

**City of Toledo**

# **Comprehensive Annual Financial Report**

A large, semi-circular image showing a view of the Toledo skyline across a body of water. The skyline includes several tall buildings, including the Toledo Tower, and is reflected in the calm water. The foreground shows some greenery and a few people on the water.

# **2020**

*For the Year Ended December 31, 2020*

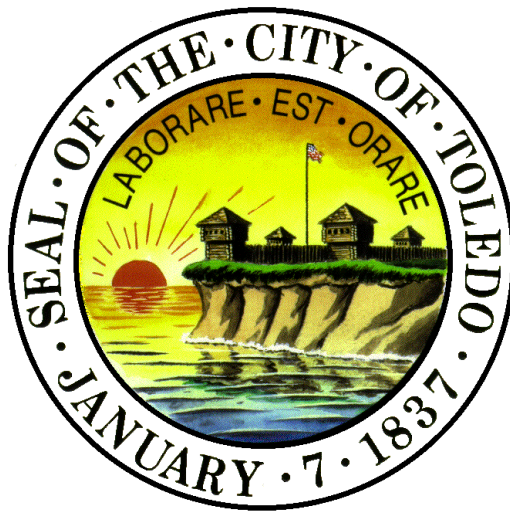


# **CITY OF TOLEDO, OHIO**

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## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2020**



**WADE KAPSZUKIEWICZ  
MAYOR**

**MELANIE CAMPBELL  
ACTING FINANCE DIRECTOR**



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

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# **INTRODUCTORY SECTION**



# CITY OF TOLEDO



***Wade Kapszukiewicz***  
**Mayor**

***Melanie Campbell***  
**Acting Director of Finance**

June 30, 2021

Honorable Mayor Wade Kapszukiewicz, Council President Matt Cherry and Members of City Council and Citizens of the City of Toledo, Ohio

As Acting Director of Finance for the City of Toledo, Ohio (the City), I am pleased to present the Comprehensive Annual Financial Report (Annual Report) for the fiscal year ended December 31, 2020.

The report contains basic financial statements, management's discussion and analysis, supplemental financial statements, and other financial and statistical information which provide a complete and full disclosure for all financial aspects material to the City. This Annual Report conforms to Generally Accepted Accounting Principles in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

The City's management assumes the responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable assurance, rather than absolute assurance, that the financial statements are free of any material misstatements. We believe this data fairly reflects the financial position of the City and the results of its operation.

As part of the annual preparation of the Annual Report, the City is subject to an annual independent audit of its basic financial statements, which serves to strengthen the City's accounting, budgetary, and internal control of its financial and operational systems. The firm of Clark, Schaefer, Hackett & Co., located in the City of Toledo, Ohio, has issued an unmodified ("clean") opinion on the City's financial statements for the year ended December 31, 2020. The independent auditors' report is located at the front of the financial section of this report.

This transmittal letter should be read in conjunction with the Management's Discussion and Analysis, which provides a narrative introduction, overview and analysis of the basic financial statements.

## **PROFILE OF THE GOVERNMENT**

The City was incorporated January 7, 1837 and operates under its Charter adopted in November 1914. The City may exercise all powers of local self-government granted under Article XVIII, Section 3, of the Ohio Constitution, not in conflict with applicable general laws of Ohio. The Charter provides that the City operate under the strong mayor/council form of government.

Legislative authority in the City is vested in a twelve-member Council. Six members of the Council are elected at-large and six from districts, all for overlapping four-year terms. The Council is authorized to enact ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal activities. The Council also has authority to fix the compensation of City officers and employees. The Council elects one of its members to serve as the President of Council, its presiding officer.

ONE GOVERNMENT CENTER, SUITE 2050, TOLEDO, OHIO 43604-2284  
Telephone: (419) 245-1648 • FAX: (419) 245-1863

Toledo, the fourth largest city in Ohio, is located on the coast of Lake Erie in Northwest Ohio, approximately 150 miles north of Columbus, 120 miles west of Cleveland, and 50 miles south of Detroit, Michigan. The City's elevation is approximately 614 feet above sea level. In terms of population, the City is the fourth largest city in the State of Ohio. Census information for 2020 is not available as of the issuance of this Annual Report. Comparative 2020 census population figures will be included in the City's 2021 Annual Report. Available comparative data for Ohio's six largest cities is as follows:

City	Area	Population		
		2010	2000	1990
Columbus	227.2 sq miles	787,033	711,470	632,910
Cleveland	77.9 sq. miles	396,815	478,403	505,616
Cincinnati	78.8 sq. miles	296,943	331,285	364,040
Toledo	84.3 sq. miles	287,208	313,619	332,943
Akron	62.4 sq. miles	199,110	217,074	223,019
Dayton	56.3 sq. miles	141,527	166,179	182,044

For financial purposes, this Annual Report is in conformity with the provisions of GASB Statement No. 61, the Financial Reporting Entity, all governmental departments, agencies, institutions, commissions, public authorities and other governmental organizations for which the City has significant accountability. Financial accountability is determined by the City's financial interdependence. The reporting entity of the City includes the following services as authorized by its charter: public safety, highways and streets, water and sanitation, health and social services, culture and recreation, public improvements, planning and zoning and general administrative services.

## ECONOMIC CONDITION AND OUTLOOK

The City and the Toledo Metropolitan Statistical Area (MSA) have diverse economies in both their manufacturing and their increasingly important service sectors. Within the Toledo MSA are manufacturers of automobiles and automotive parts, glass, wood products, grain and food products, petroleum, chemicals, machinery, tools, rubber products, plastics, die-castings and solar energy panels. Among the largest service sector employers in the Toledo MSA are health care providers, public higher educational institutions, local governments, public utilities, freight and transportation companies, and financial institutions and retailers.

The City has experienced significant development momentum over the past few years that has resulted in thousands of new jobs and over \$2 billion of capital investment. This momentum has led to national recognition. In March 2021, Site Selection Magazine announced Toledo ranked number one in the nation among mid-sized cities for new business investment. Below is a summary of the major economic development projects driving this momentum.

- In May 2021, the City sold the former 40-acre Textileather property to Stellantis to build a 250,000 square foot vehicle customization facility to support production of the Jeep Wrangler and Gladiator. The \$23 million facility will be owned by Stellantis and leased to a supplier that is expected to employ 300 people with an associated annual payroll of \$12 million. The project started construction in June and is expected to be complete by January 2022.
- In May 2021, Amazon cut the ribbon at its 150,000 square foot delivery station at the former Southwyck Mall property. The City acquired the property in 2014 with the goal of attracting a redevelopment project that would positively impact the Reynolds Road Corridor. After several years of inactivity, the City and its economic development partners began to form a strategy for the site that targeted a large job creation project in the Logistics and Distribution Industry. The site was repositioned and marketed as the City's largest available pad-ready industrial site. The site's location within the region and access to major roadways and interstates were major factors in Amazon's decision to move forward. The company's delivery station will provide consumer direct delivery services up to a 45-minute radius of the site. Amazon will directly employ 110 employees and will contract with an additional 300 independent contractors for delivery services. The company invested \$25 million in the new facility.

- In January 2021, Libbey Glass LLC announced it would maintain its Toledo operations, add a stemware line and remain headquartered in Downtown Toledo. The company plans to invest \$30 million over the next four years in its Champlain Street facility, which employs 844 workers.
- In February 2021, Bitwise Industries, a Fresno, California-based tech company, announced plans to partner with ProMedica to open a regional office in Toledo's Uptown neighborhood. The company will create 378 full-time equivalent jobs with an annual payroll of \$20,373,000. ProMedica and Bitwise will invest \$30 million to redevelopment the historic Jefferson Center as a new tech hub. Construction is expected to begin in early 2022.
- In February 2021, General Motors announced plans to invest \$75 million at its GM Powertrain Division's Alexis Road transmission plant to increase capacity for 10-speed transmission for the Chevrolet Silverado and GMC Sierra. General Motors currently produces six-speed, eight-speed and ten-speed rear-wheel-drive transmissions and 6-speed front-wheel-drive transmissions at the plant that are used in a variety of GM vehicles, including at least 28 cars, trucks, sport utility vehicles and sports cars. The transmission plant employs 1,500 workers. General Motors' announcement follows one made in September 2020 where the company announced a \$39 million upgrade to enhance the production of eight-speed rear-wheel-drive transmission.
- In June 2021, Cleveland-Cliffs cut the ribbon on its one billion-dollar HBI direct reduction plant. The facility employs 160 full-time equivalent workers and employed 1,100 construction workers. Cleveland-Cliffs' Toledo plant is the most technologically-advanced DR facility in the world. Cleveland-Cliffs is the largest flat-rolled steel producer and largest manufacturer of iron ore pellets in North America.
- Several major job creation projects have occurred within the City's Joint Economic Development Districts (JEDDs), Joint Economic Development Zones (JEDZ) and Municipal Utility Districts (MUD). These special economic development tools allow the City to receive a portion of the income tax revenue that is generated within the specified geographic area.

o City of Toledo-City of Maumee-Monclova Township JEDZ

- In March 2021, the City sold 6.51 acres within the Triad Business Park for \$290,000 to Service Spring. The company purchased the property to expand its existing manufacturing facility to the north. Service Spring will create 20 full-time equivalent jobs and invest \$12 million in expanding the facility. The sale of this property represents the last available city-owned property in the Triad Business Park.

o City of Toledo-Troy Township JEDD

- In May 2021, Peloton Interactive Inc. announced plans for a one million square foot manufacturing plant that will cost \$400 million and employ nearly 2,200 workers with an estimated annual payroll of \$138 million. The company expects production to begin on the Peloton Bike, Bike+, and Peloton Tread in 2023.
- In November 2020, NSG Group announced the start of production for its transparent conductive oxide coated glass for its largest customer First Solar. The new \$265 million, 500,000 square foot glass production facility employs 150 workers.

o City of Toledo-Monclova Township-Swanton Township (Toledo Express Airport JEDD, or TEA JEDD)

- In December 2020, construction finished on the second 105,000 square foot spec building at the 250-acre Land-Air Industrial Park. This completion of this building increases the competitiveness of Northwest Ohio when competing for job creation projects that require speed to market. The first spec building was acquired by Johnson who hired 60 workers.

o City of Toledo-City of Rossford MUD

- In February 2021, one of the nation's largest industrial developers, Scannell Properties announced it had acquired 200-acres in the Crossroads and will start development by building a 300,000 square foot spec warehouse.
- In November 2020, Amazon opened its 700,000 square foot fulfillment center in Rossford that will employ 1,000 workers.
- In May 2020, Continental Real Estate Companies cut the ribbon on its \$50 million mixed-use project at the Marina District in East Toledo. The project includes a 360-unit upscale apartment complex called Marina Lofts and 60,000 square feet of Class A office space and convenience retail. In addition to the Marina Lofts, Continental is also expected to break ground on the Colony project in early 2022. The Colony project involves the redevelopment of 10-acres of vacant and underutilized property in West Toledo into a \$50 million mixed-use project that will include a 120-room Home2 Suites hotel by Hilton, a 262-unit apartment complex and a commercial building for a new restaurant and retail space. This multi-million-dollar project will have a positive return on investment for the City resulting in more than 300 construction jobs and 86 permanent jobs. The payroll from the construction jobs alone is estimated to generate more than half a million dollars in income taxes for the City, while the permanent jobs are expected to generate \$50,000 annually. In conjunction with this project, there will also be infrastructure upgrades that will improve water redundancy and storm water drainage that will benefit all property owners in surrounding area. This project will create peripheral development momentum similar to what the City is now experiencing in East Toledo near the Marina Lofts project.
- In conjunction with the Marina Lofts project, Metroparks Toledo is redeveloping 67-acres within the Marina District into the Glass City Metropark. This new metropark will be a regional destination with unique amenities such as a lighted sledding hill, a concert knoll for up to 6,000 people, a refrigerated ice-skating ribbon, a splash and play area, a river boardwalk, a fishing platform, an earth-bermed pavilion with seating for 150 people and overnight camping. Phase one of the \$16 million project opened in October 2020 and phase two is expected to break ground in July 2021. Metroparks Toledo, in partnership with the City, also plans to construct a \$200 million project called the Glass City Riverwalk. This project will be a multi-purpose walkway that will traverse both sides of the Maumee Riverfront from the Anthony Wayne Bridge to the Veteran's Glass City Skyway. In September 2020, the U.S. Department of Transportation awarded Toledo Metropolitan Area Council of Governments (TMACOG) a \$23.6 million BUILD grant to support the Glass City Riverwalk project.
- The Windsor Companies, a Columbus developer, announced its plans in April 2020 to construct a 120 to 125-unit apartment complex in the Uptown neighborhood. The project will have a series of two to three-story buildings on 2.8 acres with ground floor commercial space. The project will provide one bedroom and two-bedroom apartments ranging in size from 700 to 1,300 square feet. The developer expects to break ground in late 2021.

The Toledo MSA serves as a major transportation center, and significant employment is provided by transportation industry employers. The City's economy, historically associated with the glass and automotive industries, has become increasingly diversified. The Toledo MSA remains the home of four of the nation's largest glass manufacturing companies: Owens-Illinois, Inc., Owens-Corning, Pilkington North America, Inc., and Libbey, Inc., earning the City the title of the "Glass Capital of the World". Fiat Chrysler Automobiles, General Motors Company and Dana Holding Corporation continue to provide a major automotive industry presence in the Toledo MSA. The Toledo MSA is also one of the larger oil refining centers between Chicago and the eastern seaboard, with BP Oil Co. and Sun Refining and Marketing each operating a major refinery in the MSA. However, private service industries and governmental employers have provided more than three-fourths of the total employment in the Toledo MSA and more than 70% of total payrolls in the County in recent years.

## **MAJOR CITY INITIATIVES**

The City continues to provide a variety of service and development initiatives to meet the needs of its citizens in a most cost-effective and efficient manner. Such initiatives focus on maintaining and improving neighborhoods, public safety, financial position, economic and business development, and water and sewer quality and distribution.

## **ACCOUNTING SYSTEM**

The City's day-to-day accounting records are maintained on GAAP basis. For financial reporting purposes, the accounting records for all governmental funds are reported on a modified accrual basis, whereby revenues are recognized when measurable and available within the business cycle (60 days after year end), and expenditures are recognized when the related fund liability is incurred. The accounting records for the proprietary funds and government-wide financial statements are reported on an accrual basis, whereby revenues are recognized when measurable and earned and expenses are recognized as incurred. The City utilizes the SAP enterprise resource planning (ERP) system, which was implemented in May of 2010.

In November of 2015, the City of Toledo became the first major city in Ohio to participate in the State Treasurer's OhioCheckbook.com. OhioCheckbook.com is a transparency initiative which allows citizens to view the City's individual financial transactions online. The City periodically updates the information.

## **BUDGETING AND LONG-TERM FINANCIAL PLANNING**

The Toledo Charter identifies the City's fiscal year as beginning on January 1st, while requiring that the Mayor prepare a temporary balanced budget estimate on or before November 15th for the following year. A final balanced budget is required to be approved by City Council no later than March 31st.

In 2020, the City's uninsured outstanding general obligation bonds were rated "A2" by Moody's Investors Service with a stable outlook and "A-" with a stable outlook by Standard and Poor's. The City monitors its leeway within the direct debt limitation. The City's legal debt margin information is contained in Table 14 of the Statistical Section.

## **INTERNAL CONTROL**

The management of the City is responsible for establishing and maintaining internal control, designed to provide reasonable but not absolute assurance that the assets of the City are protected from loss, theft, or misuse. Management also ensures that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The design of the internal control also 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.

As a recipient of Federal and State financial assistance, the City is responsible for ensuring that adequate internal controls are in place and that the City has complied with applicable laws and regulations related to those programs. The City's internal control structure is periodically evaluated and modified by management to better protect and defend the integrity of the City's financial position.

## **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING**

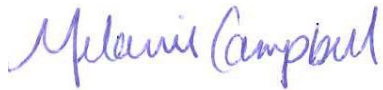
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. The certificate is valid for a period of one year. This is the thirty-seventh year since 1982 that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Report. This report must satisfy both GAAP and applicable legal requirements. We believe that our current year report continues to conform to the stringent guidelines and requirement of the program, and the City continues to submit an Annual Report to the GFOA to determine its current eligibility for another certificate.

## ACKNOWLEDGEMENTS

This report is the result of the continued cooperation and combined services of the elected officials and management of the City. The preparation of the Annual Report could not have been accomplished without the dedicated service of the Division of Accounts staff. Our appreciation is also extended to the entire Department of Finance and the various other departments whose cooperative efforts during the course of this report's preparation made possible its completion on a timely basis.

In closing, we would like to thank the Mayor and Members of Council for their continued leadership and support.

Respectfully submitted,



Melanie Campbell  
Acting Finance Director





Government Finance Officers Association

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

Presented to

**City of Toledo  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*Christopher P. Morill*

Executive Director/CEO

**CITY OF TOLEDO, OHIO**  
**LIST OF PRINCIPAL CITY OFFICIALS**  
As of 12-31-2020

**Mayor: Wade Kapszukiewicz**

**MEMBERS OF COUNCIL**

**District Seats**

	<b><u>Length of Current Terms</u></b>
District 1: John Hobbs III (West-Central).....	One Year
District 2: Matt Cherry (President) (South-West).....	Seven Years
District 3: Theresa Gadus (East Toledo-Historic South).....	One Year
District 4: Vanice S. Williams (Central City).....	One Year
District 5: Sam Melden (North-West).....	One Year
District 6: Chris Delaney (North Toledo-Point Place).....	Three Years

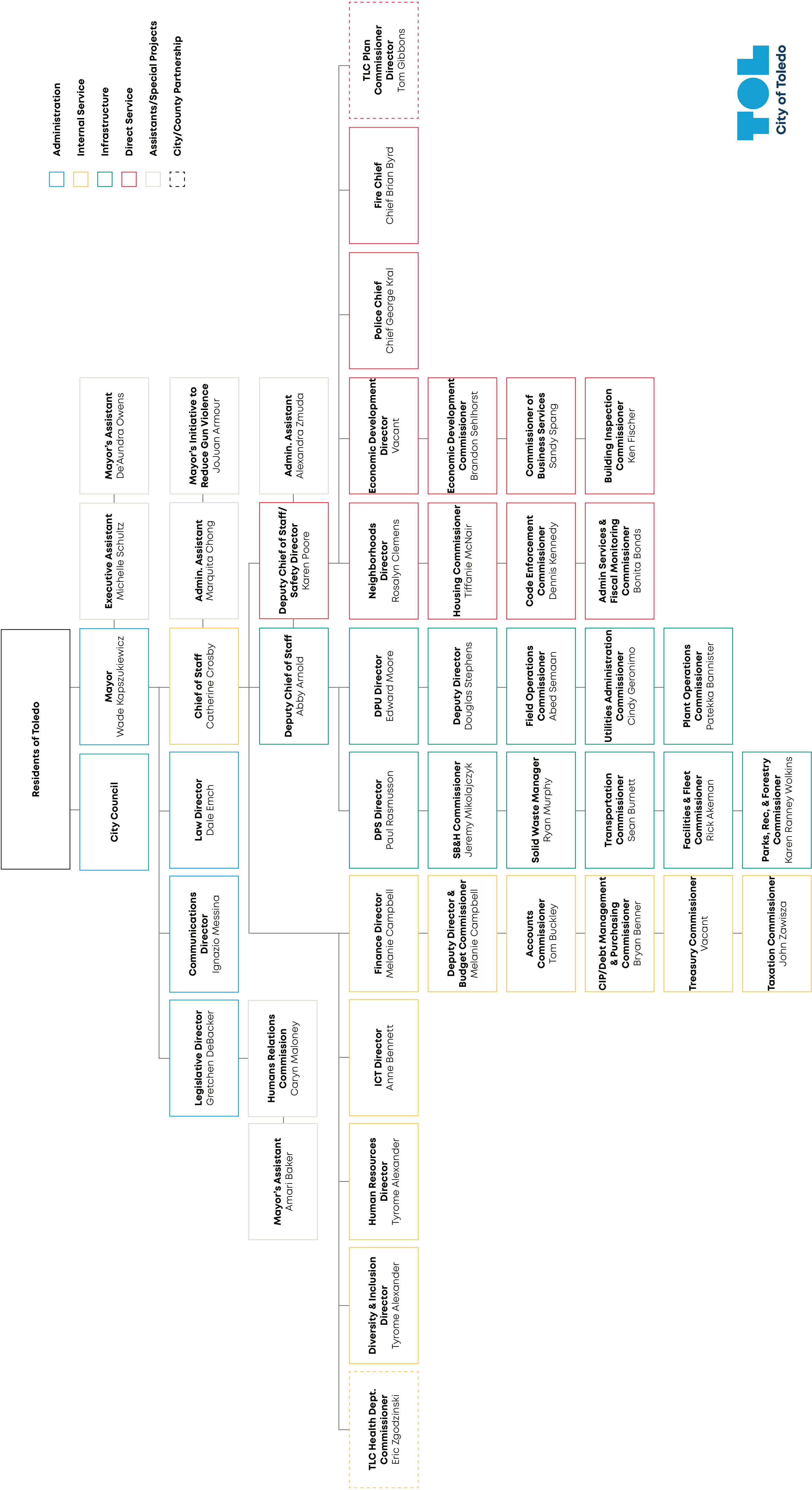
**At-Large Seats**

Dr. Cecelia Adams.....	Six Years
Nick Komives.....	Three Years
Rob Ludeman.....	Eleven Years
Cerssandra McPherson.....	One Year
Katie Moline.....	One Year
Dr. Tiffany M. Preston Whitman.....	One Year

**Appointed Positions**

Clerk of Council.....Gerald E. Dendinger.....	Twenty-Five Years
Acting Director of Finance.....Melanie Campbell.....	Two Years
Treasurer.....Vacant (1)	
City Auditor.....John A. Jaksetic, CPA.....	Seven Years

- (1) Mr. Richard Jackson held this position from January 1 through November 30, 2020. This position was vacant at December 31, 2020.



- Administration
- Internal Service
- Infrastructure
- Direct Service
- Assistants/Special Projects
- City/County Partnership



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# **FINANCIAL SECTION**



**INDEPENDENT AUDITORS' REPORT**

To the Honorable Wade Kapszukiewicz, Mayor and Members of City Council  
City of Toledo, 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 Toledo, 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 Toledo, 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, the budgetary comparison information and schedules of net pension and OPEB liabilities and pension and OPEB contributions, 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 combining and individual nonmajor fund financial statements and schedules, introductory section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 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.*

Toledo, Ohio  
June 30, 2021

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

As management of the City of Toledo, Ohio (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report and the City's financial statements, which follow this section.

**Financial Highlights**

Key financial highlights for 2020 are as follow:

- The assets and deferred outflow of resources of the City exceeded its liabilities and deferred inflow of resources at the close of 2020 by \$867.6 million. Of this amount (\$230.1) million is considered unrestricted. The unrestricted net position of the City's business-type activities is \$97.5 million and may be used to meet the on-going obligations of the business-type activities, including water, sewer, utilities administrative service and six nonmajor enterprise funds including Storm Sewer, Property Management, Small Business Development, Municipal Tow Lot, Marina Operations (which has ceased activity), and Toledo Public Power. The unrestricted net position of the governmental activities is (\$327.6) million.
- The City's total net position increased \$82.1 million or 10.5 percent in 2020 (from restated balance – see Note 16). Net position of the governmental activities increased \$39.3 million in 2020 from 2019 (as restated), which represents a 34.0 percent increase from 2019. Net position of the business-type activities increased \$42.8 million or 6.4 percent from 2019.
- The net cost of the City's programs (total expenses less program revenues) increased approximately \$123.9 million. For 2020 and 2019, the net cost of governmental activities was \$194.4 million and \$77.2 million, respectively. For 2020 and 2019, the net cost of business-type activities was (\$39.3) million and (\$46.0) million, respectively.
- At the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$116.3 million. The combined fund balance of the governmental funds increased \$48.8 million from 2019.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances in a manner similar to private-sector business.

The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the four reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). The governmental activities of the City include general government, public service, public safety, public utilities, community environment, health and parks and recreation. The business-type activities of the City primarily include two enterprise activities: water and sewer funds.

**Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds**

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

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

The City maintains 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Capital Improvements Fund and the Special Assessments Services Fund, all of which are considered to be major funds. Data from the other 20 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

**Proprietary Funds**

The City maintains two different 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 uses enterprise funds to account for its water, sewer, storm sewer and utility administration services as well as property management, small business development, tow lot, marina operation and Toledo Public Power. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions including municipal garage, capital replacement, facility operations, storeroom and printshop, information and communication technologies, risk management, workers' compensation activities, and healthcare self-insurance. The services provided by these funds predominantly benefit governmental rather than business-type functions. They have been included 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 water operations, sewer operations, and utility administration; all of which are considered to be major funds of the City. Conversely, all internal service funds are combined into a single, aggregate presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information (RSI)**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's General Fund and Special Assessment Services Fund budgets and information regarding the City's proportionate share of the Ohio Public Employees Retirement System's (OPERS) and Ohio Police and Fire Pension Fund (OP&F) net pension liability and other post-employment benefits (OPEB) liability and the City's schedule of contributions to OPERS and OP&F. The City adopts an annual appropriation budget for its General Fund and Special Assessment Services Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with their respective budgets.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules. The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, internal service funds and custodial funds are presented immediately following the required supplementary information.

The City has included a special budgetary comparison section for the governmental funds. This includes the general fund, capital improvements fund, special assessment services fund and the nonmajor governmental funds broken out individually to report revenues for the fund as well as expenditures reported by major service area and funds center.

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

**Government-Wide Financial Analysis**

The Statement of Net Position provides the perspective of the City as a whole. The City has restated the 2019 net position of the governmental activities as described in Note 16. The table below provides a summary of the City's net position at December 31, 2020 compared to December 31, 2019.

<b>Net Position</b> (Amounts in Thousands)						
	Governmental Activities		Business-Type Activities		Total	
	Restated					
	2020	2019	2020	2019	2020	2019
<b>Assets</b>						
Current and Other Assets	\$ 304,608	\$ 253,059	\$ 472,237	\$ 376,342	\$ 776,845	\$ 629,401
Capital Assets	530,067	512,402	1,300,713	1,238,239	1,830,780	1,750,641
Total Assets	834,675	765,461	1,772,950	1,614,581	2,607,625	2,380,042
<b>Deferred Outflows of Resources</b>	80,355	139,028	11,817	18,082	92,172	157,110
<b>Liabilities</b>						
Long-Term Liabilities						
Net Pension Liability	328,533	412,488	39,083	51,918	367,616	464,406
Net OPEB Liability	86,307	80,867	27,229	24,664	113,536	105,531
Other Long-Term Amounts	185,439	178,231	973,796	856,308	1,159,235	1,034,539
Other Liabilities	73,487	76,873	18,352	26,012	91,839	102,885
Total Liabilities	673,766	748,459	1,058,460	958,902	1,732,226	1,707,361
<b>Deferred Inflows of Resources</b>	86,292	40,365	13,656	3,943	99,948	44,308
<b>Net Position</b>						
Net Investment in Capital Assets	394,750	379,486	518,257	496,629	913,007	876,115
Restricted	87,820	84,887	96,875	74,748	184,695	159,635
Unrestricted (deficit)	(327,598)	(348,708)	97,519	98,441	(230,079)	(250,267)
Total Net Position	\$ 154,972	\$ 115,665	\$ 712,651	\$ 669,818	\$ 867,623	\$ 785,483

The net pension liability is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "*Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*." The net other postemployment benefits (OPEB) liability is reported pursuant to GASB Statement 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

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 and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

#### Analysis of Net Position

As noted earlier, the net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by approximately \$867.6 million at the close of the most recent fiscal year.

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

The largest portion of the City's net position (105.2 percent) reflects an investment in capital assets (e.g. land, buildings, improvements other than buildings, machinery and equipment and infrastructure); less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these assets

An additional portion of the City's net position (21.3 percent) represents resources that are subject to use restrictions. The remaining balance of the unrestricted net position (a deficit of 26.5 percent) meets the government's on-going obligations to citizens and creditors. It is important to note that although the total unrestricted net position is a deficit of \$230.1 million the unrestricted net position of the City's business-type activities \$97.5 million may not be used to fund governmental activities. As of the end of the current fiscal year, the City has unrestricted deficit net position related to government type activities of \$327.6 million.

- The overall net position of the City increased \$82.1 million or 10.5 percent in 2020 (from restated balances). The net position for governmental activities increased \$39.3 million or 34.0 percent (from restated balances).
- The net position of business-type activities of the City increased by \$42.8 million or 6.4 percent. The increase in revenue stems from rate increases authorized by City Council that systematically upgrades the public utility infrastructure coupled with cost containment measures.

The following table provides a summary of the change in net position from 2019 to 2020.

**Changes in Net Position**  
(Amounts in Thousands)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Revenues</b>						
Program Revenues:						
Charges for Services and Sales	\$ 70,873	\$ 79,759	\$ 200,090	\$ 198,111	\$ 270,963	\$ 277,870
Operating Grants and Contributions	31,914	4,070	-	-	31,914	4,070
Capital Grants and Contributions	20,714	35,208	773	1,708	21,487	36,916
Total Program Revenues	<u>123,501</u>	<u>119,037</u>	<u>200,863</u>	<u>199,819</u>	<u>324,364</u>	<u>318,856</u>
General Revenue:						
Income Taxes	180,076	190,455	-	-	180,076	190,455
Property Taxes	13,143	13,072	-	-	13,143	13,072
Investment Earnings	1,530	2,190	3,951	7,127	5,481	9,317
Intergovernmental Services	34,959	31,314	-	-	34,959	31,314
Other	3,545	6,051	35	12	3,580	6,063
Total General Revenues	<u>233,253</u>	<u>243,082</u>	<u>3,986</u>	<u>7,139</u>	<u>237,239</u>	<u>250,221</u>
Total Revenues	<u>356,754</u>	<u>362,119</u>	<u>204,849</u>	<u>206,958</u>	<u>561,603</u>	<u>569,077</u>

(continued)



**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

**Changes in Net Position (continued)**  
(Amounts in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Expenses</b>						
General Government	26,252	32,651	-	-	26,252	32,651
Public Service	43,820	71,781	-	-	43,820	71,781
Public Safety	188,922	33,072	-	-	188,922	33,072
Public Utilities	11,838	7,193	-	-	11,838	7,193
Community Environment	24,214	23,193	-	-	24,214	23,193
Health	11,929	13,360	-	-	11,929	13,360
Parks and Recreation	5,333	8,729	-	-	5,333	8,729
Interest and Fiscal Charges	5,618	6,265	-	-	5,618	6,265
Water	-	-	67,633	64,075	67,633	64,075
Sewer	-	-	69,084	64,042	69,084	64,042
Other Enterprise Activities	-	-	24,820	25,668	24,820	25,668
Total Expense	<u>317,926</u>	<u>196,244</u>	<u>161,537</u>	<u>153,785</u>	<u>479,463</u>	<u>350,029</u>
Increase in Net Position						
Before Transfers	38,828	165,875	43,312	53,173	82,140	219,048
Transfers	<u>479</u>	<u>493</u>	<u>(479)</u>	<u>(493)</u>	<u>-</u>	<u>-</u>
Change in Net Position	39,307	166,368	42,833	52,680	82,140	219,048
Net Position (deficit) - Beginning of						
Year - restated	<u>115,665</u>	<u>(50,703)</u>	<u>669,818</u>	<u>617,138</u>	<u>785,483</u>	<u>566,435</u>
Net Position - Ending	<u>\$ 154,972</u>	<u>\$ 115,665</u>	<u>\$ 712,651</u>	<u>\$ 669,818</u>	<u>\$ 867,623</u>	<u>\$ 785,483</u>

**Governmental Activities:** Governmental activities increased the City's net position by \$39.3 million. Key elements of the net position are as follows:

- Income tax revenue, which represents 50.5 percent of the City's governmental revenue, finished 2020 \$10.4 million or 5.4 percent lower than the prior year.
- Charges for services decreased by \$8.9 million or 11.1 percent primarily due to decreased charges for services and fines and forfeitures supporting public safety programs. During 2020, public safety expenses received substantial support through the receipt of approximately \$25 million in CARES Act funding. The CARES Act funding accounts for the increase in operating grants and contributions from 2019.
- Capital grants and contributions decreased by \$14.5 million due primarily to decrease in capital improvement grant funding in 2020.
- Public safety expenses increased by \$155.9 million due primarily to fluctuations in the Other Postemployment Benefits (OPEB) expense related to the Ohio Police & Fire Pension Fund (OP&F). Reported amounts for 2019 were significantly lower than historical amounts due to a change in OP&F's OPEB model. Beginning January 1, 2019, OP&F replaced its retiree health care model and current self-insured health care plan with a stipend-based health care model. As a result of the change in OPEB models, OP&F reported a significant decrease in OPEB expense in 2019. The City reports its proportionate share of OP&F OPEB expense. As a result, the City's public safety expense for 2019 were significantly lower than in 2018. The 2020 public safety expense approximates the 2018 public safety expenses of \$205.5 million.

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

**Business-Type Activities:** Net position of the City's Business-type activities increased \$42.8 million. Key elements of the changes in net position are as follows:

- Charges for services increased \$2.0 million or 1.00 percent in 2020, resulting from a sewer utility charge rate increase approved by City Council in 2014.
- Expenses were \$7.8 million higher in 2020 versus the previous year due primarily to increased pension and OPEB expenses related to the Ohio Public Employee Retirement System (OPERS).

**Financial Analysis of the Government's Funds**

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

**Governmental Funds**

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2020, the City's governmental funds reported a combined ending fund balance of \$116.3 million, an increase of \$48.8 million in comparison with the prior year. There is an *unassigned fund balance* deficit of \$37.9 million. The *nonspendable fund balance* of \$8.4 million represents the City's prepaid items and investment in inventory. The \$103.9 million *restricted fund balance* is not available for new spending because it has already been restricted by parties outside of the City or pursuant to enabling legislation. There is a *committed fund balance* of \$15.3 million that is primarily the City's Budget Stabilization Fund of \$13.4 million and assigned fund balance of \$26.6 million for subsequent year appropriations.

**General Fund:** The General Fund is the chief operating fund of the City. At December 31, 2020, the total fund balance of the general fund was \$84.6 million. The fund balance of the City's general fund increased \$38.0 million during 2020. The City's income tax revenue decreased by \$7.7 million or 4.1 percent, due to the timing of collections related to the COVID-19 pandemic. Expenditures decreased \$23.5 million primarily in the area of public safety as the City reported COVID-19 related public safety expenditures in the CARES Act Fund (a nonmajor governmental fund). The General Fund made transfers out of \$40.0 million in 2020 compared to \$42.2 million in 2019.

**Capital Improvement Fund:** The Capital Improvement Fund is used to account for construction, acquisition and major improvements of the City's buildings, infrastructure and parklands. The operating transfers of funds received herein are derived from the income taxes that are earmarked by voters for capital improvement, construction grants and bond sales. At December 31, 2020, total fund balance of the capital improvements fund is \$55.6 million. The fund balance of the Capital Improvements Fund increased \$4.6 million during 2020 mainly due decreased spending on capital projects in 2020 coupled with the issuance of bonds for street, sidewalk, and Levis Square Park improvements.

**Special Assessments Services Fund:** The Special Assessments Services Fund accounts for the proceeds of special assessments levied against property owners benefiting from street cleaning, street lighting, surface treatment, weed cutting, snow removal and tree and ditch maintenance. Costs of assessments are charged to property owners two years after incurred. At December 31, 2020, total fund balance of the Special Assessments Services Fund was a deficit of \$57.9 million, thus decreasing the deficit by \$1.2 million from the prior year.

**Proprietary Funds**

The City's proprietary fund financial statements provide the same information found in the government-wide financial statements, but in more detail.

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

The City operates three major enterprise activities: water, sewer, and utility administration. The City also operates six nonmajor enterprise funds: Storm Sewer, Property Management, Small Business Development, Municipal Tow Lot, Marina Operations (no activity during 2020), and Toledo Public Power. These activities are accounted for in separate enterprise funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the City intends that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City reports on its enterprise funds using the full accrual basis of accounting.

**Water:** The total net position of the Water Fund at the end of the year amounted to \$257.0 million, of which \$18.1 million is unrestricted. The net position of the Water Fund increased \$16.4 million or 6.8 percent in 2020. Operating revenues increased by \$3.2 million or 4.1 percent from 2019. Operating expenses increased by \$1.9 million or 3.7 percent, due to increased plant operations costs in the areas of contract services and depreciation expense.

**Sewer:** The total net position of the Sewer Fund at the end of the year amounted to \$384.8 million of which \$48.3 million is unrestricted. The net position of the Sewer Fund increased \$24.1 million or 6.7 percent. Operating revenue increased \$3.8 million or 4.3 percent with help from the scheduled rate increases in 2020. Operating expenses increased by \$3.6 million or 6.7 percent, due to increased plant operations costs in the areas of contract services and depreciation expense.

**Utility Administrative Services:** The total net position of the Utility Administrative Services Fund at the end of the year amounted to \$2.6 million, of which \$2.5 million is unrestricted. The net position of the Utility Administrative Services Fund decreased by \$0.2 million. Operating revenues for fiscal year 2020 decreased by \$3.9 million or 21.7 percent. Operating expenses for fiscal year 2020 increased by \$0.3 million or 2.4 percent.

**Nonmajor:** The total net position of the nonmajor enterprise funds at the end of the year amounted to \$68.3 million of which \$28.6 million is unrestricted. The net position of the nonmajor enterprise funds increased \$2.5 million, or 3.8 percent. Operating revenues for fiscal year 2020 decreased by \$1.1 million or 8.2 percent under comparable revenue in 2019. Operating expenses for fiscal year 2020 decreased \$0.7 million or 6.8 percent under comparable expenses in 2019.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

### **General Fund Budgetary Highlights**

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

Budgetary information is presented for the General Fund. In the General Fund, the original and final budgeted amount in the area of expenditures and other financing uses, decreased \$11.4 million from \$281.2 million to \$269.8 million. Actual revenues and other financing sources of \$275.8 million were more than final budgeted revenues and other financing sources by \$5.9 million. The other significant change was between the final budgeted expenditures and other financing uses and actual expenditures and other financing uses. Actual expenditures and other financing uses came in \$31.9 million lower than the final budgeted amounts, primarily due to expenditures for public safety being less than budgeted.

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

The following schedule is a summary of comparable General Fund revenue for 2020 and 2019:

**Revenues and Other Financing Sources**  
(Amounts in Thousands)

	2020	Percentage of Total	Increase (Decrease) from 2019	Percentage Change from 2019
Income Taxes	\$ 181,695	66.0%	\$ (7,739)	-4.1%
Property Taxes	12,956	4.7%	314	2.5%
Licenses and Permits	2,627	1.0%	(336)	-11.3%
Intergovernmental Services	17,186	6.2%	(1,404)	-7.6%
Charges for Services	27,677	10.0%	(1,171)	-4.1%
Investment Earnings	1,530	0.6%	(660)	-30.1%
Fines and Forfeitures	4,713	1.7%	(4,604)	-49.4%
Other Revenue	552	0.2%	(3,013)	-84.5%
Sale of Capital Assets	-	0.0%	(306)	-100.0%
Transfers In	26,818	9.7%	25,348	1724.4%
Total	<u>\$ 275,754</u>	<u>100.0%</u>	<u>\$ 6,429</u>	

Key elements of the changes in revenues are as follows:

- Income tax revenue decreased primarily due to the negative economic impact of the COVID-19 pandemic.
- Intergovernmental services revenue decreased due to decreased casino revenues.
- Fines and forfeitures revenue decreased due to the suspension of the photo enforcement traffic citation program during the second half of 2020.
- Transfer in increased due to excess BWC rebates transferred from the Workers' Compensation Internal Service Fund and transfers from the Capital Improvement fund authorized by enacted legislation to provide for emergency measures for the immediate preservation of the public peace and health & safety and the timely start of a new police class for 2020.

The 2020 final General Fund total expense budget was \$269.8 million.

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

The following schedule is a summary of comparable General Fund expenditures for 2020 and 2019:

**Expenditures and Other Financing Uses**  
(Amounts in Thousands)

	2020	Percentage of Total	Increase (Decrease) from 2019	Percentage Change from 2019
General Government	\$ 25,253	10.6%	\$ (568)	-2.2%
Public Service	4,557	1.9%	2,631	136.6%
Public Safety	149,666	62.9%	(24,642)	-14.1%
Community Environment	7,122	3.0%	421	6.3%
Health	8,371	3.5%	(433)	-4.9%
Parks and Recreation	2,197	0.9%	(869)	-28.3%
Principal retirement	698	0.3%	27	4.0%
Interest and Fiscal Charges	20	0.0%	(21)	-51.2%
Transfers Out	40,047	16.8%	(2,105)	-5.0%
Total	<u>\$ 237,931</u>	<u>100.0%</u>	<u>\$ (25,559)</u>	

Generally, General Fund expenditures decreased across various functions, as Workers' Compensation and health care costs decreased. Additionally:

- General government decreased primarily due to decreased personnel costs.
- Public safety expenditures decreased primarily due to \$24.6 million of expenditures being paid for from the CARES Act fund (a nonmajor governmental fund) rather than the General Fund in 2020. COVID-19 related expenditures funded by the CARES Act were required to be reported in a separate fund.
- Transfers out decreased due to decreased income tax collections and associated transfer to the Capital Improvement Fund.

**General Fund Balance:** Total fund balance in the General Fund was a positive balance of \$84.6 million. The fund balance is comprised of the following:

- *Nonspendable* – Inventory of \$2.0 million comprised in 2020.
- *Restricted* – This category applies to funds which can only be spent for a specific purpose stipulated by external resource providers or through enabling legislation. The restricted fund balance of the General Fund totaled \$3.9 million in 2020.
- *Committed* - The City maintains a Budget Stabilization Designation to cover unexpected revenue shortfalls and/or expenditure increases. This is classified under the committed category of fund balance and totaled \$13.4 million in 2020. The City did not utilize monies in the Budget Stabilization Designation for expenditures in 2020.
- *Assigned* – The City's assigned fund balance of \$26.6 million represents subsequent year appropriations.
- *Unassigned* – This is the residual classification for the remaining funds that have not been reported in any other classification. In 2020, the unassigned fund balance totaled \$38.8 million.

