,030
Wastewater	6,807,175	5,924,292	4,997,522	4,164,356	3,464,204	3,455,931	3,521,249	3,501,363	3,461,648	3,422,060
Refuse	2,169,647	2,029,645	1,900,885	1,813,626	1,804,528	1,793,541	1,783,288	1,794,018	1,770,367	1,762,814
Water	7,476,242	6,956,699	6,124,671	5,854,472	5,428,757	5,083,835	4,899,259	4,890,863	4,260,723	3,322,920
Stormwater	1,206,943	1,165,046	1,160,589	1,158,115	1,152,575	1,075,651	989,377	887,558	819,584	819,270
Golf	567,248	439,271	523,535	497,363	511,042	495,842	466,160	515,527	563,553	470,297
Fort Piqua Plaza	N/A	N/A	N/A	N/A	N/A	N/A	159,099	147,131	109,010	106,192
Municipal Pool	12	48,898	49,937	58,187	68,411	43,763	51,811	61,702	74,927	80,060
Operating grants and contributions	6,878	210,811	21,201	6,669	5,509	358,200	503,454	110,719	142,603	240,032
Capital grants and contributions	192,666	402,608	590,867	1,105,412	191,400	990,230	49,844	89,599	540,523	112,500
Total business-type activities program revenues	46,151,543	46,253,548	44,602,400	43,627,239	43,048,811	42,388,209	40,094,710	35,630,351	35,473,904	34,045,175
Total primary government program revenues	\$ 51,842,053	\$ 49,017,421	\$ 47,303,411	\$ 46,983,006	\$ 45,679,017	\$ 47,277,649	\$ 44,105,270	\$ 40,283,826	\$ 41,063,764	\$ 36,587,318
Net revenue (expense)										
Governmental activities	\$ (13,613,236)	\$ (7,733,057)	\$ (19,151,753)	\$ (16,550,882)	\$ (15,833,772)	\$ (12,217,531)	\$ (12,555,254)	\$ (9,804,545)	\$ (9,636,658)	\$ (11,092,772)
Business-type activities	1,856,760	1,013,537	(2,103,572)	(1,061,964)	1,286,151	2,931,211	1,409,696	881,218	3,749,314	589,915
Total primary government net revenue(expense)	\$ (11,756,476)	\$ (6,719,520)	\$ (21,255,325)	\$ (17,612,846)	\$ (14,547,621)	\$ (9,286,320)	\$ (11,145,558)	\$ (8,923,327)	\$ (5,887,344)	\$ (10,502,857)

**CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General revenues and other changes in net position										
Governmental activities										
Property taxes	\$ 1,295,579	\$ 1,193,452	\$ 1,040,325	\$ 1,364,162	\$ 1,162,485	\$ 1,182,995	\$ 1,169,263	\$ 1,211,844	\$ 1,271,907	\$ 1,289,519
State Shared taxes	2,171,950	2,330,911	1,899,626	1,868,113	1,804,731	1,918,725	1,856,432	1,752,553	2,187,917	2,597,120
Income tax	11,755,500	11,214,549	10,619,123	10,759,830	11,264,355	10,661,411	8,285,580	8,935,319	8,024,044	8,209,488
Locally levied taxes	1,085,668	1,177,650	1,188,059	1,173,553	1,205,557	1,205,357	1,212,000	1,188,578	1,185,433	1,180,220
Investment earnings	277,750	273,094	96,378	68,597	41,225	15,342	71,303	82,596	97,667	129,378
Miscellaneous	9,199	7,209	73,459	48,587	7,388	9,451	23,812	1,937	18,808	6,500
Transfers	(305,685)	(160,000)	(280,000)	(330,000)	(395,656)	(450,524)	(505,544)	(483,403)	(393,284)	(501,861)
Total governmental activities general revenues and other changes in net position	16,289,961	16,036,865	14,636,970	14,952,842	15,090,085	14,542,757	12,112,846	12,689,424	12,392,492	12,910,364
Business-type Activities										
Investment earnings	401,570	531,217	55,811	59,986	48,022	35,933	48,158	54,021	78,751	145,207
Special item	-	-	-	-	-	-	(2,587,176)	-	-	-
Transfers	305,685	160,000	280,000	330,000	395,656	450,524	505,544	483,403	393,284	501,861
Total business-type activities general revenues and other changes in net position	707,255	691,217	335,811	389,986	443,678	486,457	(2,033,474)	537,424	472,035	647,068
Total primary government general revenues and other changes in net position	16,997,216	16,728,082	14,972,781	15,342,828	15,533,763	15,029,214	10,079,372	13,226,848	12,864,527	13,557,432
Change in net position										
Governmental activities	2,676,725	16,036,865	(4,514,783)	(1,598,040)	(743,687)	2,325,226	(442,408)	2,884,879	2,755,834	1,817,592
Business-type activities	2,564,015	691,217	(1,767,761)	(671,978)	1,729,829	3,417,668	(623,778)	1,418,642	4,221,349	1,236,983
Total primary government activities	<u>\$ 5,240,740</u>	<u>\$ 16,728,082</u>	<u>\$ (6,282,544)</u>	<u>\$ (2,270,018)</u>	<u>\$ 986,142</u>	<u>\$ 5,742,894</u>	<u>\$ (1,066,186)</u>	<u>\$ 4,303,521</u>	<u>\$ 6,977,183</u>	<u>\$ 3,054,575</u>

Electric, Wastewater, Golf and Pool Expenses restated in years 2011 through 2009 to reflect accounting changes of GASB 65

Source: City of Piqua Finance Department

2017 Expenses restated to reflect accounting changes of GASB 75

Fort Piqua Plaza enterprise began in October 2008 and reclassified to governmental fund for 2015

Storm Water enterprise began in April 2010

2014 Expenses restated to reflect accounting changes of GASB 68

(Concluded)