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
(Continued)

**Capital Asset and Debt Administration**

**Capital assets:** The City's capital assets, net of depreciation for governmental and business-type activities as of December 31, 2020, amounts to \$1.831 billion. This investment in capital assets includes land, buildings, water and sewer distribution systems, improvements, machinery and equipment, park facilities, roads, curbs, gutters, streets, sidewalks and drainage systems. The City has restated capital asset balances of the governmental activities as described in Note 7 and Note 16.

**Capital Assets (Net of Depreciation)**  
(Amounts in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	Restated				Restated	
	2020	2019	2020	2019	2020	2019
Land	\$ 26,040	\$ 26,832	\$ 5,716	\$ 6,225	\$ 31,756	\$ 33,057
Construction in Progress	134,070	222,953	480,387	664,357	614,457	887,310
Building	30,613	30,473	49,876	18,640	80,489	49,113
Furniture and Fixtures	116	224	20	53	136	277
Improvements	30,428	31,139	111,674	51,413	142,102	82,552
Infrastructure	287,945	177,951	629,649	474,319	917,594	652,270
Machinery and Equipment	20,855	22,830	23,391	23,232	44,246	46,062
Total	<u>\$ 530,067</u>	<u>\$ 512,402</u>	<u>\$ 1,300,713</u>	<u>\$ 1,238,239</u>	<u>\$ 1,830,780</u>	<u>\$ 1,750,641</u>

Major capital asset events during 2020 included the following:

- Total investment in capital assets increased \$80.1 million or 4.6 percent (from restated balance).
- Business-type capital assets increased by \$62.5 million or 5.05 percent net of \$25.6 million in current year depreciation expense. The increase is attributed to the City's continued investment into its water and sewer system infrastructure.
- Governmental capital assets increased by \$17.7 million or 3.4 percent (from restated balance) net of \$25.6 million in current year depreciation expense.

Additional information on the City's capital assets can be found in Note 7 of this report.

**Long-Term Debt:** At December 31, 2020, the City had \$1.640 billion of long-term bonds, notes, loans and other obligations outstanding net of unamortized premiums and discounts in governmental and business-type activities. General obligation bonds are supported by the full faith and credit of the City. All assessment obligations issued by the City are general obligations of the City. There were no special assessment bonds outstanding at December 31, 2020. The revenue bonds of the City represent bonds secured solely by specified revenue sources. See Note 9 for further information on the City's long-term debt.

**Notes payable:** In addition to the long-term debt described above and reported in the table below, the City also had \$2,460 in general obligation special assessment notes and \$40,900 in revenue obligation assessed services notes. The general obligation notes were issued to cover capital costs related to constructing and reconstructing sidewalks, including, where necessary, driveway aprons, between certain termini on certain designated streets. The revenue obligation notes were issued to cover capital costs related to City services such as street lighting, street sweeping, snow removal, surface treatment of unimproved streets, leaf pick up and tree planting, and trimming and removal in the public right away. See Note 8 for further information on the City's notes payable obligations.

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
(Continued)

**Long-Term Debt Outstanding**  
(Amounts in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds	\$ 118,226	\$ 112,571	\$ 8,126	\$ 9,081	\$ 126,352	\$ 121,652
Revenue Bonds	-	-	420,593	331,472	420,593	331,472
Non-taxable revenue bonds	11,607	12,358	-	-	11,607	12,358
Bond Anticipation Notes	-	-	30,000	30,000	30,000	30,000
Loans Outstanding	6,849	7,804	507,260	478,074	514,109	485,878
Capital Lease Obligations	341	1,506	2,553	2,625	2,894	4,131
Other Obligations	463,256	537,347	71,576	81,638	534,832	618,985
Total	<u>\$ 600,279</u>	<u>\$ 671,586</u>	<u>\$ 1,040,108</u>	<u>\$ 932,890</u>	<u>\$ 1,640,387</u>	<u>\$ 1,604,476</u>

Total long-term debt outstanding at December 31, 2020 increased \$35.9 million or 2.2 percent as compared to the amount outstanding at December 31, 2019.

On December 31, 2020, the City's bond ratings with Standard & Poor's Corporation and Moody's Investor Services, Inc. were A- and A2, respectively.

The ORC provides two debt limitations that are directly based on tax valuation of all property in a city.

- The net principal amount of both voted and nonvoted debt of a city, excluding certain "exempt debt", may not exceed 10.5 percent of the total tax valuation of all property in the city as listed and assessed for taxation.
- The net principal amount of the nonvoted debt of a city, excluding exempt debt, may not exceed 5.5 percent of that valuation.

**Debt Limitations**

These two limitations are referred to as "direct debt limitations." Without consideration of amounts in the City's bond retirement fund and based on outstanding debt as of December 31, 2020 as well as current assessed valuation, the City's voted and nonvoted nonexempt debt capacities within the direct debt limitations were (amounts in thousands):

	Limitation	Nonexempt Debt Outstanding	Additional Debt Capacity Within Limitation
10.50%	\$ 356,912	\$ 117,820	\$ 239,092
5.50%	\$ 186,954	\$ 117,820	\$ 69,134

**City of Toledo, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**(Continued)**

Nonvoted general obligation debt issued by the City is also subject to an indirect debt limitation, commonly referred to as the "ten-mill limitation," imposed by a combination of provisions of the Ohio Constitution and the ORC. Under that limitation, nonvoted debt may not be issued unless the ad valorem property tax for the payment of debt service on (a) the bonds (or the bonds in anticipation of which notes are issued), and (b) all outstanding nonvoted general obligation bonds (including bonds in anticipation of which BANs are issued) of the combination of overlapping taxing subdivisions including the City resulting in the highest tax required for such debt service, in any year is 10 mills or less per \$1.00 of assessed valuation.

As of December 31, 2020, the total millage theoretically required by the City and the combination of overlapping taxing subdivisions was estimated to be 7.1415 mills, up from the prior year of 6.5696 mills for the year of the highest potential debt service. The City and the overlapping taxing subdivisions had the highest millage requirements for debt service on nonvoted general obligation debt in any year for their outstanding nonvoted general obligation debt. The remaining 2.8585 mills within the ten-mill limitation was yet to be allocated to debt service and that was available to the City and overlapping subdivisions in connection with the issuance of additional nonvoted general obligation debt.

Additional information regarding the City's outstanding debt can be found in Notes 8 and 9 of the financial statements of this report.

**Economic Factors and 2021 Budgets and Rates**

The City of Toledo is committed to controlling costs, putting the highest premium on safety for our citizens and adopting a budget designed to promote both the community's interests and the long-term fiscal stability of the City with steadily growing fund balances. Controlling personnel costs, incarcerations costs, and health care expenses have contributed to a formula of success. Our total General Fund budget for 2021 is \$286.8 million.

**Request for Information**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show accountability for its public funds. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Director of Finance  
City of Toledo, Ohio  
One Government Center, Suite 2050  
Toledo, OH 43604



**City of Toledo, Ohio**  
**Statement of Net Position**  
**December 31, 2020**  
**(Amounts in Thousands)**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents with Treasurer/Treasury	\$ 867	\$ 39,022	\$ 39,889
Cash and cash equivalents held by escrow agent	-	39,317	39,317
Cash and cash equivalents - other	279	592	871
Investments	137,063	180,384	317,447
Restricted investments	5,560	183,763	189,323
Receivables (net of allowances)	111,610	44,726	156,336
Due from other governments	14,963	-	14,963
Internal balances	21,431	(21,431)	-
Prepaid items	4,195	16	4,211
Inventory	8,640	5,087	13,727
Prepaid bond insurance	-	761	761
Capital assets:			
Land and construction in progress	160,110	486,103	646,213
Other capital assets, net of accumulated depreciation	369,957	814,610	1,184,567
Total assets	<u>834,675</u>	<u>1,772,950</u>	<u>2,607,625</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension (Note 13)	49,006	6,895	55,901
OPEB (Note 14)	31,349	4,922	36,271
Total deferred outflows of resources	<u>80,355</u>	<u>11,817</u>	<u>92,172</u>
<b>LIABILITIES</b>			
Accounts payable	9,751	4,080	13,831
Customer deposits	5,836	1,687	7,523
Accrued wages and benefits	6,332	-	6,332
Retainage payable	678	4,858	5,536
Accrued interest payable	458	7,727	8,185
Other current liabilities	7,072	-	7,072
Notes payable	43,360	-	43,360
Long-term liabilities:			
Due within one year	15,005	73,968	88,973
Due in more than one year:			
Net pension liability (Note 13)	328,533	39,083	367,616
Net OPEB liability (Note 14)	86,307	27,229	113,536
Other amounts due in more than one year	170,434	899,828	1,070,262
Total liabilities	<u>673,766</u>	<u>1,058,460</u>	<u>1,732,226</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Revenues levied for the next year	12,061	-	12,061
Pension (Note 13)	50,797	9,158	59,955
OPEB (Note 14)	23,434	4,498	27,932
Total deferred inflows of resources	<u>86,292</u>	<u>13,656</u>	<u>99,948</u>
<b>NET POSITION</b>			
Net investment in capital assets	394,750	518,257	913,007
Restricted for:			
Debt service	209	12,527	12,736
Replacement	-	80,977	80,977
Capital improvement	66,045	3,371	69,416
Community programs	7,693	-	7,693
Other purposes	13,873	-	13,873
Unrestricted (deficit)	(327,598)	97,519	(230,079)
Total net position	<u>\$ 154,972</u>	<u>\$ 712,651</u>	<u>\$ 867,623</u>

See accompanying notes to the basic financial statements.

**City of Toledo, Ohio**  
**Statement of Activities**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Governmental activities:</b>				
General government	\$ 26,252	\$ 17,470	\$ 422	\$ -
Public service	43,820	22,557	309	11,458
Public safety	188,922	12,614	26,879	-
Public utilities	11,838	-	140	-
Community environment	24,214	4,173	1,925	9,022
Health	11,929	12,823	995	-
Parks and recreation	5,333	80	1,244	234
Interest and fiscal charges	5,618	1,156	-	-
<b>Total governmental activities</b>	<b>317,926</b>	<b>70,873</b>	<b>31,914</b>	<b>20,714</b>
<b>Business-type activities:</b>				
Water	67,633	81,875	-	120
Sewer	69,084	91,682	-	449
Utilities administration	14,437	14,246	-	-
Storm utility	7,826	9,361	-	204
Property management	1,255	-	-	-
Small business development	5	-	-	-
Municipal tow lot	836	2,421	-	-
Toledo public power	461	505	-	-
<b>Total business-type activities</b>	<b>161,537</b>	<b>200,090</b>	<b>-</b>	<b>773</b>
<b>Total</b>	<b>\$ 479,463</b>	<b>\$ 270,963</b>	<b>\$ 31,914</b>	<b>\$ 21,487</b>

**General revenues:**

Income taxes  
Property taxes  
Investment earnings  
Intergovernmental services  
Gain on disposal of capital assets  
Other revenue

Transfers

Total general revenues and transfers

Change in net position

**Net position at January 1 - restated (Note 16)**

**Net position at December 31**

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (8,360)	\$ -	\$ (8,360)
(9,496)	-	(9,496)
(149,429)	-	(149,429)
(11,698)	-	(11,698)
(9,094)	-	(9,094)
1,889	-	1,889
(3,775)	-	(3,775)
(4,462)	-	(4,462)
(194,425)	-	(194,425)
-	14,362	14,362
-	23,047	23,047
-	(191)	(191)
-	1,739	1,739
-	(1,255)	(1,255)
-	(5)	(5)
-	1,585	1,585
-	44	44
-	39,326	39,326
(194,425)	39,326	(155,099)
180,076	-	180,076
13,143	-	13,143
1,530	3,951	5,481
34,959	-	34,959
99	35	134
3,446	-	3,446
479	(479)	-
233,732	3,507	237,239
39,307	42,833	82,140
115,665	669,818	785,483
\$ 154,972	\$ 712,651	\$ 867,623

**City of Toledo, Ohio**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2020**  
**(Amounts in Thousands)**

	<b>General</b>	<b>Capital Improvements</b>	<b>Special Assessments Services</b>	<b>Nonmajor Governmental Funds</b>
<b>ASSETS</b>				
Cash and cash equivalents with Treasurer	\$ 867	\$ -	\$ -	\$ -
Cash and cash equivalents - other	191	-	-	88
Investments	136,959	104	-	-
Restricted investments	3,858	557	464	681
Receivables (net of allowances)	41,172	2,101	55,820	11,077
Due from other:				
Funds	-	54,371	-	38,591
Governments	4,223	-	-	10,740
Inventory of supplies	1,951	1,226	3,396	1,150
Total assets	<u>\$ 189,221</u>	<u>\$ 58,359</u>	<u>\$ 59,680</u>	<u>\$ 62,327</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,865	\$ 2,109	\$ 401	\$ 2,333
Deposits	3,253	19	-	2,273
Accrued wages and benefits payable	6,332	-	-	-
Compensated absences payable	260	-	66	4
Retainage payable	-	626	-	52
Due to other:				
Funds	63,952	-	20,561	14,524
Notes payable	-	-	40,900	2,460
Total liabilities	<u>76,662</u>	<u>2,754</u>	<u>61,928</u>	<u>21,646</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Revenues levied for the next year and unavailable revenue	<u>27,924</u>	<u>-</u>	<u>55,673</u>	<u>6,691</u>
<b>FUND BALANCES</b>				
Nonspendable	1,951	1,226	3,396	1,824
Restricted	3,857	54,379	464	45,239
Committed	13,377	-	-	1,886
Assigned	26,616	-	-	-
Unassigned (deficit)	38,834	-	(61,781)	(14,959)
Total fund balances (deficit)	<u>84,635</u>	<u>55,605</u>	<u>(57,921)</u>	<u>33,990</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 189,221</u>	<u>\$ 58,359</u>	<u>\$ 59,680</u>	<u>\$ 62,327</u>

See accompanying notes to the basic financial statements.

<b>Total Governmental Funds</b>	
\$	867
	279
	137,063
	5,560
	110,170
	92,962
	14,963
	7,723
<hr/>	
\$	369,587
<hr/>	
\$	7,708
	5,545
	6,332
	330
	678
	99,037
	43,360
<hr/>	
	162,990
<hr/>	
	90,288
<hr/>	
	8,397
	103,939
	15,263
	26,616
	(37,906)
<hr/>	
	116,309
<hr/>	
\$	369,587
<hr/>	

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**City of Toledo, Ohio**  
**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position**  
**December 31, 2020**  
**(Amounts in Thousands)**

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

Total fund balances for governmental funds		\$	116,309
Capital assets used in governmental activities (excluding those reported in the internal service funds) are not financial resources and therefore are not reported in the funds			518,179
Revenue will be collected beyond the 60 day period used in the governmental fund statements.			
Revenue and the corresponding receivable are included in the government-wide statements			
Special assessments	\$	56,835	
Income taxes		8,937	
Delinquent property taxes		3,849	
Capital grants		393	
Operating grants		530	
Intergovernmental services/reimbursements		<u>7,683</u>	78,227
Internal service funds are used by the City to account for the financing of goods or services provided by one department or agency to the other City departments or agencies, generally on a cost reimbursement basis. The assets, liabilities, and deferred outflows/inflows of the internal service funds are included in governmental activities in the statement of net position.			19,848
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position. The City's long-term obligations (excluding those reported in the internal service funds) are:			
General obligation bonds		(115,376)	
Non-taxable revenue bonds		(11,607)	
Compensated absences		(32,157)	
Loans outstanding from state agencies		(6,199)	
Loans outstanding from other sources		(650)	
Accrued interest		(458)	
Landfill closure		<u>(15,863)</u>	(182,310)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds (excluding the portion reported in the internal service funds).			
Deferred outflows-pensions		47,352	
Deferred inflows-pensions		(48,753)	
Net pension liability		<u>(320,761)</u>	(322,162)
The net OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds (excluding the portion reported in the internal service funds).			
Deferred outflows-OPEB		30,198	
Deferred inflows-OPEB		(22,425)	
Net OPEB liability		<u>(80,892)</u>	(73,119)
Total net position of governmental activities			<u>\$ 154,972</u>

See accompanying notes to the basic financial statements.

**City of Toledo, Ohio**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	General	Capital Improvements	Special Assessments Services	Nonmajor Governmental Funds
<b>REVENUES</b>				
Income taxes	\$ 181,695	\$ -	\$ -	\$ -
Property taxes	12,956	-	-	-
Special assessments	-	-	25,983	250
Licenses and permits	2,627	-	-	-
Intergovernmental services	17,186	-	-	24,449
Charges for services	27,677	-	-	1,744
Investment earnings	1,530	26	41	13
Fines and forfeitures	4,713	-	-	1,000
Grants	-	11,862	-	39,431
Other revenue	552	26	-	3,529
Total revenues	248,936	11,914	26,024	70,416
<b>EXPENDITURES</b>				
Current:				
General government	25,253	104	1,015	954
Public service	4,557	-	22,306	12,233
Public safety	149,666	-	-	29,307
Public utilities	-	-	-	170
Community environment	7,122	-	-	16,159
Health	8,371	-	224	1,645
Parks and recreation	2,197	-	-	1,686
Capital outlay	-	38,645	-	2,775
Debt service:				
Principal retirement	698	1,146	-	11,310
Interest and fiscal charges	20	483	1,162	4,308
Debt Issuance Costs	-	360	-	-
Total expenditures	197,884	40,738	24,707	80,547
Excess (deficiency) of revenues over (under) expenditures	51,052	(28,824)	1,317	(10,131)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	26,818	40,190	-	15,689
Transfers (out)	(40,047)	(24,251)	-	(1,150)
Issuance of bonds and loans	-	21,304	-	-
Premiums on bonds issued	-	360	-	481
Payment to Escrow Agent	-	(4,203)	-	-
Total other financing sources (uses)	(13,229)	33,400	-	15,020
Net change in fund balances	37,823	4,576	1,317	4,889
<b>Fund balances (deficit) at January 1</b>	46,622	51,036	(59,081)	28,911
Increase (decrease) in inventory	190	(7)	(157)	190
<b>Fund balances (deficit) at December 31</b>	<u>\$ 84,635</u>	<u>\$ 55,605</u>	<u>\$ (57,921)</u>	<u>\$ 33,990</u>

See accompanying notes to the basic financial statements.



**Total  
Governmental  
Funds**

\$	181,695
	12,956
	26,233
	2,627
	41,635
	29,421
	1,610
	5,713
	51,293
	4,107
	<hr/>
	357,290
	<hr/>

	27,326
	39,096
	178,973
	170
	23,281
	10,240
	3,883
	41,420
	13,154
	5,973
	360
	<hr/>
	343,876
	<hr/>
	13,414
	<hr/>

	82,697
	(65,448)
	21,304
	841
	(4,203)
	<hr/>
	35,191
	<hr/>
	48,605
	67,488
	216
	<hr/>
\$	116,309
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**City of Toledo, Ohio**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Governmental Fund Balances**  
**to the Statement of Activities**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

Net change in fund balances for governmental funds		\$	48,605
Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of these assets, which meet the capitalization requirement, is allocated over their estimated useful lives and reported as depreciation expense (excluding internal service fund activity):			
Capital asset additions	\$	45,309	
Depreciation expense		(24,170)	21,139
In the statement of activities, loss on disposal of capital assets is reported, whereas only proceeds from the sales are reported in the funds.			(1,898)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The amount of this net effect of the reversal of prior year items against current year accruals:			
Special assessments		(1,434)	
Income taxes		(1,619)	
Delinquent property taxes		187	
Capital grants		163	
Operating grants		431	
Other revenue		(259)	
Intergovernmental services/reimbursements		1,896	(635)
The long-term liability for compensated absences is not recorded in the funds, but is reported in the statement of activities. This amount is the current year change in the liability, reported as an expense in the statement of activities.			(3,693)
The long-term liability for landfill closure is not recorded in the funds, but is reported in the statement of activities. This amount is the current year change in the liability, reported as an expense in the statement of activities			(528)
The issuances of loans and refunding bonds are reported as an other financing financing source in the funds, however, in the statement of activities, they are not reported as revenue as they increase liabilities on the statement of net position.			
Loans		(459)	
Bonds		(16,780)	
Refunding bonds		(4,065)	(21,304)
Repayment of bond, loan, and capital lease principal is an expenditure in the governmental funds, but the repayment reduces liabilities on the statement of net position (excluding internal service funds activity).			13,154
Payment to refunded bond escrow agent for the retirement of bonds is an other financing use in the funds but the payment reduces long-term liabilities on the statement of net position. Deferred charges related to bond refundings are amortized over the life of the issuance in the statement of activities. The following refunding transactions occurred during the year:			
Bonds refunded		4,065	
Deferred charges on refundings		138	4,203
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.			216
In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in the funds, an interest expenditure is reported when due.			
Decrease in accrued interest payable		46	
Premiums incurred in the current year		(841)	
Amortization of bond premiums		961	
Amortization of deferred charges of refundings		(138)	28
Internal service funds are used by management to charge costs to individual funds. The net revenue/(expenses) of certain activities of internal service funds is reported with governmental activities.			4,569
Contractually required pension and OPEB contributions are reported as expenditures in the funds; however, the statement of net position reports these amounts as deferred outflows.			
Pension		25,042	
OPEB		457	25,499
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability and net OPEB liability are reported as pension expense and OPEB expense, respectively, in the statement of activities.			
Pension		(41,658)	
OPEB		(8,390)	(50,048)
Changes in net position of governmental activities		\$	39,307

See accompanying notes to the basic financial statements.

**City of Toledo, Ohio**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2020**  
**(Amounts in Thousands)**

	Business-Type Activities			
	Water	Sewer	Utility Administrative Services	Nonmajor Enterprise Funds
<b>ASSETS</b>				
<u>Current:</u>				
Cash and cash equivalents with Treasury	\$ 1,212	\$ 20,946	\$ 14,727	\$ 2,137
Cash and cash equivalents held by escrow agent	37,731	1,586	-	-
Cash and cash equivalents - other	1	-	591	-
Investments	17,578	19,267	-	1,630
Restricted investments	159,284	781	-	395
Receivables (net of allowances)	13,663	22,976	248	7,839
Interfund loans receivable	41,645	-	-	-
Due from other:				
Funds	-	62,494	2,181	1,764
Prepaid items	-	14	2	-
Inventory of supplies	3,686	1,384	17	-
Total current assets	274,800	129,448	17,766	13,765
<u>Noncurrent:</u>				
Investments	59,816	47,747	-	34,346
Restricted investments	23,303	-	-	-
Prepaid bond insurance	742	19	-	-
Land and construction in progress	292,287	189,749	-	4,067
Other capital assets, net of accumulated depreciation	269,562	509,697	94	35,257
Total noncurrent assets	645,710	747,212	94	73,670
Total assets	920,510	876,660	17,860	87,435
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension (Note 13)	2,689	2,049	1,576	581
OPEB (Note 14)	1,868	1,505	1,102	447
Total deferred outflows of resources	4,557	3,554	2,678	1,028
<b>LIABILITIES</b>				
<u>Current:</u>				
Accounts payable	2,281	568	840	391
Customer deposits	1,568	1	-	118
Retainage payable	3,901	838	-	119
Due to other:				
Funds	87,730	-	-	140
Interfund loans payable	-	41,645	-	-
Accrued interest payable	1,870	5,835	-	22
Other current liabilities	-	-	-	-
Current portion of:				
Compensated absences payable	11	49	-	-
Bonds, loans, and capital lease payable, net	41,922	30,797	-	1,189
Total current liabilities	139,283	79,733	840	1,979
<u>Noncurrent:</u>				
Compensated absences payable	1,659	1,915	1,111	519
Bonds, loans, and capital lease payable, net	499,463	385,749	-	9,412
Net pension liability (Note 13)	13,693	13,650	7,827	3,913
Net OPEB liability (Note 14)	9,540	9,509	5,453	2,727
Total noncurrent liabilities	524,355	410,823	14,391	16,571
Total liabilities	663,638	490,556	15,231	18,550
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension (Note 13)	3,021	3,235	1,833	1,069
OPEB (Note 14)	1,445	1,599	897	557
Total deferred inflows of resources	4,466	4,834	2,730	1,626
<b>NET POSITION</b>				
Net investment in capital assets	199,150	282,843	94	36,170
Restricted:				
Debt service	4,601	7,884	-	42
Replacement	34,128	45,662	-	1,187
Capital improvement	996	125	-	2,250
Unrestricted	18,088	48,310	2,483	28,638
Total net position	\$ 256,963	\$ 384,824	\$ 2,577	\$ 68,287

See accompanying notes to the basic financial statements.

<b>Total Enterprise Funds</b>		<b>Governmental Activities</b>	
		<b>Internal Services Funds</b>	
\$	39,022	\$	-
	39,317		-
	592		-
	38,475		-
	160,460		-
	44,726		1,440
	41,645		-
	66,439		28,962
	16		4,195
	5,087		917
	435,779		35,514
	141,909		-
	23,303		-
	761		-
	486,103		350
	814,610		11,538
	1,466,686		11,888
	1,902,465		47,402
	6,895		1,654
	4,922		1,151
	11,817		2,805
	4,080		2,043
	1,687		291
	4,858		-
	87,870		1,456
	41,645		-
	7,727		-
	-		7,072
	60		66
	73,908		511
	221,835		11,439
	5,204		-
	894,624		2,680
	39,083		7,772
	27,229		5,415
	966,140		15,867
	1,187,975		27,306
	9,158		2,044
	4,498		1,009
	13,656		3,053
	518,257		8,697
	12,527		-
	80,977		-
	3,371		-
	97,519		11,151
<b>\$</b>	<b>712,651</b>	<b>\$</b>	<b>19,848</b>

**City of Toledo, Ohio**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Business-Type Activities</b>			
	<b>Water</b>	<b>Sewer</b>	<b>Utility Administrative Services</b>	<b>Nonmajor Enterprise Funds</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 81,801	\$ 91,487	\$ 14,209	\$ 12,047
Other revenue	74	195	37	240
Total operating revenue	81,875	91,682	14,246	12,287
<b>OPERATING EXPENSES</b>				
Personnel services	17,516	17,078	10,316	4,470
Contractual services	18,411	17,477	2,801	2,535
Materials and supplies	6,400	2,236	1,266	255
Utilities	2,812	3,165	34	466
Depreciation	7,188	17,094	9	1,308
Other	-	-	-	865
Total operating expenses	52,327	57,050	14,426	9,899
Operating income (loss)	29,548	34,632	(180)	2,388
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment earnings	2,087	1,131	19	714
Interest expense and fiscal charges	(15,306)	(12,034)	-	(484)
Gain (loss) on disposal of capital assets	10	25	(11)	-
Total nonoperating revenues (expenses)	(13,209)	(10,878)	8	230
Income (loss) before transfers and contributions	16,339	23,754	(172)	2,618
Capital contributions	120	449	-	204
Transfers in	-	-	-	1,332
Transfers (out)	(75)	(75)	-	(1,661)
Change in net position	16,384	24,128	(172)	2,493
<b>Net position at January 1 - restated (Note 16)</b>	240,579	360,696	2,749	65,794
<b>Net position at December 31</b>	<u>\$ 256,963</u>	<u>\$ 384,824</u>	<u>\$ 2,577</u>	<u>\$ 68,287</u>

See accompanying notes to the basic financial statements.

		Governmental Activities	
Total Enterprise Funds		Internal Services Funds	
\$	199,544	\$	57,147
	546		28,748
	200,090		85,895
	49,380		9,883
	41,224		47,434
	10,157		4,354
	6,477		1,351
	25,599		1,479
	865		-
	133,702		64,501
	66,388		21,394
	3,951		-
	(27,824)		(154)
	24		99
	(23,849)		(55)
	42,539		21,339
	773		-
	1,332		-
	(1,811)		(16,770)
	42,833		4,569
	669,818		15,279
\$	712,651	\$	19,848

**City of Toledo, Ohio**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year ended December 31, 2020**  
**(Amounts in Thousands)**

	Business-Type Activities			
	Water	Sewer	Utility Administrative Services	Nonmajor Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers	\$ 84,142	\$ 98,315	\$ 12,244	\$ 12,805
Cash paid to employees	(15,083)	(15,890)	(8,663)	(3,828)
Cash paid to suppliers	(15,030)	(27,448)	(5,409)	(3,589)
Other receipts	74	195	37	240
Net cash provided by (used in) operating activities	54,103	55,172	(1,791)	5,628
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in	-	-	-	1,332
Transfers (out)	(75)	(75)	-	(1,661)
Net cash provided by (used in) noncapital financing activities	(75)	(75)	-	(329)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital grants	120	449	-	204
Purchases of property, plant and equipment	(79,594)	(15,467)	-	(525)
Sale of capital assets	10	-	-	-
Principal payments	(10,901)	(26,774)	-	(1,220)
Payment to refunded bond escrow agent	-	-	-	(5,729)
Issuance of bonds and loans	127,062	7,682	-	5,580
Premium on bonds issued	23,045	-	-	138
Bond issuance costs paid	-	-	-	(82)
Contribution received	-	-	-	93
Interest and fiscal charges paid on bonds, loans, and capital leases	(16,751)	(11,441)	-	(486)
Net cash (used in) capital and related financing activities	42,991	(45,551)	-	(2,027)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sales and maturities of investments	18,281	26,744	-	9,000
Purchase of investments	(107,118)	(34,940)	-	(12,797)
Investment income received on investments	2,087	1,131	19	711
Net cash provided by (used in) investing activities	(86,750)	(7,065)	19	(3,086)
Change in cash and cash equivalents	10,269	2,481	(1,772)	186
Cash and cash equivalents at January 1	28,675	20,051	17,090	1,951
Cash and cash equivalents at December 31	\$ 38,944	\$ 22,532	\$ 15,318	\$ 2,137
<b>Reconciliation of net operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 29,548	\$ 34,632	\$ (180)	\$ 2,388
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	7,188	17,094	9	1,308
Change in assets, liabilities, deferred outflows and deferred inflows:				
Decrease (increase) in receivables	2,341	1,296	216	1,858
Decrease (increase) in due from other funds	-	5,803	(2,181)	(235)
Decrease (increase) in prepaid expenses	2	-	-	-
Decrease (increase) in inventory of supplies	(423)	(352)	-	-
Increase (decrease) in accounts payable and customer deposits	(3,305)	(897)	342	(6)
Increase (decrease) in retainage payable	(1,065)	(3,347)	-	74
Increase (decrease) in due to other funds	17,424	-	(1,650)	(347)
Increase (decrease) in due to other governments	(40)	(245)	-	(54)
Increase (decrease) in other current liabilities	-	-	-	-
Increase (decrease) in compensated absences payable	146	(154)	153	63
Decrease (increase) in deferred outflows - pension	2,531	3,543	1,580	1,288
Increase (decrease) in deferred inflows - pension	2,491	2,208	1,326	504
Increase (decrease) in net pension liability	(3,924)	(5,223)	(2,163)	(1,525)
Decrease (increase) in deferred outflows - OPEB	(1,212)	(802)	(597)	(66)
Increase (decrease) in deferred inflows - OPEB	1,230	1,072	647	235
Increase (decrease) in net OPEB liability	1,171	544	707	143
Net cash provided by (used in) operating activities	\$ 54,103	\$ 55,172	\$ (1,791)	\$ 5,628

See accompanying notes to the basic financial statements.



			Governmental Activities
	Total Enterprise Funds		Internal Services Funds
	\$ 207,506	\$ 19,321	
	(43,464)	(8,453)	
	(51,476)	(22,408)	
	546	28,748	
	113,112	17,208	
	1,332	-	
	(1,811)	(16,770)	
	(479)	(16,770)	
	773	-	
	(95,586)	(140)	
	10	336	
	(38,895)	(1,181)	
	(5,729)	-	
	140,324	-	
	23,183	-	
	(82)	-	
	93	-	
	(28,678)	(154)	
	(4,587)	(1,139)	
	54,025	-	
	(154,855)	-	
	3,948	-	
	(96,882)	-	
	11,164	(701)	
	67,767	701	
	\$ 78,931	\$ -	
	\$ 66,388	\$ 21,394	
	25,599	1,479	
	5,711	(742)	
	3,387	(1,915)	
	2	(4,195)	
	(775)	62	
	(3,866)	775	
	(4,338)	-	
	15,427	(562)	
	(339)	-	
	-	(518)	
	208	66	
	8,942	1,872	
	6,529	1,833	
	(12,835)	(3,002)	
	(2,677)	(580)	
	3,184	944	
	2,565	297	
	\$ 113,112	\$ 17,208	

**City of Toledo, Ohio**  
**Statement of Fiduciary Net Position**  
**Custodial Funds**  
**December 31, 2020**  
**(Amounts in Thousands)**

	<u><b>Custodial Funds</b></u>
<b>ASSETS</b>	
Cash and cash equivalents - other	\$ 293
Receivables (net of allowances)	<u>19,209</u>
Total assets	<u>19,502</u>
<b>LIABILITIES</b>	
Due to other:	
Governments	<u>312</u>
<b>NET POSITION</b>	
Restricted for other governments	<u>\$ 19,190</u>

See accompanying notes to the basic financial statements.

**City of Toledo, Ohio**  
**Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**For the Year ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Custodial Funds</b>
<b>ADDITIONS</b>	
Fines and forfeitures for other governments	\$ 7,742
Licenses, permits, and fees for other governments	34
Special assessments collected for other governments	<u>2,457</u>
Total additions	<u>10,233</u>
<b>DEDUCTIONS</b>	
Fines and forfeiture distributions to other governments	8,022
Licenses, permits, and fee distributions to other governments	34
Special assessments distributed to other governments	<u>2,574</u>
Total deductions	<u>10,630</u>
Net decrease in fiduciary net position	(397)
<b>Net position at January 1 - restated (Note 16)</b>	<u>19,587</u>
<b>Net position at December 31</b>	<u><u>\$ 19,190</u></u>

See accompanying notes to the basic financial statements.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

The City of Toledo, Ohio (the “City”) was incorporated January 7, 1837 and operates under its Charter adopted in November 1914. The City may exercise all powers of local self-government granted under Article XVIII, Section 3, of the Ohio Constitution, not in conflict with applicable general laws of Ohio. The Charter provides that the City operate under the strong mayor/council form of government.

The Financial Statements of the City have been prepared in conformity with Accounting Principles Generally Accepted in the United State of America (GAAP) as applied to local government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the City’s accounting policies are described below.

**Reporting Entity**

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the Financial Statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. The reporting entity of the City includes the following services as authorized by its Charter: Public Safety, Highways and Streets, Water and Sanitation, Health and Social Services, Culture-Recreation, Public Improvements, Planning and Zoning and General Administrative Services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing body, and (1) the City is able to significantly influence the programs and services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves their budget, the issuance of their debt, or the levying of taxes for the organization. The City has one component unit.

**Component Unit**

*Toledo Community Improvement Corporation*

The Toledo Community Improvement Corporation (TCIC) is the City of Toledo’s designated agency and instrumentality for industrial, commercial, distribution and research development. The TCIC board is made up of nine members, all of which are appointed by the City. The TCIC is considered a blended component unit of the City, but there is no financial activity for the 2020 fiscal year, and therefore no activity is reflected in this report.

**Jointly Governed Organizations**

*City of Toledo-City of Rossford MUD*

In February 1992, the City entered into a contract with the City of Rossford to create a Joint Economic Development Zone (JEDZ) under Ohio Rev. Code 715.69. However, on June 5, 2014 this code section was repealed. The entity entered into a new contract under Ohio Rev. Code 714.84(J) to create a Municipal Utility District (MUD). The new agreement is a contract for shared services between two municipalities and is not a separate entity. The purpose of this contract is to facilitate planned, orderly, new and expanded commercial and industrial growth within the region; creating retaining and enhancing employment opportunities for the benefit of the City of Toledo and the City of Rossford and their residents and all of the residents of the region.

The MUD has helped foster successful retail and other developments in the MUD. The agreement results in an income tax that shall be imposed based on the City of Rossford’s Municipal Code at a rate of 2.25%. The City will receive approximately 27.33% of the net revenues generated by this agreement. The City did not receive revenues from the MUD in 2020.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Jointly Governed Organizations (continued)**

*City of Toledo-City of Maumee-Monclova Township*

In October 2003 and amended in 2010, the City entered into a contract with the City of Maumee and Monclova Township to create a JEDZ. The purpose of this contract is to facilitate planned, orderly, new, and expanded commercial and industrial growth within the region; creating retaining and enhancing employment opportunities for the benefit of the City of Toledo, the City of Maumee and Monclova Township, and their residents and all of the residents of the region. The agreement results in an income tax that shall be imposed based on the City of Maumee's Municipal Code at a rate of 1.5%. The City will receive one-fourth of the net revenues generated by this agreement. The City received \$1,127 in revenues from the JEDZ in 2020.

*City of Toledo-City of Sylvania*

In July 2008, the City entered into a revenue sharing contract with the City of Sylvania. The purpose of this contract is to facilitate new and expanded commercial growth or economic development in the State and the City of Sylvania. The agreement results in an income tax that shall be imposed based on the City of Sylvania's Municipal Code at a rate of 1.5%. The City will receive 40% of the net revenues in excess of the baseline revenues established yearly generated by this agreement. The City did not receive revenues from this agreement in 2020.

*City of Toledo-Perrysburg Township*

In October 2008, the City entered into a contract with Perrysburg Township to create a Joint Economic Development District (JEDD). The purpose of this contract is to facilitate economic development; create or preserve jobs and employment opportunities and to improve the economic welfare of the people and businesses located in the State, Township, City and District. The agreement results in a payroll income tax that shall be imposed based on the City's Municipal Code at a rate of 2.25% paid by employees of businesses located in the District. The City will receive the first \$223 of revenues and 50% of the remaining revenues generated by this agreement. The City received \$37 in revenues from the JEDD in 2020.

*City of Toledo-Lake Township*

In August 2009, the City entered into a contract with Lake Township to create a JEDD. The purpose of this contract is to facilitate economic development; create or preserve jobs and employment opportunities and to improve the economic welfare of the people and businesses located in the State, Township, City and District. The agreement results in an income tax that shall be imposed based on the City's Municipal Code at a rate of 2.25%. The City will receive 40% of the net revenues generated by this agreement. The City did not receive revenues from the JEDD in 2020.

*City of Toledo-Troy Township*

In September 2010, the City entered into a contract with Troy Township to create a JEDD. The purpose of this contract is to facilitate economic development; create or preserve jobs and employment opportunities and to improve the economic welfare of the people and businesses located in the State, Township, City and District. The agreement results in an income tax that shall be imposed based on the City's Municipal Code at a rate of 2.25%. The City will receive 40% of the net revenues generated by this agreement. The City received \$471 in revenues from the JEDD in 2020.

*City of Toledo-Monclova Township-Swanton Township (Toledo Express Airport JEDD, or TEA JEDD)*

In October 2015, the City entered into a contract with Monclova and Swanton Townships to create a JEDD at the Toledo Express Airport. The purpose of this contract is to facilitate economic development; create or preserve jobs and employment opportunities and to improve the economic welfare of the people and businesses located in the Townships, the City, the State, and the County. The agreement results in an income tax that shall be imposed based on the City's Municipal Code at a rate of 0.5% for 2016; 1% for 2017, and 1.5% for 2018 and years after. The City will receive one third of the net revenues generated by this agreement. The City received \$101 in revenues from the JEDD in 2020.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Jointly Governed Organizations (continued)**

*Incarceration Agreements with Other Governments*

In 1987, Toledo entered into a joint contractual agreement with five counties (Defiance, Fulton, Henry, Lucas and Williams) to form the Corrections Commission of Northwest Ohio (Commission) to oversee the construction and operation of a regional jail. The mission of the Commission was to protect the public, employees and offenders, while operating a cost-effective detention center. In 2016, the City entered into a distinctly separate agreement with Lucas County for incarceration costs formerly associated with the Commission. The agreement called for the City to pay Lucas County for 20 beds specifically reserved for offenders charged under the Toledo Municipal Code. Nearing the end of 2017, the City established an agreement for incarceration costs with Wood County, which reserved 10 beds for the City for offenders charged under the Toledo Municipal Code. In 2020, Toledo paid Wood County \$238 under this agreement. Then in January 2021, the City entered into a new contract with Lucas County, which reserves and guarantees 5 bed for offenders convicted under Toledo Municipal Code at a per diem rate established by the Commission and paid on a quarterly basis. The per diem rate of 2021 is \$71.85.

**Basis of Presentation**

The City's basic Financial Statements consist of Government-Wide Statements, including a Statement of Net Position and Statement of Activities, as well as Fund Financial Statements which provide a more detailed level of financial information. The Government-Wide Statements report all of the assets, deferred outflows, liabilities, deferred inflows, revenues and expenses of the City. Governmental Activities are reported separately from Business-Type Activities. Governmental Activities are normally supported by taxes and intergovernmental revenue whereas Business-Type Activities are normally supported by financially self-sustaining fees and charges for services. Fiduciary Funds of the City are not included in these Government-Wide Financial Statements; however, separate Financial Statements are presented for the Fiduciary Funds.

*Government-Wide Financial Statements:*

The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except Fiduciary Funds. The activities of the Internal Service Funds are eliminated to avoid doubling up revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are Governmental and those that are considered Business-Type Activities.

The Statement of Net Position presents the financial condition of the Governmental and Business-Type Activities of the City at year-end.

The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's Governmental Activities and Business-Type Activities. Direct expenses are those are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipient of the goods and services offered by the program and (b) grants and contributions that are restricted to meeting the operational and capital requirements of a particular program. Revenues not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements:*

During the year, the City segregates transactions related to specific City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund Financial Statements are designed to present financial information of the City at a more detailed level. The focus of Governmental and Enterprise Funds Financial Statements is on Major Funds. Each Major Fund is presented in a separate column. Non-Major Funds are aggregated and presented in a single column. Internal Service Funds are aggregated and presented in a single column on the Proprietary Fund Statements. Fiduciary Funds are reported by type.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The City's funds are classified as Governmental, Proprietary and Fiduciary.

*Governmental Funds:*

Governmental Funds are those through which most governmental functions typically are financed. Governmental reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various Governmental Funds according to the purposes for which they may or must be used. Current Liabilities are assigned to the fund from which they will be paid. The difference between Governmental Fund Assets, Liabilities and Deferred Inflows is reported as Fund Balance. The following are the City's major Governmental Funds:

*General Fund:* Accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*Capital Improvements Fund:* Accounts for construction, improvements and acquisition of building and infrastructure.

*Special Assessment Services Fund:* Accounts for the proceeds of special assessments (and related note sales) levied against property owners benefiting from the City's services: street cleaning, street lighting, surface treatment, weed cutting, snow removal and tree and ditch maintenance.