CITY OF PIQUA, OHIO

Table 3

**GOVERNMENTAL FUND BALANCES
LAST TEN YEARS
(modified accrual basis of accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011 (1)
General Fund										
Nonspendable	\$ 5,667	\$ 5,824	\$ 3,160	\$ 2,757	\$ 10,201	\$ 7,520	\$ 5,107	\$ 9,800,116	\$ 9,800,153	\$ 9,801,232
Restricted	9,816	9,251	8,606	7,781	30,064	78,261	5,632	11,077	10,894	12,457
Assigned	4,166,562	4,786,378	5,232,094	4,692,377	3,896,861	3,413,891	3,348,931	4,101,987	4,129,242	3,343,766
Unassigned	8,183,367	5,384,795	5,398,246	6,355,606	8,141,721	7,788,547	7,401,836	6,952,802	6,718,592	7,037,036
Total General Fund	<u>12,365,412</u>	<u>10,186,248</u>	<u>10,642,106</u>	<u>11,058,521</u>	<u>12,078,847</u>	<u>11,288,219</u>	<u>10,761,506</u>	<u>20,865,982</u>	<u>20,658,881</u>	<u>20,194,491</u>
Street Maintenance Fund										
Restricted	3,817,743	2,752,437	2,824,751	4,256,646	4,388,455	4,236,738	4,258,402	4,321,221	3,918,551	3,270,045
Total Street Maintenance Fund	<u>3,817,743</u>	<u>2,752,437</u>	<u>2,824,751</u>	<u>4,256,646</u>	<u>4,388,455</u>	<u>4,236,738</u>	<u>4,258,402</u>	<u>4,321,221</u>	<u>3,918,551</u>	<u>3,270,045</u>
Street Levy Fund										
Restricted	5,124,055	4,274,858	3,427,159	3,195,118	2,963,183	2,216,178	2,308,637	2,004,021	1,977,761	1,795,964
Total Street Levy Fund	<u>5,124,055</u>	<u>4,274,858</u>	<u>3,427,159</u>	<u>3,195,118</u>	<u>2,963,183</u>	<u>2,216,178</u>	<u>2,308,637</u>	<u>2,004,021</u>	<u>1,977,761</u>	<u>1,795,964</u>
Other Governmental Funds										
Nonspendable	-	-	-	-	7,149	5,611	7,149	7,149	7,150	7,150
Restricted	769,811	751,030	702,159	714,110	257,387	214,127	185,519	158,579	191,923	166,859
Assigned	-	-	-	-	-	-	3,450	-	4,389	3,039
Unassigned reported in:										
Community Development	(164,778)	-	-	-	-	-	(1,448)	1,001	-	-
Federal Grants	-	-	-	-	-	-	-	-	-	-
Total Other Governmental Funds	<u>605,033</u>	<u>751,030</u>	<u>702,159</u>	<u>714,110</u>	<u>264,536</u>	<u>219,738</u>	<u>194,670</u>	<u>166,729</u>	<u>203,462</u>	<u>177,048</u>
Governmental Funds										
Nonspendable	5,667	5,824	3,160	2,757	17,350	13,131	12,256	9,807,265	9,807,303	9,808,382
Restricted	9,721,425	7,787,576	6,962,675	8,173,655	7,639,089	6,745,304	6,758,190	6,494,898	6,099,129	5,245,325
Assigned	4,166,562	4,786,378	5,232,094	4,692,377	3,896,861	3,413,891	3,352,381	4,101,987	4,133,631	3,346,805
Unassigned	8,018,589	5,384,795	5,398,246	6,355,606	8,141,721	7,788,547	7,400,388	6,953,803	6,718,592	7,037,036
Total Governmental Funds	<u>\$ 21,912,243</u>	<u>\$ 17,964,573</u>	<u>\$ 17,596,175</u>	<u>\$ 19,224,395</u>	<u>\$ 19,695,021</u>	<u>\$ 17,960,873</u>	<u>\$ 17,523,215</u>	<u>\$ 27,357,953</u>	<u>\$ 26,758,655</u>	<u>\$ 25,437,548</u>

Source: City of Piqua Finance Department

(1) Fund balance categories were reclassified to be consistent with current year financial statement presentation

In 2014 the decrease in Nonspendable fund balance is related to the acquisition of the Historic Fort Piqua Plaza in satisfaction of an Economic Development loan.

**CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
REVENUES										
Municipal income tax	\$ 11,583,500	\$ 11,214,549	\$ 10,791,675	\$ 10,590,978	\$ 11,251,855	\$ 10,582,711	\$ 8,551,480	\$ 8,657,319	\$ 7,748,219	\$ 8,382,273
Property taxes	1,295,579	1,193,452	1,040,325	1,364,162	1,162,485	1,182,995	1,169,263	1,211,844	1,271,907	1,289,519
State shared revenues	2,230,462	2,111,566	1,854,309	1,809,665	1,811,265	1,853,031	1,858,968	1,866,329	2,253,099	2,585,245
Locally levied taxes	1,085,668	1,177,650	1,188,059	1,173,553	1,205,557	1,205,357	1,212,000	1,188,578	1,185,433	1,180,220
Licenses and permits, fees	1,353,556	1,296,854	1,327,660	1,286,542	1,373,768	1,453,671	1,301,751	1,334,105	1,330,355	1,333,529
Grants: capital	1,056,209	570,803	379,030	211,429	-	1,581,327	506,853	1,717,264	1,482,076	109,763
Grants: operating	2,163,362	353,314	517,120	1,275,995	662,542	1,171,623	1,934,290	1,172,917	2,023,736	683,653
Investment income	56,005	142,262	101,309	62,516	35,397	11,256	64,231	77,179	115,681	141,194
Increase (decrease) in fair market value of investments	-	-	-	-	-	-	(828)	(4,518)	(32,643)	(34,239)
Donations: capital	277,000	15,453	14,200	29,799	9,400	3,845	48,025	14,977	408,643	-
Donations: operating	15,201	15,593	5,173	26,602	21,632	83,025	26,156	42,769	28,543	94,594
Other fines, rents, and reimbursements	825,442	498,170	468,557	537,257	505,668	596,378	241,036	297,672	321,165	322,528
Total revenues	21,941,984	18,589,666	17,687,417	18,368,498	18,039,569	19,725,219	16,913,225	17,576,435	18,136,214	16,088,279
EXPENDITURES										
General government administration	1,680,917	1,707,525	1,754,242	2,147,495	1,739,069	1,359,621	1,283,002	1,300,112	1,310,975	1,210,761
Public safety	9,577,850	9,485,939	9,241,719	8,807,186	8,427,986	8,710,369	8,011,087	7,571,496	7,375,404	7,192,718
Public health	518,328	388,808	395,332	378,023	348,398	456,785	416,363	492,373	312,330	329,242
Street repairs and maintenance	2,743,313	3,377,574	4,296,138	3,654,565	2,935,709	3,658,698	4,181,086	2,270,611	1,934,451	2,060,615
Parks and recreation	492,402	649,815	543,766	669,698	548,060	459,446	451,705	472,183	418,280	361,895
Fort Piqua Plaza	196,686	259,908	321,173	232,502	279,131	266,357	N/A	N/A	N/A	N/A
Community planning and development	185,208	422,540	647,537	750,413	614,939	432,922	324,512	671,117	1,973,099	378,885
Other	52,511	52,602	52,601	53,162	53,313	58,618	74,565	46,393	58,726	63,174
Capital costs	2,274,157	1,749,307	1,939,377	2,068,619	743,793	3,191,637	1,276,685	3,370,293	2,704,350	1,132,280
Debt service:										
Principal	-	-	130,593	212,410	207,499	362,731	504,209	239,313	221,476	2,010,985
Interest	-	-	3,309	10,394	17,218	27,614	51,524	61,293	69,815	201,592
Total expenditures	17,721,372	18,094,018	19,325,787	18,984,467	15,915,115	18,984,798	16,574,738	16,495,184	16,378,906	14,942,147
Excess (deficiency) of revenues over expenditures	4,220,612	495,648	(1,638,370)	(615,969)	2,124,454	740,421	338,487	1,081,251	1,757,308	1,146,132
OTHER FINANCING SOURCES (USES):										
Issuance of debt	-	-	-	-	-	165,000	-	-	-	49,329
Disposal of capital assets	32,743	32,750	290,150	48,587	20,548	18,800	61,575	9,932	18,808	6,500
Transfers in	204,984	279,553	160,348	222,804	224,717	221,316	458,288	279,730	277,793	2,157,880
Transfers out	(510,669)	(439,553)	(440,348)	(552,804)	(620,373)	(671,840)	(963,832)	(763,133)	(671,077)	(2,659,741)
Total other financing sources (uses)	(272,942)	(127,250)	10,150	(281,413)	(375,108)	(266,724)	(443,969)	(473,471)	(374,476)	(446,032)
Special Item	-	-	-	-	-	-	(9,793,197)	-	-	-
Net change in fund balances	\$ 3,947,670	\$ 368,398	\$ (1,628,220)	\$ (897,382)	\$ 1,749,346	\$ 473,697	\$ (9,898,679)	\$ 607,780	\$ 1,382,832	\$ 700,100
Debt service as a percentage of Noncapital expenditures	0.0%	0.0%	0.8%	1.3%	1.5%	2.5%	3.6%	2.3%	2.1%	16.0%

Source: City of Piqua Finance Department

The Special Item listed in 2014 is the acquisition of the historic Fort Piqua Plaza as satisfaction of an economic development loan. This is a non-cash capital item.

CITY OF PIQUA, OHIO

Table 5

**INCOME TAX REVENUE COLLECTIONS BY TYPE
LAST TEN YEARS
(cash basis)**

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes from Individuals	Percentage of Taxes from Individuals
2020	2.00%	\$ 11,405,570	\$ 8,726,601	77%	\$ 1,728,852	15%	\$ 950,117	8%
2019	2.00%	\$ 11,178,134	\$ 8,659,488	77%	\$ 1,559,603	14%	\$ 959,043	9%
2018	2.00%	\$ 10,939,008	\$ 8,635,130	79%	\$ 1,404,473	13%	\$ 899,405	8%
2017	2.00%	\$ 10,641,381	\$ 8,394,119	79%	\$ 1,332,243	12%	\$ 915,019	9%
2016	2.00%	\$ 11,369,695	\$ 8,459,869	74%	\$ 1,851,795	16%	\$ 1,058,031	9%
2015	2.00%	\$ 10,320,670	\$ 8,153,149	79%	\$ 1,447,122	14%	\$ 720,399	7%
2014	1.75%	\$ 8,520,480	\$ 6,933,846	81%	\$ 945,168	11%	\$ 641,466	8%
2013	1.75%	\$ 8,440,440	\$ 6,606,944	78%	\$ 1,200,848	14%	\$ 632,648	8%
2012	1.75%	\$ 8,147,450	\$ 6,628,606	82%	\$ 845,855	10%	\$ 672,989	8%
2011	1.75%	\$ 8,184,808	\$ 6,258,548	77%	\$ 1,276,083	16%	\$ 650,177	7%

Source: City of Piqua Income Tax Department

**INCOME TAX COLLECTIONS BY INCOME RANGE
LAST EIGHT YEARS**

Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2019	0-20,000	3,918	44.16%	20,742,976	5.12%
2019	20,001-40,000	1,840	20.74%	55,526,862	13.71%
2019	40,001-60,000	1,239	13.97%	60,785,798	15.01%
2019	60,001-80,000	705	7.95%	48,789,251	12.05%
2019	80,001-100,000	432	4.87%	38,418,671	9.49%
2019	over 100,000	738	8.32%	180,631,409	44.61%
	Total	8,872		404,894,967	
2018	0-20,000	4,960	47.65%	26,510,188	6.33%
2018	20,001-40,000	2,151	20.66%	64,543,865	15.40%
2018	40,001-60,000	1,373	13.19%	67,386,815	16.08%
2018	60,001-80,000	752	7.22%	52,172,189	12.45%
2018	80,001-100,000	448	4.30%	39,981,717	9.54%
2018	over 100,000	726	6.97%	168,514,248	40.21%
	Total	10,410		419,109,022	
2017	0-20,000	5,253	48.27%	30,724,638	7.48%
2017	20,001-40,000	2,323	21.35%	69,746,970	16.99%
2017	40,001-60,000	1,465	13.46%	71,479,632	17.41%
2017	60,001-80,000	717	6.59%	49,754,539	12.12%
2017	80,001-100,000	455	4.18%	40,694,553	9.91%
2017	over 100,000	670	6.16%	148,098,840	36.08%
	Total	10,883		410,499,172	
2016	0-20,000	4,935	47.67%	28,221,917	6.97%
2016	20,001-40,000	2,251	21.74%	66,841,193	16.50%
2016	40,001-60,000	1,372	13.25%	66,767,207	16.48%
2016	60,001-80,000	693	6.69%	48,192,133	11.90%
2016	80,001-100,000	451	4.36%	40,272,375	9.94%
2016	over 100,000	650	6.28%	154,815,727	38.22%
	Total	10,352		405,110,552	
2015	0-20,000	5,332	48.97%	31,670,500	7.61%
2015	20,001-40,000	2,402	22.06%	71,150,640	17.09%
2015	40,001-60,000	1,380	12.67%	67,292,620	16.17%
2015	60,001-80,000	717	6.58%	49,506,161	11.89%
2015	80,001-100,000	436	4.00%	38,737,203	9.31%
2015	over 100,000	622	5.71%	157,853,167	37.93%
	Total	10,889		416,210,291	
2014	0-20,000	3,713	42.43%	27,116,761	7.20%
2014	20,001-40,000	2,204	25.19%	65,531,899	17.41%
2014	40,001-60,000	1,190	13.60%	58,494,028	15.54%
2014	60,001-80,000	657	7.51%	45,547,724	12.10%
2014	80,001-100,000	425	4.86%	37,886,355	10.06%
2014	over 100,000	561	6.41%	141,856,356	37.68%
	Total	8,750		376,433,123	
2013	0-20,000	3,702	41.32%	29,751,925	8.25%
2013	20,001-40,000	2,341	26.13%	68,295,209	18.94%
2013	40,001-60,000	1,253	13.98%	61,323,105	17.00%
2013	60,001-80,000	713	7.96%	49,400,683	13.70%
2013	80,001-100,000	386	4.31%	34,520,615	9.57%
2013	over 100,000	565	6.31%	117,375,142	32.54%
	Total	8,960		360,666,679	
2012	0-20,000	3,839	43.01%	30,861,197	8.59%
2012	20,001-40,000	2,279	25.54%	66,407,419	18.48%
2012	40,001-60,000	1,221	13.68%	59,809,374	16.64%
2012	60,001-80,000	707	7.92%	49,059,853	13.65%
2012	80,001-100,000	338	3.79%	30,185,894	8.40%
2012	over 100,000	541	6.06%	123,014,948	34.23%
	Total	8,925		359,338,685	