Other governmental funds of the City are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

*Proprietary Funds:*

Proprietary Fund reporting focuses on changes in net position, financial position and cash flows.

*Enterprise Funds:* Enterprise 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 costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

The City has separate Enterprise Funds for the following major enterprises: water, sewer, and utility administrative services.

*Water:* To account for the operations of the water treatment and distribution systems operated of the City using Lake Erie as the water supply. The Department also provides water services to several areas outside of the City. Revenue is generated by charges set at a level sufficient to cover outstanding debt requirements while providing funds for the operation and maintenance of the water operating and distribution system.

*Sewer:* To account for the operations of the sanitary sewage collection and treatment systems operated of the City. Revenue is generated by charges that are set a level sufficient to provide funds for the costs of operating, maintaining and providing necessary replacements and improvements and for the debt service requirements on outstanding debt.

*Utility Administrative Services:* To provide comprehensive billing, collections and customer services/relations in an efficient, cost-effective and responsive manner to residents, businesses and governmental jurisdictions within the greater Toledo metropolitan areas, as well as administrative support for the Department of Public Utilities. Senior clerks are available to assist with water/sewer service contracts, billing problems, inspections, payment agreements, remote installations and many other customer service needs.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Fund Accounting (continued)**

The other enterprise funds of the City are used to account for storm sewer, property management, small business development, municipal tow lot, marina, and Toledo public power operations.

*Internal Service Funds:* Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, generally on a cost-reimbursement basis. The City's internal service funds account for municipal garage operations, capital replacement, storeroom and printshop services, information technology services, risk management, facility operations, workers' compensation, and healthcare self-insurance.

*Fiduciary Funds:*

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial Funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary funds are Custodial Funds. Custodial Funds are used to account for building standards fee assessments on both residential permits (1% assessment) and commercial permits (3% assessment) that are collected by the City and remitted to the State of Ohio, an Ohio Environmental Protection Agency (EPA) surcharge related to landfill operations that are collected by the City and remitted to the State of Ohio EPA, fines and fees collected by the Toledo Municipal Court and remitted to other governments (excluding those remitted or due to the City of Toledo), and for special assessments collected for and remitted to various Energy Special Improvement District's and the Downtown Toledo Improvement District.

**Measurement Focus**

*Government-Wide Financial Statements:*

The Government-Wide Financial Statements are prepared using the economic resources measurement focus. All assets, deferred outflow of resources, liabilities and deferred inflow of resources associated with the operation of the City are included on the Statement of Net Position, except Fiduciary Funds. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in net position.

*Fund Financial Statements:*

All Governmental Funds are accounted for using a flow of current financial resources measurement focus. Using this method, only current assets, current liabilities and deferred inflows of resources are generally included on the Balance Sheet. The Statement of Revenue, Expenditures, and Changes in Fund Balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the Governmental Activities of the Government-Wide Financial Statements are prepared. Governmental Fund Financial Statements therefore include reconciliations with brief explanations to better identify the relationship between the Government-Wide Statements and the Statements for Governmental Funds.

Like the Government-Wide Statements, all Proprietary Funds are accounted for on a flow of economic resources measurement focus. All assets, deferred outflow of resources, liabilities and deferred inflow of resources associated with the operation of these funds are included on the Statement of Net Position. The Statement of Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its Proprietary Activities.



**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Measurement Focus (continued)**

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues are those revenues that are generated directly from the primary activity of the Proprietary Funds. For the City, these revenues are charges for services for all major and non-major Proprietary Funds and charges for goods and services to other departments provided by the Internal Service Funds. Operating expenses are necessary costs incurred to provide the goods and services that are the primary activity of the fund.

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

**Basis of Accounting**

Basis of Accounting determines when transactions are recorded in the financial records and reported on the Financial Statements. The Government-Wide as well as the Fiduciary Funds and Proprietary Fund Financial Statements are prepared using the accrual basis of accounting. The Governmental Funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflow of resources and in the presentation of expenses versus expenditures.

*Revenues – Exchange and Non-Exchange Transactions*

Revenue resulting from Exchange Transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Under the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities for the current fiscal year. For the City, available means expected to be received within sixty days after year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Under the accrual basis, revenue from income taxes is recognized in the period in which the income is earned (see Note 4). Revenue from property taxes is recognized in the year in which the taxes are levied (see Note 5). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, state-levied local shared taxes (including gasoline taxes, local government funds and permissive taxes), fines and forfeitures, licenses and permits, interest, grants and rentals.

*Deferred Outflows of Resources and Deferred Inflows of Resources*

In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, see Note 13 and Note 14 for deferred outflows of resources related the City's net pension liability and net OPEB liability, respectively.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Basis of Accounting (continued)**

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes 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 of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the City, see Note 13 and Note 14 for deferred inflows of resources related to the City's net pension liability and net OPEB liability, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

*Expenses/Expenditures*

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of Governmental Fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in Governmental Funds.

**Budgetary Information**

Annual budgets are adopted on a GAAP basis for all Governmental Funds, other than Capital Projects Funds, and all Proprietary Funds. On a GAAP basis, revenues are recorded when earned and expenditures are recorded when incurred. Capital projects funds adopt project-length budgets at the time bonds are sold or other funding sources are determined. The City maintains budgetary controls by not permitting expenditures to exceed appropriations at the account for each division within each fund.

**Cash and Cash Equivalents**

Cash balances of the City's Governmental Activities and Governmental Funds are pooled and invested in order to provide improved cash management. Monies for these funds are maintained in this pool. All of the City's depository accounts for the Governmental Activities and Governmental Funds are maintained and reported by the General Fund as "Cash and Cash Equivalents with Treasurer". The Business-type Activities and Proprietary Funds hold their own bank statements and cash is maintained in these respective funds as "Cash and Cash Equivalents with Treasury".

Cash and cash equivalents held by escrow represent amounts held by third parties for debt service requirements and capital lease proceeds remaining to be spent. These amounts are reported as "Cash and Cash Equivalents Held by Escrow Agent".

During 2020, investments were limited to nonnegotiable certificates of deposit (nonnegotiable CD's), Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Bank (FHLB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, Municipal Bonds, and State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investments in STAR Ohio and nonnegotiable CD's, investments are reported at fair value, which is based on quoted market prices. Investments in STAR Ohio are reported at amortized cost and investments in nonnegotiable CD's are reported at cost.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Cash and Cash Equivalents (continued)**

During 2020, the City invested in STAR Ohio. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

For the purposes of the Statement of Cash Flows, the Proprietary Funds consider all highly liquid investments held by Treasurer with an original maturity date of three months or less when purchased, to be Cash Equivalents. In addition, all cash with Treasurer and other cash are also considered to be Cash Equivalents because they are available to the Proprietary Fund on demand.

**Inventory of Supplies**

Inventories are valued at cost in utilizing the First-In, First-Out (FIFO) method for both Governmental Funds and Proprietary Funds and are expensed when used.

**Prepayments**

Payments made to vendors for services that benefit future periods are recorded as prepayments in both government-wide and fund financial statements. A current asset for the prepaid amount is recorded at the time of purchase, and the expenditure is reported in the year in which services are consumed.

**Restricted Assets**

Restricted Assets are those that are legally restricted in use by bond indentures, or other legal instruments.

**Capital Assets**

Capital assets are defined by the government as anything purchased by, donated, or otherwise acquired by the City that has an initial, individual cost of more than \$5,000 (amount not in thousands) and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. In the case of the initial capitalization of infrastructure assets (i.e., those reported by governmental activities) the City includes all such items regardless of their acquisition date. The City's intangible assets include right of way and computer software. Donated capital assets are recorded at their acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of the assets are not capitalized. Major outlays for capital assets and improvements are capitalized, as projects are constructed. Interest incurred during the construction phase of proprietary capital assets is included as part of the capitalized value of the assets constructed.

Capital assets, including property, plant, equipment, intangible assets and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City infrastructure consists of bridges, curbs and gutters, lighting, sidewalks, roads, drainage systems and water and sewer lines. All reported capital assets, except land, right of way and construction in progress, are depreciated using the straight line method over the following estimated useful lives, and these estimated useful lives may be periodically adjusted:

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Capital Assets (continued)**

<u>Description</u>	<u>Estimated Useful Life</u>
Auto/Vehicle Equipment	5-15 years
Buildings	20-40 years
Distribution Systems	100 years
Furniture and Fixtures	5-15 years
Infrastructure (Roads, Bridges, Culverts)	20-40 years
Improvements (non-Building)	10-20 years
Intangible Assets	5 years
Machinery and Equipment	5-20 years

The City updated the capital asset policy in 2016 to move the capitalization threshold from \$500 to \$5,000 (amounts not in thousands). Assets depreciated under the previous methodology continue their original depreciation and remain a part of the City's financial statements until disposed.

**Interfund Balances**

On fund financial statements, receivables and payables resulting from the routine lag between the dates interfund goods and services are provided or reimbursable expenditures occur are classified as "due to/from other funds." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as a component of the internal balance reported on the statement of net position.

**Interfund Transactions**

Transfers between Governmental and Business-Type Activities on the Government-Wide Statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in seller funds, and expenditures/expenses in purchaser funds. Flows of cash or goods from one fund to another without a repayment requirement are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in Governmental Funds and after non-operating revenues/expenses in Proprietary Funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the basic Financial Statements.

**Compensated Absences**

The City follows the provisions of Governmental Accounting Standards board No. 16, *Accounting for Compensated Absences*. Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the city will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation and compensatory time when earned for all employees with more than one year of service.

Sick leave benefits are accrued using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at the Balance Sheet date, and reduced to the maximum payments allowed by labor contract and/or statute, plus applicable additional salary related payments. City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation and sick leave at various rates.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Compensated Absences (continued)**

The entire compensated absence liability is reported on the Government-Wide Financial Statements.

On Governmental Fund Financial Statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due during each period upon the occurrence of employee resignations and retirements. For Proprietary Funds, the entire amount of compensated absences is reported as a fund liability.

**Pensions/Other Postemployment Benefits (OPEB)**

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

**Accrued Liabilities and Long-Term Obligations**

All payables and accrued liabilities and long-term obligations payable from the Governmental Funds are reported in the Government-Wide Financial Statements and all payables, accrued liabilities and long-term obligations payable from Proprietary Funds are reported on the Proprietary Fund Financial Statements.

In general, once Governmental Fund payables and accrued liabilities are incurred, they are paid in a timely manner and in full from current financial resources and reported as obligations of the funds. However, claims, judgments and compensated absences that will be paid from Governmental Funds are reported as a liability in the Fund Financial Statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the Fund Financial Statements when due.

**Debt Insurance Costs, Premiums, Discounts and Deferred Amount on Refunding**

On Government-Wide Financial Statements, prepaid bond insurance costs are deferred and amortized over the term of the bonds using the straight-line method. Unamortized bond insurance costs are reported as a separate line item on the Statement of Net Position as an asset.

Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds. Bond discounts are presented as a reduction of the face amount of the bonds.

For advance refunding resulting in the defeasance of debt in the Government-Wide Financial Statements and in the Proprietary Funds, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction from the face amount of the new debt.

**Fund Balance Classifications**

Fund Balance for Governmental Funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is "bound to honor constraints on the specific purposes for which amounts in the fund can be spent" in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Fund Balance Classifications (continued)**

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

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

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

*Committed* - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of the City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. Fund balance commitments are established, modified or rescinded by City Council action through passage of an ordinance.

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted nor committed. Assigned Fund Balance includes amounts that have been intended use by City Council. City Council demonstrates its intent for use of assigned amounts through passage of appropriation legislation or resolution.

*Unassigned* - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City considers restricted amounts to have been spent when expenditure is incurred for purposes of which both restricted and unrestricted Fund Balance is available. The City does not have a formal policy for its use of unrestricted Fund Balance amounts; therefore, it considers committed amounts used first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted Fund Balance classification could be used. See Note 12 for further detail on the components of fund balance classifications at year end.

**Estimates**

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the Financial Statements and accompanying notes. Actual results may differ from those estimates.

**Net Position**

Net Position represents the difference between assets, deferred outflow of resources, liabilities and deferred inflow of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances for any borrowing used for the acquisition, construction or improvement of those assets. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by the creditors, grantors or laws or regulation of other governments.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

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

**Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, grants or outside contributions of resources restricted to capital acquisition and construction, or capital assets that are purchased by a fund and then transferred to another fund.

**NOTE 2 – DEPOSITS AND INVESTMENTS**

The City's investment policy allows for the following types of deposits and investments:

1. Direct obligations of the United States which include, but are not limited to, Treasury certificates, bills, bonds, notes as well as United States Treasury obligations, State and Local Government Series;
2. Bonds, notes, debentures or any other obligation or securities issued by the following Federal Government agencies or instrumentalities: Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank and Federal Home Loan Mortgage Corporation;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement is at least equal to 100% of the price at which the repurchase securities are to be repurchased from the City, or such greater percentage as is agreed upon by the seller and the City prior to or upon entering into a particular transaction;
4. Bonds, notes and other negotiable instruments evidencing the obligation of the City to pay money;
5. Bonds, notes and other negotiable instruments of political entities other than the City which are rated at the time of acquisition by Moody's or Standard and Poor's in at least the third highest category when rated with a long term rating or in the highest category when rated with a short term rating;
6. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Demand deposits which are deposited with an institution having all of the qualifications of a depository except that it needs only have an office located in the State rather than in the City and payable on demand of the City. Such deposits may include interest-bearing or non-interest bearing checking accounts, NOW accounts, savings accounts and other similar accounts authorized by the Federal Reserve Bank Board or the Federal Home Bank Board;
8. Non-demand savings accounts which are deposited in an institution having all of the qualifications of a depository except that it need only have an office located in the State rather than in the City that are not payable on demand but, instead, are payable at a certain date;
9. Negotiable or non-negotiable interest-bearing time certificates of deposit representing deposits of the City placed in an institution having all of the qualifications of a Depository except that it need only have an office located in the State rather than in the City;
10. Federally insured certificates of deposit initiated through a Federal Deposit Insurance Corporation member bank or savings and loan association having an office in Lucas County and under an arrangement whereby the full amount of the deposit is allocated among a reciprocal network of participating Federal Deposit Insurance Corporation member banks or savings and loan associations, wherever located, such that full amount of the City's deposit is covered by federal deposit insurance; and

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 2 – DEPOSITS AND INVESTMENTS (continued)**

11. The STAR Plus Federally Insured Cash Account, an investment program offered in conjunction with STAR Ohio under which funds invested through the program are deposited in various federally insured banks, savings banks or savings and loan associations located anywhere in the United States in such a manner that the full amount of the public moneys deposited is covered by federal deposit insurance.

A qualified depository is a bank, trust company or savings and loan association organized under the laws of the State or under the laws of the United States, doing business and situated in the State and:

1. Has an office located in the City which is capable of providing services requested by the City;
2. Has deposits which are insured by the Federal Deposit Insurance Corporation;
3. Has Equity Capital in excess of \$50 million or has been approved by an ordinance of City Council following completion of the appeal process;
4. Carries a holding company Long Term Issuer Default Rating by Fitch of BBB or better; and
5. Provides collateralization as required by the City's Municipal Code.

An investment must mature within three years from the date of purchase unless matched to a specific obligation or debt of the City. Investments may only be made through specified dealers and institutions. Payments for investments may be made only upon delivery of the securities representing the investments to the Finance Director or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Protection of the deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**Cash and Cash Equivalents Held by Escrow Agent**

Cash and cash equivalents held by escrow represent amounts held by third parties for debt service requirements and capital lease proceeds remaining to be spent. At December 31, 2020, the City had un-invested cash in the amount of \$39,317 being held by a third-party trustee. In addition, at December 31, 2020, the City had \$191 of restricted investments which are being held by a third-party trustee as fiscal agent for future debt service payments.

**Cash and Cash Equivalents Other**

At December 31, 2020, the amount recorded by the City's for the Toledo Municipal Courts was \$561. Of this total, \$182, \$86, and \$293, was reported in the City's General Fund, Nonmajor Governmental Funds, and Custodial Fund, respectively, at December 31, 2020. The bank balance of monies held by the Toledo Municipal Courts was \$989 at December 31, 2020. Of the bank balance, the Federal Depository Insurance Corporation (FDIC) will cover up to \$250 per account with any excess being collateralized through the Ohio Pooled Collateral System (OPCS).

The City maintains various petty cash accounts. The carrying amount of these accounts are reported in the Utility Administrative Services Fund, Water Fund, General Fund, and Nonmajor Governmental Funds are \$591, \$1, \$9, and \$2 respectively.

**Deposits with Financial Institutions**

At December 31, 2020, the carrying amount of all City deposits, including \$17,250 of nonnegotiable certificates of deposit, was \$57,139 and the bank balance was \$59,336. Of the bank balance, the Federal Depository Insurance covers up to \$250 per account. Bank balances not covered by the FDIC were collateralized through the OPCS.



**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 2 – DEPOSITS AND INVESTMENTS (continued)**

**Deposits with Financial Institutions (continued)**

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City's investment policy on deposits requires that they be insured by FDIC or collateralized by the financial institution. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a reduced rate set by the Treasurer of State. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

**Investments**

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

Measurement/ Investment type	Measurement Value	Investment Maturities		
		1 Year or Less	1 to 3 Years	4 to 5 Years
Fair Value:				
FFCB	\$ 29,616	\$ -	\$ 19,117	\$ 10,499
FHLB	25,399	-	3,991	21,408
FHLMC	51,411	-	23,472	27,939
FNMA	33,115	-	7,003	26,112
Municipal Bonds	154,921	38,104	111,434	5,383
Amortized Cost:				
STAR Ohio	195,058	195,058	-	-
Total	<u>\$ 489,520</u>	<u>\$ 233,162</u>	<u>\$ 165,017</u>	<u>\$ 91,341</u>

*Fair Value Measurement:* The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City's investments in federal agency securities (FFCB, FHLB, FHLMC, FNMA) and Municipal Bonds are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

The City follows GASB Statement No. 40, *Deposits and Investment Risk Disclosure*, which requires certain disclosures related to the interest rate, custodial, credit, foreign currency and concentration of credit risks associated with interest-bearing investments.

*Interest Rate Risk* arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy generally limits security purchases to those that mature within three years of the settlement date unless the maturity is matched with a specific cash requirement which states that the maturity cannot exceed seven years of the settlement date. The City's investment policy addresses interest risk requiring the consideration of market conditions and cash flow requirements in determining the term of the investments.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

**NOTE 2 – DEPOSITS AND INVESTMENTS (continued)**

**Investments (continued)**

*Custodial Risk* for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payments for investments prior to the delivery of the securities representing such investments to the Finance Director or qualified trustee.

*Credit Risk* for investments is addressed by the City's investment policy requirement that all investments are authorized by Code and that the portfolio be diversified both by types of investment and issuer. The City's investments in federal agency securities were rated AA+ by Standard & Poor's and Aaa by Moody's. Standard & Poor's has assigned STAR Ohio an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard service rating.

*Foreign Currency Risk* is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The City's investment policy does not allow for investment in foreign accounts.

*Concentration of Credit Risk* is defined by GASB as five percent or more in the securities of a single issuer. The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The City places the following limitations on the amount that can be invested in any one issuer:

1. City funds either invested in certificates of deposit or deposited in non-demand savings accounts with any one depository shall not exceed 10 percent of the aggregate principal amount of the City's investment portfolio.
2. City funds invested in certificates of deposits in a depository may not exceed 10 percent of the equity capital of the depository at any one time.
3. No more than \$10 million may be invested at any one time through repurchase agreements with any one institution.
4. No more than 40 percent of the aggregate principal amount of the City's investment portfolio shall be invested at any one time in STAR Ohio. Within this 40 percent, up to \$15,000 may be further invested through a STAR Plus Federally Insured Cash Account.
5. No obligation of any of the government agencies or instrumentalities shall be purchased if such purchase would cause more than 25 percent of the aggregate principal amount of the City's investment portfolio as of the settlement date to be invested in the obligations of that individual government agency or instrumentality.
6. The maximum aggregate amount that may be invested for a period longer than 3 years for any one fund shall be 25 percent of the lowest total of all outstanding investments for that fund which occurred during the 12 months immediately prior to the purchase of any security with maturity longer than 3 years. Compliance with this limitation shall be determined as of the settlement date only.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

**NOTE 2 – DEPOSITS AND INVESTMENTS (continued)**

**Investments (continued)**

As of December 31, 2020, the City had the following investment concentrations:

<u>Measurement/ Investment type</u>	<u>Measurement Amount</u>	<u>% of Total</u>
Fair Value:		
FFCB	\$ 29,616	6.05%
FHLB	25,399	5.19%
FHLMC	51,411	10.50%
FNMA	33,115	6.76%
Municipal Bonds	154,921	31.65%
Amortized Cost:		
STAR Ohio	<u>195,058</u>	<u>39.86%</u>
Total	<u>\$ 489,520</u>	<u>100.00%</u>

**Reconciliation of Cash and Investments Disclosed to Financial Statements**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the financial statements as of December 31, 2020:

<u>Cash and Investments per Note</u>	
Carrying Amount of Deposits	\$ 57,139
Investments	489,520
Cash and Cash Equivalents Held by Escrow Agent	39,317
Cash and Cash Equivalents Other	<u>1,164</u>
Total	<u>\$ 587,140</u>
<u>Cash and investments on Financial Statements</u>	
Governmental Activities	\$ 143,769
Business-Type Activities	443,078
Fiduciary Activities	<u>293</u>
Total	<u>\$ 587,140</u>

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
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**NOTE 3 – RECEIVABLES**

Receivables at December 31, 2020 consist of the following:

	Taxes	Customer and Other	Special Assessments	Notes Receivable
<b><i>Governmental Funds:</i></b>				
General	\$ 42,314	\$ 5,516	\$ -	\$ -
Capital Improvements	-	2,106	-	-
Special Assessments Services	-	147	55,673	-
Nonmajor Governmental Funds	-	8,825	1,162	30,614
Total Governmental Funds	<u>42,314</u>	<u>16,594</u>	<u>56,835</u>	<u>30,614</u>
<b><i>Enterprise Funds:</i></b>				
Water	-	17,299	-	-
Sewer	-	31,119	-	-
Utility Administrative Services	-	248	-	-
Nonmajor Enterprise Funds	-	5,371	-	19,170
Total Enterprise Funds	<u>-</u>	<u>54,037</u>	<u>-</u>	<u>19,170</u>
Internal Service Funds	<u>-</u>	<u>1,044</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 42,314</u>	<u>\$ 71,675</u>	<u>\$ 56,835</u>	<u>\$ 49,784</u>
			Less:	
	Interest Receivable	Gross Receivables	Allowance for Uncollectibles	Receivables Net
<b><i>Governmental Funds (continued):</i></b>				
General	\$ 355	\$ 48,185	\$ (7,013)	\$ 41,172
Capital Improvements	-	2,106	(5)	2,101
Special Assessments Services	-	55,820	-	55,820
Nonmajor Governmental Funds	-	40,601	(29,524)	11,077
Total Governmental Funds	<u>355</u>	<u>146,712</u>	<u>(36,542)</u>	<u>110,170</u>
<b><i>Enterprise Funds (continued):</i></b>				
Water	396	17,695	(4,032)	13,663
Sewer	277	31,396	(8,420)	22,976
Utility Administrative Services	-	248	-	248
Nonmajor Enterprise Funds	154	24,695	(16,856)	7,839
Total Enterprise Funds	<u>827</u>	<u>74,034</u>	<u>(29,308)</u>	<u>44,726</u>
Internal Service Funds	<u>-</u>	<u>1,787</u>	<u>(347)</u>	<u>1,440</u>
Total	<u>\$ 1,182</u>	<u>\$ 222,533</u>	<u>\$ (66,197)</u>	<u>\$ 156,336</u>

Receivables have not been disaggregated on the face of the basic financial statements. The only receivable not expected to be collected within the subsequent year are special assessments which are collected over the life of the assessment (see Note 9).

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

**NOTE 4 – INCOME TAXES**

For 2020, the City levied a Municipal Income Tax of 2.25% on substantially all income earned within the City. The residents of the City are required to pay income tax on the income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100% of the City's current income tax rate. The City income tax also applies to the net income of businesses located or doing business within the City limits. Of the 2.25% income tax, the first 1.5% is a permanent levy, of which 0.25% is dedicated to capital improvements. The remaining 0.75% was renewed in January 1, 2017 for an additional four years, of which 0.25% is also dedicated for capital improvements. The required transfers to the Capital Improvements Fund for 2020 have been completed.

In November 2020, the City's voters renewed the 0.75% income tax and approved the City to use 0.25% of the 0.75% for operating expenses rather than capital improvements. This allows funds to be transferred from the Capital Improvements Fund to the General Fund through December 31, 2024. In addition, the City voters approved an additional 0.25% income tax for a four-year period, which is dedicated to road improvements. This additional 0.25% income tax becomes effective January 1, 2021 and increases the City's total income tax rate to 2.50%.

Employers within the City are required to withhold income tax on employee compensation and to remit the tax to the City either monthly or quarterly. Corporations and certain individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. The City administers the collection of income taxes and the assessments of interest and penalties. Income tax proceeds are to be used to pay the cost of administering the tax and recorded in the General Fund.

**NOTE 5 – PROPERTY TAX**

Property taxes include amounts levied against all real and public utility located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of the preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years.

Real property taxes are payable annually and semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first was due February 6, 2020, with the remainder payable by July 31, 2020.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined at December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 34.4 percent of true value. The 2020 public utility property taxes became a lien on December 31, 2019, were levied on October 1, 2020 and will be collected in 2021 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes.

The County Treasurer collected property taxes on behalf of all taxing districts in the County, including the City of Toledo. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2020 and for which there is an enforceable legal claim. In the Government Funds, the current portion receivable has been offset by deferred inflow of resources since the current taxes were not levied to finance 2020 operations and the collection of delinquent taxes has been offset by deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is reported as a deferred inflow of resources.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
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**NOTE 5 – PROPERTY TAX (continued)**

The full tax rate for all City operations for the year ended December 31, 2020 was \$4.40 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2020 property tax receipts were based are as follows:

Public Utility Real and Tangible Personal Property	\$ 226,582
Real Property (Other than Public Utility)	<u>3,105,943</u>
Total Assessed Value	<u>\$ 3,332,525</u>

*Special Assessment Services, Improvements and Bond Retirement*

The City provides special services primarily for snow removal, leaf pickup, street resurfacing and street lighting. These services are assessed in the real estate tax bills to the benefited property owners. The City pays the actual costs of these services, which are then levied as special assessments and collected two years after the service has been rendered.

Special assessment notes are issued for the interim financing of various improvements to be assessed from benefiting property owners. These improvements include streets, alleys, sanitary sewers, sidewalks, storm sewers and water lines. Upon completion of the approved projects, the notes are converted to long-term bonds, which are assessed over a 5 or 10 year period depending on the type and cost of the improvement.

**NOTE 6 – TAX INCENTIVE AND ABATEMENT PROGRAMS**

Pursuant to GASB Statement No. 77, *Tax Abatement Disclosures*, the City is required to disclose certain information on its use of tax abatement incentives. A tax abatement incentive, under this Statement, is authorized by the Ohio Revised Code (ORC) and/or the Toledo Municipal Code (TMC) and is an agreement between the City and an individual or entity in which the City promises to forgo tax revenue, while the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the City or the citizens of the City.

The City offers the following tax incentive and abatement programs:

**Community Reinvestment Area**

The Ohio Community Reinvestment Area (CRA) program is an economic development tool available to Toledo under ORC 3735 that is used to provide real property tax exemptions for property owners who construct new buildings or renovate existing properties. CRAs are areas of land in which property owners may receive tax incentives for investing in real property improvements. In order to participate in the CRA program, Toledo petitioned the Ohio Development Services Agency (ODSA) for confirmation of a geographic area in which investment in housing has traditionally been discouraged. Once an area is confirmed by the Director of ODSA, communities may offer real property tax exemptions to taxpayers that invest in that area.

The City determines the type of development to support by specifying the eligibility of residential, commercial or industrial projects. The City grants property tax abatements on improvement projects based on the increase in property valuation resulting from the improvements, for up to fifteen years. Participating properties are subject to annual inspections by the CRA Housing Council/Committed of the Toledo Housing Advisory Commission. As of December 31, 2020, the City had 926 participants in the CRA Program and abated \$256 in property taxes. The CRA program impacts the City's General Fund.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 6 – TAX INCENTIVE AND ABATEMENT PROGRAMS (continued)**

**Enterprise Zone Program**

The Enterprise Zone Program is an economic development tool administered by the City of Toledo pursuant to ORC 5709 that provides real and personal property tax exemptions to businesses making investments within an enterprise zone. Enterprise zones are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investment. The Enterprise Zone Program can provide tax exemptions for a portion of the value of new real and personal property investment (when that personal property is still taxable) when the investment is made in conjunction with a project that includes job creation. Existing land values and existing building values are generally not eligible. Businesses may not participate in both the CRA and the Enterprise Zone Programs.

The City determines approval of projects based upon their contribution to the economic welfare of the community, including job creation or retention. Approved projects receive a 100% tax exemption on new real and personal property investment for up to fifteen years, with forty-five percent of the total tax exemption benefit paid to the local school district in which the project is located. Participants are monitored for compliance during the incentive period by the Tax Incentive Review Council. As of December 31, 2020, the City had 2 participants in the Enterprise Zone Program and abated \$77 in real and personal property taxes. The Enterprise Zone Program impacts the City's General Fund.

**Municipal Job Creation Tax Credit (MJCTC)**

Pursuant to ORC 718.15, the City established the MJCTC to create jobs and increase the tax base. Businesses must submit and have their application approved by the State of Ohio's Job Creation Tax Program in order to be eligible under the MJCTC. Businesses must be located within the City of Toledo's State Enterprise Zone or proposed Federal Enterprise Communities Zone and create a minimum of 25 *new*, full-time jobs within three years with hourly wages of at least 150% of the state minimum wage. The tax incentives under the MJCTC include a maximum tax credit of 40% of payroll taxes of eligible full-time employees per year, for up to ten years, for businesses within the State Enterprise Zone. For businesses within the Enterprise Community Zone, the maximum tax credit available is 80% of the total payroll taxes of eligible employees per year, for up to ten years. Participants are monitored for compliance during the incentive period by the Tax Incentive Review Council. As of December 31, 2020, the City had 1 active participating business claiming \$2,137 in aggregate tax credits. The MJCTC program impacts the City's General and Capital Improvement Funds.

**Toledo Expansion Incentive Program**

The purpose of the Toledo Expansion Incentive (TEI) Program is an economic development tool authorized under City of Toledo Ordinance 487-07 and later revised under City of Toledo Ordinance 431-11 to provide significant incentives to attract and grow business in key Standard Industry Classification codes and site locations within the City. The program may be used in conjunction with other financing and incentive programs available through Federal, State, and other local governments. A grant awarded in any one calendar year shall be based upon the amount of growth of an applicant's municipal income taxes actually received and retained by the City during the previous calendar year above specific expected revenue benchmarks as set forth in the TEI Agreement. Approved applicants can receive between 10% - 30% of the growth of yearly municipal income taxes actually paid to and retained by the City based upon the expected revenue benchmarks, up to ten years. An additional 10% grant can be awarded to an entity each year in which it spends at least 15% of its expenses on product research and development activities. As of December 31, 2020, the City had 29 participants and paid \$962 in TEI awards. The TEI program impacts the City's General Fund.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 7 – CAPITAL ASSETS**

The City has restated the capital asset balance of the governmental activities to (1) reclass construction in progress that was previously reported as land, and (2) to adjust machinery and equipment in the internal service funds (included with governmental activities) for capital assets that were disposed in a previous fiscal year (see Note 16). The restatement had the following effect on governmental activities capital asset balances as previously reported:

	Balance 12/31/2019	Restatement	Restated Balance 1/1/2020
<b><i>Governmental Activities:</i></b>			
<i>Capital Assets not being Depreciated:</i>			
Land	\$ 28,547	\$ (1,715)	\$ 26,832
Construction in Progress	221,238	1,715	222,953
Total Capital Assets not being Depreciated	<u>249,785</u>	<u>-</u>	<u>249,785</u>
<i>Capital Assets being Depreciated:</i>			
Buildings	69,674	-	69,674
Furniture & Fixtures	5,463	-	5,463
Improvements	71,731	-	71,731
Infrastructure	743,330	-	743,330
Machinery & Equipment	158,780	(10,908)	147,872
Total Capital Assets being Depreciated	<u>1,048,978</u>	<u>(10,908)</u>	<u>1,038,070</u>
<i>Less: Accumulated Depreciation</i>			
Buildings	39,201	-	39,201
Furniture & Fixtures	5,239	-	5,239
Improvements	40,592	-	40,592
Infrastructure	565,379	-	565,379
Machinery & Equipment	128,214	(3,172)	125,042
Total Accumulated Depreciation	<u>778,625</u>	<u>(3,172)</u>	<u>775,453</u>
Total Capital Assets being Depreciated, net	<u>270,353</u>	<u>(7,736)</u>	<u>262,617</u>
Governmental Activities Capital Assets, net	<u>\$ 520,138</u>	<u>\$ (7,736)</u>	<u>\$ 512,402</u>



**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

**NOTE 7 – CAPITAL ASSETS (continued)**

The following activity occurred during the year related to the City's governmental activities capital assets:

	Restated Balance 1/1/2020	Additions	Deletions	Balance 12/31/2020
<b><i>Governmental Activities:</i></b>				
<i>Capital Assets not being Depreciated:</i>				
Land	\$ 26,832	\$ -	\$ (792)	\$ 26,040
Construction in Progress	222,953	44,986	(133,869)	134,070
Total Capital Assets not being Depreciated	249,785	44,986	(134,661)	160,110
<i>Capital Assets being Depreciated:</i>				
Buildings	69,674	1,600	(14)	71,260
Furniture & Fixtures	5,463	-	(122)	5,341
Improvements	71,731	1,180	-	72,911
Infrastructure	743,330	128,402	(559)	871,173
Machinery & Equipment	147,872	3,150	(7,892)	143,130
Total Capital Assets being Depreciated	1,038,070	134,332	(8,587)	1,163,815
<i>Less: Accumulated Depreciation</i>				
Buildings	39,201	1,455	(9)	40,647
Furniture & Fixtures	5,239	104	(118)	5,225
Improvements	40,592	1,891	-	42,483
Infrastructure	565,379	18,408	(559)	583,228
Machinery & Equipment	125,042	3,791	(6,558)	122,275
Total Accumulated Depreciation	775,453	25,649	(7,244)	793,858
Total Capital Assets being Depreciated, net	262,617	108,683	(1,343)	369,957
Governmental Activities Capital Assets, net	<u>\$ 512,402</u>	<u>\$ 153,669</u>	<u>\$ (136,004)</u>	<u>\$ 530,067</u>

Depreciation expense was charged to functions of the Governmental Activities as follows:

General Government	\$ 687
Public Service	5,038
Public Safety	2,014
Public Utility	15,226
Community Environment	379
Health	970
Parks and Recreation	1,335
Total Depreciation - Governmental Activities	<u>\$ 25,649</u>

The Department of Housing and Neighborhood Revitalization has purchased land and buildings using Block Grant Funds. The intent of such purchases ultimately is to resell the property for a nominal amount to adjacent property owners or developers for redevelopment purposes. As of December 31, 2020, the Department owned approximately 88 parcels at an estimated historical cost of \$1,672. Due to the uncertainty of the market value or the ability to locate developers, the purchase costs have been recorded as program expenditures in the Block Grant Funds in the year of purchase and revenues from the sale of properties are recorded as Program Revenue in the year of sale.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 7 – CAPITAL ASSETS (continued)**

The following activity occurred during the year related to the City’s business-type activities capital assets:

	Balance 1/1/2020	Additions	Deletions	Balance 12/31/2020
<b><i>Business-Type Activities:</i></b>				
<i>Capital Assets not being Depreciated:</i>				
Land	\$ 6,225	\$ 2,967	\$ (3,476)	\$ 5,716
Construction in Progress	664,357	117,688	(301,658)	480,387
Total Capital Assets not being Depreciated	<u>670,582</u>	<u>120,655</u>	<u>(305,134)</u>	<u>486,103</u>
<i>Capital Assets being Depreciated:</i>				
Buildings	46,729	32,985	-	79,714
Furniture & Fixtures	650	-	(273)	377
Improvements	96,633	65,149	(213)	161,569
Infrastructure	863,265	171,260	(1,982)	1,032,543
Machinery & Equipment	111,740	5,821	(1,149)	116,412
Total Capital Assets being Depreciated	<u>1,119,017</u>	<u>275,215</u>	<u>(3,617)</u>	<u>1,390,615</u>
<i>Less: Accumulated Depreciation</i>				
Buildings	28,089	1,749	-	29,838
Furniture & Fixtures	597	21	(261)	357
Improvements	45,220	4,888	(213)	49,895
Infrastructure	388,946	14,169	(221)	402,894
Machinery & Equipment	88,508	4,772	(259)	93,021
Total Accumulated Depreciation	<u>551,360</u>	<u>25,599</u>	<u>(954)</u>	<u>576,005</u>
Total Capital Assets being Depreciated, net	<u>567,657</u>	<u>249,616</u>	<u>(2,663)</u>	<u>814,610</u>
Business-Type Activities Capital Assets, net	<u>\$ 1,238,239</u>	<u>\$ 370,271</u>	<u>\$ (307,797)</u>	<u>\$ 1,300,713</u>

Depreciation expense was charged to functions of the Business-Type Activities as follows:

Water	\$ 7,188
Sewer	17,094
Utility Administrative Services	9
NonMajor	<u>1,308</u>
Total Depreciation - Business-Type Activities	<u>\$ 25,599</u>

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 8 – NOTES PAYABLE**

The City's Notes Payable obligations at December 31, 2020 and a schedule of current year activity are as follows:

	Maturity Date	Interest Rate (%)	Original Issue Amount	Balance 1/1/2020	Increase	Decrease	Balance 12/31/2020	Amount Due In One Year
General Obligations:								
Special Assessments 2019	2020	2.50	\$ 1,620	\$ 1,620	\$ -	\$ (1,620)	\$ -	\$ -
Special Assessments 2020	2021	1.20	2,460	-	2,460	-	2,460	2,460
Revenue Obligations:								
Assessed Services 2018	2020	3.35-3.51	20,400	20,400	-	(20,400)	-	-
Assessed Services 2019	2021	2.22-2.79	20,200	20,200	-	-	20,200	20,200
Assessed Services 2020	2022	2.17	20,700	-	20,700	-	20,700	-
				<u>\$ 42,220</u>	<u>\$ 23,160</u>	<u>\$ (22,020)</u>	<u>\$ 43,360</u>	<u>\$ 22,660</u>

The City carries notes in the Special Assessment Improvement Fund (a nonmajor capital projects fund) to cover capital costs related to constructing and reconstructing sidewalks, including, where necessary, driveway aprons, between certain termini on certain designated streets. In 2020, the City retired \$1,620 and reissued \$2,460 of Special Assessment Notes for the purpose of supporting special assessment projects.

The City carries notes in the Special Assessments Services Fund to cover capital costs related to City services such as street lighting, street sweeping, snow removal, surface treatment of unimproved streets, leaf pick up and tree planting, and trimming and removal in the public right away. Costs of assessments are charged to property owners two years after incurred. Assessment notes finance the costs incurred over a two-year period. In 2020, the City retired \$20,400 in special assessment notes for City services that were issued in 2018 and issued \$20,700 in special assessment notes for City services that will mature on December 1, 2022. The \$20,200 of special assessment notes for City services issued in 2019 will mature December 1, 2021.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 9 – LONG-TERM OBLIGATIONS**

The City's Governmental Activities Long-Term Obligations at December 31, 2020 and a schedule of current year activity are as follows.

	Issue Date	Maturity Date	Interest Rate (%)	Original Issue Amount	Balance 1/1/2020	Increase	Decrease	Balance 12/31/2020	Amount Due In One Year
<b>Government Activities:</b>									
<b>General Obligation Bonds:</b>									
Capital Projects	Various	Various	1.50-6.08	\$ 148,900	\$ 103,042	\$ 20,845	\$ (15,146)	\$ 108,741	\$ 12,371
Unamortized Premiums	Various	Various	N/A	13,512	9,529	841	(885)	9,485	-
Total General Obligation Bonds				<u>162,412</u>	<u>112,571</u>	<u>21,686</u>	<u>(16,031)</u>	<u>118,226</u>	<u>12,371</u>
<b>Non-Tax Revenue Bonds:</b>									
Marina Area Refunding (Series 2019B)	2019	2032	2.60-5.00	3,555	3,555	-	(55)	3,500	55
Vehicle Storage Project Refunding (Series 2019A)	2019	2026	5.00	3,725	3,725	-	(460)	3,265	480
Medco Project Refunding (Series 2019C)	2019	2039	2.55-5.00	4,515	4,515	-	(160)	4,355	160
Unamortized Premiums				569	563	-	(76)	487	-
Total Non-Tax Revenue Bonds				<u>12,364</u>	<u>12,358</u>	<u>-</u>	<u>(751)</u>	<u>11,607</u>	<u>695</u>
<b>Loans Outstanding:</b>									
State Agencies (Direct Borrowing):									
Ohio Public Works Commission Capital Projects	Various	Various	0.00	9,512	4,173	459	(314)	4,318	579
Ohio Water Dev Authority Capital Projects	Various	Various	4.02-4.12	9,843	845	-	(698)	147	147
State Infrastructure Bank Marina District - Riverside	2010	2019	3.00	3,968	2,136	-	(402)	1,734	414
Total Loans from State Agencies				<u>23,323</u>	<u>7,154</u>	<u>459</u>	<u>(1,414)</u>	<u>6,199</u>	<u>1,140</u>
Other Loans (Direct Borrowing):									
JobsOhio Capital Projects	Various	Various	0.00-6.55	650	650	-	-	650	62
Total Loans Outstanding				<u>23,973</u>	<u>7,804</u>	<u>459</u>	<u>(1,414)</u>	<u>6,849</u>	<u>1,202</u>
<b>Capital Lease Obligations:</b>									
Pumper Trucks	2015	2020	1.75	940	149	-	(149)	-	-
Single & Double Axle Trucks	2015	2021	1.85	4,997	1,086	-	(745)	341	341
Forestry Equipment	2015	2020	1.85	1,324	271	-	(271)	-	-
Total Capital Lease Obligations				<u>7,261</u>	<u>1,506</u>	<u>-</u>	<u>(1,165)</u>	<u>341</u>	<u>341</u>
<b>Other Obligations:</b>									
Landfill Closure					15,335	528	-	15,863	-
Compensated Absences					28,657	3,986	(90)	32,553	396
Net Pension Liability:									
OPERS					95,872	-	(26,540)	69,332	-
OP&F					316,616	-	(57,415)	259,201	-
Net OPEB:									
OPERS					45,544	2,757	-	48,301	-
OP&F					35,323	2,683	-	38,006	-
Total Other Obligations					<u>537,347</u>	<u>9,954</u>	<u>(84,045)</u>	<u>463,256</u>	<u>396</u>
<b>Total Governmental Activities</b>					<u>\$ 671,586</u>	<u>\$ 32,099</u>	<u>\$ (103,406)</u>	<u>\$ 600,279</u>	<u>\$ 15,005</u>

**City of Toledo, Ohio**  
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**NOTE 9 – LONG-TERM OBLIGATIONS (continued)**

Internal service funds predominately serve the governmental funds. The long-term liabilities for all the internal service fund compensated absences, capital lease obligations, and notes payable are included in the totals for the governmental activities.