Source: City of Piqua, Ohio Income Tax Department-certain amounts may be estimates-years are tax years.

CITY OF PIQUA, OHIO

Table 7

**AD VALOREM-- PROPERTY TAX LEVIES,
COLLECTIONS, REAL AND UTILITY ASSESSED VALUES
LAST TEN YEARS**

Levy/ Collection Year	City Millage	Total Levy	Current Year Collection	Current Year Collection as Percent of Levy ¹	Delinquent Collections ²	Total Collections	Total Collection as Percent of Total Levy	Total Assessed Value	Esitimated Total Property Value of City
2019/2020	4.47	\$ 1,528,027	\$ 1,476,091	96.60	\$ 42,877	\$ 1,518,968	99.41	\$324,710,950	\$ 927,745,571
2018/2019	4.48	1,374,777	1,080,289	78.58	43,694	1,123,983	81.76	320,745,110	916,414,600
2017/2018	4.50	1,372,763	1,336,908	97.39	45,345	1,382,253	100.69	293,842,590	839,550,257
2016/2017	4.56	1,383,708	1,347,620	97.39	47,731	1,395,351	100.84	292,034,170	834,383,343
2015/2016	4.56	1,317,553	1,274,395	96.72	54,421	1,328,816	100.85	290,202,680	829,150,514
2014/2015	4.49	1,317,904	1,271,879	96.51	52,815	1,324,694	100.52	289,330,550	826,658,714
2013/2014	4.47	1,307,640	1,263,375	96.61	48,720	1,312,095	100.34	285,104,680	814,584,800
2012/2013	4.42	1,367,090	1,317,913	96.40	32,172	1,350,085	98.76	286,575,960	818,788,457
2011/2012	4.42	1,397,181	1,355,224	97.00	39,929	1,395,153	99.85	313,373,330	890,941,193
2010/2011	4.42	1,406,037	1,363,450	96.97	48,104	1,411,554	100.39	311,472,170	886,119,675

Source: Miami County Auditor's Office

1) Amounts do not include delinquent collections

2) Delinquent collections refer to year collected not levied based on information provided by Miami County Auditor's Office

Miami County does not have available delinquent collections by tax year they will schedule a revision to correct in the future.

**RATIO OF OUTSTANDING DEBT BY TYPE AND
RATIO OF GENERAL BONDED DEBT
OUTSTANDING AND LEGAL DEBT MARGIN
LAST TEN YEARS**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities										
General obligation bonds	\$ -	\$ -	\$ -	\$ 45,000	\$ 90,000	\$ 135,000	\$ 175,000	\$ 215,000	\$ 255,000	\$ 290,000
Special assessment bonds	-	-	-	-	-	-	-	86,105	111,806	129,028
Pension refunding bonds	-	-	-	-	-	-	-	225,000	250,000	275,000
Taxable revenue bonds	-	-	-	-	-	-	-	-	-	-
Promissory Notes	-	-	-	85,593	253,003	415,502	573,233	726,337	874,949	1,019,201
Capital Leases	-	-	-	-	-	-	-	-	-	-
Total gross governmental activities indebtedness	-	0	0	130,593	343,003	550,502	748,233	1,252,442	1,491,755	1,713,229
Business type activities										
General obligation bonds	-	-	-	170,000	335,000	490,000	640,000	785,000	925,000	1,022,126
Promissory Notes	99,714,507	95,636,685	75,762,027	59,820,420	48,036,282	17,696,918	6,342,747	6,096,119	5,164,083	5,906,473
Total gross business-type activities indebtedness	99,714,507	95,636,685	75,762,027	59,990,420	48,371,282	18,186,918	6,982,747	6,881,119	6,089,083	6,928,599
Total gross primary government indebtedness	99,714,507	95,636,685	75,762,027	60,121,013	48,714,285	18,737,420	7,730,980	8,133,561	7,580,838	8,641,828
Percent of personal income	20.90%	20.92%	17.02%	14.14%	12.08%	4.64%	1.94%	1.97%	1.88%	2.07%
Per capita	\$ 4,852	\$ 4,653	\$ 3,686	\$ 2,898	\$ 2,370	\$ 912	\$ 376	\$ 396	\$ 369	\$ 420
Less debt outside limitations:										
Less debt service fund balance	-	-	-	28,935	54,493	54,080	54,023	53,943	53,887	3,983
Exempt self-supporting obligation debt:										
Pension refunding bonds	-	-	-	-	-	-	-	225,000	250,000	275,000
Exempt self-supporting tax revenue bonds	-	-	-	-	-	-	-	-	-	-
Special assessment bonds	-	-	-	-	-	-	-	86,105	111,806	129,028
Exempt self-supporting notes	99,714,507	95,636,685	75,762,027	59,906,013	48,289,285	18,112,420	6,915,980	6,822,456	6,039,032	6,925,674
Net debt within limitation for both										
Voted and Unvoted debt	-	-	-	16,065	35,507	80,920	120,977	161,057	201,113	286,017
Percent of estimated actual property value	0.00%	0.00%	0.00%	0.01%	0.01%	0.03%	0.04%	0.06%	0.06%	0.09%
Per capita	\$ -	\$ -	\$ -	\$ 1	\$ 2	\$ 4	\$ 6	\$ 8	\$ 10	\$ 14
Debt limitation for both voted and unvoted debt										
10.5% of assessed valuation	34,094,650	33,678,237	30,853,472	30,663,588	30,471,281	30,379,708	29,935,991	30,090,476	32,904,200	32,704,578
Legal debt margin for voted and unvoted debt	34,094,650	33,678,237	30,853,472	30,647,523	30,435,774	30,298,788	29,815,014	29,929,419	32,703,087	32,418,561
Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit	0.00%	0.00%	0.00%	0.05%	0.12%	0.27%	0.40%	0.54%	0.61%	0.87%
Net debt within limitation for both voted and unvoted limitation	-	-	-	16,065	35,507	80,920	120,977	161,057	201,113	286,017
Less voted debt	-	-	-	-	-	-	-	-	-	-
Net debt with limitation for unvoted debt	-	-	-	16,065	35,507	80,920	120,977	161,057	201,113	286,017
Debt limitation for Unvoted debt										
5.5% of assessed valuation	17,859,102	17,640,981	16,161,342	16,061,879	15,961,147	15,913,180	15,680,757	15,761,678	17,235,533	17,130,969
Legal debt margin for unvoted debt	17,859,102	17,640,981	16,161,342	16,045,814	15,925,640	15,832,260	15,559,780	15,600,621	17,034,420	16,844,952
Net debt within limitation for unvoted debt as a percentage of debt limit	0.00%	0.00%	0.00%	0.10%	0.22%	0.51%	0.77%	1.02%	1.17%	1.67%