The following is a schedule of Future Principal and Interest Payments to retire the Long-Term Obligations Outstanding at December 31, 2020 for the City's Governmental Activities:

Year	General Obligation Bonds			Non-Taxable Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 12,371	\$ 4,222	\$ 16,593	\$ 695	\$ 419	\$ 1,114
2022	12,820	3,703	16,523	725	384	1,109
2023	12,585	3,216	15,801	765	348	1,113
2024	9,740	2,700	12,440	810	310	1,120
2025	10,205	2,297	12,502	845	270	1,115
2026-2030	38,385	6,305	44,690	3,785	897	4,682
2031-2035	12,635	1,062	13,697	2,345	369	2,714
2036-2039	-	-	-	1,150	99	1,249
	<u>\$ 108,741</u>	<u>\$ 23,505</u>	<u>\$ 132,246</u>	<u>\$ 11,120</u>	<u>\$ 3,096</u>	<u>\$ 14,216</u>

Year	State Agency Loans (Direct Borrowing)		
	Principal	Interest	Total
2021	\$ 1,140	\$ 52	\$ 1,192
2022	965	36	1,001
2023	973	24	997
2024	986	10	996
2025	497	-	497
2026-2030	1,294	-	1,294
2031-2035	212	-	212
2036-2040	132	-	132
	<u>\$ 6,199</u>	<u>\$ 122</u>	<u>\$ 6,321</u>

The City's \$650 JobsOhio Capital Projects Loan has deferred payments for five years and is subject to potential forgiveness. As such, it is not included in the future debt service schedules above. This loan is further described in this footnote.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 9 – LONG-TERM OBLIGATIONS (continued)**

The City's Business-Type Activities Long-Term Obligations at December 31, 2020 and a schedule of current year activity are as follows.

Business-Type Activities	Issue Date	Maturity Date	Interest Rate (%)	Original Issue Amount	Balance 1/1/2020	Increase	Decrease	Balance 12/31/2020	Amount Due In One Year
<b>General Obligation Bonds:</b>									
Tow Lot (Series 2015)	2015	2024	4.00-5.00	\$ 1,305	\$ 760	\$ -	\$ (150)	\$ 610	\$ 150
Property Management Premium	Various	Various	2.00-7.00	12,055	8,315	5,580	(6,520)	7,375	840
	Various	Various	-	150	6	138	(3)	141	-
Total General Obligation Bonds					9,081	5,718	(6,673)	8,126	990
<b>Revenue Obligation Bonds:</b>									
Water System	Various	Various	2.00-5.00	398,805	291,360	78,090	(9,375)	360,075	9,775
Premium	Various	Various	N/A	60,005	30,354	23,045	(1,681)	51,718	-
Sanitary Sewer System	Various	Various	2.00-5.00	18,765	9,135	-	(890)	8,245	1,025
Premium	Various	Various	N/A	1,003	623	-	(68)	555	-
Total Revenue Obligation Bonds					331,472	101,135	(12,014)	420,593	10,800
<b>Bond Anticipation Notes:</b>									
Water System	2019	2021	2.20	30,000	30,000	-	-	30,000	30,000
Total Bond Anticipation Notes					30,000	-	-	30,000	30,000
<b>Loans Outstanding:</b>									
State Agencies (Direct Borrowing):									
Ohio Public Works Commission									
Water System	Various	Various	0.00	2,249	1,565	-	(56)	1,509	112
Sanitary Sewer System	Various	Various	0.00	12,927	8,875	80	(321)	8,634	646
Storm Water System	Various	Various	0.00	2,445	1,100	-	(59)	1,041	126
Ohio Water Dev Authority									
Water System	Various	Various	0.00-3.25	192,889	50,581	48,972	(1,470)	98,083	2,035
Sanitary Sewer System	Various	Various	0.51-4.66	635,496	414,448	7,602	(25,491)	396,559	29,049
Storm Water System	Various	Various	2.25-3.34	1,727	1,505	-	(71)	1,434	73
Total State Agency Loans					478,074	56,654	(27,468)	507,260	32,041
<b>Capital Lease Obligations:</b>									
Norfolk Southern	2016	2035	2.50	2,967	2,625	-	(72)	2,553	77
<b>Other Obligations:</b>									
Compensated Absences					5,056	420	(212)	5,264	60
Net Pension Liability:									
OPERS					51,918	-	(12,835)	39,083	-
Net OPEB Liability:									
OPERS					24,664	2,565	-	27,229	-
Total Other Obligations					81,638	2,985	(13,047)	71,576	60
<b>Total Business-Type Activities</b>					<u>\$ 932,890</u>	<u>\$ 166,492</u>	<u>\$ (59,274)</u>	<u>\$ 1,040,108</u>	<u>\$ 73,968</u>

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 9 – LONG-TERM OBLIGATIONS (continued)**

The following is a schedule of Future Principal and Interest Payments to retire the Long-Term Obligations Outstanding at December 31, 2020 for the City's Business-Type Activities:

Year	General Obligation Bonds			Revenue Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 990	\$ 255	\$ 1,245	\$ 10,800	\$ 17,591	\$ 28,391
2022	815	209	1,024	11,285	17,411	28,696
2023	1,250	178	1,428	14,990	16,855	31,845
2024	1,295	131	1,426	12,950	16,122	29,072
2025	1,075	83	1,158	14,610	15,520	30,130
2026-2030	2,560	103	2,663	84,630	66,309	150,939
2031-2035	-	-	-	105,180	44,251	149,431
2036-2040	-	-	-	97,055	16,464	113,519
2041-2044	-	-	-	16,820	1,156	17,976
	<u>\$ 7,985</u>	<u>\$ 959</u>	<u>\$ 8,944</u>	<u>\$ 368,320</u>	<u>\$ 211,679</u>	<u>\$ 579,999</u>

Year	State Agency Loans <sup>(1)</sup>		
	Principal	Interest	Total
2021	\$ 32,041	\$ 9,700	\$ 41,741
2022	32,645	10,509	43,154
2023	33,097	9,702	42,799
2024	34,216	8,919	43,135
2025	34,832	8,071	42,903
2026-2030	146,358	28,497	174,855
2031-2035	116,484	13,674	130,158
2036-2040	62,331	3,359	65,690
2041-2045	6,620	792	7,412
2046-2050	3,508	379	3,887
2051-2053	919	28	947
	<u>\$ 503,051</u>	<u>\$ 93,630</u>	<u>\$ 596,681</u>

- <sup>(1)</sup> The following OWDA loans were in transit at year-end. The total loans in transit are included as loans payable on the City's financial statements, however, the total amount of \$4,209 is not reflected in the above amortization schedule of future debt service payments as a revised amortization schedule for these loans are not available.

OWDA			
Loan	Fund	Description	Amount
8229	Water	Ozone Treatment Facilities	\$ 909
8416	Water	Collins Park WTP, Basins 5 and 6 Upgrades	878
8654	Water	Collins Park WTP, Basins 1 through 4 Upgrades	27
8792	Water	Filter and Pipe Gallery Upgrade Improvements	1,844
7768	Sewer	AWT Gateway TWI	90
7784	Sewer	Downtown Storage Basin	461
Total			<u>\$ 4,209</u>

**City of Toledo, Ohio**  
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**NOTE 9 – LONG-TERM OBLIGATIONS (continued)**

**New Bond and Loans Issuances Supporting Governmental Activities**

Series 2020 General Obligation Capital Improvement and Various Purpose Refunding Bonds

On November 16, 2020, the City issued \$20,845 in Series 2020 Capital Improvement and Various Purpose Refunding General Obligation Bonds. The Capital Improvement Bonds portion (\$16,780) was issued to finance the following projects: (1) \$10,555 for Summit Street roadway improvements, (2) \$4,000 for the City's 2020 street improvement program, (3) \$1,225 for improvements to Levis Square Park, and (4) \$1,000 for the City's 2020 sidewalk improvement program. The Various Purpose Bonds portion (\$4,065) was issued to advance refund the Series 2010 Street Improvement bonds. The bonds were issued at a \$841 premium which is reported in the General Obligation Debt Service Fund (a nonmajor debt service fund) (\$481), the Capital Improvement Fund (\$360). Bond premiums in excess of issuance costs incurred were deposited in the General Obligation Debt Service Fund (a nonmajor debt service fund). The bonds will be retired from the Capital Improvements Fund.

Proceeds of \$4,203 were deposited into an escrow fund to provide for the retirement of the Series 2010 Street Improvement bonds. The refunded bonds are not included in the City's outstanding debt since the City has satisfied its obligations through the refunding (in-substance defeased). The assets held in trust as a result of the refunding are not included in the financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$138. This amount is reflected as interest expense in the Statement of Activities. The refunding was undertaken to reduce the combined total debt service payments over the next 5 years by \$160 and resulted in an economic gain of \$138. The balance of the refunded Series 2010 Street Improvement bonds was \$4,065 at December 31, 2020.

Ohio Public Works Commission (OPWC) loans

During 2020, the City issued six OPWC loans totaling \$459 supporting Governmental Activities. These loans supported the following road improvement projects: Cherry Street from Greenbelt to Summit, South Detroit Avenue – Sherwood to Glendale Avenue, Bancroft Street from I-475 to Holland-Sylvania Road, LaGrange Street from Utica Avenue to Oakland Road, East Central Avenue from Brigham Road to Buckeye Road, and Alexis Road from Talmadge Road to Jackman Road. The loans will be retired from the Capital Improvements Fund.

**New Bond, Note and Loan Issuances Supporting Business-Type Activities**

Series 2020 General Obligation Various Purpose Refunding Bonds

On November 16, 2020, the City issued \$5,580 in Series 2020 Various Purpose Refunding General Obligation Bonds to advance refund Series 2010A Various Improvement Refunding Bonds (Commodore Perry Apartments) (\$3,320) and Series 2010B Various Purpose Refunding Bonds (Hillcrest Apartments) (\$2,260). The bonds were issued at a \$138 premium which is reported in the Property Management Fund (a nonmajor enterprise fund). The bonds will be retired from the Property Management Fund. Proceeds of \$5,729 were deposited into an escrow fund to provide for the retirement of the Series 2010A and Series 2010B Various Purpose Refunding Bonds. The refunded bonds are not included in the City's outstanding debt since the City has satisfied its obligations through the refunding (in-substance defeased). The assets held in trust as a result of the refunding are not included in the financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$149. This amount is reflected as interest expense in the Statement of Revenues, Expenses and Changes in Fund Net Position. The refunding was undertaken to reduce the combined total debt service payments over the next 9 years by \$909 and resulted in an economic gain of \$755. The balance of the refunded Series 2010A Various Improvement Refunding Bonds (Commodore Perry Apartments) and Series 2010B Various Purpose Refunding Bonds (Hillcrest Apartments) was \$3,320 and \$2,260, respectively.

Series 2020 Water System Revenue Bonds

On December 17, 2020, the City issued \$78,090 in Series 2020 Water System Revenue Bonds to finance the acquisition of a Automated Meter Reading (AMR)/Advanced Metering Infrastructure (AMI) and Leak Detection System (the "Project"). The Project will modify the City's existing domestic water meter system to include the replacements of selected water meters, the implementation of AMI, leak detection, and the interface to the existing Department of Public Utilities (DPU) billing system. The Project will improve the system's infrastructure, reduce operating costs, and provide real-time utility consumption and cost data, improve customer service, and reduce costs and response times for resolving customer issues due to improved system information. The bonds were issued at a \$23,045 premium which is reported in the Water Fund. The bonds will be retired from the Water Fund.



**City of Toledo, Ohio**  
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**NOTE 9 – LONG-TERM OBLIGATIONS (continued)**

**New Bond, Note and Loan Issuances Supporting Business-Type Activities (continued)**

In conjunction with the bond issue, the City issued a Cost Allocation Certificate (CAC) to allocate a portion of the project to the Sewer System. It was determined that the Project benefitted both the both the Water System and the Sewer System. As such, the CAC allocated \$41,645 of the \$78,090 bond proceeds (53.33%) to the Sewer System. The CAC calls for the Sewer System to reimburse the Water System for its proportionate share of future principal and interest payments on the Series 2020 Water Revenue Bonds. In accordance with the CAC, an interfund loan has been reported from the Water Fund to the Sewer Fund for the Sewer Fund's portion of the Project (see Note 11).

Ohio Public Works Commission (OPWC) loans

During 2020, the City issued one OPWC loan totaling \$80 supporting the Sanitary Sewer System. This loan was issued to finance Fassett and Paine CSO Regulator Modifications. This loan will be retired from the Sewer Fund.

Ohio Water Development Authority (OWDA) loans

During 2020, the City issued four OWDA loans totaling \$48,972 supporting the Water System (including \$140 of capitalized interest). The loans in 2020 were issued to finance the following construction and improvement projects: Ozone Treatment Facilities, Collins Park Treatment Plant Basin Upgrades, and Filter and Pipe Gallery Upgrades. These loans will be retired from the Water Fund.

During 2020, the City issued four OWDA loans totaling \$7,602 supporting the Sanitary Sewer System (including \$601 of capitalized interest). The new loans in 2020 were issued to finance the following construction and improvement projects: E3 International Park Storage Pipeline, Downtown Storage Basin, Paine and Fassett Regulator Modifications, and AWT Gateway TWI. These loans will be retired from the Sewer Fund.

**Defeased Debt**

During 2018, the City in-substance defeased \$3,250 of general obligation bonds previously issued for the purchase of the LaSalle property. The City sold the property and used the proceeds to establish an escrow account to make future debt service requirements on the debt. On November 22, 2017 the City authorized an escrow agreement with The Bank New York Mellon Trust Company, N.A. to serve as the trustee of funds that are irrevocably committed to pay for debt service related to the LaSalle property bonds. As of December 31, 2020, the balance of the refunded bonds was \$2,105. Since the bonds are in-substance defeased, neither the refunded bonds or the escrow account are reported on the financial statements.

**General Obligation Bonds**

General obligation bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

**Revenue Obligations Bonds**

Revenue bonds are supported by pledged future revenues, net of specified operating expenses. Revenue bonds do not represent a general obligation debt or a pledge of the full faith and credit or taxing power of the City.

Governmental Activities: The City has issued non-tax revenue bonds to finance projects and refund previously issued bonds. The 2020 principal and interest payments on the non-tax revenue bonds required 2.05% of General Fund net revenues. Principal and interest paid for the current year and total General Fund net revenues were \$1,114 and \$54,415, respectively.

**City of Toledo, Ohio**  
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**NOTE 9 – LONG-TERM OBLIGATIONS (continued)**

**Revenue Obligations Bonds (continued)**

Business-Type Activities: The City has issued revenue bonds to support Water and Sewer operations. The 2020 principal and interest payments on the Water revenue bonds required 63.78% of net revenues. Principal and interest paid for the current year and total net revenues were \$23,430 and \$36,736, respectively. The 2020 principal and interest payments on the Sewer revenue bonds required 2.52% of net revenues. Principal and interest paid for the current year and total net revenues were \$1,305 and \$51,726, respectively.

**Bond Anticipation Notes**

During 2019, the City issued \$30,000 in 2019 Water Bond Anticipation Notes to retire previously issued Series 2018 Water Bond Anticipation Notes issued for continued improvements at the Collins Park Water Treatment plant. The City expects to spend this amount on capital improvements at the Collins Park Water Treatment plant through 2022. The notes mature in 2021 and will be retired from the Water Fund through the issuance of bonds.

**Ohio Public Works Commission**

Ohio Public Works Commission (OPWC) extends both grants and loans to the City. Monies received by the City after the grant commitment has been fulfilled by OPWC are then considered loans. Only the loan portion need be repaid by the City. All OPWC loans are interest free.

OPWC loans are direct borrowings that have terms negotiated directly between the City and the OPWC and are not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county's undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

**Ohio Water Development Authority**

Loans payable to the Ohio Water Development Authority (OWDA) are authorized by the Clean Water Act and authorized by the administration of the Environmental Protection Agency (EPA) to make grants to States to establish a state water pollution control revolving loan program. The amount of these loans outstanding at December 31, 2020 was \$496,223. Of this amount, \$98,083 are obligations incurred to help finance the water distribution system and are to be repaid from charges from water services. Of this amount, \$396,559 are obligations incurred to help finance the sanitary sewage facilities and are to be repaid from charges from sanitary sewer services; \$1,434 are obligations incurred to help finance storm sewer and bio-swale services. The remaining amount of \$147 are obligations incurred to help finance the water pollution control related to the landfill remediation projects at the Stickney/Tyler and Dura locations are to be repaid from general receipts of the City.

OWDA loans are direct borrowings that have terms negotiated directly between the City and the OWDA and are not offered for public sale. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

**State Infrastructure Bank Loan**

The City has entered into State Infrastructure Bank loan agreement with the Ohio Department of Transportation (ODOT) pursuant to which ODOT provided to the City a loan totaling \$3,968 to pay costs of certain street improvements in the City's Marina District. The aggregate outstanding principal amount of the City's obligations under the ODOT loan agreement was \$1,734 as of December 31, 2020.

**City of Toledo, Ohio**  
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**NOTE 9 – LONG-TERM OBLIGATIONS (continued)**

**State Infrastructure Bank Loan (continued)**

State Infrastructure Bank loans are direct borrowings that have terms negotiated directly between the City and the ODOT and are not offered for public sale. In the event of default, the ODOT may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

**JobsOhio Capital Projects Loan**

In 2015, the City entered into a loan agreement with JobsOhio for \$650 for a term of 15 years at 1% interest (“the loan”). The loan includes deferral of all interest and principal payments for five years. If, by December 31, 2019 Fiat Chrysler Automobiles retains 4,110 existing jobs and \$282 million in payroll while also maintaining and expanding the Wrangler production facility in Toledo, the loan will be forgiven and all obligation of the City for repayment will be released. During 2020, cancellation of the original loan was under review. Subsequent to year-end, on April 27, 2021, JobsOhio cancelled the loan obligation (see Note 19). The forgiveness of this loan will be reflected in the City’s 2021 financial statements.

The JobsOhio loan is a direct borrowing that has terms negotiated directly between the City and JobsOhio and is not offered for public sale. In the event of default, the JobsOhio may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

**Landfill Closure and Post-Closure Care Costs**

The City operates the Hoffman Road landfill and accounts for this activity in the General Fund. State and federal regulations require the City to place a final cover on the Hoffman Road site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty (30) years after closure. The closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste. The City records a liability in the Government-Wide Statement of Net Position for the closure and post-closure care costs based on landfill capacity used as of each balance sheet date. A new cell was constructed in 2005 resulting in an increase in capacity; therefore, the landfill can continue to accept solid waste and increase its capacity. Based on the remaining air space and estimated annual tonnage to be taken in, the estimated remaining life of the landfill is 32.4 years.

The \$15,863 reported as landfill closure and post-closure care liability at December 31, 2020 represents the cumulative amount reported to date based on the use of 65.5% of the used capacity of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care of \$8,355 as the remaining used capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2020 using the worst-case scenario determined by the permit to install. Actual costs may be higher due to inflation, changes in technology, or changes in regulation.

**Pollution Remediation, Water and Sewer Infrastructure Liabilities**

*Toledo Waterways Initiative*

Upon citizen approval in 2002, the City of Toledo launched the Toledo Waterways Initiative (TWI) to eliminate the majority of these overflows and reduce water pollution. TWI will reduce contaminants in the City’s rivers, streams and Lake Erie by building several types of structures to hold, separate or divert storm and waste water during periods of heavy rain and funneling this water for treatment before being returned to the waterways.

As of August 31 2020, the TWI construction program is 100% complete at a cost of \$527 million. The program now enters the Compliance Phase of the program which will initiate a 12-month effort to collect data on all the facilities with the TWI program to assure that all facilities are functioning properly. The City is working with the United States Environmental Protection Agency to determine all parameters required for this post construction effort.

**City of Toledo, Ohio**  
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**NOTE 9 – LONG-TERM OBLIGATIONS (continued)**

**Pollution Remediation, Water and Sewer Infrastructure Liabilities (continued)**

*Collins Park Water Treatment Capital Improvements*

The City is currently implementing a \$500,000 program of water system improvements that began in 2012 and will continue through 2024. The program is based on an Ohio EPA approved General Plan having the following objectives: a) improve treated water quality and provide redundant treatment capacity; b) replace, upgrade, and modernize existing infrastructure; and c) install short and long term Harmful Algae Bloom treatment barriers. Current projects now under construction include new ozone treatment improvements (2021); upgrades to the existing treatment Basins 5 and 6 (2021); rebuild of the existing filters and renovation of equipment and valves in the plant piping galleries (2023); upgrades to the existing treatment Basins 1 through 4 (2023); and improvements to the High Service Pumping Station (2023).

As of May 2021, \$512,990 of financing has been secured for the water system improvements, comprised of municipal revenue bond issuances in 2012, 2013, 2016 and 2018; Ohio Water Development Authority (OWDA) loans in 2012, 2014, 2019 and 2021; and Ohio EPA Water Supply Revolving Loan Application (WSRLA) loans in 2015, 2018 and 2019. Outstanding obligation related to this project are disclosed in the city's debt schedules.

Water rate adjustments effective January 1, 2020 through 2023 have been authorized by City Council to retire existing water system debt. The city will reassess the existing rate structure annually and anticipates future rate adjustments in 2024 through 2027 to retire new water system debt.

**Compensated absences**

Compensated absences will be paid from the fund from which the employees' salaries are paid. In 2020, compensated absences in the Governmental Activities were liquidated at a rate of approximately 85.8 percent from the general fund, 11.2 percent from other governmental funds, and 3.0 percent from the internal service funds. Compensated absences in the Business-Type Activities were liquidated primarily from the Water and Sewer Enterprise Funds.

**Net Pension Liability and Net OPEB Liability**

The City pays obligations related to employee compensation from the fund benefitting from their service. See Notes 13 and 14 for further information.

**NOTE 10 – LEASES AND OTHER COMMITMENTS**

**Operating Leases**

In 1983, the City entered into a non-cancelable long-term lease with the Ohio Department of Administrative Services (the State) for space it occupies at 640 Jackson Street, Toledo Ohio in One Government Center for its administrative operations. The 30-year lease expired on August 1, 2013, and the City and State operated under a month-to-month agreement until a new 5-year lease was signed for the period July 1, 2016 to June 30, 2021. In 2018, the State of Ohio Department of Administrative Services reached an agreement to convey One Government Center to the Toledo-Lucas County Port Authority and the City entered into an amendment to the current lease as requested by the Toledo-Lucas County Port Authority. The amendment has an initial term of ten years commencing on January 1, 2019 and expiring on December 31, 2028. The amendment contains an option for the City to renew the lease for two successive and continuous terms of five years each. During 2020, the City made rental payments totaling \$1,525. The City also leases various facilities and equipment under various operating leases whose expense totaled \$1,415 in 2020. In 2019, the City entered into a renewable equity operating lease agreement with Enterprise Car rentals for 18 vehicles at a cumulative delivered price of \$456 for an average lease term of 1 to 5 years.

**City of Toledo, Ohio**  
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**NOTE 10 – LEASES AND OTHER COMMITMENTS (continued)**

**Capital Leases**

The City is obligated under certain leases accounted for as capital leases. The leased assets and related obligations are accounted for in the capital assets and long-term debt liabilities in the Governmental and Business-Type Activities.

In 2015, the City entered into a tax-exempt lease purchase with PNC Equipment Finance, LLC for the lease of two fire pumper apparatus. Final principal and interest payments on this lease were made in 2020. The 5-year lease is classified as a capital lease and has been included in the capital assets as machinery and equipment in the government wide financial statement at \$940, less accumulated depreciation of \$518.

In 2015, the City entered into a tax-exempt lease purchase with PNC Equipment Finance, LLC for the lease of twenty-one trucks. The 6-year lease is classified as a capital lease and has been included in the capital assets as machinery and equipment in the government wide financial statement at \$4,997, less accumulated depreciation of \$2,748.

In 2015, the City entered into a tax-exempt lease purchase with PNC Equipment Finance, LLC for the lease of forestry equipment. Final principal and interest payments on this lease were made in 2020. The 5-year lease is classified as a capital lease and has been included in the capital assets as machinery and equipment in the government wide financial statements at \$1,324, less accumulated depreciation of \$1,316.

In 2016, the City entered into a lease purchase with Norfolk Southern Railway for the lease of land as part of Toledo Waterways Initiative. The 20-year lease is classified as a capital lease and has been included in the capital assets as land in the government wide financial statements at \$2,967.

Future minimum lease payments on these capital leases together with the present value of the net minimum lease payments as of December 31, 2020 are as follows:

Year	Governmental Activities	Business-Type Activities	Total
2021	\$ 348	\$ 141	\$ 489
2022	-	144	144
2023	-	146	146
2024	-	149	149
2025	-	152	152
2026-2030	-	809	809
2031-2035	-	1,707	1,707
Total Minimum Lease Payments	348	3,248	3,596
Less: Amount Representing Interest	(7)	(695)	(702)
Present Value of Future Minimum Lease Payments	<u>\$ 341</u>	<u>\$ 2,553</u>	<u>\$ 2,894</u>

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 10 – LEASES AND OTHER COMMITMENTS (continued)**

**Other Commitments**

*Energy Special Improvement District*

The City of Toledo and the Toledo-Lucas County Port Authority (Port Authority) have partnered to create an Energy Special Improvement District (District). A non-profit corporation, known as the Toledo Ohio Advanced Energy Improvement Corporation (Corporation), with representatives of the City and the Port Authority, governs the District. The City, the Port Authority and the Corporation entered into an Energy Services Agreement which sets forth a process by which the parties will cooperate with one another to provide certain special energy improvement projects, including energy efficiency improvements to City buildings and facilities. Beginning in calendar year 2014, as part of the agreement, the City has begun a special assessment process whereby the City is assessed on a semi-annual basis.

The initial funding for those energy efficiency improvements is provided by bonds issued by the Port Authority in the approximate amount of \$5,349. Those funds will be loaned to the Corporation for purpose of paying the contractors doing the work and paying the other costs of the various improvements.

The legislation creating the Energy Services Agreement and its amendment commit the City to completing the special assessment process through the passage of an Assessing Ordinance when various energy efficiency improvements are completed and final costs are known.

*Encumbrances*

Outstanding 2020 encumbrances will be funded with 2020 budgetary resources. Outstanding encumbrances for the Year Ended December 31, 2020 were as follows:

*Governmental Funds:*

General	\$ 87
Capital Improvements	11,996
Special Assessments Services	144
Nonmajor Governmental	<u>12,516</u>
Total Governmental Funds	<u>24,743</u>

*Enterprise Funds:*

Water	101,432
Sewer	8,495
Utility Administrative Services	5
Nonmajor Enterprise	<u>617</u>
Total Enterprise Funds	<u>110,549</u>

*Internal Service Funds*

	<u>89</u>
Total	<u>\$ 135,381</u>

**NOTE 11 – INTERFUND ACTIVITY**

For the City's governmental funds and internal service funds, interfund balances are a result of the City holding all governmental activities "Cash and cash equivalents with Treasurer" within the Treasury Fund, which is reported as part of the General Fund under Governmental Accounting Standards Board Statement No. 54. Since the Treasury Fund records all cash transactions, amounts paid by the Treasury Fund result in an interfund payable within other governmental funds. Likewise, amounts receipted into the Treasury Fund result in an interfund receivable within other governmental funds.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 11 – INTERFUND ACTIVITY (continued)**

For the City’s enterprise funds, interfund balances result from amounts due to/from the utility administrative fund. All utility revenues are deposited into the utility administrative services fund and all enterprise expenses are paid out of this fund’s bank account. Amounts are allocated monthly to the City’s other enterprise bank accounts. However, the timing delay between revenue and expense transactions and their respective allocation result in interfund balances.

The amounts below represent the net balance of amounts due to and due from City funds as of December 31, 2020.

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
<i>Governmental Funds:</i>		
General	\$ -	\$ 63,952
Capital Improvements	54,371	-
Special Assessments Services	-	20,561
Nonmajor Governmental	<u>38,591</u>	<u>14,524</u>
Total Governmental Funds	<u>92,962</u>	<u>99,037</u>
<i>Enterprise Funds:</i>		
Water	-	87,730
Sewer	62,494	-
Utility Administrative Services	2,181	-
Nonmajor Enterprise	<u>1,764</u>	<u>140</u>
Total Enterprise Funds	<u>66,439</u>	<u>87,870</u>
<i>Internal Service Funds</i>	<u>28,962</u>	<u>1,456</u>
Total	<u><u>\$ 188,363</u></u>	<u><u>\$ 188,363</u></u>

The amounts below represent the balance of interfund loans between City funds as of December 31, 2020.

	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
<i>Enterprise Funds:</i>		
Water	\$ 41,645	\$ -
Sewer	<u>-</u>	<u>41,645</u>
Total Enterprise Funds	<u><u>\$ 41,645</u></u>	<u><u>\$ 41,645</u></u>

During 2020, the City made a \$41,645 interfund loan from the Water Fund to the Sewer Fund to finance the Sewer Fund’s portion of the Automated Meter Reading (AMR)/Advanced Metering Infrastructure (AMI) and Leak Detection System (the Project). To finance the Project, the City issued \$78,090 in Series 2020 water system revenue bonds. In accordance with a Cost Allocation Certificate, \$41,645 was determined to be the Sewer’s portion of the project. The Water fund made an interfund loan to the Sewer Fund. The interfund loan will be paid over the life of the bonds.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 11 – INTERFUND ACTIVITY (continued)**

Interfund transfers for the Year Ended December 31, 2020, consisted of the following, as reported on the Fund Statements:

Transfers Out	Transfers In				Total
	General Fund	Capital Improvements	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	
Governmental Funds:					
General	\$ -	\$ 39,727	\$ 320	\$ -	\$ 40,047
Capital Improvements	8,462	-	14,457	1,332	24,251
Nonmajor Governmental	-	463	687	-	1,150
Total Governmental Funds	<u>8,462</u>	<u>40,190</u>	<u>15,464</u>	<u>1,332</u>	<u>65,448</u>
Enterprise Funds:					
Water	-	-	75	-	75
Sewer	-	-	75	-	75
Nonmajor Enterprise Funds	1,586	-	75	-	1,661
Total Enterprise Funds	<u>1,586</u>	<u>-</u>	<u>225</u>	<u>-</u>	<u>1,811</u>
Internal Service Funds	<u>16,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,770</u>
Total	<u>\$ 26,818</u>	<u>\$ 40,190</u>	<u>\$ 15,689</u>	<u>\$ 1,332</u>	<u>\$ 84,029</u>

In 2020, the General Fund transferred \$39,727 into the Capital Improvement Fund. This amount represents 2020 income tax collection amounts required and authorized by Toledo Municipal Code, Toledo City Council, and the Mayor.

The \$16,770 transfer from the Workers' Compensation Internal Service Fund to the General Fund represents the return of excess rebates received the Workers' Compensation during 2020.

The \$8,462 transfer from the Capital Improvement Fund to the General Fund was authorized by enacted legislation to provide for (1) emergency measures for the immediate preservation of the public peace and health & safety (\$8,012), and (2) the timely start of a new police class for 2020 (\$450).



**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 12 – FUND BALANCE**

A summary of Fund Balances as of December 31, 2020 by category is as follows:

	General	Capital Improvements	Special Assessments Services	Nonmajor Governmental	Total
<i>Nonspendable:</i>					
Inventory	\$ 1,951	\$ 1,226	\$ 3,396	\$ 1,150	\$ 7,723
Cemetery Perpetual Care	-	-	-	674	674
Total Nonspendable	<u>1,951</u>	<u>1,226</u>	<u>3,396</u>	<u>1,824</u>	<u>8,397</u>
<i>Restricted for:</i>					
Cemetery Perpetual Care	-	-	-	22	22
Landfill Activities	3,857	-	-	-	3,857
Capital Improvements	-	54,379	-	-	54,379
Grant Programs	-	-	-	11,024	11,024
Street Projects	-	-	-	9,172	9,172
Special Assessments	-	-	464	-	464
Various Trust Purposes	-	-	-	10,360	10,360
Westfield Muni Public Improvement TIF	-	-	-	14,020	14,020
Downtown Toledo Parking	-	-	-	424	424
Right of Way Activities	-	-	-	26	26
Debt Service	-	-	-	191	191
Total Restricted	<u>3,857</u>	<u>54,379</u>	<u>464</u>	<u>45,239</u>	<u>103,939</u>
<i>Committed to:</i>					
Budget Stabilization	13,377	-	-	-	13,377
Cemetery Activities	-	-	-	703	703
General Obligation Debt	-	-	-	342	342
Facilities Maintenance	-	-	-	742	742
Parks and Recreation	-	-	-	99	99
Total Committed	<u>13,377</u>	<u>-</u>	<u>-</u>	<u>1,886</u>	<u>15,263</u>
<i>Assigned for:</i>					
Subsequent year appropriations	<u>26,616</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,616</u>
Unassigned (deficit)	<u>38,834</u>	<u>-</u>	<u>(61,781)</u>	<u>(14,959)</u>	<u>(37,906)</u>
Total Fund Balances	<u>\$ 84,635</u>	<u>\$ 55,605</u>	<u>\$ (57,921)</u>	<u>\$ 33,990</u>	<u>\$ 116,309</u>

The City maintains monies that are committed by City Council for Budget Stabilization to cover unexpected revenue shortfalls and/or expenditure increases. The City did not utilize these monies in 2020. Consistent with its policy of adding to the Budget Stabilization set forth in an ordinance passed by City Council in 1998, the City intends to restore and then increase the committed amount for Budget Stabilization each year by an amount equal to one-half the amount by which actual annual General Fund Revenues exceed actual annual General Fund Expenditures for the prior year. Withdrawals are permitted only when income tax revenues for any calendar year will represent an annual growth rate which is 1.5% or more below the average annual growth rate over an economic cycle. In accordance with Ohio Revised Code Section 5705.13, the Budget Stabilization commitment cannot exceed 5% of the previous year's revenue credited to the General Fund.

**City of Toledo, Ohio**  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS**

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

**Net Pension Liability and Net OPEB Liability**

Pensions and OPEB 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 net pension liability and the net OPEB liability represent the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability 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/OPEB are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

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

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB 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 due to other governments on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 14 for the OPEB disclosures.

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

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. While members (e.g. City employees) may elect the Member-Directed Plan and the Combined Plan, substantially all employee members are in OPERS' Traditional Pension Plan.

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

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)**

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

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

**City of Toledo, Ohio**  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)**

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

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

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

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

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

\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

\*\*\*\*\* This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4.00%.

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

The City's contractually required contribution for the Traditional Pension Plan was \$10,313 for 2020. Of this amount, \$213 is reported as accrued wages and benefits.

**City of Toledo, Ohio**  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)**

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

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

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

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before 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, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Comprehensive Annual Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

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

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

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

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)**

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$19,186 for 2020. Of this amount, \$363 is reported as accrued wages and benefits.

**Net Pension Liability, 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 - Traditional	OP&F	Total
Proportion of the net pension liability prior measurement date	0.539616%	3.878850%	
Proportion of the net pension liability current measurement date	<u>0.548508%</u>	<u>3.847687%</u>	
Change in proportionate share	<u>0.008892%</u>	<u>-0.031163%</u>	
Proportionate share of the net pension liability	\$ 108,415	\$ 259,201	\$ 367,616
Pension expense	18,242	31,213	49,455

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

	OPERS - Traditional	OP&F	Total
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 9,812	\$ 9,812
Changes of assumptions	5,791	6,362	12,153
Changes in employer's proportionate percentage/difference between employer contributions	2,806	1,631	4,437
Contributions subsequent to the measurement date	<u>10,313</u>	<u>19,186</u>	<u>29,499</u>
Total deferred outflows of resources	<u>\$ 18,910</u>	<u>\$ 36,991</u>	<u>\$ 55,901</u>

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)**

**Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

	OPERS - Traditional	OP&F	Total
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 1,371	\$ 13,368	\$ 14,739
Net difference between projected and actual earnings on pension plan investments	21,627	12,521	34,148
Changes in employer's proportionate percentage/difference between employer contributions	1,262	9,806	11,068
Total deferred inflows of resources	<u>\$ 24,260</u>	<u>\$ 35,695</u>	<u>\$ 59,955</u>

\$29,499 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS - Traditional	OP&F	Total
2021	\$ (1,412)	\$ (4,634)	\$ (6,046)
2022	(6,560)	(4,141)	(10,701)
2023	896	3,994	4,890
2024	(8,587)	(11,821)	(20,408)
2025	-	(1,288)	(1,288)
Thereafter	-	-	-
Total	<u>\$ (15,663)</u>	<u>\$ (17,890)</u>	<u>\$ (33,553)</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.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)**

**Actuarial Assumptions – OPERS (continued)**

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2019, are presented below.

Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75% including wage inflation
COLA or ad hoc COLA	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 1.40%, simple through 2020, then 2.15% simple
Investment rate of return	
Current measurement date	7.20%
Prior measurement date	7.20%
Actuarial cost method	Individual entry age

In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3.00% simple through 2018 then 2.15% simple to 1.40% simple through 2020 the 2.15% simple.

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

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.20% 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 long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant.



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**NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)**

**Actuarial Assumptions – OPERS (continued)**

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

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

**Discount Rate** - The discount rate used to measure the total pension liability was 7.20%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2019 was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following table presents the proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.20%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.20%) or one-percentage-point higher (8.20%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability:			
Traditional Pension Plan	\$ 178,814	\$ 108,415	\$ 45,131

**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 the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)**

**Actuarial Assumptions – OP&F (continued)**

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

Valuation date	1/1/19 with actuarial liabilities rolled forward to 12/31/19
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of
	inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%

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%.

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy and Guidelines. 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 the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)**

**Actuarial Assumptions – OP&F (continued)**

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

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

Note: assumptions are geometric.

\* levered 2x

\*\* numbers include inflation

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

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

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00%, 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%), or one percentage point higher (9.00%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability	\$ 359,243	\$ 259,201	\$ 175,525

**City of Toledo, Ohio**  
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**NOTE 14 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability***

See Note 13 for a description of the net OPEB liability.

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

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care was 0.00% for the Traditional and Combined plans. 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 4.00%.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City was not required to make a contractually required contribution to OPERS to fund healthcare during 2020.

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 14 - DEFINED BENEFIT OPEB PLANS (continued)**

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

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

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

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

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

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% and 24.00% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$457 for 2020. Of this amount, \$9 is reported as accrued wages and benefits.

**Net OPEB Liability, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB**

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

**City of Toledo, Ohio**  
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**NOTE 14 - DEFINED BENEFIT OPEB PLANS (continued)**

**Net OPEB Liability, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB (continued)**

Following is information related to the proportionate share and OPEB expense:

	OPERS	OP&F	Total
Proportion of the net OPEB liability prior measurement date	0.538490%	3.878850%	
Proportion of the net OPEB liability current measurement date	<u>0.546815%</u>	<u>3.847687%</u>	
Change in proportionate share	<u>0.008325%</u>	<u>-0.031163%</u>	
Proportionate share of the net OPEB liability	\$ 75,529	\$ 38,007	\$ 113,536
OPEB expense	\$ 8,728	\$ 3,398	\$ 12,126

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

	OPERS	OP&F	Total
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 2	\$ -	\$ 2
Changes of assumptions	11,956	22,220	34,176
Changes in employer's proportionate percentage/difference between employer contributions	1,636	-	1,636
Contributions subsequent to the measurement date	-	457	457
Total deferred outflows of resources	<u>\$ 13,594</u>	<u>\$ 22,677</u>	<u>\$ 36,271</u>
	OPERS	OP&F	Total
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 6,907	\$ 4,087	\$ 10,994
Net difference between projected and actual earnings on OPEB plan investments	3,846	1,749	5,595
Changes of assumptions	-	8,099	8,099
Changes in employer's proportionate percentage/difference between employer contributions	928	2,316	3,244
Total deferred inflows of resources	<u>\$ 11,681</u>	<u>\$ 16,251</u>	<u>\$ 27,932</u>

**City of Toledo, Ohio**  
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**NOTE 14 - DEFINED BENEFIT OPEB PLANS (continued)**

**Net OPEB Liability, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB (continued)**

\$457 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 of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2021	\$ 2,417	\$ 1,008	\$ 3,425
2022	1,136	1,008	2,144
2023	3	1,366	1,369
2024	(1,643)	801	(842)
2025	-	1,034	1,034
Thereafter	-	752	752
Total	<u>\$ 1,913</u>	<u>\$ 5,969</u>	<u>\$ 7,882</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 health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019.

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**NOTE 14 - DEFINED BENEFIT OPEB PLANS (continued)**

**Actuarial Assumptions – OPERS (continued)**

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25%
Projected Salary Increases, including inflation	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	10.00% initial, 3.50% ultimate in 2030
Prior Measurement date	7.50%, initial 3.25%, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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

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

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 19.70% for 2019.



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**NOTE 14 - DEFINED BENEFIT OPEB PLANS (continued)**

**Actuarial Assumptions – OPERS (continued)**

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

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

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

**Discount Rate** - A single discount rate of 3.16% was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96% was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% 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 proportionate share of the net OPEB liability calculated using the single discount rate of 3.16%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16%) or one-percentage-point higher (4.16%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 98,842	\$ 75,529	\$ 56,864

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**NOTE 14 - DEFINED BENEFIT OPEB PLANS (continued)**

**Actuarial Assumptions – OPERS (continued)**

***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 1.00% lower or 1.00% 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.

	Current Health Care Trend Rate		
	<u>1% Decrease</u>	<u>Assumption</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability	\$ 73,301	\$ 75,529	\$ 77,730

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

**Actuarial Assumptions - OP&F**

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

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

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

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**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

**Actuarial Assumptions - OP&F (continued)**

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

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00%
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%
Cost of Living Adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%

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 Conduent 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 Conduent 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 the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

**Actuarial Assumptions - OP&F (continued)**

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

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

Note: assumptions are geometric.

\* levered 2x

\*\* numbers include inflation

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** - For 2019, the total OPEB liability was calculated using the discount rate of 3.56%. For 2018, the total OPEB liability was calculated using the discount rate of 4.66%. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8.00%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.75% at December 31, 2019 and 4.13% at December 31, 2018, was blended with the long-term rate of 8.00%, which resulted in a blended discount rate of 3.56% for 2019 and 4.66% for 2018. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2034, and the municipal bond rate was applied to all health care costs after that date.

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**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

**Actuarial Assumptions - OP&F (continued)**

***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 one percentage point lower (2.56%), or one percentage point higher (4.56%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 47,126	\$ 38,007	\$ 30,429

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate*** - The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

**NOTE 15 – RISK MANAGEMENT**

**Property and Liability**

The City has elected pursuant to ORC §2744.08(A)(2)(a) to use public funds for the purpose of handling third-party property losses and liabilities in lieu of purchasing general municipality liability insurance. Claims activity is accounted for within the Risk Management Fund, which derives revenue on a pro-rata basis from other City funds to cover liability losses. Settled claims have not materially exceeded coverage in any of the last three years, and the City added coverage through new policies in 2020, without significant reduction in coverage from the prior year policies. In addition, the City has the ability to issue general obligation bonds to pay final judgments that may arise.

The liability is reported as a current liability in the Risk Management Internal Service Fund. Changes in the claim liability amount in years 2017 - 2020 follows:

Year	Beginning Balance	Current Year Claims and Change in Estimate	Claims Payments	Ending Balance
2017	\$ 5,500	\$ 657	\$ (657)	\$ 5,500
2018	5,500	1,146	(5,446)	1,200
2019	1,200	688	(688)	1,200
2020	1,200	1,245	(1,245)	1,200

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**NOTE 15 – RISK MANAGEMENT (continued)**

**Property and Liability (continued)**

The City is fully insured through premium-based insurance policies for all other types of insurance. In 2020, the City contracted with various insurance companies to provide the following coverage:

	<b>Coverage</b> (in Whole Dollars)	<b>Deductible</b> (in Whole Dollars)
Property Policy for the City	\$ 600,000,000	\$ 250,000
Accident/Liability Policy - Intern Program	25,000	-
Accident/Liability Policy - Youth Commission	25,000	-
Accident/Liability Policy - Adult Probation Program	25,000	-
Boat Policy (Swan Creek & Trailer)	1,000,000	1,000
BUSTR/Cleanup for Underground Fuel Tanks	Total cost of cleanup	50,000
Commercial Liability for The Unique Center	1,000,000	5,000
Crime Policy for the City	3,000,000	75,000
Crime Policy for the Toledo Police	1,000,000	50,000
Crime Policy for Toledo Clerk of Courts	3,000,000	50,000
Employee Tool Insurance	211,000	500
Boat Policy (Pacific Skiff)	1,000,000	5,000
Ocean Marine Policy (Hanson/Maurell)	1,000,000	1,000
Ocean Marine Policy (Sunder)	1,000,000	1,000
Ocean Marine Policy (Sea Ark)	1,000,000	500
Ocean Marine Policy (Zodiac)	1,000,000	500
Professional Liability for TMC	10,000,000	-
Toledo Express JEDD	1,000,000	-
Holy Trinity Parking Lot	1,000,000	-
Accident/Liability Policy - TPS Co-op Program	25,000	-
Cyber & Privacy Policy	2,000,000	500,000
Environment/Municipal Golf Courses	1,000,000	10,000
Liquor Liability/Municipal Golf Courses	1,000,000	1,000

**Workers' Compensation**

The City takes advantage of workers' compensation plans offered by the State of Ohio. The current plan is a Group Retrospective Rating Plan and has been in effect since 2016. Group Retrospective Rating is a performance-based incentive program designed to recover a portion of premium for employers that reduce injury rates and lower claims costs. Participating employers receive refunds or pay assessments based on the performance of the group. The 2015 plan, called Merit Rating or an Experience Rating Plan, allows the City to take advantage rebates through the Destination Excellence program, which enabled the City to receive credits for a percentage of premiums paid based on fulfilling the requirements of each program. In contrast to the Individual Retrospective Rating program previously utilized, the Group Retrospective and the Experience plans have no dollar for dollar liability. Claim costs are paid by the Ohio Bureau of Workers' Compensation (BWC), and those costs are used to calculate an annual insurance premium established by BWC.

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**NOTE 15 – RISK MANAGEMENT (continued)**

**Workers' Compensation (continued)**

The City participated in Individual Retrospective Rating from January 2006 through December 2014 and retains liability for claims over a ten-year period. Claims with a date of injury prior to January 1, 2009 are closed out and have no further liability. In the Retrospective Rating plan, the City agreed to assume a portion of the risk in return for a reduction in premium. The greater the percentage of risk the City assumed, the greater the reduction in the premium. If the City's loss experience is better than predicted by the experience-rating system, its total obligation will be less than what it would have paid under experience rating. If its experience is worse than predicted, its total obligation will be more than it would have been assessed under experience rating, limited to a maximum premium. The City has assumed the risk of individual claims up to a maximum of \$300,000.

The City has agreed to pay all claims up to a maximum of 150% of what the City would have paid had the City remained an experience-rated risk. Claims exceeding these limits will be paid by the BWC. Ten years after each year the City elected the retrospective plan for workers' compensation, the City settles reserves (if any) on claims that are still open. The City has established a Workers' Compensation Internal Service Fund to account for and finance its uninsured risks of loss in the program.

The claims liability of \$1,724 reported at December 31, 2020 was determined after review of the City's actuarial report provided by a third-party actuary. This estimate complies with GASB Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, as amended by GASB Statement No. 30, Risk Financing Omnibus, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling claims. The liability is reported as a current liability in the Statement of Net Position for the Internal Service Funds. The liability decreased in 2017 to reflect the reduction in claim liability, primarily as a result of the sub-contracting of the City's refuse workers beginning in 2011, additional safety training, better claims management, and the implementation of changes related to worker safety based upon training provided by the Safety Council of Northwest Ohio. The liability is associated with the Individual Retrospective Rating plan, and the City expects this liability to gradually decrease until eliminated entirely in the year 2024, the final year for which the City is required to make a payment to the BWC under the Individual Retrospective Rating Plan.

The liability is reported as a current liability in the Workers' Compensation Internal Service Fund. Changes in the Workers' Compensation claim liability amount in 2017 - 2020 were:

Year	Beginning Balance	Current Year Claims and Change in Estimate	Claims Payments	Ending Balance
2017	\$ 7,000	\$ 4,478	\$ (6,478)	\$ 5,000
2018	5,000	3,614	(5,264)	3,350
2019	3,350	4,413	(5,415)	2,348
2020	2,348	4,407	(5,031)	1,724

**Health, Dental, and Prescription Drug Benefits**

The City is self-insured for health, dental and prescription drug benefits. The programs are administered by a third-party, which provides claims review and processing services. The City records a liability for incurred but unreported medical, dental, and prescription drug claims at year-end based upon an actuarial estimate by a third-party actuary. The actuarially determined claims liability is based upon past experience and current claims outstanding.

**City of Toledo, Ohio**  
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**NOTE 15 – RISK MANAGEMENT (continued)**

**Health, Dental, and Prescription Drug Benefits (continued)**

The claims liability of \$4,148 reported at December 31, 2020 was determined after review of the City’s actuarial report provided by a third-party actuary. This estimate complies with GASB Statement No. 10. Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, as amended by GASB Statement No. 30, Risk Financing Omnibus, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling claims.

In late 2019, the City established an Internal Service Fund to account for its healthcare self-insurance activities. The Healthcare Self-Insurance Internal Service Fund was established utilizing prescription drugs rebates and stop-loss reimbursements received by the City. Beginning in 2020, the City began utilizing the newly established Healthcare Self-Insurance Internal Service Fund to report all healthcare related self-insurance activities. The actuarially determined claims liability is reported in the Healthcare Self-Insurance Internal Service Fund at December 31, 2020.

The liability is reported as a current liability in the Healthcare Self-Insurance Internal Service Fund. Changes in the claim liability amount for this category in years 2017 - 2020 follows:

Year	Beginning Balance	Current Year Claims and Change in Estimate	Claims Payments	Ending Balance
2017	\$ 3,987	\$ 28,075	\$ (27,933)	\$ 4,129
2018	4,129	26,530	(26,931)	3,728
2019	3,728	29,559	(29,245)	4,042
2020	4,042	29,715	(29,609)	4,148

**NOTE 16 – ACCOUNTABILITY AND COMPLIANCE**

**Change in Accounting Principles**

For 2020, the City has applied GASB Statement No. 95, “Postponement of the Effective Dates of Certain Authoritative Guidance” to GASB Statement Nos. 87 and 89, which were originally due to be implemented in 2020. GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The following pronouncement is postponed by one year and the City has elected delaying implementation until the fiscal year ended December 31, 2021:

- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*

The following pronouncements are postponed by eighteen months and the City has elected delaying implementation until the fiscal year ended December 31, 2021:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*



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**NOTE 16 – ACCOUNTABILITY AND COMPLIANCE (continued)**

**Restatement of Net Position**

The City is reporting a prior period adjustment to (1) properly report the disposal of capital assets that occurred in a prior fiscal year in the internal service funds and the governmental activities, and (2) to report a special assessment receivable in the Custodial Funds for special assessments collected for and remitted to various Energy Special Improvement Districts and the Downtown Toledo Improvement District. The prior period adjustment had the following effect on net position as previously reported:

	Governmental Activities	Internal Service Funds	Custodial Funds
Net position at December 31, 2019	\$ 123,401	\$ 23,015	\$ 573
Adjustment to properly report capital asset balances	(7,736)	(7,736)	-
Adjustment to report special assessments receivable	-	-	19,014
Restated net position at January 1, 2020	<u>\$ 115,665</u>	<u>\$ 15,279</u>	<u>\$ 19,587</u>

**Deficit Fund Balances/Net Position**

Fund balances/net position at December 31, 2020 included the following individual fund deficits:

	<u>Deficit</u>
<i>Governmental Funds:</i>	
Special Assessments Services Fund	\$ 57,921
Nonmajor Governmental:	
Special Assessment Improvement Fund	2,957
Jeep Muni Public Improvement TIF	<u>12,002</u>
Total Governmental Funds	<u>72,880</u>
<i>Enterprise Funds:</i>	
Nonmajor Enterprise:	
Property Management Fund	<u>2,491</u>
Total	<u>\$ 75,371</u>

These deficits will be eliminated by future charges for services, reduction of expenditures or future bond sales, where appropriate. The deficit balance in the Special Assessments Services Fund is due primarily to the City's issuance of \$40,900 of special assessment notes which are reported as a fund liability and the reporting of \$20,561 in amounts due to other funds. The special assessment notes are issued for the interim financing of various improvements to be assessed from benefitting property owners. The City pays the actual costs of these services, which are then levied as special assessments and collected two years after the service has been rendered. At December 31, 2020, the City has reported a special assessments receivable in the amount of \$55,820 in the Special Assessments Services Fund.

The deficit balance in the Special Assessment Improvement Fund is due primarily to the City's issuance of \$2,460 of general obligation notes which are reported as a fund liability and the reporting of \$385 in amounts due to other funds. This deficit will be reduced as special assessments are collected to retire the obligations and as transfers are received from the Capital Improvements Fund for amounts not certified in prior years.

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**NOTE 16 – ACCOUNTABILITY AND COMPLIANCE (continued)**

**Deficit Fund Balances/Net Position (continued)**

The Jeep Muni Public Imp TIF receives payments in lieu of taxes, with its deficit due and payable to the Capital Improvement fund.

The deficit balance in the Property Management Fund is due to the reporting of long-term housing improvement bonds payable as a fund liability. The deficit will be reduced as transfers are received from the Capital Improvement fund to make required debt service payments. Any proceeds from the sale of property for which the bonds were issued may be used to reduce the bond obligation.

**NOTE 17 - CONTINGENCIES**

**Litigation**

The City is a party to various legal proceedings seeking damages or injunctive or other relief generally incidental to its operations for which it reserves resources. Those proceedings are unrelated to any outstanding City debt or the security therefore. The ultimate disposition of those proceedings is not now determinable, but based on the aforementioned will not, in the opinion of the City's Director of Law, have a material adverse effect on any outstanding City debt or the security therefore.

Under current Ohio law, City moneys, accounts and investments are not subject to attachment to satisfy tort judgments against the City in State courts. Current Ohio law also permits the City to reduce its fiscal responsibility in tort liability by deducting all appropriate health benefits, insurance benefits (including uninsured and underinsured motorists' coverage) and/or other benefits which a claimant may be entitled to receive due to injury or other loss. The City does not maintain a policy of liability insurance or a self-insurance fund or participate in any self-insurance program or pool to satisfy tort liability claims. The City has satisfied in the past, and continues to satisfy, its general, motor vehicle, police, fire and emergency medical services tort liability (after deducting amounts available from any available collateral source) by relying on tax receipts and other available City revenues.

Based on historical experience and its evaluation of pending claims, the City believes that the amount available from those sources and unencumbered at December 31, 2020 and at the date of this Statement, is sufficient to meet the claims and judgments that may arise in 2021. In addition, the City has the right to issue general obligation bonds, maturing over a maximum period of 25 years, and notes in anticipation of those bonds, to pay any final judgment which may be entered against it.

**Grants**

In 2020, the City received Federal, State, and Local grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**NOTE 18 - COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The City's investment portfolio and the pension and other employee benefits plan in which the City participate fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

During 2020, the City received \$25,082 as an on-behalf of grants and other funding from another government. These amounts are recorded in the CARES Act Fund (a nonmajor governmental fund).

**City of Toledo, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

**NOTE 19 – SUBSEQUENT EVENTS**

With the passage of Issue 4 on November 3, 2020, Toledo voters supported imposing an additional temporary municipal income tax at a rate of 0.25% for four years beginning on January 1, 2021, to fund road improvements. This brings the total income tax rate to 2.5% and it is estimated that the tax would raise in excess of \$18 million annually for road repairs and reconstruction.

In January 2021, City Council passed legislation authorizing the Mayor to enter into agreements with and accept financial assistance from the State of Ohio, Ohio Public Works Commission (OPWC) in an amount not to exceed \$3,070 for the Anthony Wayne Trail – Glendale to City Limits and authorizing the appropriation and expenditure of said grant and loan proceeds.

In March 2021, Congress passed the American Rescue Plan Act of 2021 (ARP) to provide a combined \$350 billion in assistance to eligible state, local, territorial, and Tribal governments to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery. This bill provides additional relief to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses. The city is expected to receive a total of \$180,949 in two installments. The first installment in the amount of \$90,474 was accepted on May 21, 2021, with the balance to be delivered approximately 12 months later.

On April 27, 2021, the JobsOhio forgave the City's \$650 Capital Projects loan as all parameters for forgiveness were deemed to have been met (see Note 9).

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## REQUIRED SUPPLEMENTARY INFORMATION

**City of Toledo, Ohio**

**Schedules of the Required Supplementary Information**

**Schedule of the City's Proportionate Share of  
The Net Pension Liability  
Ohio Public Employees Retirement System (OPERS)  
Last Seven Years  
(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.548508%	0.539616%	0.533193%	0.543004%
City's proportionate share of the net pension liability	\$ 108,415	\$ 147,790	\$ 83,648	\$ 123,307
City's covered payroll	\$ 77,564	\$ 73,215	\$ 70,449	\$ 73,825
City's proportionate share of the net pension liability as a percentage of its covered payroll	139.77%	201.86%	118.74%	167.03%
Plan fiduciary net position as a percentage of the total pension liability	82.17%	74.70%	84.66%	77.25%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

See accompanying notes to the required supplementary information

	<u>2016</u>		<u>2015</u>		<u>2014</u>
	0.585192%		0.585985%		0.585985%
\$	101,362	\$	70,676	\$	69,078
\$	64,392	\$	71,842	\$	62,938
	157.41%		98.38%		109.75%
	81.08%		86.45%		86.36%

**City of Toledo, Ohio**

**Schedules of the Required Supplementary Information**

**Schedule of the City's Proportionate Share of  
The Net Pension Liability  
Ohio Police and Fire (OP&F) Pension Fund  
Last Seven Years  
(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net pension liability	3.84768700%	3.87885000%	3.91728000%	3.93485500%
City's proportionate share of the net pension liability	\$ 259,201	\$ 316,616	\$ 240,421	\$ 249,230
City's covered payroll	\$ 92,034	\$ 88,613	\$ 85,955	\$ 89,039
City's proportionate share of the net pension liability as a percentage of its covered payroll	281.64%	357.30%	279.71%	279.91%
Plan fiduciary net position as a percentage of the total pension liability	69.89%	63.07%	70.91%	68.36%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

See accompanying notes to the required supplementary information



<u>2016</u>	<u>2015</u>	<u>2014</u>
4.27230500%	4.10854390%	4.10854390%
\$ 274,840	\$ 212,840	\$ 200,099
\$ 91,976	\$ 84,450	\$ 81,411
298.82%	252.03%	245.79%
66.77%	72.20%	73.00%

**City of Toledo, Ohio**

**Schedules of the Required Supplementary Information**

**Schedule of City Pension Contributions  
Ohio Public Employees Retirement System (OPERS)  
Last Eight Years  
(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 10,313	\$ 10,859	\$ 10,250	\$ 9,158
Contributions in relation to the contractually required contribution	<u>(10,313)</u>	<u>(10,859)</u>	<u>(10,250)</u>	<u>(9,158)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 73,664	\$ 77,564	\$ 73,215	\$ 70,449
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%

Note: Information prior to 2013 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying notes to the required supplementary information

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 8,859	\$ 7,727	\$ 8,621	\$ 8,182
<u>(8,859)</u>	<u>(7,727)</u>	<u>(8,621)</u>	<u>(8,182)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 73,825	\$ 64,392	\$ 71,842	\$ 62,938
12.00%	12.00%	12.00%	13.00%

**City of Toledo, Ohio**

**Schedules of the Required Supplementary Information**

**Schedule of City Pension Contributions  
Ohio Police and Fire (OP&F) Pension Fund  
Last Eight Years  
(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 19,186	\$ 19,378	\$ 18,661	\$ 18,070
Contributions in relation to the contractually required contribution	<u>(19,186)</u>	<u>(19,378)</u>	<u>(18,661)</u>	<u>(18,070)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 91,438	\$ 92,034	\$ 88,613	\$ 85,955
Contributions as a percentage of covered payroll	21.06%	21.06%	21.06%	21.02%

Note: Information prior to 2013 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying notes to the required supplementary information

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 17,888	\$ 18,478	\$ 17,194	\$ 13,905
<u>(17,888)</u>	<u>(18,478)</u>	<u>(17,194)</u>	<u>(13,905)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 89,039	\$ 91,976	\$ 84,450	\$ 81,411
20.09%	20.09%	20.36%	17.08%

**City of Toledo, Ohio**

**Schedules of the Required Supplementary Information**

**Schedule of the City's Proportionate Share of  
The Net OPEB Liability  
Ohio Public Employees Retirement System (OPERS)  
Last Four Years  
(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.546815%	0.538490%	0.532090%	0.541421%
City's proportionate share of the net OPEB liability	\$ 75,529	\$ 70,206	\$ 57,783	\$ 54,685
City's covered payroll	\$ 77,564	\$ 73,215	\$ 70,449	\$ 73,825
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	97.38%	95.89%	82.02%	74.07%
Plan fiduciary net position as a percentage of the total OPEB liability	47.80%	46.33%	54.14%	54.05%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

See accompanying notes to the required supplementary information

**City of Toledo, Ohio**

**Schedules of the Required Supplementary Information**

**Schedule of the City's Proportionate Share of  
The Net Pension Liability  
Ohio Police and Fire (OP&F) Pension Fund  
Last Four Years  
(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	3.84768700%	3.87885000%	3.91728000%	3.93485500%
City's proportionate share of the net OPEB liability	\$ 38,007	\$ 35,325	\$ 221,948	\$ 186,779
City's covered payroll	\$ 92,034	\$ 88,613	\$ 85,955	\$ 89,039
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	41.30%	39.86%	258.21%	209.77%
Plan fiduciary net position as a percentage of the total OPEB liability	47.08%	46.57%	14.13%	15.96%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

See accompanying notes to the required supplementary information

**City of Toledo, Ohio**

**Schedules of the Required Supplementary Information**

**Schedule of City OPEB Contributions  
Ohio Public Employees Retirement System (OPERS)  
Last Eight Years  
(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ 704
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>(704)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 73,664	\$ 77,564	\$ 73,215	\$ 70,449
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	1.00%

Note: Information prior to 2013 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying notes to the required supplementary information



<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 1,516	\$ 1,376	\$ 1,536	\$ 729
<u>(1,516)</u>	<u>(1,376)</u>	<u>(1,536)</u>	<u>(729)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 73,825	\$ 64,392	\$ 71,842	\$ 62,938
2.05%	2.14%	2.14%	1.16%

**City of Toledo, Ohio**

**Schedules of the Required Supplementary Information**

**Schedule of City OPEB Contributions  
Ohio Police and Fire (OP&F) Pension Fund  
Last Eight Years  
(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 457	\$ 460	\$ 443	\$ 430
Contributions in relation to the contractually required contribution	<u>(457)</u>	<u>(460)</u>	<u>(443)</u>	<u>(430)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 91,438	\$ 92,034	\$ 88,613	\$ 85,955
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

Note: Information prior to 2013 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying notes to the required supplementary information

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 430	\$ 444	\$ 404	\$ 5,863
<u>(430)</u>	<u>(444)</u>	<u>(404)</u>	<u>(5,863)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 89,039	\$ 91,976	\$ 84,450	\$ 81,411
0.48%	0.48%	0.48%	7.20%

## City of Toledo, Ohio

### Notes to the Required Supplementary Information

#### PENSION

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

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

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%. There were no changes in assumptions for 2018. For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%. There were no changes in assumptions for 2020.

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

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

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following were the most significant changes of assumptions that affected the total pension since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.50% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple. There were no changes in assumptions for 2019-2020.

#### OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2017-2020.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%. For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029. For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.00%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.

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

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2017-2018. For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model. There were no changes in benefit terms for 2020.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%. For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%. For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**General Fund**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
<b>REVENUES</b>				
Income taxes	\$ 190,657	\$ 177,100	\$ 181,695	\$ 4,595
Property taxes	12,513	12,949	12,956	7
Licenses and permits	3,071	2,550	2,627	77
Intergovernmental services	18,510	16,797	17,186	389
Charges for services	28,529	27,355	27,677	322
Investment earnings	1,219	1,000	1,530	530
Fines and forfeitures	10,185	4,773	4,713	(60)
Other revenue	675	496	552	56
Total revenues	<u>265,359</u>	<u>243,020</u>	<u>248,936</u>	<u>5,916</u>
<b>EXPENDITURES</b>				
Current:				
General government	29,672	26,365	25,253	1,112
Public service	3,356	4,754	4,557	197
Public safety	183,208	177,938	149,666	28,272
Community environment	9,348	8,194	7,122	1,072
Health	9,354	8,846	8,371	475
Parks and recreation	3,371	2,968	2,197	771
Debt service:				
Principal retirement	700	700	698	2
Interest and fiscal charges	21	21	20	1
Total expenditures	<u>239,030</u>	<u>229,786</u>	<u>197,884</u>	<u>31,902</u>
Excess of revenues over expenditures	<u>26,329</u>	<u>13,234</u>	<u>51,052</u>	<u>37,818</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	9,409	26,832	26,818	(14)
Transfers out	(42,166)	(40,047)	(40,047)	-
Total other financing sources (uses)	<u>(32,757)</u>	<u>(13,215)</u>	<u>(13,229)</u>	<u>(14)</u>
Net change in fund balance	<u>\$ (6,428)</u>	<u>\$ 19</u>	<u>37,823</u>	<u>\$ 37,804</u>
Fund balance at beginning of year			46,622	
Increase in inventory			190	
Fund balance at year end			<u>\$ 84,635</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**Special Assessment Services**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
<b>REVENUES</b>				
Special assessments	\$ 32,008	\$ 32,008	\$ 25,983	\$ (6,025)
Investment earnings	-	-	41	41
Total revenues	<u>32,008</u>	<u>32,008</u>	<u>26,024</u>	<u>(5,984)</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,251	1,294	1,015	279
Public service	31,599	31,556	22,306	9,250
Health	449	449	224	225
Capital outlay	8	8	-	8
Debt service:				
Principal retirement	20,400	20,400	-	20,400
Interest and fiscal charges	1,530	1,530	1,162	368
Total expenditures	<u>55,237</u>	<u>55,237</u>	<u>24,707</u>	<u>30,530</u>
Net change in fund balance	<u>\$ (23,229)</u>	<u>\$ (23,229)</u>	1,317	<u>\$ 24,546</u>
Fund balance (deficit) at beginning of year			(59,081)	
(Decrease) in inventory			(157)	
Fund balance (deficit) at year end			<u>\$ (57,921)</u>	

**City of Toledo, Ohio**  
**Notes to the Budgetary Required Supplementary Information**  
**December 31, 2020**

**Annual Budget Process**

Annual budgets are adopted on a GAAP basis for all Governmental Funds, other than Capital Projects Funds, and all Proprietary Funds. On a GAAP basis, revenues are recorded when earned and expenditures are recorded when incurred. Capital projects funds adopt project-length budgets at the time bonds are sold or other funding sources are determined. The City maintains budgetary controls by not permitting expenditures to exceed appropriations at the account for each division within each fund.

The City's budgetary process is as follows:

*Budget*

A certificate of estimated revenue is submitted to the County Auditor, as Secretary of the County Budget Commission, by October 31 of each year for the period January 1 to December 31 of the following year.

*Estimated Resources*

The County Budget Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each Fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditure from any fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. On or about January 1, the certificate is amended to include any unencumbered balances from the preceding year.

*Appropriations*

A temporary appropriation measure to control disbursements may be passed on or about January 1 of each year for the period from January 1 to March 31. During this period, the administration presents an executive budget that is reviewed by City Council for its revision and approval. Upon completion of City Council's review, the revised executive budget is summarized into an ordinance that is approved by City Council to provide expenditure authority for an appropriated budget. This ordinance receives City Council approval no later than March 31 for the annual period ending December 31. During the year as additional information becomes available, City Council approves transfers, allocations, supplemental appropriations, and the reappropriation of encumbrances carried over from the prior year. Appropriations did not exceed estimated resources and all original appropriation authority resides with City Council. Management retains administrative authority to transfer existing appropriation authority under \$25 within personal services and between other account codes within an organization in a fund.

*Budgetary Level of Control*

The City is required by Ohio Law to establish annual appropriations for all necessary funds. These appropriated budgets affect legal control at various levels for individual funds. Budgetary control is exercised for the General Fund, Special Revenue Funds, and Debt Service Funds at the organizational level distinguishing between personal services and other expenditures. Budgetary control of grant funds is exercised by individual grant for each organization at the personal services and other level. Capital Projects Funds are legislatively controlled by individually approved projects for each organization. Expenditures may not legally exceed appropriations at this level.

**City of Toledo, Ohio**  
**Notes to the Budgetary Required Supplementary Information**  
**December 31, 2020**

**Annual Budget Process (continued)**

*Encumbrances*

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are encumbered and recorded as the equivalent of expenditures on the GAAP budget basis in order to reserve that portion of the applicable appropriations.

*Lapsing of Appropriations*

Unencumbered appropriate balances lapse at year end and revert to their respective funds from which there were originally appropriated, thus becoming available for future appropriation.



COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

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**City of Toledo, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2020**  
**(Amounts in Thousands)**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents - other	\$ 88	\$ -	\$ -	\$ -	\$ 88
Restricted investments	-	-	-	681	681
Receivables (net of allowances)	9,791	141	1,145	-	11,077
Due from other:					
Funds	23,752	410	14,030	399	38,591
Governments	10,740	-	-	-	10,740
Inventory of supplies	1,150	-	-	-	1,150
Total assets	<u>\$ 45,521</u>	<u>\$ 551</u>	<u>\$ 15,175</u>	<u>\$ 1,080</u>	<u>\$ 62,327</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 2,222	\$ -	\$ 111	\$ -	\$ 2,333
Deposits	1,889	-	-	384	2,273
Retainage payable	40	-	12	-	52
Due to other:					
Funds	2,137	12,002	385	-	14,524
Compensated absences payable	4	-	-	-	4
Notes payable	-	-	2,460	-	2,460
Total liabilities	<u>6,292</u>	<u>12,002</u>	<u>2,968</u>	<u>384</u>	<u>21,646</u>
<b>Deferred inflows of resources:</b>					
Revenues levied for the next year and unavailable revenue	<u>5,529</u>	<u>18</u>	<u>1,144</u>	<u>-</u>	<u>6,691</u>
<b>Fund balances:</b>					
Nonspendable	1,150	-	-	674	1,824
Restricted	31,006	191	14,020	22	45,239
Committed	1,544	342	-	-	1,886
Unassigned (deficit)	-	(12,002)	(2,957)	-	(14,959)
Total fund balances (deficit)	<u>33,700</u>	<u>(11,469)</u>	<u>11,063</u>	<u>696</u>	<u>33,990</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 45,521</u>	<u>\$ 551</u>	<u>\$ 15,175</u>	<u>\$ 1,080</u>	<u>\$ 62,327</u>

**City of Toledo, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Nonmajor Permanent Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>					
Special assessments	\$ -	\$ -	\$ 250	\$ -	\$ 250
Intergovernmental services	18,783	3,428	2,238	-	24,449
Charges for services	1,744	-	-	-	1,744
Investment earnings	13	-	-	-	13
Fines and forfeitures	1,000	-	-	-	1,000
Grants	39,431	-	-	-	39,431
Other revenue	3,528	-	1	-	3,529
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	64,499	3,428	2,489	-	70,416
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>					
Current:					
General government	954	-	-	-	954
Public service	12,233	-	-	-	12,233
Public safety	29,307	-	-	-	29,307
Public utilities	170	-	-	-	170
Community environment	16,159	-	-	-	16,159
Health	1,645	-	-	-	1,645
Parks and recreation	1,686	-	-	-	1,686
Capital outlay	1,668	-	1,107	-	2,775
Debt service:					
Principal retirement	-	11,310	-	-	11,310
Interest and fiscal charges	-	4,268	40	-	4,308
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	63,822	15,578	1,147	-	80,547
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	677	(12,150)	1,342	-	(10,131)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	1,232	14,457	-	-	15,689
Transfers (out)	(1,150)	-	-	-	(1,150)
Premiums on bonds issued	-	481	-	-	481
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	82	14,938	-	-	15,020
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances	759	2,788	1,342	-	4,889
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances (deficit) at beginning of year</b>	32,751	(14,257)	9,721	696	28,911
Increase in inventory	190	-	-	-	190
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances (deficit) at end of year</b>	<u>\$ 33,700</u>	<u>\$ (11,469)</u>	<u>\$ 11,063</u>	<u>\$ 696</u>	<u>\$ 33,990</u>

**City of Toledo, Ohio**  
**Fund Descriptions - Nonmajor Special Revenue Funds**

***Federal Block Grants***

To account for monies received from the Federal Government under the Community Development Block Grant program.

***Operation Grants***

To account for various non-capital Federal, State, and Local grants including such programs as Federal and State Air Pollution Control, D.W.I. (Driving While Intoxicated) program, Child and Family Health, and WIC (Women, Infants and Children).

***Urban Development Action Grants***

To account for monies received from the Federal Government under the Urban Development Action Grant program. Individual program and grant activity is controlled by use of programmatic computer codes.

***Street Construction Maintenance and Repair***

To account for state-levied and controlled gasoline tax and vehicle license fees remitted to the City by formula for routine street maintenance.

***Cemetery Maintenance***

To account for investment earnings transferred from the non-expendable Cemetery Perpetual Care Fund. Fund monies are used in maintaining the City's five public cemeteries.

***Golf Improvements***

To account for all proper maintenance, operation, improvement and construction of municipal golf courses in the City for which a fee is charged; and all appropriations therefrom shall be made for only such purpose.

***Parkland Replacement***

To account for those proceeds from parkland sales committed by City Council for minor purchases of park property and equipment.

***Cemeteries Property Acquisition Site Development***

To account for monies received for investments, removals and lots in municipal cemeteries and used for the expansion of municipal cemeteries.

***Marina Development***

To account for monies received for operation and improvement of the City's marinas and Boating Education Center.

***Expendable Trusts***

To account for monies donated in trust to the City. Expenditures of the forty-eight individual trust funds in existence as of December 31 controlled by reference to individual trust balances maintained in subsidiary records. Also, to include special revenue source restricted for Municipal Court and Demolition operations.

***Toledo City Parks***

To account for investment earnings on funds contributed from the General Fund Estate Taxes. This fund will provide funding stability to the City's parks and recreation programs.

***Toledo Home Program***

To account for monies received under the National Affordable Housing Act to assist low-income individuals attain home ownership. Individual program and grant activity is controlled by use of programmatic computer codes.

***Right of Way***

To account for monies received from various public utilities for the maintenance of their access to the public right-of-way.

***CARES Act***

To account for federal monies used to combat and prevent the spread of COVID-19.

***Downtown Toledo Parking***

To account for revenues realized under the City's parking agreement with the Toledo Lucas County Port Authority and Park Smart as well as any other parking-related revenues that may also occur. The fund will be used to reinvest in projects, beautification or other items in the service area that would benefit the residents, businesses, and guests to Downtown Toledo.

**City of Toledo, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2020**  
**(Amounts in Thousands)**

	<b>Federal Block Grants</b>	<b>Operation Grants</b>	<b>Urban Development Action Grants</b>	<b>Street Construction Maintenance and Repair</b>
<b>ASSETS</b>				
Cash and cash equivalents - other	\$ -	\$ -	\$ -	\$ -
Receivables (net of allowances)	2,046	2,747	-	3,119
Due from other:				
Funds	-	6,508	688	3,713
Governments	1,919	530	-	7,219
Inventory of supplies	-	-	-	1,147
Total assets	<u>\$ 3,965</u>	<u>\$ 9,785</u>	<u>\$ 688</u>	<u>\$ 15,198</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 547	\$ 530	\$ -	\$ 229
Deposits	1,348	141	-	-
Retainage	-	-	-	40
Due to other:				
Funds	755	-	-	-
Compensated absences payable	-	-	-	4
Total liabilities	<u>2,650</u>	<u>671</u>	<u>-</u>	<u>273</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Revenues levied for the next year and unavailable revenue	<u>393</u>	<u>530</u>	<u>-</u>	<u>4,606</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	1,147
Restricted	922	8,584	688	9,172
Committed	-	-	-	-
Total fund balances	<u>922</u>	<u>8,584</u>	<u>688</u>	<u>10,319</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,965</u>	<u>\$ 9,785</u>	<u>\$ 688</u>	<u>\$ 15,198</u>

Cemetery Maintenance	Golf Improvements	Parkland Replacement	Cemeteries Property Acquisition Site Development	Marina Development	Expendable Trusts
\$ -	\$ 2	\$ -	\$ -	\$ -	\$ 86
8	57	15	-	5	559
219	354	358	482	112	10,511
-	-	-	-	-	-
-	-	-	-	-	3
<u>\$ 227</u>	<u>\$ 413</u>	<u>\$ 373</u>	<u>\$ 482</u>	<u>\$ 117</u>	<u>\$ 11,159</u>
\$ 4	\$ 156	\$ -	\$ -	\$ 5	\$ 421
-	-	-	2	-	375
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4</u>	<u>156</u>	<u>-</u>	<u>2</u>	<u>5</u>	<u>796</u>
-	-	-	-	-	-
-	-	-	-	-	3
-	-	-	-	-	10,360
<u>223</u>	<u>257</u>	<u>373</u>	<u>480</u>	<u>112</u>	<u>-</u>
<u>223</u>	<u>257</u>	<u>373</u>	<u>480</u>	<u>112</u>	<u>10,363</u>
<u>\$ 227</u>	<u>\$ 413</u>	<u>\$ 373</u>	<u>\$ 482</u>	<u>\$ 117</u>	<u>\$ 11,159</u>

(Continued)

**City of Toledo, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds (continued)**  
**December 31, 2020**  
**(Amounts in Thousands)**

	Toledo City Parks	Toledo Home Program	Right Of Way	CARES Act
<b>ASSETS</b>				
Cash and cash equivalents - other	\$ -	\$ -	\$ -	\$ -
Receivables (net of allowances)	-	1,235	-	-
Due from other:				
Funds	99	-	49	235
Governments	-	1,072	-	-
Inventory of supplies	-	-	-	-
Total assets	<u>\$ 99</u>	<u>\$ 2,307</u>	<u>\$ 49</u>	<u>\$ 235</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 95	\$ -	\$ 235
Deposits	-	-	23	-
Retainage	-	-	-	-
Due to other:				
Funds	-	1,382	-	-
Compensated absences payable	-	-	-	-
Total liabilities	<u>-</u>	<u>1,477</u>	<u>23</u>	<u>235</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Revenues levied for the next year and unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	830	26	-
Committed	99	-	-	-
Total fund balances	<u>99</u>	<u>830</u>	<u>26</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 99</u>	<u>\$ 2,307</u>	<u>\$ 49</u>	<u>\$ 235</u>



<b>Downtown Toledo Parking</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ 88
-	9,791
424	23,752
-	10,740
-	1,150
<u>\$ 424</u>	<u>\$ 45,521</u>
\$ -	\$ 2,222
-	1,889
-	40
-	2,137
-	4
<u>-</u>	<u>6,292</u>
<u>-</u>	<u>5,529</u>
-	1,150
424	31,006
-	1,544
<u>424</u>	<u>33,700</u>
<u>\$ 424</u>	<u>\$ 45,521</u>

**City of Toledo, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Federal Block Grants</b>	<b>Operation Grants</b>	<b>Urban Development Action Grants</b>	<b>Street Construction Maintenance and Repair</b>
<b>REVENUES</b>				
Intergovernmental services	\$ -	\$ -	\$ -	\$ 18,783
Charges for services	-	-	-	2
Investment earnings	-	-	-	-
Fines and forfeitures	-	-	-	133
Grants	6,901	6,025	-	-
Other revenue	43	-	-	93
Total revenues	6,944	6,025	-	19,011
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	534
Public service	-	-	-	12,222
Public safety	-	2,801	-	101
Public utilities	-	148	-	-
Community environment	7,551	2,351	-	12
Health	-	1,235	-	-
Parks and recreation	-	1,552	-	-
Capital outlay	-	47	-	1,434
Total expenditures	7,551	8,134	-	14,303
Excess (deficiency) of revenues over (under) Expenditures	(607)	(2,109)	-	4,708
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	462	-	-	225
Transfers (out)	-	(462)	-	(463)
Total other financing sources (uses)	462	(462)	-	(238)
Net change in fund balances	(145)	(2,571)	-	4,470
<b>Fund balances at beginning of year</b>	1,067	11,155	688	5,648
Increase (decrease) in inventory	-	-	-	201
<b>Fund balances at end of year</b>	\$ 922	\$ 8,584	\$ 688	\$ 10,319

Cemetery Maintenance	Golf Improvements	Parkland Replacement	Cemeteries Property Acquisition Site Development	Marina Development	Expendable Trusts
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
55	1,133	-	9	26	519
3	-	-	-	-	10
-	-	-	-	-	867
-	-	-	-	-	63
-	-	-	-	-	2,800
58	1,133	-	9	26	4,259
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,789
-	-	-	-	-	-
-	1,453	-	-	-	2,540
-	-	-	-	-	410
-	-	-	-	7	124
-	-	-	-	-	187
-	1,453	-	-	7	5,050
58	(320)	-	9	19	(791)
-	320	-	-	-	-
-	-	-	-	-	-
-	320	-	-	-	-
58	-	-	9	19	(791)
165	257	373	471	93	11,165
-	-	-	-	-	(11)
\$ 223	\$ 257	\$ 373	\$ 480	\$ 112	\$ 10,363

(Continued)

**City of Toledo, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds (continued)**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Toledo City Parks</b>	<b>Toledo Home Program</b>	<b>Right Of Way</b>	<b>CARES Act</b>
<b>REVENUES</b>				
Intergovernmental services	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Fines and forfeitures	-	-	-	-
Grants	-	1,360	-	25,082
Other revenue	-	333	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	-	1,693	-	25,082
	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	420
Public service	-	-	-	11
Public safety	-	-	-	24,616
Public utilities	-	-	-	22
Community environment	-	2,242	-	10
Health	-	-	-	-
Parks and recreation	-	-	-	3
Capital outlay	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	-	2,242	-	25,082
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) Expenditures	-	(549)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	225	-
Transfers (out)	-	-	(225)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances	-	(549)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances at beginning of year</b>	99	1,379	26	-
Increase (decrease) in inventory	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances at end of year</b>	<u>\$ 99</u>	<u>\$ 830</u>	<u>\$ 26</u>	<u>\$ -</u>

<b>Downtown Toledo Parking</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ 18,783
-	1,744
-	13
-	1,000
-	39,431
259	3,528
259	64,499
-	954
-	12,233
-	29,307
-	170
-	16,159
-	1,645
-	1,686
-	1,668
-	63,822
259	677
-	1,232
-	(1,150)
-	82
259	759
165	32,751
-	190
\$ 424	\$ 33,700

**City of Toledo, Ohio**  
**Fund Descriptions - Nonmajor Debt Service Funds**

***Jeep Municipal Public Improvement TIF***

This is the Municipal Public Improvement Tax Increment Equivalent fund established by Ordinance 1223-98 on December 8, 1998 that collects payments in lieu of taxes while accounting for the City's costs associated with public improvements associated with the Jeep Project.

***General Obligation***

To account for funds accumulating for the payment of principal and interest of general obligation debt secured by a pledge of the full faith and credit and general taxing power of the City.

***Special Assessment***

Bonds that are long term debt acquired to pay for specific improvement benefits like sidewalks, water and lighting. The property owners who benefited are ultimately responsible for the repayment.