Source: City of Piqua Finance Department

CITY OF PIQUA, OHIO

Table 9

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2020**

	<u>Total Debt Outstanding</u>	<u>Percent Applicable to City (1)</u>	<u>Amount Applicable To City of Piqua</u>
Direct*			
City of Piqua			
Total Direct Debt	-	100.00	-
Overlapping**			
Piqua School District	33,612,420	68.95	23,175,764
Upper Valley Joint Vocational School	1,075,000	11.05	118,788
Miami County	<u>14,442,047</u>	11.19	<u>1,616,065</u>
Total Overlapping Debt	49,129,467		24,910,616
 Total Direct and Overlapping Debt	 <u>\$ 49,129,467</u>		 <u>\$ 24,910,616</u>

Source:

Direct* City of Piqua Finance Department

Overlapping** Piqua School District Treasurer

Upper Valley JVS Treasurer

Miami County Auditor

(1) Percentages were determined by dividing each overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2019 collection year.

CITY OF PIQUA, OHIO

Table 10

**DEBT COVERAGE
BUSINESS TYPE ACTIVITIES
LAST TEN YEARS**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Power										
Gross revenues	\$ 27,466,239	\$ 28,806,878	\$ 29,180,996	\$ 28,752,216	\$ 29,802,701	\$ 28,895,667	\$ 27,517,575	\$ 23,863,393	\$ 23,631,663	\$ 23,577,274
Direct operating expenses	26,576,086	26,796,539	29,823,761	29,226,575	28,770,053	26,046,726	25,651,134	23,347,871	20,110,185	21,555,462
Net revenue available for debt service	890,153	2,010,339	(642,765)	(474,359)	1,032,648	2,848,941	1,866,441	515,522	3,521,478	2,021,812
General obligation debt service requirements	-	-	-	-	-	-	-	-	-	408,430
Debt service coverage										495
Wastewater										
Gross revenues	\$ 6,761,662	\$ 5,965,561	\$ 5,009,247	\$ 4,173,950	\$ 3,467,072	\$ 3,456,311	\$ 3,523,315	\$ 3,502,967	\$ 3,469,580	\$ 3,421,874
Direct operating expenses	2,668,110	3,155,915	3,156,659	3,375,483	2,550,375	2,314,015	2,368,548	2,128,150	2,153,425	2,128,589
Net revenue available for debt service	4,093,552	2,809,646	1,852,588	798,467	916,697	1,142,296	1,154,767	1,374,817	1,316,155	1,293,285
Revenue obligation debt service requirements	\$ 1,850,238	\$ 289,374	\$ 288,318	\$ 851,114	\$ 277,414	\$ 303,392	\$ 816,705	\$ 809,928	\$ 809,929	\$ 809,929
Debt service coverage	221	971	643	94	330	377	141	170	163	160
Water										
Gross revenues	\$ 7,344,123	\$ 6,874,489	\$ 6,313,513	\$ 5,808,941	\$ 5,370,861	\$ 5,005,088	\$ 4,816,137	\$ 4,593,671	\$ 3,555,235	\$ 3,157,271
Direct operating expenses	3,557,997	3,966,090	4,197,775	4,172,547	3,260,811	3,633,537	2,960,630	2,407,410	1,938,472	2,734,125
Net revenue available for debt service	3,786,126	2,908,399	2,115,738	1,636,394	2,110,050	1,371,551	1,855,507	2,186,261	1,616,763	423,146
General obligation debt service requirements	-	2,481,007	2,334,520	1,153,693	-	-	55,000	-	-	-
Revenue obligation debt service requirements	\$ 2,665,133	\$ 184,125	\$ 184,125	\$ 92,062	\$ 72,329	\$ 142,230	\$ 142,397	\$ 142,559	\$ 142,716	\$ 142,866
Debt service coverage	142	109	84	131	2,917	964	940	1,534	1,133	296
Golf										
Gross revenues	\$ 548,616	\$ 452,151	\$ 478,493	\$ 490,834	\$ 510,338	\$ 500,323	\$ 461,682	\$ 512,752	\$ 557,254	\$ 471,609
Direct operating expenses	557,084	644,259	611,495	581,867	589,105	525,745	461,547	535,208	518,896	440,196
Net revenue available for debt service	(8,468)	(192,108)	(133,002)	(91,033)	(78,767)	(25,422)	135	(22,456)	38,358	31,413
General obligation debt service requirements	\$ -	\$ -	\$ 167,647	\$ 169,213	\$ 165,643	\$ 167,190	\$ 179,039	\$ 179,249	\$ 167,714	\$ 167,285
Debt service coverage	-	-	(79)	(54)	(48)	(15)	-	(13)	23	19
Pool										
Gross revenues	\$ -	\$ 48,879	\$ 49,934	\$ 58,103	\$ 67,441	\$ 43,144	\$ 51,661	\$ 61,565	\$ 73,874	\$ 79,027
Direct operating expenses	42,504	129,087	137,522	144,981	155,764	116,130	124,512	151,975	161,421	136,185
Net revenue available for debt service	(42,504)	(80,208)	(87,588)	(86,878)	(88,323)	(72,986)	(72,851)	(90,410)	(87,547)	(57,158)
General obligation debt service requirements	\$ -	\$ -	\$ 8,453	\$ 8,532	\$ 8,352	\$ 8,430	\$ 9,028	\$ 9,037	\$ 8,456	\$ 8,435
Debt service coverage	-	-	(1,036)	(1,018)	(1,058)	(866)	(807)	(1,000)	(1,035)	(678)