**City of Toledo, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**December 31, 2020**  
**(Amounts in Thousands)**

	<b>Jeep Municipal Public Improvement TIF</b>	<b>General Obligation</b>	<b>Special Assessment</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>ASSETS</b>				
Receivables (net of allowance)	\$ -	\$ 123	\$ 18	\$ 141
Due from other:				
Funds	-	219	191	410
Total assets	<u>\$ -</u>	<u>\$ 342</u>	<u>\$ 209</u>	<u>\$ 551</u>
<b>LIABILITIES</b>				
Due to other:				
Funds	\$ 12,002	\$ -	\$ -	\$ 12,002
Total liabilities	<u>12,002</u>	<u>-</u>	<u>-</u>	<u>12,002</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Revenues levied for the next year and unavailable revenue	-	-	18	18
<b>FUND BALANCES</b>				
Restricted	-	-	191	191
Committed	-	342	-	342
Unassigned (deficit)	(12,002)	-	-	(12,002)
Total fund balances (deficit)	<u>(12,002)</u>	<u>342</u>	<u>191</u>	<u>(11,469)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 342</u>	<u>\$ 209</u>	<u>\$ 551</u>

**City of Toledo, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Jeep Municipal Public Improvement TIF</b>	<b>General Obligation</b>	<b>Special Assessment</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>REVENUES</b>				
Intergovernmental services	\$ 3,428	\$ -	\$ -	\$ 3,428
Total revenues	3,428	-	-	3,428
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	460	10,850	-	11,310
Interest and fiscal charges	180	4,088	-	4,268
Total expenditures	640	14,938	-	15,578
Excess (deficiency) of revenues over (under) expenditures	2,788	(14,938)	-	(12,150)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	14,457	-	14,457
Premiums on bonds issued	-	481	-	481
Total other financing sources	-	14,938	-	14,938
Net change in fund balances	2,788	-	-	2,788
<b>Fund balances (deficit) at beginning of year</b>	(14,790)	342	191	(14,257)
<b>Fund balances (deficit) at end of year</b>	<u>\$ (12,002)</u>	<u>\$ 342</u>	<u>\$ 191</u>	<u>\$ (11,469)</u>



**City of Toledo, Ohio**  
**Fund Descriptions - Nonmajor Capital Projects Funds**

***Special Assessment Improvements***

To account for proceeds of special assessments (and related note bond sales) levied against property benefited by various capital construction projects.

***Franklin Park/Westfield Municipal Public Improvement TIF***

This is the Municipal Public Improvement Tax Increment Equivalent fund established by 810-04 that collects payments in lieu of taxes while accounting for the City's costs associated with public infrastructure improvements associated with Franklin Park/Westfield Mall area.

**City of Toledo, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**December 31, 2020**  
**(Amounts in Thousands)**

	<b>Special Assessment Improvements</b>	<b>Franklin Park/ Westfield Municipal Public Improvement TIF</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>ASSETS</b>			
Receivables (net of allowances)	\$ 1,145	\$ -	\$ 1,145
Due from other:			
Funds	-	14,030	14,030
Total assets	<u>\$ 1,145</u>	<u>\$ 14,030</u>	<u>\$ 15,175</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 101	\$ 10	\$ 111
Retainage payable	12	-	12
Due to other:			
Funds	385	-	385
Notes payable	<u>2,460</u>	<u>-</u>	<u>2,460</u>
Total liabilities	<u>2,958</u>	<u>10</u>	<u>2,968</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Revenues levied for the next year and unavailable revenue	<u>1,144</u>	<u>-</u>	<u>1,144</u>
<b>FUND BALANCES</b>			
Restricted	-	14,020	14,020
Unassigned (deficit)	<u>(2,957)</u>	<u>-</u>	<u>(2,957)</u>
Total fund balances	<u>(2,957)</u>	<u>14,020</u>	<u>11,063</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,145</u>	<u>\$ 14,030</u>	<u>\$ 15,175</u>

**City of Toledo, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Special Assessment Improvements</b>	<b>Franklin Park/ Westfield Municipal Public Improvement TIF</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>REVENUES</b>			
Special assessments	\$ 250	\$ -	\$ 250
Intergovernmental services	-	2,238	2,238
Other	-	1	1
Total revenues	<u>250</u>	<u>2,239</u>	<u>2,489</u>
<b>EXPENDITURES</b>			
Capital outlay	372	735	1,107
Debt service:			
Interest and fiscal charges	40	-	40
Total expenditures	<u>412</u>	<u>735</u>	<u>1,147</u>
Net change in fund balances	(162)	1,504	1,342
<b>Fund balances (deficit) at beginning of year</b>	<u>(2,795)</u>	<u>12,516</u>	<u>9,721</u>
<b>Fund balances (deficit) at end of year</b>	<u><u>\$ (2,957)</u></u>	<u><u>\$ 14,020</u></u>	<u><u>\$ 11,063</u></u>

**City of Toledo, Ohio**  
**Fund Description - Nonmajor Permanent Fund**

***Cemetery Perpetual Care***

To account for revenues from sales of plots in the City's five cemeteries. Investment earnings, if any, from this Fund are credited to the Cemetery Maintenance Fund as directed by legislation.

**City of Toledo, Ohio**  
**Fund Descriptions - Nonmajor Enterprise Funds**

***Storm Sewer***

To account for storm drainage services provided to individual and commercial residents of the City.

***Property Management***

To facilitate accountability and control of certain properties acquired for the purpose of property management. The City accounts for such properties on a capital maintenance basis similar to private business enterprises, to aid in the recovery of on-going costs for the production of income by such properties, and to facilitate management and accounting control.

***Small Business Development***

To account for the assets of the former Small Business Assistance Corporation, which the City of Toledo assumed in 1989.

***Municipal Tow Lot***

To account for the revenues and expenses of the one centralized location for the storage and the subsequent release of vehicles ordered to be impounded by the Toledo Police Department.

***Marina Operations***

To account for the revenues and expenditures of the operations of the downtown marina, which the City of Toledo assumed in 2008.

***Toledo Public Power***

To account for the revenues and expenses of the operations of the distribution of electric power per agreement.

By virtue of Ohio law, certain separate funds are maintained for enterprise debt service and capital improvements. Inasmuch as GASB Statement 1 requires that all such activities be accounted for within the respective Enterprise Fund itself, the City has consolidated the various legally-required funds into categories indicated above for purposes of these financial statements.

**City of Toledo, Ohio**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**December 31, 2020**  
**(Amounts in Thousands)**

	<b>Storm Sewer</b>	<b>Property Management</b>	<b>Small Business Development</b>	<b>Municipal Tow Lot</b>
<b>ASSETS</b>				
<u>Current:</u>				
Cash and cash equivalents with Treasury	\$ 2,137	\$ -	\$ -	\$ -
Investments	1,630	-	-	-
Restricted investments	-	-	-	-
Receivables (net of allowances)	3,104	4,458	-	209
Due from other:				
Funds	975	485	-	-
Total current assets	<u>7,846</u>	<u>4,943</u>	<u>-</u>	<u>209</u>
<u>Noncurrent:</u>				
Investments	34,346	-	-	-
Land and construction in progress	3,243	101	26	697
Other capital assets, net of accumulated depreciation	35,087	-	152	18
Total noncurrent assets	<u>72,676</u>	<u>101</u>	<u>178</u>	<u>715</u>
Total assets	<u>80,522</u>	<u>5,044</u>	<u>178</u>	<u>924</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension	581	-	-	-
OPEB	447	-	-	-
Total deferred outflows of resources	<u>1,028</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>				
<u>Current:</u>				
Accounts payable	391	-	-	-
Customer deposits	-	-	-	6
Retainage payable	69	-	-	-
Due to other:				
Funds	-	-	115	25
Accrued interest payable	-	19	-	3
Current portion of:				
Bonds, loans, and capital lease payable, net	199	840	-	150
Total current liabilities	<u>659</u>	<u>859</u>	<u>115</u>	<u>184</u>
<u>Noncurrent:</u>				
Compensated absences payable	519	-	-	-
Bonds, loans, and capital lease payable, net	2,276	6,676	-	460
Net pension liability	3,913	-	-	-
Net OPEB liability	2,727	-	-	-
Total noncurrent liabilities	<u>9,435</u>	<u>6,676</u>	<u>-</u>	<u>460</u>
Total liabilities	<u>10,094</u>	<u>7,535</u>	<u>115</u>	<u>644</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension	1,069	-	-	-
OPEB	557	-	-	-
Total deferred inflows of resources	<u>1,626</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	35,786	101	178	105
Restricted:				
Debt Service	42	-	-	-
Replacement	1,187	-	-	-
Capital improvement	1,855	-	-	-
Unrestricted (deficit)	30,960	(2,592)	(115)	175
Total net position (deficit)	<u>\$ 69,830</u>	<u>\$ (2,491)</u>	<u>\$ 63</u>	<u>\$ 280</u>

<b>Marina Operations</b>	<b>Toledo Public Power</b>	<b>Total Nonmajor Enterprise Funds</b>
\$ -	\$ -	\$ 2,137
-	-	1,630
-	395	395
-	68	7,839
1	303	1,764
1	766	13,765
-	-	34,346
-	-	4,067
-	-	35,257
-	-	73,670
1	766	87,435
-	-	581
-	-	447
-	-	1,028
-	-	391
1	111	118
-	50	119
-	-	140
-	-	22
-	-	1,189
1	161	1,979
-	-	519
-	-	9,412
-	-	3,913
-	-	2,727
-	-	16,571
1	161	18,550
-	-	1,069
-	-	557
-	-	1,626
-	-	36,170
-	-	42
-	-	1,187
-	395	2,250
-	210	28,638
\$ -	\$ 605	\$ 68,287

**City of Toledo, Ohio**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Storm Sewer</b>	<b>Property Management</b>	<b>Small Business Development</b>	<b>Municipal Tow Lot</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 9,349	\$ -	\$ -	\$ 2,193
Other revenue	12	-	-	228
Total operating revenues	9,361	-	-	2,421
<b>OPERATING EXPENSES</b>				
Personal services	4,470	-	-	-
Contract services	1,774	-	-	761
Materials and supplies	238	-	-	17
Utilities	-	-	-	14
Depreciation	1,297	-	5	6
Other	-	865	-	-
Total operating expenses	7,779	865	5	798
Operating income (loss)	1,582	(865)	(5)	1,623
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment earnings	711	-	-	-
Interest expense and fiscal charges	(47)	(390)	-	(38)
Total nonoperating revenues (expenses)	664	(390)	-	(38)
Income (loss) before transfers and contributions	2,246	(1,255)	(5)	1,585
Capital contributions	204	-	-	-
Transfers in	-	1,332	-	-
Transfers (out)	(75)	-	-	(1,586)
Change in net position	2,375	77	(5)	(1)
Net position (deficit) at beginning of year	67,455	(2,568)	68	281
Net position (deficit) at end of year	\$ 69,830	\$ (2,491)	\$ 63	\$ 280



<b>Toledo Public Power</b>	<b>Total Nonmajor Enterprise Funds</b>
\$ 505	\$ 12,047
-	240
505	12,287
-	4,470
-	2,535
-	255
452	466
-	1,308
-	865
452	9,899
53	2,388
3	714
(9)	(484)
(6)	230
47	2,618
-	204
-	1,332
-	(1,661)
47	2,493
558	65,794
\$ 605	\$ 68,287

**City of Toledo, Ohio**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Storm Sewer</b>	<b>Property Management</b>	<b>Small Business Development</b>	<b>Municipal Tow Lot</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers	\$ 9,648	\$ -	\$ -	\$ 2,766
Cash paid to employees	(3,828)	-	-	-
Cash paid to suppliers	(1,987)	-	-	(1,220)
Other cash receipts	12	-	-	228
Net cash provided by operating activities	3,845	-	-	1,774
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfer in	-	1,332	-	-
Transfer (out)	(75)	-	-	(1,586)
Net cash provided by (used in) noncapital financing activities	(75)	1,332	-	(1,586)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital grants	204	-	-	-
Purchases of property, plant, and equipment	(525)	-	-	-
Principal payments	(130)	(940)	-	(150)
Payment to refunded bond escrow agent	-	(5,729)	-	-
Refunding bonds issued	-	5,580	-	-
Premium on refunding bonds issued	-	138	-	-
Bond issuance costs paid	-	(82)	-	-
Contributions received	-	93	-	-
Interest and fiscal charges paid on bonds, loans, and capital leases	(47)	(392)	-	(38)
Net cash (used in) capital and related financing activities	(498)	(1,332)	-	(188)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sales and maturities of investments	9,000	-	-	-
Purchase of investments	(12,797)	-	-	-
Investment income received on investments	711	-	-	-
Net cash (used in) investing activities	(3,086)	-	-	-
Net increase in cash and cash equivalents	186	-	-	-
Cash and cash equivalents at beginning of year	1,951	-	-	-
Cash and cash equivalents at end of year	<u>\$ 2,137</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<b>Toledo Public Power</b>	<b>Total Nonmajor Enterprise Funds</b>
\$ 391	\$ 12,805
-	(3,828)
(382)	(3,589)
-	240
9	5,628
-	1,332
-	(1,661)
-	(329)
-	204
-	(525)
-	(1,220)
-	(5,729)
-	5,580
-	138
-	(82)
-	93
(9)	(486)
(9)	(2,027)
-	9,000
-	(12,797)
-	711
-	(3,086)
-	186
-	1,951
<u>\$ -</u>	<u>\$ 2,137</u>

(continued)

**City of Toledo, Ohio**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds (continued)**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Storm Sewer</u>	<u>Property Management</u>	<u>Small Business Development</u>	<u>Municipal Tow Lot</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss)	\$ 1,582	\$ (865)	\$ (5)	\$ 1,623
Adjustments:				
Depreciation	1,297	-	5	6
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:				
Decrease (increase) in receivables	299	865	-	573
Decrease (increase) in due from other funds	-	-	-	-
Increase (decrease) in accounts payable and customer deposits	55	-	-	(81)
Increase in retainage payable	24	-	-	-
Increase (decrease) in due to other funds	-	-	-	(347)
Increase (decrease) in due to other governments	(54)	-	-	-
Increase (decrease) in compensated absences payable	63	-	-	-
Decrease (increase) in deferred outflows - pension	1,288	-	-	-
Increase (decrease) in deferred inflows - pension	504	-	-	-
Increase (decrease) in net pension liability	(1,525)	-	-	-
Decrease (increase) in deferred outflows - OPEB	(66)	-	-	-
Increase (decrease) in deferred inflows - OPEB	235	-	-	-
Increase (decrease) in net OPEB liability	143	-	-	-
Net cash provided by operating activities	<u>\$ 3,845</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,774</u>

<b>Toledo Public Power</b>	<b>Total Nonmajor Enterprise Funds</b>
\$ 53	\$ 2,388
-	1,308
121	1,858
(235)	(235)
20	(6)
50	74
-	(347)
-	(54)
-	63
-	1,288
-	504
-	(1,525)
-	(66)
-	235
-	143
<u>\$ 9</u>	<u>\$ 5,628</u>

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**City of Toledo, Ohio**  
**Fund Descriptions - Internal Service Funds**

***Municipal Garage***

To account for the costs of a maintenance facility for automotive equipment used by various City departments. The actual costs of labor and material utilized are reimbursed to this Fund by the user departments.

***Capital Replacement***

To account for interdepartmental charges assessed for the improvement and replacement of the City's capital equipment.

***Storeroom and Printshop***

To account for small supplies consumed by and printing services provided to various City departments. The actual costs of supplies requisitioned and labor and materials utilized are reimbursed to this Fund by the user departments.

***Information Technology***

To account for the costs of data processing services provided to various City departments. The actual costs of materials and services are reimbursed to this Fund by the user departments.

***Risk Management***

To account for the City's insurance program related to property and liability loss exposure. The payment of self-insured losses, insurance in excess of retention levels and related loss financing expenditures are accounted for in this Fund.

***Facility Operations***

To account for the costs of maintenance and repair activities provided to various City departments. The actual costs of materials and services are reimbursed to this Fund by the user departments.

***Workers' Compensation***

To account for the City's participation in a State of Ohio sponsored worker's compensation program. This fund accounts for the payment and allocation of premiums, assessments, and claims to the State Bureau of Workers' Compensation to participating funds.

***Healthcare Self-Insurance***

To account for the City's self-funded medical, dental, and prescription drug plan. This fund was established late in 2019 to report all healthcare related self-insurance activities.

**City of Toledo, Ohio**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**December 31, 2020**  
**(Amounts in Thousands)**

	<b>Municipal Garage</b>	<b>Capital Replacement</b>	<b>Storeroom and Printshop</b>	<b>Information Technology</b>
<b>ASSETS</b>				
<u>Current:</u>				
Receivables (net of allowances)	\$ 725	\$ -	\$ 2	\$ -
Due from other:				
Funds	7,151	-	592	2,779
Prepaid Items	-	-	-	-
Inventory of supplies	917	-	-	-
Total current assets	8,793	-	594	2,779
<u>Noncurrent:</u>				
Land and construction in progress	350	-	-	-
Other capital assets, net of accumulated depreciation	552	8,450	-	-
Total noncurrent assets	902	8,450	-	-
Total assets	9,695	8,450	594	2,779
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension	611	-	2	485
OPEB	449	-	1	319
Total deferred outflows of resources	1,060	-	3	804
<b>LIABILITIES</b>				
<u>Current:</u>				
Accounts payable	504	-	154	306
Customer deposits	290	-	-	1
Due to other:				
Funds	-	1,456	-	-
Other current liabilities	-	-	-	-
Current portion of:				
Compensated absences payable	66	-	-	-
Bonds, loans, and capital lease payable, net	-	341	-	-
Total current liabilities	860	1,797	154	307
<u>Noncurrent:</u>				
Bonds, loans, and capital lease payable, net	-	-	-	-
Net pension liability	3,958	-	10	1,626
Net OPEB liability	2,757	-	7	1,133
Total noncurrent liabilities	6,715	-	17	2,759
Total liabilities	7,575	1,797	171	3,066
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension	1,044	-	17	345
OPEB	517	-	10	163
Total deferred inflows of resources	1,561	-	27	508
<b>NET POSITION</b>				
Net investment in capital assets	902	8,109	-	-
Unrestricted (deficit)	717	(1,456)	399	9
Total net position	\$ 1,619	\$ 6,653	\$ 399	\$ 9



<b>Risk Management</b>	<b>Facility Operations</b>	<b>Workers' Compensation</b>	<b>Healthcare Self-Insurance</b>	<b>Total Internal Service Funds</b>
\$ -	\$ 70	\$ 22	\$ 621	\$ 1,440
4,585	2,732	6,611	4,512	28,962
-	-	4,195	-	4,195
-	-	-	-	917
<u>4,585</u>	<u>2,802</u>	<u>10,828</u>	<u>5,133</u>	<u>35,514</u>
-	-	-	-	350
-	2,536	-	-	11,538
-	2,536	-	-	11,888
<u>4,585</u>	<u>5,338</u>	<u>10,828</u>	<u>5,133</u>	<u>47,402</u>
328	177	51	-	1,654
210	133	39	-	1,151
<u>538</u>	<u>310</u>	<u>90</u>	<u>-</u>	<u>2,805</u>
43	52	479	505	2,043
-	-	-	-	291
-	-	-	-	1,456
1,200	-	1,724	4,148	7,072
-	-	-	-	66
-	170	-	-	511
<u>1,243</u>	<u>222</u>	<u>2,203</u>	<u>4,653</u>	<u>11,439</u>
-	2,680	-	-	2,680
704	1,138	336	-	7,772
491	792	235	-	5,415
<u>1,195</u>	<u>4,610</u>	<u>571</u>	<u>-</u>	<u>15,867</u>
<u>2,438</u>	<u>4,832</u>	<u>2,774</u>	<u>4,653</u>	<u>27,306</u>
150	406	82	-	2,044
70	210	39	-	1,009
<u>220</u>	<u>616</u>	<u>121</u>	<u>-</u>	<u>3,053</u>
-	(314)	-	-	8,697
2,465	514	8,023	480	11,151
<u>\$ 2,465</u>	<u>\$ 200</u>	<u>\$ 8,023</u>	<u>\$ 480</u>	<u>\$ 19,848</u>

**City of Toledo, Ohio**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Municipal Garage</b>	<b>Capital Replacement</b>	<b>Storeroom and Printshop</b>	<b>Information Technology</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 9,402	\$ 1,047	\$ 190	\$ 4,563
Other revenue	187	-	-	-
Total operating revenues	9,589	1,047	190	4,563
<b>OPERATING EXPENSES</b>				
Personal services	4,763	-	8	2,148
Contract services	806	-	113	1,240
Materials and supplies	4,071	-	48	2
Utilities	27	-	-	1,169
Depreciation	53	1,337	-	-
Total operating expenses	9,720	1,337	169	4,559
Operating income (loss)	(131)	(290)	21	4
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest expense and fiscal charges	-	(30)	-	-
Gain (loss) on disposal of capital assets	225	(125)	-	-
Total nonoperating revenues (expenses)	225	(155)	-	-
Income (loss) before transfers	94	(445)	21	4
Transfers out	-	-	-	-
Change in net position	94	(445)	21	4
<b>Net position (deficit) at beginning of year-restated</b>	1,525	7,098	378	5
<b>Net position at end of year</b>	<u>\$ 1,619</u>	<u>\$ 6,653</u>	<u>\$ 399</u>	<u>\$ 9</u>

<b>Risk Management</b>	<b>Facility Operations</b>	<b>Workers' Compensation</b>	<b>Healthcare Self-Insurance</b>	<b>Total Internal Service Funds</b>
\$ 1,591	\$ 2,872	\$ -	\$ 37,482	\$ 57,147
-	36	28,525	-	28,748
1,591	2,908	28,525	37,482	85,895
1,042	1,492	430	-	9,883
1,873	748	5,172	37,482	47,434
-	231	2	-	4,354
-	155	-	-	1,351
-	89	-	-	1,479
2,915	2,715	5,604	37,482	64,501
(1,324)	193	22,921	-	21,394
-	(124)	-	-	(154)
-	(1)	-	-	99
-	(125)	-	-	(55)
(1,324)	68	22,921	-	21,339
-	-	(16,770)	-	(16,770)
(1,324)	68	6,151	-	4,569
3,789	132	1,872	480	15,279
\$ 2,465	\$ 200	\$ 8,023	\$ 480	\$ 19,848

**City of Toledo, Ohio**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Municipal Garage</b>	<b>Capital Replacement</b>	<b>Storeroom and Printshop</b>	<b>Information Technology</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers	\$ 8,692	\$ 1,047	\$ 168	\$ 4,041
Cash paid to employees	(4,299)	-	(18)	(1,706)
Cash paid to suppliers	(4,916)	(562)	(150)	(2,335)
Other receipts	187	-	-	-
Net cash provided by (used in) operating activities	(336)	485	-	-
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfer out	-	-	-	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Sale of capital assets	336	-	-	-
Purchases of property, plant, and equipment	-	(140)	-	-
Principal payments	-	(1,016)	-	-
Interest and fiscal charges paid on bonds, loans, and capital leases	-	(30)	-	-
Net cash provided by (used in) capital and related financing activities	336	(1,186)	-	-
Net decrease in cash and cash equivalents	-	(701)	-	-
Cash and cash equivalents at beginning of year	-	701	-	-
Cash and cash equivalents at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (131)	\$ (290)	\$ 21	\$ 4
Adjustments:				
Depreciation	53	1,337	-	-
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:				
Decrease (increase) in receivables	(112)	-	-	-
Decrease (increase) in due from other funds	(598)	-	(22)	(522)
(Increase) in prepaid expenses	-	-	-	-
Decrease in inventory of supplies	58	-	4	-
Increase (decrease) in accounts payable and customer deposits	(70)	-	7	76
Increase in due to other funds	-	(562)	-	-
Increase (decrease) in other current liabilities	-	-	-	-
Increase in compensated absences payable	66	-	-	-
Decrease (increase) in deferred outflows - pension	1,193	-	12	148
Increase in deferred inflows - pension	930	-	16	288
Increase (decrease) in net pension liability	(1,954)	-	(34)	(192)
Decrease (increase) in deferred outflows - OPEB	(203)	-	1	(208)
Increase in deferred inflows - OPEB	483	-	9	137
Increase (decrease) in net OPEB liability	(51)	-	(14)	269
Net cash provided by (used in) operating activities	<u>\$ (336)</u>	<u>\$ 485</u>	<u>\$ -</u>	<u>\$ -</u>

<b>Risk Management</b>	<b>Facility Operations</b>	<b>Workers' Compensation</b>	<b>Healthcare Self-Insurance</b>	<b>Total Internal Service Funds</b>
\$ 2,568	\$ 2,805	\$ -	\$ -	\$ 19,321
(708)	(1,365)	(357)	-	(8,453)
(1,860)	(1,187)	(11,398)	-	(22,408)
-	36	28,525	-	28,748
-	289	16,770	-	17,208
-	-	(16,770)	-	(16,770)
-	-	-	-	336
-	-	-	-	(140)
-	(165)	-	-	(1,181)
-	(124)	-	-	(154)
-	(289)	-	-	(1,139)
-	-	-	-	(701)
-	-	-	-	701
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\$ (1,324)	\$ 193	\$ 22,921	\$ -	\$ 21,394
-	89	-	-	1,479
1	(10)	-	(621)	(742)
976	(57)	(1,702)	10	(1,915)
-	-	(4,195)	-	(4,195)
-	-	-	-	62
13	(53)	297	505	775
-	-	-	-	(562)
-	-	(624)	106	(518)
-	-	-	-	66
(65)	468	116	-	1,872
142	381	76	-	1,833
113	(783)	(152)	-	(3,002)
(135)	(26)	(9)	-	(580)
69	207	39	-	944
210	(120)	3	-	297
<u>\$ -</u>	<u>\$ 289</u>	<u>\$ 16,770</u>	<u>\$ -</u>	<u>\$ 17,208</u>

**City of Toledo, Ohio**  
**Fund Descriptions - Custodial Funds**

Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. These funds do not account for the City's own source revenue. The following is a description of the City's custodial funds.

***3% State Surcharge***

To account for a 3% building standards fee assessment on commercial permits collected by the City and remitted to the State.

***1% State Surcharge***

To account for a 1% building standards fee assessment on residential permits collected by the City and remitted to the State.

***Ohio EPA Surcharge***

To account for an Ohio Environmental Protection Agency (EPA) surcharge assessed at the landfill that is collected by the City and remitted to the Ohio EPA.

***ESID and DTID Special Assessments***

To account for special assessments levied and paid to the Downtown Toledo Improvement District (DTID) and various Energy Special Improvement District's (ESID).

***Municipal Court***

To account for bonds and other costs remitted to the Municipal Court pending final disposition of the various cases and payment to third parties, excluding the City. While records of the Municipal Court are the responsibility of a separate elected Clerk of Courts and not the Finance Department, the balances have been included in these financial statements in compliance with GASB Statement No. 61.

**City of Toledo, Ohio**  
**Combining Statement of Fiduciary Net Position**  
**Custodial Funds**  
**December 31, 2020**  
**(Amounts in Thousands)**

	<b>3% State Surcharge</b>	<b>1% State Surcharge</b>	<b>Ohio EPA Surcharge</b>	<b>ESID and DTID Special Assessments</b>	<b>Municipal Court</b>	<b>Total Custodial Funds</b>
<b>ASSETS</b>						
Cash and cash equivalents - other	\$ -	\$ -	\$ -	\$ -	\$ 293	\$ 293
Receivables (net of allowances)	210	31	71	18,897	-	19,209
Total assets	210	31	71	18,897	293	19,502
<b>LIABILITIES</b>						
Due to other:						
Governments	210	31	71	-	-	312
<b>NET POSITION</b>						
Restricted for other governments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,897</u>	<u>\$ 293</u>	<u>\$ 19,190</u>

**City of Toledo, Ohio**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>3% State Surcharge</b>	<b>1% State Surcharge</b>	<b>ESID and DTID Special Assessments</b>	<b>Municipal Court</b>	<b>Total Custodial Funds</b>
<b>ADDITIONS</b>					
Fines and forfeitures for other governments	\$ -	\$ -	\$ -	\$ 7,742	\$ 7,742
Licenses, permits, and fees for other governments	28	6	-	-	34
Special assessments collected for other governments	-	-	2,457	-	2,457
Total additions	28	6	2,457	7,742	10,233
<b>DEDUCTIONS</b>					
Fines and forfeiture distributions to other governments	-	-	-	8,022	8,022
Licenses, permits, and fee distributions to other governments	28	6	-	-	34
Special assessments distributed to other governments	-	-	2,574	-	2,574
Total deductions	28	6	2,574	8,022	10,630
Net increase (decrease) in fiduciary net position	-	-	(117)	(280)	(397)
<b>Net position at beginning of year - restated (Note 16)</b>	-	-	19,014	573	19,587
<b>Net position at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,897</u>	<u>\$ 293</u>	<u>\$ 19,190</u>



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**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**General Fund**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
<b>REVENUES</b>				
Income taxes	\$ 190,657	\$ 177,100	\$ 181,695	\$ 4,595
Property taxes	12,513	12,949	12,956	7
Licenses and permits	3,071	2,550	2,627	77
Intergovernmental services	18,510	16,797	17,186	389
Charges for services	28,529	27,355	27,677	322
Investment earnings	1,219	1,000	1,530	530
Fines and forfeitures	10,185	4,773	4,713	(60)
Other revenue	675	496	552	56
Total revenues	<u>265,359</u>	<u>243,020</u>	<u>248,936</u>	<u>5,916</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Accounts				
Personnel services	1,137	947	928	19
Materials and supplies	3	3	3	-
Contractual services	406	384	240	144
Accounts total	<u>1,546</u>	<u>1,334</u>	<u>1,171</u>	<u>163</u>
Auditor				
Personnel services	112	109	108	1
Contractual services	2	2	2	-
Auditor total	<u>114</u>	<u>111</u>	<u>110</u>	<u>1</u>
City council				
Personnel services	1,456	1,437	1,397	40
Materials and supplies	20	20	15	5
Contractual services	550	193	132	61
City council total	<u>2,026</u>	<u>1,650</u>	<u>1,544</u>	<u>106</u>
Code enforcement				
Personnel services	12	15	15	-
Materials and supplies	3	2	-	2
Contractual services	49	3	1	2
Code enforcement total	<u>64</u>	<u>20</u>	<u>16</u>	<u>4</u>
Diversity and inclusion				
Personnel services	624	441	363	78
Materials and supplies	-	1	-	1
Contractual services	109	402	56	346
Diversity and inclusion total	<u>733</u>	<u>844</u>	<u>419</u>	<u>425</u>

General government continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**General Fund**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
General government (continued)				
Engage Toledo				
Personnel services	542	434	228	206
Materials and supplies	10	9	8	1
Contractual services	44	43	41	2
Engage Toledo total	596	486	277	209
Facility operations				
Contractual services	699	373	343	30
Facility operations total	699	373	343	30
Finance administration				
Personnel services	254	249	161	88
Materials and supplies	16	48	43	5
Contractual services	107	69	51	18
Finance administration total	377	366	255	111
Finance ERP				
Personnel services	185	101	101	-
Contractual services	202	228	160	68
Finance ERP total	387	329	261	68
Financial analysis				
Personnel services	417	368	349	19
Contractual services	17	16	14	2
Financial analysis total	434	384	363	21
General fund utilities				
Contractual services	1,338	824	754	70
General fund utilities total	1,338	824	754	70
General non-departmental services				
Personnel services	(1,550)	(1,573)	82	(1,655)
Contractual services	13,292	12,765	12,546	219
General non-departmental services total	11,742	11,192	12,628	(1,436)
Human relations commission				
Personnel services	89	89	36	53
Materials and supplies	9	9	-	9
Contractual services	57	38	23	15
Human relations commission total	155	136	59	77

General government continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**General Fund**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
General government (continued)				
Human resources				
Personnel services	1,054	867	764	103
Materials and supplies	26	37	-	37
Contractual services	754	623	256	367
Human resources total	1,834	1,527	1,020	507
Law				
Personnel services	1,508	1,084	985	99
Materials and supplies	17	20	18	2
Contractual services	177	144	139	5
Law total	1,702	1,248	1,142	106
Office of the mayor				
Personnel services	1,158	996	990	6
Materials and supplies	18	18	4	14
Contractual services	209	394	354	40
Office of the mayor total	1,385	1,408	1,348	60
Purchasing and supplies				
Personnel services	478	396	341	55
Materials and supplies	5	5	-	5
Contractual services	125	119	30	89
Purchasing and supplies total	608	520	371	149
Safety administration				
Personnel services	37	37	22	15
Contractual services	75	93	93	-
Safety administration total	112	130	115	15
Streets, bridges & harbor				
Personnel services	185	117	115	2
Streets, bridges & harbor total	185	117	115	2
Taxation				
Personnel services	2,680	2,480	2,264	216
Materials and supplies	127	106	73	33
Contractual services	314	298	257	41
Taxation total	3,121	2,884	2,594	290

General government continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**General Fund**  
**For the Year Ended December 31, 2019**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
General government (continued)				
Treasury				
Personnel services	255	277	264	13
Materials and supplies	21	19	18	1
Contractual services	238	186	66	120
Treasury total	514	482	348	134
<i>General government total</i>	<i>29,672</i>	<i>26,365</i>	<i>25,253</i>	<i>1,112</i>
Public service				
General fund utilities				
Contractual services	2,942	4,342	4,226	116
General fund utilities total	2,942	4,342	4,226	116
Parks & forestry				
Personnel services	6	6	-	6
Materials and supplies	1	1	1	-
Contractual services	257	255	255	-
Parks & forestry total	264	262	256	6
Transportation				
Contractual services	150	150	75	75
Transportation total	150	150	75	75
<i>Public service total</i>	<i>3,356</i>	<i>4,754</i>	<i>4,557</i>	<i>197</i>
Public safety				
Clerk of municipal court				
Personnel services	5,068	4,809	4,690	119
Materials and supplies	491	466	323	143
Contractual services	487	439	439	-
Clerk of municipal court total	6,046	5,714	5,452	262
Fire				
Personnel services	71,572	70,632	58,998	11,634
Materials and supplies	807	800	614	186
Contractual services	4,031	3,865	3,841	24
Fire total	76,410	75,297	63,453	11,844
General non-departmental services				
Contractual services	78	78	68	10
General non-departmental services total	78	78	68	10

Public safety continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**General Fund**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Public safety (continued)				
Law				
Personnel services	957	802	802	-
Contractual services	-	2	2	-
Law total	957	804	804	-
Municipal court judges				
Personnel services	7,270	6,759	6,318	441
Materials and supplies	181	151	79	72
Contractual services	2,927	2,758	2,407	351
Municipal court judges total	10,378	9,668	8,804	864
Police				
Personnel services	79,704	77,525	62,405	15,120
Materials and supplies	1,257	909	813	96
Contractual services	5,957	5,670	5,668	2
Police total	86,918	84,104	68,886	15,218
Safety administration				
Contractual services	2,421	2,273	2,199	74
Safety administration total	2,421	2,273	2,199	74
<i>Public safety total</i>	<i>183,208</i>	<i>177,938</i>	<i>149,666</i>	<i>28,272</i>
Community environment				
Building inspection				
Personnel services	1,889	1,608	1,469	139
Materials and supplies	36	36	13	23
Contractual services	400	344	205	139
Building inspection total	2,325	1,988	1,687	301
Code enforcement				
Personnel services	1,008	848	787	61
Materials and supplies	16	17	12	5
Contractual services	545	579	461	118
Code enforcement total	1,569	1,444	1,260	184
Economic development				
Personnel services	890	591	556	35
Materials and supplies	6	6	1	5
Contractual services	1,428	1,528	1,465	63
Economic development total	2,324	2,125	2,022	103

Community environment continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**General Fund**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Community environment (continued)				
Engineering services				
Personnel services	331	189	189	-
Materials and supplies	9	10	4	6
Contractual services	115	91	42	49
Engineering services total	455	290	235	55
Housing				
Personnel services	106	61	45	16
Materials and supplies	25	25	7	18
Contractual services	25	25	1	24
Housing total	156	111	53	58
Neighborhoods administration				
Personnel services	159	206	206	-
Materials and supplies	6	2	1	1
Contractual services	45	47	47	-
Neighborhoods administration total	210	255	254	1
Parks and forestry				
Contractual services	1,225	1,148	847	301
Parks and forestry total	1,225	1,148	847	301
Planning commission				
Personnel services	832	591	591	-
Materials and supplies	12	11	8	3
Contractual services	120	111	109	2
Planning commission total	964	713	708	5
Waste disposal				
Contractual services	120	120	56	64
Waste disposal total	120	120	56	64
<i>Community environment total</i>	<i>9,348</i>	<i>8,194</i>	<i>7,122</i>	<i>1,072</i>
Health				
Environmental services				
Personnel services	207	204	141	63
Materials and supplies	7	6	6	-
Contractual services	11	11	10	1
Environmental services total	225	221	157	64

Health continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**General Fund**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Health (continued)				
General non-departmental services				
Contractual services	2,304	2,304	2,303	1
General non-departmental services total	2,304	2,304	2,303	1
Municipal court judges				
Personnel services	336	335	314	21
Municipal court judges total	336	335	314	21
Parks & forestry				
Personnel services	544	284	229	55
Materials and supplies	19	19	2	17
Contractual services	346	510	374	136
Parks & forestry total	909	813	605	208
Waste disposal				
Personnel services	1,221	1,196	1,016	180
Materials and supplies	59	46	45	1
Contractual services	4,300	3,931	3,931	-
Waste disposal total	5,580	5,173	4,992	181
<i>Health total</i>	<i>9,354</i>	<i>8,846</i>	<i>8,371</i>	<i>475</i>
Parks and recreation				
Economic Development				
Contractual services	-	1	1	-
Economic Development total	-	1	1	-
Parks & forestry				
Personnel services	413	383	210	173
Materials and supplies	35	35	28	7
Contractual services	1,815	1,747	1,208	539
Parks & forestry total	2,263	2,165	1,446	719
Recreation				
Personnel services	434	352	320	32
Materials and supplies	50	17	14	3
Contractual services	624	433	416	17
Recreation total	1,108	802	750	52
<i>Parks and recreation total</i>	<i>3,371</i>	<i>2,968</i>	<i>2,197</i>	<i>771</i>

(continued)



**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**General Fund**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Debt service:				
Principal retirement	700	700	698	2
Interest and fiscal charges	21	21	20	1
Debt service total	<u>721</u>	<u>721</u>	<u>718</u>	<u>3</u>
Total expenditures	<u>239,030</u>	<u>229,786</u>	<u>197,884</u>	<u>31,902</u>
Excess of revenues over expenditures	<u>26,329</u>	<u>13,234</u>	<u>51,052</u>	<u>37,818</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	9,409	26,832	26,818	(14)
Transfers out	<u>(42,166)</u>	<u>(40,047)</u>	<u>(40,047)</u>	<u>-</u>
Total other financing sources (uses)	<u>(32,757)</u>	<u>(13,215)</u>	<u>(13,229)</u>	<u>(14)</u>
Net change in fund balance	<u>\$ (6,428)</u>	<u>\$ 19</u>	37,823	<u>\$ 37,804</u>
Fund balance at beginning of year			46,622	
Increase in inventory			<u>190</u>	
Fund balance at year end			<u>\$ 84,635</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**Capital Improvements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Charges for services	\$ 81	\$ 218	\$ -	\$ (218)
Investment earnings	46	46	26	(20)
Grants	1,621	46,433	11,862	(34,571)
Other revenue	340	348	26	(322)
Total revenues	<u>2,088</u>	<u>47,045</u>	<u>11,914</u>	<u>(35,131)</u>
<b>EXPENDITURES</b>				
General government				
Debt management				
Contractual services	<u>7</u>	<u>27</u>	<u>2</u>	<u>25</u>
Debt management total	<u>7</u>	<u>27</u>	<u>2</u>	<u>25</u>
Facility operations				
Contractual services	<u>128</u>	<u>128</u>	<u>58</u>	<u>70</u>
Facility operations total	<u>128</u>	<u>128</u>	<u>58</u>	<u>70</u>
Finance ERP				
Contractual services	<u>39</u>	<u>39</u>	<u>30</u>	<u>9</u>
Finance ERP total	<u>39</u>	<u>39</u>	<u>30</u>	<u>9</u>
Office of the mayor				
Personnel services	<u>15</u>	<u>15</u>	<u>14</u>	<u>1</u>
Office of the mayor total	<u>15</u>	<u>15</u>	<u>14</u>	<u>1</u>
<i>General government total</i>	<u>189</u>	<u>209</u>	<u>104</u>	<u>105</u>
Capital outlay				
Building inspection				
Contractual services	<u>-</u>	<u>130</u>	<u>13</u>	<u>117</u>
Building inspection total	<u>-</u>	<u>130</u>	<u>13</u>	<u>117</u>
City Council				
Contractual services	<u>-</u>	<u>144</u>	<u>-</u>	<u>144</u>
City council total	<u>-</u>	<u>144</u>	<u>-</u>	<u>144</u>
Code enforcement				
Contractual services	<u>-</u>	<u>45</u>	<u>40</u>	<u>5</u>
Code enforcement total	<u>-</u>	<u>45</u>	<u>40</u>	<u>5</u>

Capital outlay continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**Capital Improvements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Capital outlay (continued)				
Diversity and inclusion				
Personnel services	21	21	20	1
Diversity and inclusion total	21	21	20	1
Debt management				
Personnel services	120	120	117	3
Debt management total	120	120	117	3
Economic development				
Contractual services	-	45	45	-
Capital outlay	-	481	211	270
Economic development total	-	526	256	270
Engineering services				
Personnel services	2,882	2,875	1,378	1,497
Materials and supplies	36	37	23	14
Contractual services	751	76,666	26,620	50,046
Capital outlay	-	55	15	40
Engineering services total	3,669	79,633	28,036	51,597
Environmental Services				
Contractual services	-	137	22	115
Environmental services total	-	137	22	115
Facility operations				
Contractual services	-	55	51	4
Capital outlay	-	440	225	215
Facility operations total	-	495	276	219
Fire				
Materials and supplies	-	1,806	1,149	657
Contractual services	-	355	343	12
Capital outlay	-	2,687	2,683	4
Fire total	-	4,848	4,175	673
Fleet				
Contractual services	-	150	61	89
Capital outlay	-	100	68	32
Fleet total	-	250	129	121

Capital outlay continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**Capital Improvements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Capital outlay (continued)				
Information & communication technology				
Contractual services	-	2,829	586	2,243
Information & communication technology total	-	2,829	586	2,243
Municipal court judges				
Contractual services	-	145	-	145
Capital outlay	-	106	53	53
Municipal court judges total	-	251	53	198
Parks & forestry				
Personnel services	183	183	181	2
Materials and supplies	-	12	9	3
Contractual services	-	1,230	350	880
Capital outlay	-	36	35	1
Parks & forestry total	183	1,461	575	886
Planning commission				
Personnel services	86	86	59	27
Planning commission total	86	86	59	27
Police				
Materials and supplies	-	169	168	1
Contractual services	-	1,558	631	927
Capital outlay	-	66	28	38
Police total	-	1,793	827	966
Recreation				
Materials and supplies	-	10	10	-
Contractual services	-	968	690	278
Recreation total	-	978	700	278
Streets, bridges & harbor				
Personnel services	159	159	105	54
Capital outlay	-	503	224	279
Materials and supplies	29	91	23	68
Contractual services	1,632	5,840	660	5,180
Streets, bridges & harbor total	1,820	6,593	1,012	5,581
Taxation				
Contractual services	-	10	6	4
Taxation total	-	10	6	4

Capital outlay continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**Capital Improvements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Capital outlay (continued)				
Transportation				
Personnel services	649	649	507	142
Materials and supplies	348	524	2	522
Contractual services	5	318	48	270
Capital outlay	-	188	188	-
Transportation total	1,002	1,679	745	934
Waste disposal				
Contractual services	-	1,359	998	361
Waste disposal total	-	1,359	998	361
<i>Capital outlay total</i>	<i>6,901</i>	<i>103,388</i>	<i>38,645</i>	<i>64,743</i>
Debt service:				
Principal retirement	1,510	1,510	1,146	364
Interest and fiscal charges	499	479	483	(4)
Debt issuance cost	-	-	360	(360)
Debt service total	2,009	1,989	1,989	-
Total expenditures	9,099	105,586	40,738	64,848
Excess of expenditures over revenues	(7,011)	(58,541)	(28,824)	29,717
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	42,637	39,699	40,190	491
Transfers (out)	(25,334)	(25,784)	(24,251)	1,533
Issuance of debt	6,225	23,342	21,304	(2,038)
Premium on bond	-	360	360	-
Payments to escrow agent	-	(4,203)	(4,203)	-
Total other financing sources (uses)	23,528	33,414	33,400	(14)
Net change in fund balance	<u>\$ 16,517</u>	<u>\$ (25,127)</u>	4,576	<u>\$ 29,703</u>
Fund balance at beginning of year			51,036	
(Decrease) in inventory			(7)	
Fund balance at year end			<u>\$ 55,605</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**Special Assessment Services**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
<b>REVENUES</b>				
Special assessments	\$ 32,008	\$ 32,008	\$ 25,983	\$ (6,025)
Investment earnings	-	-	41	41
Total revenues	32,008	32,008	26,024	(5,984)
<b>EXPENDITURES</b>				
Current:				
General government				
Debt management				
Personnel services	80	80	52	28
Debt management total	80	80	52	28
Finance ERP				
Contractual services	70	70	54	16
Finance ERP total	70	70	54	16
Human resources				
Personnel services	10	10	9	1
Human resources total	10	10	9	1
Office of the mayor				
Personnel services	15	15	14	1
Office of the mayor total	15	15	14	1
Streets, bridges & harbor				
Personnel services	416	416	248	168
Materials and supplies	3	5	4	1
Contractual services	440	438	385	53
Streets, bridges & harbor total	859	859	637	222
Treasury				
Personnel services	186	204	204	-
Materials and supplies	4	47	43	4
Contractual services	27	9	2	7
Treasury total	217	260	249	11
<i>General government total</i>	<i>1,251</i>	<i>1,294</i>	<i>1,015</i>	<i>279</i>
Public service				
Engineering services				
Personnel services	92	92	88	4
Contractual services	10	10	-	10
Engineering services total	102	102	88	14

Public service continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**Special Assessment Services**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Public service (continued)				
General fund utilities				
Contractual services	3,326	3,326	3,088	238
General fund utilities total	3,326	3,326	3,088	238
Parks & forestry				
Personnel services	4,559	4,559	3,835	724
Materials and supplies	214	214	65	149
Contractual services	2,240	2,240	1,674	566
Parks & forestry total	7,013	7,013	5,574	1,439
Streets, bridges & harbor				
Personnel services	7,954	7,954	6,609	1,345
Materials and supplies	2,663	2,247	949	1,298
Contractual services	6,600	7,016	5,347	1,669
Streets, bridges & harbor total	17,217	17,217	12,905	4,312
Treasury				
Materials and supplies	161	118	39	79
Contractual services	3,780	3,780	612	3,168
Treasury total	3,941	3,898	651	3,247
<i>Public service total</i>	<i>31,599</i>	<i>31,556</i>	<i>22,306</i>	<i>9,250</i>
Health				
Parks & forestry				
Personnel services	187	187	139	48
Materials and supplies	27	27	1	26
Contractual services	235	235	84	151
Parks & forestry total	449	449	224	225
<i>Health total</i>	<i>449</i>	<i>449</i>	<i>224</i>	<i>225</i>
Capital outlay:				
Streets, bridges & harbor				
Capital outlay	6	6	-	6
Streets, bridges & harbor total	6	6	-	6
Treasury				
Capital outlay	2	2	-	2
Treasury total	2	2	-	2
<i>Capital outlay total</i>	<i>8</i>	<i>8</i>	<i>-</i>	<i>8</i>

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Major Governmental Funds**  
**Special Assessment Services**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
Debt service:				
Principal retirement	20,400	20,400	-	20,400
Interest and fiscal charges	1,530	1,530	1,162	368
Debt service total	21,930	21,930	1,162	20,768
Total expenditures	55,237	55,237	24,707	30,530
Net change in fund balance	<u>\$ (23,229)</u>	<u>\$ (23,229)</u>	1,317	<u>\$ 24,546</u>
Fund balance (deficit) at beginning of year			(59,081)	
(Decrease) in inventory			(157)	
Fund balance (deficit) at year end			<u>\$ (57,921)</u>	



**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Federal Block Grants**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
<b>REVENUES</b>				
Grants	\$ 12,024	\$ 24,689	\$ 6,901	\$ (17,788)
Other revenue	-	39	43	4
Total revenues	12,024	24,728	6,944	(17,784)
<b>EXPENDITURES</b>				
Current:				
Community environment				
Beautification action team				
Personnel services	-	307	162	145
Materials and supplies	-	19	3	16
Contractual services	-	552	72	480
Beautification action team total	-	878	237	641
Code enforcement				
Personnel services	806	1,167	470	697
Materials and supplies	5	13	-	13
Contractual services	589	1,128	103	1,025
Code enforcement total	1,400	2,308	573	1,735
Economic development				
Personnel services	-	-	-	-
Materials and supplies	-	1	-	1
Contractual services	1,000	1,777	876	901
Economic development total	1,000	1,778	876	902
Housing division				
Personnel services	1,030	1,927	937	990
Materials and supplies	-	120	65	55
Contractual services	500	4,416	338	4,078
Housing division total	1,530	6,463	1,340	5,123
Law				
Personnel services	51	89	50	39
Law total	51	89	50	39
Neighborhoods administration				
Personnel services	1,680	2,241	908	1,333
Materials and supplies	3	21	10	11
Contractual services	559	1,693	305	1,388
Neighborhoods administration total	2,242	3,955	1,223	2,732

Community environment continues on the next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Federal Block Grants**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Community environment (continued)				
Planning commission				
Personnel services	87	122	93	29
Planning commission total	87	122	93	29
Utility Administration				
Contractual services	42	42	-	42
Real estate total	42	42	-	42
Third party partners				
Contractual services	5,653	7,672	3,159	4,513
Third party partners total	5,653	7,672	3,159	4,513
<i>Community environment total</i>	<i>12,005</i>	<i>23,307</i>	<i>7,551</i>	<i>15,756</i>
Total expenditures	12,005	23,307	7,551	15,756
Excess of revenues over expenditures	19	1,421	(607)	(2,028)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	462	462	-
Transfers (out)	-	(20)	-	20
Total other financing sources (uses)	-	442	462	20
Net change in fund balance	\$ 19	\$ 1,863	(145)	\$ (2,008)
Fund balance at beginning of year			1,067	
Fund balance at year end			\$ 922	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Operation Grants**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
<b>REVENUES</b>				
Grants	\$ 16,313	\$ 26,073	\$ 6,025	\$ (20,048)
Other revenue	735	735	-	(735)
Total revenues	17,048	26,808	6,025	(20,783)
<b>EXPENDITURES</b>				
Current:				
Public safety				
Fire				
Personnel services	-	725	-	725
Materials and supplies	771	843	730	113
Contractual services	-	113	-	113
Capital outlay	-	8	-	8
Fire total	771	1,689	730	959
Municipal court judges				
Personnel services	-	330	230	100
Materials and supplies	-	29	3	26
Contractual services	-	934	590	344
Municipal court judges total	-	1,293	823	470
Police				
Personnel services	1,355	1,697	199	1,498
Materials and supplies	1,760	1,775	999	776
Contractual services	158	571	50	521
Police total	3,273	4,043	1,248	2,795
Streets, bridges and harbor				
Contractual services	-	297	-	297
Streets, bridges and harbor total	-	297	-	297
<i>Public safety total</i>	<i>4,044</i>	<i>7,322</i>	<i>2,801</i>	<i>4,521</i>
Public utilities				
Environmental services				
Contractual services	362	497	148	349
Environmental services total	362	497	148	349
<i>Public utilities total</i>	<i>362</i>	<i>497</i>	<i>148</i>	<i>349</i>

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Operation Grants**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Community environment				
Code enforcement				
Contractual services	-	43	-	43
Code enforcement total	-	43	-	43
Economic development				
Contractual services	-	8	-	8
Economic development total	-	8	-	8
Housing division				
Personnel services	1,289	1,575	244	1,331
Materials and supplies	23	52	7	45
Contractual services	4,887	6,853	593	6,260
Housing division total	6,199	8,480	844	7,636
Neighborhoods administration				
Contractual services	2,692	3,708	1,272	2,436
Neighborhoods administration total	2,692	3,708	1,272	2,436
Planning commission				
Personnel services	232	232	210	22
Materials and supplies	25	25	25	-
Planning commission total	257	257	235	22
<i>Community environment total</i>	<i>9,148</i>	<i>12,496</i>	<i>2,351</i>	<i>10,145</i>
Health				
Environmental services				
Personnel services	30	1,506	779	727
Materials and supplies	3	118	13	105
Contractual services	452	2,189	443	1,746
Environmental services total	485	3,813	1,235	2,578
Waste disposal				
Contractual services	-	38	-	38
Waste disposal total	-	38	-	38
<i>Health total</i>	<i>485</i>	<i>3,851</i>	<i>1,235</i>	<i>2,616</i>

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Governmental Funds**  
**Special Revenue**  
**Operation Grants**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
Parks and recreation				
Parks & forestry				
Contractual services	2,623	3,074	1,542	1,532
Parks & Forestry total	2,623	3,074	1,542	1,532
Recreation				
Materials and supplies	-	10	10	-
Recreation total	-	10	10	-
<i>Parks and recreation total</i>	<i>2,623</i>	<i>3,084</i>	<i>1,552</i>	<i>1,532</i>
<i>Capital outlay</i>	<i>176</i>	<i>233</i>	<i>47</i>	<i>186</i>
Total expenditures	16,838	27,483	8,134	19,349
Excess (deficiency) of revenues over (under) expenditures	210	(675)	(2,109)	(1,434)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	7	-	(7)
Transfers out	-	(462)	(462)	-
Total other financing sources	-	(455)	(462)	(7)
Net change in fund balance	<u>\$ 210</u>	<u>\$ (1,130)</u>	(2,571)	<u>\$ (1,441)</u>
Fund balance at beginning of year			11,155	
Fund balance at year end			<u>\$ 8,584</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Urban Development Action Grants**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
Fund balance at beginning of year			\$ 688	
Fund balance at year end			<u>\$ 688</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Street Construction Maintenance and Repair**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
<b>REVENUES</b>				
Intergovernmental services	\$ 17,500	\$ 17,500	\$ 18,783	\$ 1,283
Charges for services	4	4	2	(2)
Fines and forfeitures	190	190	133	(57)
Other revenue	10	38	93	55
Total revenues	17,704	17,732	19,011	1,279
<b>EXPENDITURES</b>				
Current:				
General government				
Finance ERP				
Contractual services	21	21	17	4
Finance ERP total	21	21	17	4
Human resources				
Personnel services	20	20	19	1
Human resources total	20	20	19	1
Office of the mayor				
Personnel services	15	15	14	1
Office of the mayor total	15	15	14	1
Streets, bridges & harbor				
Personnel services	403	403	252	151
Materials and supplies	3	3	2	1
Contractual services	287	287	230	57
Streets, bridges & harbor total	693	693	484	209
<i>General government total</i>	<i>749</i>	<i>749</i>	<i>534</i>	<i>215</i>
Public service				
Engineering services				
Personnel services	911	911	724	187
Materials and supplies	13	13	8	5
Contractual services	287	287	161	126
Engineering services total	1,211	1,211	893	318
General fund utilities				
Contractual services	361	361	303	58
General fund utilities total	361	361	303	58

Public service continues on next page

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Street Construction Maintenance and Repair**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Public service (continued)				
Streets, bridges & harbor				
Personnel services	4,780	4,497	4,497	-
Materials and supplies	2,429	2,222	782	1,440
Contractual services	2,145	2,130	1,732	398
Streets, bridges & harbor total	9,354	8,849	7,011	1,838
Transportation				
Personnel services	3,418	3,418	2,682	736
Materials and supplies	542	569	516	53
Contractual services	1,035	1,035	817	218
Transportation total	4,995	5,022	4,015	1,007
<i>Public service total</i>	<i>15,921</i>	<i>15,443</i>	<i>12,222</i>	<i>3,221</i>
Public safety				
Police				
Personnel services	173	173	101	72
Police total	173	173	101	72
<i>Public safety total</i>	<i>173</i>	<i>173</i>	<i>101</i>	<i>72</i>
Public Utilities				
Streets, bridges & harbor				
Personnel services	(541)	(51)	-	(51)
Streets, bridges & harbor total	(541)	(51)	-	(51)
<i>Public utilities total</i>	<i>(541)</i>	<i>(51)</i>	<i>-</i>	<i>(51)</i>
Community environment				
Building inspection				
Personnel services	12	12	12	-
Building inspection total	12	12	12	-
<i>Community environment total</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>-</i>
Capital outlay				
Engineering services				
Contractual services	-	1,600	1,065	535
Engineering services total	-	1,600	1,065	535
Streets, bridges & harbor				
Capital outlay	367	382	346	36
Streets, bridges & harbor total	367	382	346	36

(continued)



**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Street Construction Maintenance and Repair**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
Capital outlay (continued)				
Transportation				
Capital outlay	30	31	23	8
Transportation total	30	31	23	8
<i>Capital outlay total</i>	<i>397</i>	<i>2,013</i>	<i>1,434</i>	<i>44</i>
Total expenditures	16,711	18,339	14,303	3,501
Excess of expenditures over revenues	993	(607)	4,708	4,780
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	225	225	225	-
Transfers (out)	(862)	(862)	(463)	399
Total other financing sources (uses)	(637)	(637)	(238)	399
Net change in fund balance	<u>\$ 356</u>	<u>\$ (1,244)</u>	4,470	<u>\$ 5,179</u>
Fund balance at beginning of year			5,648	
Increase in inventory			201	
Fund balance at year end			<u>\$ 10,319</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Cemetery Maintenance**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Charge for services	\$ -	\$ -	\$ 55	\$ 55
Investment earnings	-	-	3	3
Total revenues	<u>-</u>	<u>-</u>	<u>58</u>	<u>58</u>
<b>EXPENDITURES</b>				
Current:				
Health				
Parks & forestry				
Contractual Services	-	47	-	47
Total expenditures	<u>-</u>	<u>47</u>	<u>-</u>	<u>47</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (47)</u>	58	<u>\$ 105</u>
Fund balance at beginning of year			165	
Fund balance at year end			<u>\$ 223</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Golf Improvements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Charges for services	\$ 1,529	\$ 1,529	\$ 1,133	\$ (396)
Total revenues	<u>1,529</u>	<u>1,529</u>	<u>1,133</u>	<u>(396)</u>
<b>EXPENDITURES</b>				
Current:				
Community environment				
Recreation				
Material and Supplies	619	619	217	402
Contractual Services	<u>1,374</u>	<u>1,374</u>	<u>1,236</u>	<u>138</u>
Total expenditures	<u>1,993</u>	<u>1,993</u>	<u>1,453</u>	<u>540</u>
Excess of revenues over expenditures	<u>(464)</u>	<u>(464)</u>	<u>(320)</u>	<u>144</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>464</u>	<u>464</u>	<u>320</u>	<u>(144)</u>
Total other financing sources	<u>464</u>	<u>464</u>	<u>320</u>	<u>(144)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance at beginning of year			<u>257</u>	
Fund balance at year end			<u>\$ 257</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Parkland Replacement**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Other revenue	\$ 6	\$ 6	\$ -	\$ (6)
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ (6)</u>
Fund balance at beginning of year			373	
Fund balance at year end			<u>\$ 373</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Cemeteries Property Acquisition and Site Development**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Charges for services	\$ 20	\$ 20	\$ 9	\$ (11)
Net change in fund balance	<u>\$ 20</u>	<u>\$ 20</u>	9	<u>\$ (11)</u>
Fund balance at beginning of year			471	
Fund balance at year end			<u>\$ 480</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Marina Development**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Charges for services	\$ 26	\$ 26	\$ 26	\$ -
Total revenues	<u>26</u>	<u>26</u>	<u>26</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Parks and recreation				
Recreation				
Contractual services	9	9	7	2
Total expenditures	<u>9</u>	<u>9</u>	<u>7</u>	<u>2</u>
Net change in fund balance	<u>\$ 17</u>	<u>\$ 17</u>	19	<u>\$ 2</u>
Fund balance at beginning of year			93	
Fund balance at year end			<u>\$ 112</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Expendable Trusts**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
<b>REVENUES</b>				
Licenses and permits	\$ -	\$ 534	\$ 519	\$ (15)
Investment earnings	-	10	10	-
Fines and forfeitures	-	867	867	-
Grants	-	62	63	1
Other revenue	-	2,800	2,800	-
Total revenues	-	4,273	4,259	(14)
<b>EXPENDITURES</b>				
Current:				
General government				
City council				
Contractual Services	-	40	-	40
City council total	-	40	-	40
Environmental services				
Contractual Services	-	(6)	-	(6)
Environmental services total	-	(6)	-	(6)
Municipal court judges				
Contractual Services	-	171	-	171
Municipal court judges total	-	171	-	171
Office of the mayor				
Contractual Services	-	67	-	67
Office of the mayor total	-	67	-	67
Treasury				
Contractual Services	-	538	-	538
Treasury total	-	538	-	538
<i>General government total</i>	-	810	-	810

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Expendable Trusts**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
Public safety				
Clerk of municipal court				
Contractual Services	-	213	-	213
Clerk of municipal court total	-	213	-	213
Fire				
Contractual services	-	11	-	11
Fire total	-	11	-	11
Law				
Contractual services	-	173	133	40
Law total	-	173	133	40
Municipal court judges				
Personnel services	-	20	5	15
Materials and supplies	-	1,828	130	1,698
Contractual services	-	8,978	922	8,056
Municipal court judges total	-	10,826	1,057	9,769
Police				
Materials and supplies	-	601	221	380
Contractual services	-	3,268	378	2,890
Police total	-	3,869	599	3,270
<i>Public safety total</i>	-	15,092	1,789	13,303
Community environment				
Economic development				
Contractual services	-	22	-	22
Economic development total	-	22	-	22
Community environment continues on next page				(continued)



**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Expendable Trusts**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Community environment (continued)				
Housing division				
Contractual services	-	1	-	1
Housing division total	-	1	-	1
Municipal court judges				
Materials and supplies	-	65	25	40
Contractual services	-	183	10	173
Municipal court judges total	-	248	35	213
Neighborhoods administration				
Personnel services	-	21	21	-
Materials and supplies	-	1	-	1
Contractual services	-	880	272	608
Neighborhoods administration total	-	902	293	609
Recreation				
Materials and supplies	-	13	-	13
Contractual services	-	201	27	174
Recreation total	-	214	27	187
Streets, bridges & harbor				
Personnel services	-	1,145	1,123	22
Materials and supplies	-	208	58	150
Contractual services	-	1,038	1,004	34
Streets, bridges & harbor total	-	2,391	2,185	206
<i>Community environment total</i>	-	3,778	2,540	1,238
Health				
Environmental services				
Contractual services	-	56	-	56
Environmental services total	-	56	-	56
Waste disposal				
Contractual services	-	639	410	229
Waste disposal total	-	639	410	229
<i>Health total</i>	-	695	410	285

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Expendable Trusts**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
Parks and recreation				
Natural resources administration				
Contractual services	-	1	-	1
Natural resources administration total	-	1	-	1
 Parks & forestry				
Materials and supplies	-	66	42	24
Contractual services	-	628	81	547
Parks & forestry total	-	694	123	571
 Recreation				
Contractual services	-	2	1	1
Recreation total	-	2	1	1
 Youth commission				
Contractual Services	-	3	-	3
Youth commission total	-	3	-	3
 <i>Parks and recreation total</i>	-	700	124	576
 <i>Capital outlay</i>	-	422	187	235
 Total expenditures	-	21,497	5,050	16,447
 Excess (deficiency) of revenues over (under) expenditures	-	(17,224)	(791)	16,433
 <b>OTHER FINANCING USES</b>				
Transfers (out)	-	(10)	-	10
Total other financing uses	-	(10)	-	10
 Net change in fund balance	<u>\$ -</u>	<u>\$ (17,234)</u>	(791)	<u>\$ 16,443</u>
 Fund balance at beginning of year			11,165	
Decrease in inventory			(11)	
Fund balance at year end			<u>\$ 10,363</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Toledo City Parks**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
Fund balance at beginning of year			\$ 99	
Fund balance at year end			<u>\$ 99</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Governmental Funds**  
**Special Revenue**  
**Toledo Home Program**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Grants	\$ 2,229	\$ 6,587	\$ 1,360	\$ (5,227)
Other revenue	-	332	333	1
Total revenues	<u>2,229</u>	<u>6,919</u>	<u>1,693</u>	<u>(5,226)</u>
<b>EXPENDITURES</b>				
Current:				
Community environment				
Housing division				
Personnel services	171	364	99	265
Materials and supplies	2	22	10	12
Contractual services	<u>2,056</u>	<u>7,741</u>	<u>2,133</u>	<u>5,608</u>
Total expenditures	<u>2,229</u>	<u>8,127</u>	<u>2,242</u>	<u>5,885</u>
Excess of expenditures over revenues	<u>-</u>	<u>(1,208)</u>	<u>(549)</u>	<u>659</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>-</u>	<u>49</u>	<u>-</u>	<u>(49)</u>
Total other financing sources	<u>-</u>	<u>49</u>	<u>-</u>	<u>(49)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,159)</u>	<u>(549)</u>	<u>\$ 610</u>
Fund balance at beginning of year			1,379	
Fund balance at year end			<u>\$ 830</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Right of Way**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 225	\$ 225	\$ 225	\$ -
Transfers (out)	(225)	(225)	(225)	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance at beginning of year			26	
Fund balance at year end			<u>\$ 26</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**CARES Act**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actuals	
<b>REVENUES</b>				
Grants	\$ -	\$ 25,082	\$ 25,082	\$ -
Total revenues	-	25,082	25,082	-
<b>EXPENDITURES</b>				
Current:				
General government				
Accounts				
Contractual services	-	2	2	-
Accounts total	-	2	2	-
Facility operations				
Materials & supplies	-	30	30	-
Facility operations total	-	30	30	-
Finance administration				
Contractual services	-	1	1	-
Finance administration total	-	1	1	-
Finance ERP				
Contractual services	-	28	28	-
Finance ERP total	-	28	28	-
General non-departmental services				
Contractual services	-	3	3	-
General non-departmental services	-	3	3	-
Human resources				
Contractual services	-	20	20	-
Human resources total	-	20	20	-
Information & communications technology				
Materials & supplies	-	257	257	-
Contractual services	-	78	78	-
Information & communications technology	-	335	335	-
Taxation				
Contractual services	-	1	1	-
Information & communications technology	-	1	1	-
<i>General government total</i>	-	420	420	-

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**CARES Act**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Public service				
Streets, bridges & harbor				
Materials and supplies	-	4	4	
Contractual services	-	5	5	-
Streets, bridges & harbor total	-	9	9	-
Transportation				
Materials and supplies	-	2	2	-
Transportation total	-	2	2	-
<i>Public service total</i>	-	11	11	-
Public safety				
Fire				
Personnel services	-	11,681	11,681	-
Materials and supplies	-	89	89	-
Fire total	-	11,770	11,770	-
Police				
Personnel services		12,804	12,804	-
Materials and supplies		41	41	-
Contractual services		1	1	-
Police total	-	12,846	12,846	-
<i>Public safety total</i>	-	24,616	24,616	-
Public utilities				
Utility administrative services				
Materials and supplies	-	22	22	-
Utility administrative services total	-	22	22	-
<i>Public utilities total</i>	-	22	22	-
Community environment				
Economic development				
Contractual services	-	5	5	-
Economic development total	-	5	5	-
Planning commission				
Materials and supplies	-	5	5	-
Planning commission total	-	5	5	-
<i>Community environment total</i>	-	10	10	-

(continued)

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**CARES Act**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**  
**(continued)**

	<b>Budgeted amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actuals</b>	
Parks and recreation				
Parks & forestry				
Materials and supplies	-	3	3	-
Parks & forestry total	-	3	3	-
<i>Parks and recreation total</i>	-	3	3	-
Total expenditures	-	25,082	25,082	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance at beginning of year			-	
Fund balance at year end			\$ -	



**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Governmental Funds**  
**Special Revenue**  
**Downtown Toledo Parking**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Other revenue	\$ -	\$ -	\$ 259	\$ 259
Total revenues	<u>-</u>	<u>-</u>	<u>259</u>	<u>259</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	259	<u>\$ 259</u>
Fund balance at beginning of year			165	
Fund balance at year end			<u>\$ 424</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Debt Service Funds**  
**Jeep Municipal Public Improvement TIF**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Intergovernmental services	\$ 3,000	\$ 3,000	\$ 3,428	\$ 428
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>3,428</u>	<u>428</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	505	505	460	45
Interest and fiscal charges	<u>214</u>	<u>214</u>	<u>180</u>	<u>34</u>
Total expenditures	<u>719</u>	<u>719</u>	<u>640</u>	<u>79</u>
Net change in fund balance	<u>\$ 2,281</u>	<u>\$ 2,281</u>	2,788	<u>\$ 507</u>
Fund balance (deficit) at beginning of year			(14,790)	
Fund balance (deficit) at year end			<u>\$ (12,002)</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Debt Service Funds**  
**General Obligation**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	\$ 11,516	\$ 11,516	\$ 10,850	\$ 666
Interest and fiscal charges	4,472	4,472	4,088	384
Total expenditures	<u>15,988</u>	<u>15,988</u>	<u>14,938</u>	<u>1,050</u>
Excess of expenditures over revenues	<u>(15,988)</u>	<u>(15,988)</u>	<u>(14,938)</u>	<u>1,050</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	15,988	15,988	14,457	(1,531)
Premiums on bonds issued	-	481	481	-
Total other financing sources	<u>15,988</u>	<u>16,469</u>	<u>14,938</u>	<u>(1,531)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 481</u>	-	<u>\$ (481)</u>
Fund balance at beginning of year			342	
Fund balance at year end			<u>\$ 342</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Debt Service Funds**  
**Special Assessment**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Special assessments	\$ 3	\$ 3	\$ -	\$ (3)
Total revenues	<u>3</u>	<u>3</u>	<u>-</u>	<u>(3)</u>
 Net change in fund balance	 <u>\$ 3</u>	 <u>\$ 3</u>	 -	 <u>\$ (3)</u>
 Fund balance at beginning of year			 <u>191</u>	
Fund balance at year end			<u>\$ 191</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Capital Projects Funds**  
**Special Assessment Improvements**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Special assessments	\$ 210	\$ 210	\$ 250	\$ 40
Total revenues	<u>210</u>	<u>210</u>	<u>250</u>	<u>40</u>
<b>EXPENDITURES</b>				
Capital outlay				
Engineering services				
Personnel services	125	125	-	125
Contractual services	<u>500</u>	<u>1,906</u>	<u>372</u>	<u>1,534</u>
Capital outlay total	<u>625</u>	<u>2,031</u>	<u>372</u>	<u>1,659</u>
Debt service:				
Principal retirement	1,620	1,620	-	1,620
Interest and fiscal charges	<u>50</u>	<u>50</u>	<u>40</u>	<u>10</u>
Debt service total	<u>1,670</u>	<u>1,670</u>	<u>40</u>	<u>1,630</u>
Total expenditures	<u>2,295</u>	<u>3,701</u>	<u>412</u>	<u>3,289</u>
Net change in fund balance	<u>\$ (2,085)</u>	<u>\$ (3,491)</u>	(162)	<u>\$ 3,329</u>
Fund balance (deficit) at beginning of year			(2,795)	
Fund balance (deficit) at year end			<u>\$ (2,957)</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Capital Projects Funds**  
**Franklin Park/Westfield Municipal Public Improvement TIF**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
<b>REVENUES</b>				
Intergovernmental services	\$ 2,200	\$ 2,200	\$ 2,238	\$ 38
Investment earnings	102	102	-	(102)
Other revenue	-	1	1	-
Total revenues	<u>2,302</u>	<u>2,303</u>	<u>2,239</u>	<u>(64)</u>
<b>EXPENDITURES</b>				
Capital outlay				
Engineering services				
Contractual services	-	3,935	250	3,685
Engineering services total	<u>-</u>	<u>3,935</u>	<u>250</u>	<u>3,685</u>
Transportation				
Contractual services	-	1,134	485	649
Transportation total	<u>-</u>	<u>1,134</u>	<u>485</u>	<u>649</u>
<i>Capital outlay total</i>	<u>-</u>	<u>5,069</u>	<u>735</u>	<u>4,334</u>
Total expenditures	<u>-</u>	<u>5,069</u>	<u>735</u>	<u>4,334</u>
Net change in fund balance	<u>\$ 2,302</u>	<u>\$ (2,766)</u>	1,504	<u>\$ 4,270</u>
Fund balance at beginning of year			12,516	
Fund balance at year end			<u>\$ 14,020</u>	

**City of Toledo, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Nonmajor Permanent Fund**  
**Cemetery Perpetual Care**  
**For the Year Ended December 31, 2020**  
**(Amounts in Thousands)**

	<u>Budgeted amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actuals</u>	
Fund balance at beginning of year			\$ 696	
Fund balance at year end			<u>\$ 696</u>	

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# **STATISTICAL SECTION**



## City of Toledo, Ohio

### Statistical Section

This part of the City of Toledo, Ohio's Annual Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health

#### **Contents**

#### **Tables**

##### **Financial Trends**

**226 - 235**

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**

**236 - 246**

These schedules contain information to help the reader assess the City's most significant local revenue sources.

##### **Debt Capacity**

**248 - 256**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

##### **Demographic and Economic Information**

**257 - 258**

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

##### **Operating Information**

**259 - 263**

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

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Annual Report for the relevant year.

**Table 1**  
**City of Toledo, Ohio**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

	<u>2020</u>	<u>2019 (2)</u>	<u>2018 (4)</u>	<u>2017 (3)</u>
<b>Governmental activities:</b>				
Net investment in capital assets	\$ 394,750	\$ 379,486	\$ 374,777	\$ 397,325
Restricted	87,820	84,887	76,880	49,575
Unrestricted (deficit)	<u>(327,598)</u>	<u>(348,708)</u>	<u>(494,892)</u>	<u>(493,824)</u>
Total governmental activities	<u><u>154,972</u></u>	<u><u>115,665</u></u>	<u><u>(43,235)</u></u>	<u><u>(46,924)</u></u>
<b>Business-type activities:</b>				
Net investment in capital assets	518,257	496,629	471,255	425,274
Restricted	96,875	74,748	45,714	115,302
Unrestricted (deficit)	<u>97,519</u>	<u>98,441</u>	<u>100,169</u>	<u>26,925</u>
Total business-type activities	<u><u>712,651</u></u>	<u><u>669,818</u></u>	<u><u>617,138</u></u>	<u><u>567,501</u></u>
<b>Primary government activities:</b>				
Net investment in capital assets	913,007	876,115	846,032	822,599
Restricted	184,695	159,635	122,594	164,877
Unrestricted (deficit)	<u>(230,079)</u>	<u>(250,267)</u>	<u>(394,723)</u>	<u>(466,899)</u>
Total primary government activities	<u><u>\$ 867,623</u></u>	<u><u>\$ 785,483</u></u>	<u><u>\$ 573,903</u></u>	<u><u>\$ 520,577</u></u>

**Notes:**

- (1) Amounts have been restated to reflect the implementation of GASB Statements No. 68 and 71, which were implemented in 2015 and for prior period adjustment posted in 2015.
- (2) Amounts have been restated to reflect prior period adjustments.
- (3) Amounts have been restated to reflect the implementation of GASB Statements No. 75, which was implemented in 2018 and for prior period adjustment posted in 2017.
- (4) Amounts for Business-Type activities have been reclassified between restricted and net investment in capital assets to properly report unspent bond proceeds.

2016 (2)	2015	2014 (1)	2013	2012	2011
\$ 327,948	\$ 349,748	\$ 377,025	\$ 379,066	\$ 368,093	\$ 342,304
60,434	49,575	58,721	59,009	81,257	65,509
(216,715)	(196,638)	(198,341)	26,195	18,429	31,418
<u>171,667</u>	<u>202,685</u>	<u>237,405</u>	<u>464,270</u>	<u>467,779</u>	<u>439,231</u>
451,710	404,882	391,748	372,533	388,287	383,122
51,990	75,073	89,146	88,854	33,221	7,476
31,550	14,429	(17,624)	5,265	17,424	29,078
<u>535,250</u>	<u>494,384</u>	<u>463,270</u>	<u>466,652</u>	<u>438,932</u>	<u>419,676</u>
779,658	754,630	768,773	751,599	756,380	725,426
112,424	124,648	147,867	147,863	114,478	72,985
(185,165)	(182,209)	(215,965)	31,460	35,853	60,496
<u>\$ 706,917</u>	<u>\$ 697,069</u>	<u>\$ 700,675</u>	<u>\$ 930,922</u>	<u>\$ 906,711</u>	<u>\$ 858,907</u>

**Table 2**  
**City of Toledo, Ohio**  
**Changes in Net Position by Component**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

	2020	2019	2018	2017	2016
<b>Government activities</b>					
Charges for services:					
General government	\$ 17,470	\$ 21,544	\$ 21,461	\$ 15,612	\$ 14,616
Public service	22,557	27,097	27,125	28,858	29,997
Public safety	12,614	19,633	19,098	19,282	16,715
Public utilities	-	-	1	-	-
Community environment	4,173	2,387	3,440	3,021	2,875
Health	12,823	8,642	13,407	13,476	12,507
Parks and recreation	80	456	130	122	68
Interest and fiscal charges	1,156	-	-	-	-
Operating grants	31,914	4,070	4,765	4,358	7,698
Capital grants	20,714	35,208	19,155	17,964	15,786
Total governmental activities program revenues	123,501	119,037	108,582	102,693	100,262
<b>Business-type activities:</b>					
Charges for services:					
Water	81,875	78,648	80,270	79,468	72,878
Sewer	91,682	87,890	81,954	77,709	73,438
Storm utility	9,361	10,099	9,831	10,115	9,885
Utilities administration	14,246	18,192	17,867	17,628	17,706
Parking	-	-	-	-	-
Toledo public power	505	630	814	1,049	631
Property management	-	-	-	-	11
Erie street market	-	-	-	-	2
Small business development	-	-	-	-	-
Municipal Tow lot	2,421	2,652	2,333	2,247	2,219
Capital grants	733	1,708	1,988	1,178	343
Total business-type activities revenues	200,823	199,819	195,057	189,394	177,113
Total primary governmental revenues	<u>\$ 324,324</u>	<u>\$ 318,856</u>	<u>\$ 303,639</u>	<u>\$ 292,087</u>	<u>\$ 277,375</u>
<b>Government-type activities</b>					
General government	\$ 26,252	\$ 32,651	\$ 30,167	\$ 22,753	\$ 24,154
Public service	43,820	71,781	58,908	60,478	64,777
Public safety	188,922	33,072	205,485	193,527	211,044
Public utilities	11,838	7,193	5,748	3,567	3,735
Community environment	24,214	23,193	19,430	19,005	20,944
Health	11,929	13,360	11,871	9,302	9,561
Parks and recreation	5,333	8,729	4,392	2,871	5,202
Interest and fiscal charges	5,618	6,265	7,022	8,329	9,076
Total governmental activities expenses	317,926	196,244	343,023	319,832	348,493
<b>Business-type activities</b>					
Water	67,633	64,075	63,263	60,012	56,931
Sewer	69,084	64,042	65,316	57,838	58,723
Utility administration	14,437	14,088	12,261	12,113	11,721
Storm utility	7,826	8,935	7,924	7,698	6,638
Parking	-	-	-	-	-
Property management	1,255	753	471	568	652
Small business development	5	135	8	6	47
Toledo public power	461	701	787	710	543
Municipal Tow lot	836	1,056	988	1,084	1,089
Erie street market	-	-	-	-	9
Total business-activities expenses	161,537	153,785	151,018	140,029	136,353
Total primary government expenses	<u>\$ 479,463</u>	<u>\$ 350,029</u>	<u>\$ 494,041</u>	<u>\$ 459,861</u>	<u>\$ 484,846</u>

2015		2014		2013		2012		2011	
\$	17,835	\$	22,583	\$	37,121	\$	72,061	\$	41,828
	27,852		21,517		26,198		-		25,381
	15,338		17,406		17,042		15,907		12,748
	14		22		-		351		-
	2,440		2,389		2,527		2,928		8,044
	10,454		10,575		11,709		9,813		11,221
	479		138		164		635		206
	-		-		-		-		-
	9,022		14,160		20,492		29,533		35,731
	19,996		14,486		10,630		16,590		4,509
	<u>103,430</u>		<u>103,276</u>		<u>125,883</u>		<u>147,818</u>		<u>139,668</u>
	63,323		57,205		52,476		44,112		43,250
	70,863		69,890		69,719		66,608		65,608
	9,921		11,046		9,620		10,331		10,234
	16,222		12,163		9,945		12,462		11,323
	-		-		-		-		1,887
	688		774		588		136		-
	-		1,745		-		-		24
	97		107		146		115		197
	-		8		-		-		-
	1,854		2,566		2,536		2,007		1,929
	1,524		2,483		640		1,448		2,709
	<u>164,492</u>		<u>157,987</u>		<u>145,670</u>		<u>137,219</u>		<u>137,161</u>
\$	<u>267,922</u>	\$	<u>261,263</u>	\$	<u>271,553</u>	\$	<u>285,037</u>	\$	<u>276,829</u>
\$	23,241	\$	29,937	\$	35,031	\$	28,807	\$	21,651
	68,533		67,217		55,070		34,715		48,606
	199,620		177,419		173,274		165,810		164,396
	3,880		3,753		1,876		1,268		493
	23,550		21,427		20,090		37,867		27,058
	7,410		9,743		9,265		19,197		18,012
	6,388		6,702		6,443		5,419		5,396
	16,676		7,460		8,003		11,762		14,332
	<u>349,298</u>		<u>323,658</u>		<u>309,052</u>		<u>304,845</u>		<u>299,944</u>
	56,417		53,472		46,912		41,997		41,495
	58,407		63,174		51,310		67,507		64,705
	11,204		12,176		11,285		7,067		10,608
	6,673		6,358		6,801		11,291		8,005
	-		-		-		-		644
	678		970		895		1,286		1,691
	57		52		63		78		380
	662		747		567		138		-
	1,055		1,056		963		911		986
	75		109		48		124		-
	<u>135,228</u>		<u>138,114</u>		<u>118,844</u>		<u>130,399</u>		<u>128,514</u>
\$	<u>484,526</u>	\$	<u>461,772</u>	\$	<u>427,896</u>	\$	<u>435,244</u>	\$	<u>428,458</u>

**Table 2 (continued)**  
**City of Toledo, Ohio**  
**Changes in Net Position by Component**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

	2020	2019	2018	2017	2016
Governmental activities	\$ (194,425)	\$ (77,207)	\$ (234,441)	\$ (217,139)	\$ (248,230)
Business-type activities	39,326	46,034	44,039	49,365	40,760
Total primary governmental revenue (expenses), net	<u>(155,099)</u>	<u>(31,173)</u>	<u>(190,402)</u>	<u>(167,774)</u>	<u>(207,470)</u>
<b>General revenues and other changes in net position:</b>					
Governmental activities:					
Income taxes	180,076	190,455	184,098	176,056	175,958
Property taxes	13,143	13,072	12,365	12,269	10,059
Unrestricted investments earnings	1,530	2,190	2,154	1,164	793
Grants and entitlements not restricted to specific programs	-	-	-	-	-
Intergovernmental services	34,959	31,314	27,972	28,430	29,416
Gain on sale of capital assets	99	-	-	-	-
Other revenue grants	3,446	6,051	11,496	9,317	8,144
Transfers	479	493	45	(3,892)	(204)
Total government activities	<u>233,732</u>	<u>243,575</u>	<u>238,130</u>	<u>223,344</u>	<u>224,166</u>
Business-type activities:					
Unrestricted investments earnings	3,951	7,127	5,522	3,150	1,875
Gain on sale of capital assets and	35	12	121	-	-
Other revenue grants	-	-	-	-	-
Transfers	(479)	(493)	(45)	3,892	204
Total business-type activities	<u>3,507</u>	<u>6,646</u>	<u>5,598</u>	<u>7,042</u>	<u>2,079</u>
Total primary governmental general revenues and other changes in net position	<u>237,239</u>	<u>250,221</u>	<u>243,728</u>	<u>230,386</u>	<u>226,245</u>
<b>Changes in Net Position</b>					
Governmental activities	39,307	166,368	3,689	6,205	(24,064)
Business-type activities	42,833	52,680	49,637	56,407	42,839
Total primary governmental net change	<u>\$ 82,140</u>	<u>\$ 219,048</u>	<u>\$ 53,326</u>	<u>\$ 62,612</u>	<u>\$ 18,775</u>