Gross revenues include operating revenue, interest income, and non operating income

Direct operating expenses exclude depreciation

Annual debt service requirement includes principal and interest

Source: City of Piqua Finance Department

CITY OF PIQUA, OHIO

Table 11

**PRINCIPAL EMPLOYERS
DECEMBER 31, 2020**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Spalding & Evenflo Company Inc.	Manufacturer of juvenile furniture	637	5.8%
Walmart Stores Inc.	Retail Store	445	4.0%
Piqua City Schools	Public school district	355	3.2%
Tailwind Tecnologies Inc.	Manufacturer of aircraft propellers	331	3.0%
United Parcel Services	Parcel delivery servicer	304	2.8%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	280	2.5%
Industry Products	Manufacturer of die cutting equipment	268	2.4%
City of Piqua	Municipal government	243	2.2%
Home Depot	Construction Retail Store	219	2.0%
Apex Aluminum Die	Manufacturer of die cutting equipment	209	1.9%
Total available employment		11,019	

**PRINCIPAL EMPLOYERS
DECEMBER 31, 2011**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Piqua City Schools	Public school district	357	3.7%
Industry Products	Manufacturer of die cutting equipment	351	3.6%
Walmart Stores Inc.	Retail store	345	3.6%
Spalding & Evenflo Company Inc.	Manufacturer of juvenile furniture	285	2.9%
Tailwind Technologies Inc.	Manufacturer of aircraft propellers	268	2.8%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	240	2.5%
Upper Valley JVS	Regional joint vocational school	235	2.4%
City of Piqua	Municipal government	218	2.3%
Edison Community College	State community college	227	2.3%
Jackson Tube Service Inc.	Manufacturer of steel tubing	160	1.7%
Total available employment		9675	

Source: City of Piqua Income Tax Office

CITY OF PIQUA, OHIO

Table 12

**PRINCIPAL PROPERTY TAXPAYERS
DECEMBER 31, 2020
LAST EIGHT YEARS**

Name of Taxpayer	Nature of Business	2020 Assessed Valuation	Percent of Total Assessed Valuation	2019 Assessed Valuation	2018 Assessed Valuation	2017 Assessed Valuation	2016 Assessed Valuation	2015 Assessed Valuation	2014 Assessed Valuation	2013 Assessed Valuation
Vectren Energy Delivery	Utility of natural gas	\$ 4,550,590	1.40%	\$ 4,086,000	\$ 3,564,020	\$ 2,857,850	\$ 2,511,360	\$ 2,125,150	\$ 1,819,320	n/a
HCF Inc.	Nursing home	\$ 3,769,590	1.16%	\$ 2,814,890	\$ 2,767,230	\$ 2,747,130	\$ 2,644,620	\$ 2,662,740	\$ 2,662,740	\$ 2,662,740
Spalding & Evenflo Co., Inc.	Manufacturer of juvenile furniture	\$ 3,572,850	1.10%	\$ 3,572,850	\$ 3,396,650	\$ 3,396,650	\$ 3,396,650	\$ 3,396,650	\$ 3,396,650	\$ 3,396,650
Harvey Co LLC	Shopping mall	\$ 2,960,450	0.91%	\$ 2,960,450	\$ 3,516,520	\$ 3,516,520	\$ 3,516,520	\$ 3,516,520	\$ 3,516,520	\$ 3,516,520
Walmart Stores Inc.	Retailer of consumer goods	\$ 2,537,500	0.78%	\$ 2,537,500	\$ 3,021,200	\$ 3,021,200	\$ 3,021,200	\$ 3,021,200	\$ 3,021,200	\$ 3,021,200
Miami Valley Realty LLC	Manufacturer of split rolled steel	\$ 2,227,800	0.69%	\$ 2,227,800	\$ 2,258,410	\$ 2,258,410	\$ 2,259,160	\$ 1,644,870	\$ 2,440,590	\$ 2,440,590
Market Place Investors LLC	Real estate investment firm	\$ 1,954,230	0.60%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jideli Properties LLC	Land Holding Company	\$ 1,918,460	0.59%	\$ 1,791,690	\$ 1,816,260	\$ 1,816,260	\$ 1,954,510	\$ 1,816,260	\$ 1,816,260	\$ 2,344,060
Miami Valley Mall Realty	Shopping mall	\$ 1,902,110	0.59%	\$ 1,887,000	\$ 3,072,920	\$ 3,072,920	\$ 3,817,260	\$ 3,677,260	\$ 4,442,650	\$ 4,442,650
UVMC	Physician and outpatient care	\$ 1,878,190	0.58%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Home Depot Inc.	Hardware Retailer	N/A	N/A	\$ 1,831,630	\$ 1,782,240	\$ 1,782,240	\$ 1,794,150	\$ 1,794,150	\$ 1,782,240	\$ 1,794,150
Jackson Tube Service Inc.	Manufacturer of steel tubing	N/A	N/A	\$ 1,734,820	\$ 1,800,160	\$ 1,800,160	\$ 1,926,900	\$ 1,800,160	\$ 1,800,160	\$ 1,800,160
TOTAL		\$ 27,271,770	8.40%	\$ 23,709,810	\$ 26,995,610	\$ 26,269,340	\$ 26,842,330	\$ 25,454,960	\$ 26,698,330	\$ 25,418,720
TOTAL ASSESSED VALUATION		\$ 324,710,950		\$ 320,745,110	\$ 293,842,590	\$ 292,034,170	\$ 290,202,680	\$ 289,330,550	\$ 285,104,680	\$ 286,575,960

Source: Miami County Auditor's Office

CITY OF PIQUA, OHIO

Table 13

**DEMOGRAPHIC AND
ECONOMIC STATISTICS
LAST TEN YEARS**

<u>Year</u>	<u>Population</u> ¹	<u>Estimated Total Personal Income of City</u> ²	<u>Per capita Personal Income</u> ²	<u>Miami County Unemployment rate</u> ³	<u>Household Median Income</u> ²	<u>Avg Sale Price for a Single Family Home</u> ⁴
2020	20,552	\$ 477,114,680	\$ 23,215	4.3%	\$ 43,061	\$ 117,475
2019	20,552	\$ 457,220,344	\$ 22,247	3.4%	\$ 43,468	\$ 88,700
2018	20,552	\$ 441,025,368	\$ 21,459	4.2%	\$ 43,849	\$ 84,935
2017	20,552	\$ 425,272,986	\$ 20,502	4.2%	\$ 40,101	\$ 88,829
2016	20,552	\$ 403,415,208	\$ 19,629	5.0%	\$ 36,873	\$ 101,083
2015	20,552	\$ 403,805,696	\$ 19,648	4.2%	\$ 37,699	\$ 102,260
2014	20,552	\$ 399,099,288	\$ 19,419	4.2%	\$ 36,260	\$ 101,841
2013	20,552	\$ 413,506,240	\$ 20,120	6.7%	\$ 36,150	\$ 96,622
2012	20,552	\$ 402,634,232	\$ 19,591	6.3%	\$ 38,064	\$ 93,591
2011	20,552	\$ 416,732,904	\$ 20,277	7.4%	\$ 39,493	\$ 89,235

Source:

(1) 2000-2010 United State Census Bureau

(2) American Community Survey

(3) Ohio Department of Jobs and Family Services LMI

(4) Miami County Ohio, Auditors office

**FULL TIME EMPLOYEES BY PROGRAM/DEPARTMENT
LAST TEN YEARS**

PROGRAM	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
GOVERNMENTAL ACTIVITIES										
General Government:										
City Building	-	-	-	-	-	-	-	-	-	-
City Manager	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Law Department	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Planning and Zoning	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00
Public Relations	1.00	1.00	-	-	-	-	-	-	-	-
Human Resources	2.00	2.50	2.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Finance	18.00	18.50	18.50	20.50	20.50	20.00	20.00	20.00	20.00	20.00
Purchasing	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering	5.00	4.50	4.00	4.50	4.00	4.00	4.00	4.00	4.50	4.50
Health	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.60	3.50	4.00
Public Safety:										
Police	39.00	39.00	38.00	38.00	39.00	39.00	33.00	34.00	35.00	35.00
Fire	33.00	32.00	34.00	33.00	33.00	34.00	33.00	32.00	28.00	28.00
Streets:	14.00	17.00	16.00	16.00	16.00	16.00	15.00	15.00	15.00	15.00
Parks:	4.00	7.00	7.00	7.00	7.00	7.00	6.50	6.00	7.50	7.50
Community Development:	2.00	2.00	2.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00
Total governmental activities	128.50	134.00	133.50	135.50	135.00	134.50	126.00	125.60	124.50	125.00
BUSINESS-TYPE ACTIVITIES										
Power:	20.50	20.50	22.50	25.00	25.00	25.00	26.50	26.50	25.50	25.50
Wastewater:	13.90	15.90	16.90	17.90	17.20	17.20	15.20	14.20	14.20	14.00
Water:	18.40	20.40	19.40	20.40	20.20	20.20	16.70	16.60	15.70	15.50
Stormwater	3.70	4.50	4.20	4.20	4.60	4.60	4.10	3.60	1.60	1.50
Refuse:	7.00	7.00	7.00	7.00	7.00	7.00	7.40	7.50	8.00	8.00
Golf:	6.00	6.00	8.50	9.50	9.50	9.50	10.00	10.00	10.00	10.00
Pool:	-	12.50	15.50	18.00	18.00	18.00	18.00	16.00	16.00	16.00
Total business-type activities	69.50	86.80	94.00	102.00	101.50	101.50	97.90	94.40	91.00	90.50
Internal Service:										
Information Technology	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Totals	201.00	223.80	230.50	240.50	239.50	239.00	226.90	223.00	218.50	218.50

Source: City of Piqua 2019-2010 annual budgets

Method: Using 1.0 for each full-time employee and increments of 0.5 for each part-time employee.
Count taken at December 31.

**OPERATING INDICATORS
BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>Health Department</u>										
Restaurant inspections	234	355	411	422	432	465	439	335	357	439
Swimming pool inspections	15	31	30	33	32	38	37	44	44	42
Nuisance consultations	602	531	452	468	388	390	815	737	1,121	924
Housing/Property maintenance enforcements	100	159	59	321	439	148	203	143	119	198
<u>Public Works</u>										
Right of way opening permits	51	75	58	21	38	43	51	37	41	121
Subdivision construction plan approvals	0	0	1	0	0	0	0	0	0	0
Area of City (in square miles)	11.87	11.87	11.87	11.87	11.8	11.8	11.8	11.8	11.8	11.8
<u>Street Maintenance</u>										
Miles of streets	108.440	104.216	104.216	104.216	104	104	103	103	103	103
Miles of streets repaved	9.14	4.3	10.07	6.2	4.7	2.1	5.5	3.2	1.5	8.3
Cubic yards of leaves disposed of	515	502	1319	1265	1042	876	822	1198	1267	2070
Tons of salt used	300	900	1,530	800	1,200	1,500	2,000	2,600	1,250	2,250
<u>Parks District</u>										
Number of parks	19	19	19	19	19	19	19	19	19	19
Acreage in parks	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8
Building rentals Mote Park	4	100	110	84	178	184	149	122	98	189
Building rentals all other parks	0	107	118	120	115	142	137	149	167	157
<u>Fort Piqua Plaza</u>										
Large room rentals	14	56	65	72	71	72	73	72	68	78
Small room rentals	23	51	60	63	78	110	74	67	28	51
<u>Fire Department</u>										
Fire calls	527	633	569	647	583	569	547	449	447	482
Ems Response calls	3,979	4,080	3,838	4,134	3,883	3,945	3,775	3,595	3,515	3,536
Number of Sworn officers	33	33	31	32	32	31	32	32	26	27
Number of Fire houses	1	1	1	1	1	1	1	1	1	1
Number of ambulances and fire response vehicles	18	18	17	16	16	16	16	16	15	13
<u>Police Department</u>										
Calls for service	20,201	21,210	18,156	16,866	16,334	16,386	15,210	14,858	17,029	20,628
Traffic citations	1120	986	876	804	781	980	1,309	797	1,082	1,299
Number of sworn officers	35	32	32	35	35	35	31	28	29	31
Number of police response vehicles	34	34	37	35	33	33	31	25	25	25
<u>Planning & Zoning Department</u>										
Zoning Permit applications	336	141	137	170	169	142	152	159	182	179
Commercial construction permits	138	70	76	89	109	78	84	93	109	115
Commercial construction value in (,000)	\$ 27,839	\$ 28,093	\$ 900	\$ 6,845	\$ 8,281	\$ 6,440	\$ 37,040	\$ 37,342	\$ 9,990	\$ 2,667
Residential construction permits	90	71	61	81	60	64	68	66	73	64
Residential construction value in (,000)	\$ 3,282	\$ 2,206	\$ 1,184	\$ 4,117	\$ 6,646	\$ 3,224	\$ 3,135	\$ 1,046	\$ 1,333	\$ 1,322