2015	2014	2013	2012	2011
\$ (245,868)	\$ (220,382)	\$ (183,169)	\$ (157,027)	\$ (163,464)
29,264	19,873	26,826	6,820	8,647
(216,604)	(200,509)	(156,343)	(150,207)	(154,817)
171,053	163,653	158,176	158,128	152,864
9,793	9,585	9,708	11,361	12,168
850	454	508	1,017	1,240
-	-	-	5,272	-
24,536	26,740	2,215	-	-
-	167	87	-	859
5,640	10,534	8,728	4,789	4,707
(724)	1,200	238	(289)	10,244
211,148	212,333	179,660	180,278	182,082
1,078	1,818	1,132	937	1,092
48	673	-	-	-
-	-	-	-	(6,836)
724	(1,200)	(238)	289	(10,244)
1,850	1,291	894	1,226	(15,988)
212,998	213,624	180,554	181,504	166,094
(34,720)	(8,049)	(3,509)	23,251	18,618
31,114	21,164	27,720	8,046	(7,341)
\$ (3,606)	\$ 13,115	\$ 24,211	\$ 31,297	\$ 11,277

**Table 3**  
**City of Toledo, Ohio**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**(Amounts in Thousands)**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>General Fund</b>				
Nonspendable	\$ 1,951	\$ 1,760	\$ 1,632	\$ 1,189
Restricted	3,857	3,825	3,748	3,764
Committed	13,377	13,045	16,676	9,480
Assigned	26,616	6,428	-	-
Unassigned (deficit)	38,834	21,564	18,432	7,755
Total general fund	<u>84,635</u>	<u>46,622</u>	<u>40,488</u>	<u>22,188</u>
<b>Capital Improvement Fund</b>				
Nonspendable	1,226	1,233	1,063	1,056
Restricted	54,379	49,803	41,541	49,833
Total capital improvement fund	<u>55,605</u>	<u>51,036</u>	<u>42,604</u>	<u>50,889</u>
<b>Special Assessment Services Fund</b>				
Nonspendable	3,396	3,553	3,453	2,243
Restricted	464	535	712	673
Unassigned (deficit)	(61,781)	(63,169)	(61,618)	(60,546)
Total special assessment services fund	<u>(57,921)</u>	<u>(59,081)</u>	<u>(57,453)</u>	<u>(57,630)</u>
<b>Nonmajor Governmental Funds</b>				
Nonspendable	1,824	1,634	1,682	1,698
Restricted	45,239	43,062	43,435	39,634
Committed	1,886	1,800	1,725	1,359
Unassigned (deficit)	(14,959)	(17,585)	(19,461)	(18,780)
Total nonmajor governmental funds	<u>33,990</u>	<u>28,911</u>	<u>27,381</u>	<u>23,911</u>
Total fund balance governmental funds	<u>\$ 116,309</u>	<u>\$ 67,488</u>	<u>\$ 53,020</u>	<u>\$ 39,358</u>

2016	2015	2014	2013	2012	2011
\$ 1,158	\$ 1,204	\$ 1,594	\$ 1,143	\$ 850	\$ 712
3,814	4,771	5,317	5,420	5,406	5,376
4,754	1,948	1,553	326	326	-
-	-	-	-	-	-
6,028	2,255	1,331	1,088	(1,574)	(5,762)
15,754	10,178	9,795	7,977	5,008	326
1,147	1,053	1,117	1,239	1,005	782
44,496	21,607	18,023	18,062	43,191	34,896
45,643	22,660	19,140	19,301	44,196	35,678
2,145	4,074	3,956	1,743	2,864	1,438
377	-	280	1,509	218	384
(62,194)	(64,667)	(61,144)	(54,046)	(53,293)	(53,153)
(59,672)	(60,593)	(56,908)	(50,794)	(50,211)	(51,331)
1,520	1,726	1,957	889	912	623
35,651	23,213	23,403	25,080	19,876	18,699
1,392	10,114	15,559	13,993	12,462	12,542
(18,015)	(2,041)	(2,775)	(2,447)	(2,359)	(1,996)
20,548	33,012	38,144	37,515	30,891	29,868
\$ 22,273	\$ 5,257	\$ 10,171	\$ 13,999	\$ 29,884	\$ 14,541

**Table 4**  
**City of Toledo, Ohio**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

	2020	2019	2018	2017
<b>Revenues:</b>				
Income taxes	\$ 181,695	\$ 189,434	\$ 183,618	\$ 176,362
Property taxes	12,956	12,642	12,223	12,025
Special assessments	26,233	28,977	27,386	29,188
Licenses and permits	2,627	2,964	3,213	2,942
Intergovernmental services	41,635	39,101	35,863	37,561
Charges for services	29,421	30,045	29,434	30,202
Investment earnings	1,610	2,512	2,154	1,164
Fines and forfeitures	5,713	10,824	11,737	11,429
Grants	51,293	35,329	25,599	21,056
Other revenue	4,107	8,624	7,631	6,375
Total revenues	<u>357,290</u>	<u>360,452</u>	<u>338,858</u>	<u>328,304</u>
<b>Expenditures:</b>				
General government	27,326	27,192	25,685	24,436
Public services	39,096	44,956	40,771	37,912
Public safety	178,973	178,826	161,819	167,086
Public utilities	170	45	300	2
Community environment	23,281	21,023	18,512	17,801
Health	10,240	10,401	9,991	9,932
Parks and recreation	3,883	3,289	2,948	2,700
Capital outlay	41,420	48,526	42,272	32,925
Debt service:				
Principal	13,154	15,346	18,319	18,530
Interest and fiscal charges	5,973	6,785	6,902	7,391
Debt issuance costs	360	394	-	165
Total expenditures	<u>343,876</u>	<u>356,783</u>	<u>327,519</u>	<u>318,880</u>
Excess of revenues over (under) expenditures	13,414	3,669	11,339	9,424
<b>Other financing sources (uses):</b>				
Transfers in	82,697	60,087	58,534	64,165
Transfers out	(65,448)	(59,594)	(58,489)	(68,057)
Issuance of debt	21,304	23,640	236	8,176
Premium on bond	841	2,407	230	771
Capital lease proceeds	-	-	-	2,200
Payments to escrow	(4,203)	(16,759)	-	-
Sale of capital assets	-	386	207	190
Total other financing sources (uses)	<u>35,191</u>	<u>10,167</u>	<u>718</u>	<u>7,445</u>
Net change in fund balance	<u>\$ 48,605</u>	<u>\$ 13,836</u>	<u>\$ 12,057</u>	<u>\$ 16,869</u>
Debt services as a percentage of noncapital expenditures	7.2%	7.0%	8.8%	9.2%

2016	2015	2014	2013	2012	2011
\$ 175,679	\$ 169,045	\$ 164,787	\$ 158,775	\$ 158,523	\$ 153,581
10,733	9,911	9,552	9,598	11,381	11,845
30,449	24,374	21,822	25,450	23,925	25,691
2,870	2,459	2,476	2,414	2,283	2,303
34,325	35,953	35,358	38,020	37,589	38,861
29,416	28,515	27,532	28,130	27,249	27,987
793	850	454	508	1,007	1,240
9,113	7,032	7,491	8,590	7,952	5,829
25,876	31,670	30,873	27,499	45,775	47,464
7,362	5,485	10,104	8,505	4,538	4,544
326,616	315,294	310,449	307,489	320,222	319,345
24,667	25,925	26,951	28,465	17,392	15,923
39,566	43,866	41,760	35,062	34,660	36,599
170,181	170,965	168,872	163,565	165,245	172,055
30	-	8	1	1	7
19,254	21,070	20,969	19,273	27,799	26,047
7,243	7,747	7,939	7,940	18,019	17,344
2,813	2,845	2,959	3,487	3,018	2,791
32,406	40,235	41,991	53,174	48,647	20,740
18,466	21,076	25,523	23,307	27,401	18,329
7,052	8,359	6,983	7,124	10,435	13,343
185	-	219	-	-	-
321,863	342,088	344,174	341,398	352,617	323,178
4,753	(26,794)	(33,725)	(33,909)	(32,395)	(3,833)
60,160	67,122	72,899	70,140	73,235	76,615
(60,364)	(67,846)	(71,699)	(69,902)	(73,524)	(63,921)
24,229	26,044	22,884	14,046	41,455	763
2,806	2,784	1,972	884	1,498	89
-	4,540	948	3,386	3,001	231
(10,284)	(10,181)	-	-	-	-
-	1	167	87	-	12,129
16,547	22,464	27,171	18,641	45,665	25,906
\$ 21,300	\$ (4,330)	\$ (6,554)	\$ (15,268)	\$ 13,270	\$ 22,073
9.7%	10.8%	12.1%	11.8%	14.2%	11.7%

**Table 5**  
**City of Toledo, Ohio**  
**Revenues by Source, Governmental Funds**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Income taxes	\$ 181,695	\$ 189,434	\$ 183,618	\$ 176,362	\$ 175,679
Property taxes	12,956	12,642	12,223	12,025	9,906
Special assessments	26,233	28,977	27,386	29,188	30,449
Licenses and permits	2,627	2,964	3,213	2,942	2,870
Intergovernmental services	41,635	39,101	35,863	37,561	35,152
Charges for services	29,421	30,045	29,434	30,202	29,416
Investment earnings	1,610	2,512	2,154	1,164	793
Fines and forfeitures	5,713	10,824	11,737	11,429	9,113
Grants	51,293	35,329	25,599	21,056	25,876
Other revenue	4,107	8,624	7,631	6,375	7,362
Total	<u>\$ 357,290</u>	<u>\$ 360,452</u>	<u>\$ 338,858</u>	<u>\$ 328,304</u>	<u>\$ 326,616</u>

2015	2014	2013	2012	2011
\$ 169,045	\$ 164,787	\$ 158,775	\$ 158,523	\$ 153,581
9,911	9,552	9,598	11,381	11,845
24,374	21,822	25,451	23,925	25,691
2,459	2,476	2,414	2,283	2,303
35,953	35,358	38,020	37,589	40,371
28,515	27,532	28,130	27,249	27,987
850	454	508	1,007	856
7,032	7,491	8,590	7,952	5,829
31,670	30,873	27,859	45,775	46,563
5,485	10,104	8,505	4,538	5,101
<u>\$ 315,294</u>	<u>\$ 310,449</u>	<u>\$ 307,850</u>	<u>\$ 320,222</u>	<u>\$ 320,127</u>

**Table: 6**  
**City of Toledo, Ohio**  
**Income Tax Revenues**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Withholding	\$ 154,905	\$ 160,346	\$ 156,398	\$ 148,903	\$ 147,099	\$ 145,346
Utility	-	-	-	-	-	-
Business	18,457	20,674	19,502	19,821	20,735	16,330
Individuals	8,333	8,414	7,718	7,638	7,845	7,369
Total	<u>\$ 181,695</u>	<u>\$ 189,434</u>	<u>\$ 183,618</u>	<u>\$ 176,362</u>	<u>\$ 175,679</u>	<u>\$ 169,045</u>

**Source:** City Income Tax Department



2014	2013	2012	2011
\$ 139,396	\$ 131,343	\$ 128,215	\$ 129,855
-	10	1,867	321
18,898	19,710	19,956	15,468
6,493	7,712	8,485	7,937
<u>\$ 164,787</u>	<u>\$ 158,775</u>	<u>\$ 158,523</u>	<u>\$ 153,581</u>

**Table 7**  
**City of Toledo, Ohio**  
**Assessed Value and Estimated Actual Value of Taxable Property<sup>1</sup>**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

Tax Levy Year	Tax Collection Year	Real Property		Public Utility		Total	
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2019	2020	\$ 3,105,943	\$ 8,874,123	\$ 226,582	\$ 906,328	\$ 3,332,525	\$ 9,780,451
2018	2019	3,104,398	8,869,709	215,375	861,500	3,319,773	9,731,209
2017	2018	2,953,949	8,439,854	207,162	828,648	3,161,111	9,268,502
2016	2017	2,984,595	8,527,414	188,321	753,284	3,172,916	9,280,698
2015	2016	2,994,559	8,555,883	167,719	670,876	3,162,278	9,226,759
2014	2015	3,039,205	8,683,443	161,170	644,680	3,200,375	9,328,123
2013	2014	3,060,991	8,745,689	150,560	602,240	3,211,551	9,347,929
2012	2013	3,096,886	8,848,246	135,380	541,520	3,232,265	9,389,766
2011	2012	3,629,878	10,371,080	123,218	492,872	3,753,096	10,863,952
2010	2011	3,687,359	10,535,311	118,417	473,668	3,805,777	10,873,648

**Note:**

<sup>1</sup> amounts for collection years 2018 and 2019 revised based upon new source documentation.

**Source:**

Lucas County Auditor (Tax Year 2019)  
Ohio Department of Taxation (Tax Years 2010-2018)

Ratio of Total Assessed Value to Total Estimated Actual Value	Direct Tax Rate
34.1%	4.4
34.1%	4.4
34.1%	4.4
34.2%	4.4
34.3%	4.4
34.3%	4.4
34.4%	4.4
34.4%	4.4
34.6%	4.4
35.0%	4.4

**Table 8**  
**City of Toledo, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Fiscal Years<sup>1</sup>**  
**(Rate Per \$1,000 of Assessed Value)**

<b>Overlapping Subdivisions</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>City of Toledo</b>				
General Fund	3.80	3.80	3.80	3.80
Police Pension	0.30	0.30	0.30	0.30
Fire Pension	0.30	0.30	0.30	0.30
<b>Sub-Total - Toledo City</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>
Regional Transit	2.50	2.50	2.50	2.50
Port Authority	0.40	0.40	0.40	0.40
Lucas County	17.52	17.52	17.37	17.07
MetroParks	2.30	2.30	2.30	2.30
Toledo-Lucas County Public Library	3.70	3.70	3.70	2.90
<b>Sub-Total District Wide</b>	<b>30.82</b>	<b>30.82</b>	<b>30.67</b>	<b>29.57</b>
 <b><sup>2</sup>School Districts in the City of Toledo</b>				
Maumee City School District	93.95	93.95	88.65	88.65
Ottawa Hills Local School District	139.05	139.05	139.05	139.05
Springfield Local School District	78.48	77.66	78.55	80.32
Sylvania City School District	88.01	87.99	88.56	88.45
Toledo City School District	72.66	72.85	73.58	73.58
Washington Local School District	9.40	83.50	83.50	83.50
 <sup>3</sup> Penta County Career Center	3.20	3.20	3.20	3.20
 <b><sup>4</sup>Recreation Districts in Sylvania Schools; Toledo, Ohio</b>				
Sylvania Joint Recreation District.	1.78	2.00	2.11	2.11
Olander Park	1.00	1.00	1.00	0.20
<b>Sub-Total Recreation Districts</b>	<b>2.78</b>	<b>3.00</b>	<b>3.11</b>	<b>2.31</b>
 <b>Total Rate with Corresponding School District</b>				
Maumee City School District	<b>127.97</b>	<b>127.97</b>	<b>122.52</b>	<b>121.42</b>
Ottawa Hills Local School District	<b>169.87</b>	<b>169.87</b>	<b>169.72</b>	<b>168.62</b>
Springfield Local School District	<b>112.50</b>	<b>111.68</b>	<b>112.42</b>	<b>113.09</b>
Sylvania City School District	<b>121.61</b>	<b>121.81</b>	<b>122.34</b>	<b>120.33</b>
Toledo City School District	<b>103.48</b>	<b>103.67</b>	<b>104.25</b>	<b>103.15</b>
Washington Local School District	<b>121.22</b>	<b>114.32</b>	<b>114.17</b>	<b>113.07</b>

**Notes:**

<sup>1</sup>Represents Tax Collection Years

<sup>2</sup>The Toledo City School District and the Washington Local School District are located entirely within the City of Toledo. Other school districts overlap with but are only partially located in Toledo.

<sup>3</sup>The Penta County Career Center serves and is included as part of the tax rate in the Maumee City School District and the Springfield Local School District.

<sup>4</sup>The Sylvania Joint Recreation District and Olander Park are located in the same taxing district as Sylvania City Schools in the City of Toledo.

**Source:** Lucas County Auditor

2016	2015	2014	2013	2012	2011
3.80	3.80	3.80	3.80	3.80	3.80
0.30	0.30	0.30	0.30	0.30	0.30
0.30	0.30	0.30	0.30	0.30	0.30
<b>4.40</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>
2.50	2.50	2.50	2.50	2.50	2.50
0.40	0.40	0.40	0.40	0.40	0.40
17.07	17.07	16.92	15.07	14.07	14.07
2.30	2.30	2.30	2.30	1.70	1.70
2.90	2.90	2.90	2.90	2.00	2.00
<b>29.57</b>	<b>29.57</b>	<b>29.42</b>	<b>27.57</b>	<b>25.07</b>	<b>25.07</b>
88.65	88.75	84.95	84.55	84.65	79.45
140.05	142.65	142.65	135.65	134.75	133.05
80.53	74.75	75.15	75.15	75.05	75.05
83.30	83.50	83.60	83.60	83.00	78.30
73.10	73.10	67.40	67.40	65.90	67.70
83.50	83.50	78.60	78.60	78.60	73.70
3.20	3.20	3.20	3.20	3.20	3.20
2.10	2.10	2.10	2.10	1.65	1.65
0.70	0.70	0.70	0.70	0.70	0.70
<b>2.80</b>	<b>2.80</b>	<b>2.80</b>	<b>2.80</b>	<b>2.35</b>	<b>2.35</b>
<b>121.42</b>	<b>121.52</b>	<b>117.57</b>	<b>115.32</b>	<b>112.92</b>	<b>107.72</b>
<b>169.62</b>	<b>172.22</b>	<b>172.07</b>	<b>163.22</b>	<b>159.82</b>	<b>158.12</b>
<b>113.30</b>	<b>107.52</b>	<b>107.77</b>	<b>105.92</b>	<b>103.32</b>	<b>103.32</b>
<b>115.67</b>	<b>115.87</b>	<b>115.82</b>	<b>113.97</b>	<b>110.42</b>	<b>105.72</b>
<b>102.67</b>	<b>102.67</b>	<b>96.82</b>	<b>94.97</b>	<b>90.97</b>	<b>92.77</b>
<b>113.07</b>	<b>113.07</b>	<b>108.02</b>	<b>106.17</b>	<b>103.67</b>	<b>98.77</b>

**Table 9**  
**City of Toledo, Ohio**  
**Top 75 Income Tax Withholding Agents by Industry**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Nonprofit	\$ 16,412	\$ 15,904	\$ 15,685	\$ 15,482	\$ 17,014	\$ 14,835
Hospital	11,265	9,479	8,561	8,775	8,663	8,579
Manufacturing	23,411	27,076	25,073	21,918	23,787	22,910
Government	9,407	9,145	9,426	8,811	8,596	8,555
Services	17,817	19,262	20,190	18,196	15,807	16,964
Retail	861	1,359	1,687	1,560	1,294	1,346
Banking	855	841	871	840	840	897
Grocery	768	698	684	728	670	723
Transportation	564	634	419	379	361	440
Technology	-	-	-	-	-	-
Utility	-	208	-	367	-	-
Construction	774	-	124	201	230	-
Total	<u>\$ 82,134</u>	<u>\$ 84,606</u>	<u>\$ 82,720</u>	<u>\$ 77,257</u>	<u>\$ 77,262</u>	<u>\$ 75,249</u>

**Source:** City Income Tax Department

2014	2013	2012	2011
\$ 14,155	\$ 12,870	\$ 14,674	\$ 13,405
8,293	9,751	9,333	13,159
21,799	18,242	14,887	16,576
8,390	9,137	10,156	10,078
16,242	13,897	13,071	9,960
1,389	1,166	1,452	1,266
1,109	1,212	1,080	969
740	775	819	732
423	392	548	385
-	-	-	343
-	-	-	-
-	-	-	-
<u>\$ 72,540</u>	<u>\$ 67,442</u>	<u>\$ 66,020</u>	<u>\$ 66,873</u>

**Table 10**  
**City of Toledo, Ohio**  
**Real and Public Utility Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands, except %)**

<b>Tax Collection Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Collections</b>	<b>Amount of Total Tax Collections</b>	<b>Percent of Total Tax Collections to Tax Levy</b>
2020	\$ 14,663	\$ 13,705	93.5%	\$ 857	\$ 14,562	99.3%
2019	14,607	13,561	92.8%	711	14,272	97.7%
2018	13,955	12,988	93.1%	721	13,709	98.2%
2017	13,961	12,903	92.4%	720	13,623	97.6%
2016	13,914	12,887	92.6%	873	13,760	98.9%
2015	14,110	12,660	89.7%	1,151	13,811	97.9%
2014	14,163	12,451	87.9%	974	13,425	94.8%
2013	14,262	12,461	87.4%	1,048	13,509	94.7%
2012	16,543	14,415	87.1%	1,135	15,550	94.0%
2011	16,781	14,835	88.4%	1,128	15,963	95.1%

**Source:** Lucas County Auditor



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**Table: 11**  
**City of Toledo, Ohio**  
**Ratios of Outstanding Debt by Type<sup>1</sup>**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands, except per Capita)**

Fiscal Year	Governmental Activities			
	General Obligation Bonds <sup>4</sup>	Non-Taxable Revenue Bonds <sup>4</sup>	Assessed Services Notes <sup>3</sup>	General Fund Capital Projects Loans & Leases
2020	\$ 118,226	\$ 11,607	\$ 40,900	\$ 7,190
2019	112,571	12,358	40,600	9,310
2018	119,821	8,795	40,200	13,657
2017	127,766	1,370	39,100	30,259
2016	140,345	2,020	38,500	34,924
2015	131,146	2,650	40,100	49,023
2014	123,648	3,250	40,700	49,652
2013	116,597	-	35,800	52,644
2012	123,859	-	35,600	47,640
2011	118,845	-	39,960	47,909

Fiscal Year	Total Primary Government Debt	Percentage of Personal Income <sup>2</sup>	Per Capita <sup>2</sup>
2020	\$ 1,146,455	5.6%	2,681
2019	1,026,091	5.2%	2,407
2018	998,365	3.7%	1,659
2017	997,916	3.8%	1,651
2016	1,014,214	4.0%	1,683
2015	850,140	3.4%	1,382
2014	894,646	5.3%	2,046
2013	864,589	5.3%	1,990
2012	659,398	4.4%	1,549
2011	577,411	4.0%	1,408

**Notes:**

<sup>1</sup>Information regarding outstanding debt can be found in Notes 8 & 9 of the financial statements.

<sup>2</sup>Table 16 contains personal income and per capita data.

<sup>3</sup>These are long-term notes due in greater than one year from the issue date.

<sup>4</sup>Includes unamortized premiums on debt issuance.

Business Type Activities						Total Primary Government Debt
Water Revenue Bonds <sup>4</sup>	Sanitary Sewer Revenue Bonds <sup>4</sup>	General Obligation Bonds <sup>4</sup>	Bond Anticipation Notes <sup>3</sup>	Capital Projects Loans	Capital Leases	
\$ 411,793	\$ 8,800	\$ 8,126	\$ 30,000	\$ 507,260	\$ 2,553	\$ 1,146,455
321,714	9,758	9,081	30,000	478,074	2,625	1,026,091
333,657	10,693	10,082	-	458,767	2,693	998,365
342,553	11,582	11,038	-	431,491	2,757	997,916
351,137	14,689	15,749	-	414,034	2,816	1,014,214
261,550	16,635	16,895	-	332,021	120	850,140
287,273	20,553	18,204	-	350,789	577	894,646
295,462	23,385	19,192	-	320,493	1,016	864,589
110,086	26,011	28,553	-	277,491	10,158	659,398
67,439	28,514	21,022	-	242,636	11,086	577,411

**Table: 12**  
**City of Toledo, Ohio**  
**Ratio of Net General Bonded Debt to Assessed Value**  
**and Net Bonded Debt Per Capita**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands, except Population, per Capita, and %)**

<b>Fiscal Year<sup>1</sup></b>	<b>Population<sup>2</sup></b>	<b>Assessed Value<sup>2</sup></b>	<b>Gross General Obligation Bonded Debt<sup>4</sup></b>	<b>Less: Net Position Restricted for Debt Service<sup>3</sup></b>	<b>Net General Obligation Bonded Debt</b>	<b>Net Bonded Debt to Assessed Value</b>
2020	272,779	\$ 3,332,525	\$ 126,352	\$ 209	\$ 126,143	3.8%
2019	278,733	3,319,773	121,652	228	121,424	3.7%
2018	276,491	3,161,111	129,903	248	129,655	4.1%
2017	276,491	3,172,916	138,804	284	138,520	4.4%
2016	279,217	3,162,278	156,094	284	155,810	4.9%
2015	279,789	3,200,375	141,852	284	141,568	4.5%
2014	281,031	3,211,551	141,120	-	141,120	4.4%
2013	287,208	3,232,265	142,560	-	142,560	4.4%
2012	287,208	3,753,096	142,184	-	142,184	3.8%
2011	287,208	3,805,777	143,832	-	143,832	3.8%

**Notes:**

<sup>1</sup>Certain amounts for fiscal years 2015-2019 and 2011 have been revised to reflect balances restricted for debt service.

<sup>2</sup>Source: Lucas County Auditor and Ohio Department of Taxation. Amounts for 2018 and 2019 revised from prior reporting.

<sup>3</sup>The City pays general bonded debt service from current income tax revenues.

<sup>4</sup>General obligation bonds (both Governmental and Business-Type Activities) including unamortized premiums (see Table 11).

**Net Bonded Debt  
Per Capita**

---

\$	462.44
	435.63
	468.93
	500.99
	558.02
	505.98
	502.15
	496.37
	495.06
	500.79

**Table 13**  
**City of Toledo, Ohio**  
**Computation of Direct and Overlapping Debt**  
**at December 31, 2020**  
**(Amounts in Thousands)**

	<u>Amount of Debt</u>	<u>Applicable To City</u>	<u>City's Share</u>
Total direct debt <sup>1</sup>	\$ 177,923	100.00%	\$ 177,923
Subdivision overlapping debt: **			
Toledo City School District	94,515	70.58%	66,709
Lucas County	156,744	41.85%	65,597
Sylvania City School District	66,055	3.21%	2,120
Maumee City School District	20,079	1.35%	271
Springfield Local School District	3,785	1.86%	70
Sylvania Area Joint Recreation District	5,285	3.21%	170
Washington Local School District	49,240	22.99%	11,320
Total subdivision overlapping debt	<u>395,703</u>		<u>146,257</u>
Total direct and overlapping debt	<u>\$ 573,626</u>		<u>\$ 324,180</u>

General obligation debt may be issued by the City without a vote of the electors, subject to overlapping restrictions. Total debt service charges for any one year of all overlapping debt must not exceed ten mills per \$1.00 of assessed valuation. This indirect debt limitation is imposed by a combination of provisions of the Ohio Constitution and the Ohio Revised Code.

**Note:**

<sup>1</sup> Consists of Governmental Activities bonds (including unamortized premiums), notes, loans, and capital leases (see Table 11).

**\*\* Source:** Ohio Municipal Advisory Council

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**Table: 14**  
**City of Toledo, Ohio**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Debt limit	\$ 356,912	\$ 349,915	\$ 348,576	\$ 333,005	\$ 333,156
Total net debt applicable to limit	<u>117,820</u>	<u>112,305</u>	<u>121,375</u>	<u>133,055</u>	<u>141,125</u>
Legal debt margin	<u>\$ 239,092</u>	<u>\$ 237,610</u>	<u>\$ 227,201</u>	<u>\$ 199,950</u>	<u>\$ 192,031</u>
Total net debt applicable to limit as a percentage of legal debt margin	49.28%	47.26%	53.42%	66.54%	73.49%



<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 332,039	\$ 336,039	\$ 337,213	\$ 339,388	\$ 394,075
140,879	143,540	141,120	145,180	138,879
<u>\$ 191,160</u>	<u>\$ 192,499</u>	<u>\$ 196,093</u>	<u>\$ 194,208</u>	<u>\$ 255,196</u>
73.70%	74.57%	71.97%	74.75%	54.42%

**Table: 15**  
**City of Toledo, Ohio**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

<b>Business-Type Activities</b>								
<b>Fiscal Year</b>	<b>Utility Service Income</b>	<b>Less: Operating Expenses</b>	<b>Net Available Revenue</b>	<b>Debt Service</b>		<b>Total</b>	<b>Coverage</b>	
				<b>Principal</b>	<b>Interest</b>			
<b>Water Revenue Bonds</b>								
2020	\$ 81,875	\$ 45,139	\$ 36,736	\$ 9,375	\$ 14,055	\$ 23,430		1.6
2019	78,648	44,994	33,654	8,975	14,448	23,423		1.4
2018	80,270	42,353	37,917	8,605	14,828	23,433		1.6
2017	79,468	39,596	39,872	7,420	15,643	23,063		1.7
2016	74,238	39,850	34,388	8,380	12,097	20,477		1.7
2015	64,021	39,164	24,857	5,909	13,808	19,717		1.3
2014	58,572	35,300	23,272	5,905	13,844	19,749		1.2
2013	53,349	30,719	22,630	4,905	3,254	8,159		2.8
2012	44,366	32,997	11,369	5,405	2,943	8,348		1.4
2011	43,678	32,599	11,079	5,215	3,125	8,340		1.3
<b>Sewer Revenue Bonds</b>								
2020	\$ 91,682	\$ 39,956	\$ 51,726	\$ 890	\$ 415	\$ 1,305		39.6
2019	87,890	38,103	49,787	865	458	1,323		37.6
2018	81,954	36,488	45,466	830	477	1,307		34.8
2017	77,709	32,806	44,903	2,975	573	3,548		12.7
2016	73,534	33,390	40,144	2,962	663	3,625		11.1
2015	70,924	31,456	39,468	2,770	752	3,522		11.2
2014	69,903	37,402	32,501	2,700	862	3,562		9.1
2013	69,727	29,321	40,406	2,545	1,120	3,665		11.0
2012	66,652	39,941	26,711	2,445	1,224	3,669		7.3
2011	65,672	38,020	27,652	2,360	1,305	3,665		7.5
<b>Governmental Activities</b>								
<b>Fiscal Year</b>	<b>Total General Fund Revenues</b>	<b>Less: Income and Property Tax Revenue</b>	<b>Net Available Revenue</b>	<b>Debt Service</b>		<b>Total</b>	<b>Coverage</b>	
				<b>Principal</b>	<b>Interest</b>			
<b>Non-Tax Revenue Bonds</b>								
2020	\$ 249,066	\$ 194,651	\$ 54,415	\$ 675	\$ 439	\$ 1,114		48.8
2019	267,549	202,076	65,473	695	24	719		91.1
2018	259,627	195,841	63,786	675	47	722		88.3
2017	250,968	188,387	62,581	650	70	720		86.9

**Table: 16**  
**City of Toledo, Ohio**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands)**

<b>Fiscal Year</b>	<b>City of Toledo Population<sup>1</sup></b>	<b>Personal Income<sup>2</sup></b>	<b>Per Capita Personal Income<sup>2</sup></b>	<b>Median Age<sup>3</sup></b>	<b>Public School Enrollment<sup>4</sup></b>	<b>Unemployment Rate<sup>5</sup></b>
2020	272,779	\$ 20,507,085	\$ 47,875	35.1	22,868	9.5%
2019	278,733	19,900,137	46,290	35.1	23,324	4.0%
2018	276,491	27,065,000	44,834	35.2	23,096	5.7%
2017	276,491	26,301,910	43,458	34.2	21,849	6.5%
2016	279,217	25,503,153	42,087	35.2	21,618	4.7%
2015	279,789	24,684,223	33,485	34.9	38,959	5.4%
2014	281,031	16,846,330	38,604	34.3	22,256	5.7%
2013	287,208	16,443,243	37,542	37.5	22,283	7.9%
2012	286,031	15,104,299	36,646	34.2	22,540	7.6%
2011	287,208	15,104,299	35,208	35.7	30,000	9.7%

**Source:**

<sup>1</sup> U.S. Census Bureau. 2020 population represents July 1, 2019 estimate. Latest information available.

**Table: 17**  
**City of Toledo, Ohio**  
**Principal Employers, Toledo Major Service Area**  
**As of December 31, 2020 and December 31, 2011**

Employer	2020		
	Employees	Rank	Percentage of Total MSA Employees
Promedica Health Systems	14,465	1	4.85%
Mercy Health Partners	8,827	2	2.96%
The University of Toledo <sup>1</sup>	7,000	3	2.34%
Whirlpool Corporation	6,182	4	2.07%
FCA US LLC	6,159	5	2.06%
Bowling Green State University	5,822	6	1.95%
HCR Manorcare	3,293	7	1.10%
Sauder Woodworking Company	2,850	8	0.95%
The City of Toledo	2,805	9	0.94%
St. Rita's Medical Center	2,492	10	0.83%
Total From Top Ten (10) Employers	59,895		20.05%
All Other Employers	238,625		79.95%
Total Employees	298,520		100.00%

Employer	2011		
	Employees	Rank	Percentage of Total MSA Employment
Promedica Health Systems	10,174	1	3.54%
Mercy Health Partners	6,185	2	2.15%
The University of Toledo <sup>1</sup>	6,000	3	2.09%
Bowling Green State University	5,957	4	2.07%
Lucas County	3,700	5	1.29%
Toledo City School District	3,644	6	1.27%
The City of Toledo	2,679	7	0.93%
The Kroger Company	2,632	8	0.92%
Chrysler LLC	2,470	9	0.86%
Sauder Woodworking Company	2,320	10	0.81%
Total From Top Ten (10) Employers	45,761		15.93%
All Other Employers	241,640		84.07%
Total Employees	287,401		100.00%

**Note:**

<sup>1</sup>Medical College of Ohio merged with University of Toledo

**Source:** Dun & Bradstreet reports and the Toledo Regional Growth Partnership

**Table 18**  
**City of Toledo, Ohio**  
**Full Time Equivalent City Government Employees by Functional Area**  
**\*Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b><u>General Government:</u></b>										
Building Inspection	19	20	22	22	21	20	19			
City Council	27	23	23	21	21	21	21			
Diversity & Inclusion	3	6	5	5	5	4	6			
Economic Development	6	5	5	6	6	4	6			
Finance										
Accounts	11	12	11	10	10	11	9			
Budget/Debt/Financial Admin	5	9	7	8	11	10	10			
ERP	1	1	1	1	2	2	4			
Purchasing	5	4	4	3	3	3	7			
Taxation and Treasury	40	41	40	39	37	41	41			
Subtotal Finance	62	67	63	61	63	67	71			
Human Resources	15	17	15	15	16	17	17			
Info/Communications Tech	19	16	13	15	15	12	12			
Law	26	27	24	25	23	22	23			
Mayor	10	11	11	9	9	10	10			
Municipal Court (Clerks)	76	80	78	76	78	81	81			
Municipal Court (Judges)	106	104	108	105	104	103	104			
Plan Commission	11	11	11	10	10	10	9			
<b>Subtotal General Government</b>	<b>380</b>	<b>387</b>	<b>378</b>	<b>370</b>	<b>371</b>	<b>371</b>	<b>379</b>	<b>263</b>	<b>420</b>	<b>428</b>
<b><u>Public Service:</u></b>										
Engineering Services	51	57	58	53	56	59	64			
Fleet and Facilities	74	85	84	74	75	81	85			
Solid Waste	14	14	13	12	14	14	14			
Streets, Bridges, and Harbor	175	183	163	158	162	172	164			
Transportation	40	40	43	40	40	43	47			
<b>Subtotal Public Service</b>	<b>354</b>	<b>379</b>	<b>361</b>	<b>337</b>	<b>347</b>	<b>369</b>	<b>374</b>	<b>236</b>	<b>374</b>	<b>381</b>
<b><u>Public Safety</u></b>										
Uniformed Fire	518	541	519	544	544	523	517			
Fire Civilian	93	99	99	96	88	92	99			
Subtotal Fire	611	640	618	640	632	615	616			
Uniformed Police	626	633	627	620	614	628	612			
Police - Civilians	46	57	61	60	58	58	59			
Subtotal Police	672	690	688	680	672	686	671			
<b>Subtotal Safety</b>	<b>1,283</b>	<b>1,330</b>	<b>1,306</b>	<b>1,320</b>	<b>1,304</b>	<b>1,301</b>	<b>1,287</b>	<b>1,518</b>	<b>1,138</b>	<b>1,160</b>
<b><u>Public Utilities:</u></b>										
Sewer and Drainage	103	105	108	104	110	104	113			
Utilities Administration	90	85	86	85	80	76	66			
Water Distribution	121	120	129	117	126	125	130			
Water Reclamation	97	94	97	92	96	102	105			
Water Treatment	85	84	84	81	87	85	80			
<b>Subtotal Public Utilities</b>	<b>496</b>	<b>488</b>	<b>504</b>	<b>479</b>	<b>499</b>	<b>492</b>	<b>494</b>	<b>641</b>	<b>552</b>	<b>563</b>
<b><u>Community Environment:</u></b>										
Environmental Services	45	45	45	41	42	44	44			
Community Relations	0	1	1	1	1	2	2			
Neighborhoods	49	48	53	54	56	61	63			
<b>Subtotal Com Environment</b>	<b>94</b>	<b>94</b>	<b>99</b>	<b>96</b>	<b>99</b>	<b>107</b>	<b>109</b>	<b>101</b>	<b>80</b>	<b>82</b>
<b><u>Parks and Recreation:</u></b>										
Parks, Forestry, & Recreation	62	70	67	61	61	67	76	63	64	65
<b>Totals</b>	<b>2,669</b>	<b>2,748</b>	<b>2,715</b>	<b>2,663</b>	<b>2,681</b>	<b>2,707</b>	<b>2,719</b>	<b>2,822</b>	<b>2,628</b>	<b>2,679</b>

\*Detailed information prior to 2014 is unavailable.

Source: Respective city departments

**Table: 19**  
**City of Toledo, Ohio**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	2020	2019	2018	2017
<b>General government</b>				
Building permits	2,892	2,938	3,788	3,459
Value of permits (in thousands)	237,268	261,495	231,869	328,589
Total board-ups	620	850	1,044	1,278
Total demolitions	328	445	410	467
<b>Police</b>				
Traffic citations	18,813	28,094	34,999	32,810
Red light cameras	45,968	123,925	127,689	133,470
Number of offenses	35,496	38,702	39,259	39,180
911 call volume	302,050	318,942	311,778	328,392
Non-emergency calls	85,350	84,754	85,880	99,877
<b>Fire</b>				
Emergency runs	51,960	52,804	52,831	53,904
Fire runs	6,541	6,685	7,046	6,758
Total runs	58,501	59,489	59,877	60,662
<b>Public Utilities</b>				
Water Customers	129,781	128,004	128,000	131,525
Sewer Customers	103,929	115,208	115,000	106,203
New water connections	344	49	107	150
Water main breaks	365	337	432	274
Average daily water consumption (millions of gallons)	64.7	66.0	67.2	66.7
Average daily water waste treatment (millions of gallons)	59.6	73.0	72.2	66.1
<b>Other public works</b>				
Traffic signs manufactured/installed	12,666	23,324	22,555	22,566
Energy reduction (traffic signals)	-1.0%	1.0%	1.0%	1.0%
Traffic signals replaced	234	512	507	303
Traffic signal calls	4,044	4,870	3,551	3,825

**Source:** Respective city departments

2016	2015	2014	2013	2012	2011
2,875	4,162	3,446	3,192	3,492	3,631
117,100	355,428	162,718	101,687	140,436	297,612
1,195	858	1,325	1,152	1,594	774
469	404	265	726	382	412
37,269	49,165	54,855	59,345	50,418	41,990
87,476	44,621	54,021	63,574	71,664	27,166
7,429	8,183	8,726	9,278	11,944	13,194
354,742	213,987	213,789	225,677	443,697	438,287
98,521	69,783	84,768	87,298	93,843	91,373
56,249	52,059	48,709	47,458	48,949	47,112
6,589	6,839	6,713	6,307	6,930	7,274
62,838	58,898	55,422	53,765	55,879	54,386
123,699	124,574	125,559	126,647	125,343	123,474
117,510	118,418	119,333	120,400	119,275	117,922
349	149	198	257	220	715
319	297	377	402	365	300
69.0	69.3	78.0	78.0	120.0	78.0
63.5	67.9	72.5	62.1	70.0	71.0
17,430	15,321	13,081	13,938	13,000	29,879
1.0%	3.5%	9.0%	8.0%	88.0%	17.9%
285	288	336	320	301	358
3,674	4,026	4,136	4,200	1,044	5,612

**Table 20**  
**City of Toledo, Ohio**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/ Program</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Public safety</b>					
Police					
Number of stations	2	2	2	3	3
Number of substations	2	2	2	1	1
Number of employees with arrest power	601	633	627	582	646
Number of neighborhood offices	-	-	-	-	-
Fire					
Number of stations	18	18	18	19	19
Number of firefighters	510	541	519	544	544
<b>Public service</b>					
Other Public Works					
Streets (in miles)	1,145	1,146	1,146	1,144	1,124
Rail (in miles)	1,200	1,200	1,200	1,200	1,200
<b>Parks &amp; recreation</b>					
Acreage	2,368	2,149	2,160	2,162	2,185
Number of parks	129	138	138	140	144
Number of tree cuts	2,183	1,225	1,770	1,804	2,109
Number of tree trims	1,542	1,293	2,125	2,130	1,939
Public pools	6	7	7	7	7
Golf courses	4	4	4	3	4
<b>Public utilities</b>					
Water					
Water lines (in miles)	1,190	1,190	1,190	1,190	1,169
Storage capacity (in millions of gallons)	70	70	70	70	70
Plant capacity (in millions of gallons)	120	120	120	120	120
Wastewater					
Sanitary sewers (in miles)	1,100	1,100	1,100	1,100	1,027
Treatment capacity (in millions of gallons)	130	130	130	130	130

**Source:** Respective city departments



2015	2014	2013	2012	2011
3	3	2	3	3
1	1	1	2	2
616	612	648	582	578
-	-	-	4	4
19	18	18	18	18
514	517	541	502	489
1,224	1,224	1,139	1,139	1,123
1,200	1,200	1,200	1,200	1,200
2,185	2,185	2,177	2,687	2,368
144	144	145	145	145
2,799				
9	10	10	11	12
4	4	4	4	4
1,168	1,168	1,165	1,188	1,165
94	78	78	80	78
120	150	150	150	150
961	961	961	955	960
130	102	102	102	102

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