**OPERATING INDICATORS
BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>Power utility</u>										
Residential KWH billed (,000)	87,654	88,151	91,249	83,713	87,345	86,239	89,289	88,325	88,836	91,442
Residential billed revenue (,000)	\$ 10,057	\$ 10,135	\$ 10,435	\$ 9,717	\$ 10,061	\$ 9,702	\$ 9,182	\$ 8,256	\$ 8,230	\$ 8,512
Commercial KWH billed (,000)	81,596	89,447	96,303	95,540	94,343	96,455	94,594	95,667	104,435	103,290
Commercial billed revenue (,000)	\$ 7,928	\$ 8,544	\$ 9,134	\$ 9,097	\$ 8,998	\$ 8,990	\$ 8,323	\$ 7,402	\$ 7,609	\$ 7,896
Industrial KWH billed (,000)	115,392	122,778	119,397	118,524	128,139	129,607	128,828	121,672	119,612	112,516
Industrial billed revenue (,000)	\$ 9,240	\$ 9,814	\$ 9,448	\$ 9,554	\$ 10,339	\$ 10,060	\$ 9,461	\$ 7,724	\$ 7,340	\$ 7,217
Customer base	10,818	10,744	10,756	10,732	10,752	10,752	10,729	10,680	10,700	10,935
Construction line vehicles	28	28	27	26	28	28	28	26	25	25
<u>Water utility</u>										
Residential gallons billed (,000)	325,157	322,120	329,342	334,650	348,651	344,105	357,623	369,493	383,528	378,982
Residential billed revenue (,000)	\$ 5,249	\$ 4,731	\$ 4,362	\$ 3,985	\$ 3,141	\$ 3,490	\$ 3,376	\$ 3,248	\$ 2,490	\$ 2,285
Commercial gallons billed (,000)	110,266	121,166	120,485	115,273	118,740	117,098	114,766	116,398	128,138	131,499
Commercial billed revenue (,000)	\$ 1,476	\$ 1,406	\$ 1,306	\$ 1,153	\$ 901	\$ 1,007	\$ 948	\$ 895	\$ 658	\$ 652
Industrial gallons billed (,000)	47,420	51,942	55,825	62,633	66,655	66,735	63,584	59,290	46,472	41,973
Industrial gallons revenue (,000)	\$ 439	\$ 427	\$ 411	\$ 405	\$ 329	\$ 370	\$ 336	\$ 298	\$ 186	\$ 164
Customer base	8,819	8,747	8,764	8,738	8,785	8,777	8,751	8,751	8,615	8,789
Vehicles in repair fleet	14	14	17	17	16	15	15	14	10	10
<u>Wastewater utility</u>										
Residential gallons billed (,000)	340,141	348,437	319,743	325,523	338,150	334,474	348,629	356,151	379,528	378,651
Residential billed revenue (,000)	\$ 5,218	\$ 4,411	\$ 3,660	\$ 3,018	\$ 2,168	\$ 2,588	\$ 2,636	\$ 2,623	\$ 2,637	\$ 2,595
Commercial gallons billed (,000)	98,146	106,848	140,616	145,261	142,197	144,337	142,512	130,161	115,047	113,783
Commercial billed revenue (,000)	\$ 1,003	\$ 896	\$ 797	\$ 659	\$ 468	\$ 560	\$ 567	\$ 546	\$ 540	\$ 555
Industrial gallons billed (,000)	47,642	58,320	59,884	53,354	56,570	58,723	57,344	62,841	47,297	47,955
Industrial billed revenue (,000)	\$ 487	\$ 462	\$ 393	\$ 302	\$ 225	\$ 271	\$ 267	\$ 275	\$ 233	\$ 234
Customer base	8,603	8,538	8,554	8,527	8,566	8,553	8,552	8,530	8,386	8,400
Vehicles in repair fleet	11	11	11	11	11	11	11	13	9	9
<u>Refuse utility</u>										
Residential customers billed	8,084	8,026	8,026	7,988	7,946	7,913	7,898	7,882	7,763	7,718
Commercial customers billed	163	162	143	126	130	120	111	110	95	98
Residential and commercial revenue billed (,000)	\$ 2,107	\$ 1,991	\$ 1,870	\$ 1,784	\$ 1,774	\$ 1,766	\$ 1,757	\$ 1,754	\$ 1,741	\$ 1,732
Tons of refuse collected	7,969	7,294	7,757	7,709	7,623	7,735	7,684	7,576	7,535	7,751
Tons of recycled refuse collected	1,347	1,271	1,327	1,464	1,462	1,403	1,328	1,342	1,496	1,448
Vehicles in service	8	8	8	8	8	7	7	7	7	7
<u>Stormwater utility</u>										
Residential ERUS billed	7,461	7,462	7,458	7,454	7,437	7,462	7,424	7,424	7,435.00	7,447.00
Commercial ERUS billed	5,641	5,494	5,488	5,489	5,477	4,599	5,528	5,537	5,654.00	5,696.00
Industrial ERUS billed	1,381	1,382	1,381	1,382	1,380	1,419	1,423	1,422	1,355.00	1,288.00
Revenue billed (,000)	\$ 1,164	\$ 1,155	\$ 1,152	\$ 1,151	\$ 1,146	\$ 1,068	\$ 983	\$ 881	\$ 814.00	\$ 814.00
Vehicles in service	4	4	4	4	4	4	4.00	4.00	3.00	n/a

**OPERATING INDICATORS
BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>Golf Course</u>										
Annual memberships	206	220	235	225	236	245	242	235	237	159
Rounds of golf played	18,618	14,612	17,216	16,529	17,931	18,057	15,866	18,121	10,597	15,205
Revenue collected (,000)	\$ 564	\$ 452	\$ 478	\$ 497	\$ 511	\$ 500	\$ 461	\$ 513	\$ 557	\$ 472
<u>Municipal swimming pool</u>										
Annual memberships	0	253	267	258	285	213	406	365	269	567
Annual attendance	-	6,717	9,567	7,337	9,195	7,644	7,541	7,377	15,787	9,921
Revenue collected (,000)	\$ -	\$ 49	\$ 50	\$ 58	\$ 67	\$ 43	\$ 52	\$ 62	\$ 74	\$ 79
<u>General government information</u>										
Number of street lights	2,957	2,957	2,945	2,998	2,993	2,947	2,926	2,911	2,902	2,884
Number of public libraries	1	1	1	1	1	1	1	1	1	1
Volumes of books in public libraries	157,778	160,439	161,016	158,344	156,679	132,787	151,457	151,986	146,478	139,927
High school enrollment	3,404	3,385	3,436	3,492	3,507	3,526	3,572	3,705	3,708	3,638

Source: City of Piqua