

Village of Baltimore, Ohio
Fairfield County
Combined Statement of Receipts, Disbursements and
Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2020

| | General | Special Revenue | Capital Projects | Totals (Memorandum Only) |
|---|-------------------|--------------------|---------------------|--------------------------------|
| Cash Receipts | | | | |
| Property and Other Local Taxes | \$ 99,468 | \$ 37,431 | \$ - | \$ 136,899 |
| Municipal Income Tax | 834,808 | 140,452 | - | 975,260 |
| Intergovernmental | 52,705 | 345,110 | 227,309 | 625,124 |
| Special Assessments | - | 1,820 | - | 1,820 |
| Charges for Services | 95,157 | - | - | 95,157 |
| Fines, Licenses and Permits | 53,337 | 534 | - | 53,871 |
| Earnings on Investments | 5,418 | 1,523 | - | 6,941 |
| Miscellaneous | 18,459 | 15,880 | - | 34,339 |
| <i>Total Cash Receipts</i> | <u>1,159,352</u> | <u>542,750</u> | <u>227,309</u> | <u>1,929,411</u> |
| Cash Disbursements | | | | |
| Current: | | | | |
| Security of Persons and Property | 314,308 | - | - | 314,308 |
| Public Health Services | 20,401 | - | - | 20,401 |
| Leisure Time Activities | 19,367 | - | - | 19,367 |
| Community Environment | 5,646 | - | - | 5,646 |
| Transportation | - | 295,035 | - | 295,035 |
| General Government | 357,788 | 26,847 | - | 384,635 |
| Capital Outlay | 34,707 | 304,680 | 307,174 | 646,561 |
| Debt Service: | | | | |
| Principal Retirement | 14,363 | 27,434 | - | 41,797 |
| Interest and Fiscal Charges | 1,130 | 2,416 | - | 3,546 |
| <i>Total Cash Disbursements</i> | <u>767,710</u> | <u>656,412</u> | <u>307,174</u> | <u>1,731,296</u> |
| <i>Excess of Receipts Over (Under) Disbursements</i> | <u>391,642</u> | <u>(113,662)</u> | <u>(79,865)</u> | <u>198,115</u> |
| Other Financing Receipts (Disbursements) | | | | |
| Sale of Capital Assets | 93 | 786 | - | 879 |
| Transfers In | - | - | 79,865 | 79,865 |
| Transfers Out | - | (79,865) | - | (79,865) |
| <i>Total Other Financing Receipts (Disbursements)</i> | <u>93</u> | <u>(79,079)</u> | <u>79,865</u> | <u>879</u> |
| <i>Net Change in Fund Cash Balances</i> | 391,735 | (192,741) | - | 198,994 |
| <i>Fund Cash Balances, January 1</i> | <u>266,573</u> | <u>501,358</u> | <u>-</u> | <u>767,931</u> |
| <i>Fund Cash Balances, December 31</i> | <u>\$ 658,308</u> | <u>\$ 308,617</u> | <u>\$ -</u> | <u>\$ 966,925</u> |

See accompanying notes to the basic financial statements

Village of Baltimore, Ohio
Fairfield County
Combined Statement of Receipts, Disbursements and
Changes in Fund Balances (Regulatory Cash Basis)
Proprietary Fund Type
For the Year Ended December 31, 2020

| | Proprietary Fund Type |
|---|--------------------------|
| | Enterprise |
| Operating Cash Receipts | |
| Charges for Services | \$ 1,839,225 |
| Miscellaneous | 36,415 |
| | <u>1,875,640</u> |
| Operating Cash Disbursements | |
| Personal Services | 291,330 |
| Employee Fringe Benefits | 115,416 |
| Contractual Services | 336,865 |
| Supplies and Materials | 169,189 |
| Other | 10,350 |
| | <u>923,150</u> |
| <i>Total Operating Cash Disbursements</i> | <u>923,150</u> |
| <i>Operating Income (Loss)</i> | <u>952,490</u> |
| Non-Operating Receipts (Disbursements) | |
| Property and Other Local Taxes | 9,798 |
| Special Assessments | 6,269 |
| Capital Outlay | (600,487) |
| Principal Retirement | (484,981) |
| Interest and Other Fiscal Charges | (260,833) |
| | <u>(1,330,234)</u> |
| <i>Total Non-Operating Receipts (Disbursements)</i> | <u>(1,330,234)</u> |
| <i>Net Change in Fund Cash Balances</i> | (377,744) |
| <i>Fund Cash Balances, January 1</i> | <u>1,159,754</u> |
| <i>Fund Cash Balances, December 31</i> | <u>\$ 782,010</u> |

See accompanying notes to the basic financial statements

Village of Baltimore, Ohio
Fairfield County
Combined Statement of Additions, Deductions and
Changes in Fund Balances (Regulatory Cash Basis)
All Fiduciary Fund Types
For the Year Ended December 31, 2020

| | <u>Fiduciary Fund Types</u> | | <u>Totals</u> |
|--|----------------------------------|----------------------------|----------------------|
| | Custodial | | (Memorandum Only) |
| | <u>Private Purpose Trust</u> | <u>Other Custodial</u> | |
| Additions | | | |
| Fines, Licenses and Permits for Distribution | \$ - | \$ 4,808 | \$ 4,808 |
| Earnings on Investments | 123 | - | 123 |
| <i>Total Additions</i> | <u>123</u> | <u>4,808</u> | <u>4,931</u> |
| Deductions | | | |
| Distributions to Other Governments | | 2,751 | 2,751 |
| Distributions to Other Funds (Primary Gov't) | | 2,037 | 2,037 |
| <i>Total Deductions</i> | <u>-</u> | <u>4,788</u> | <u>4,788</u> |
| <i>Net Change in Fund Balances</i> | 123 | 20 | 143 |
| <i>Fund Cash Balances, January 1</i> | <u>20,634</u> | <u>467</u> | <u>21,101</u> |
| <i>Fund Cash Balances, December 31</i> | <u>\$ 20,757</u> | <u>\$ 487</u> | <u>\$ 21,244</u> |

See accompanying notes to the basic financial statements

Village of Baltimore, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 - Reporting Entity

The Village of Baltimore (the Village), Fairfield County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, and police services. Fire protection and emergency medical services are provided by the Basil Joint Fire District.

Jointly Governed Organizations and Public Entity Risk Pool

The Village participates in three jointly governed organizations, and a public entity risk pool. Notes 6 and 11 to the financial statements provide additional information for these entities. The Village's management believes these financial statements present all activities for which the Village is financially accountable.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types and a combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types which are all organized on a fund type basis.

Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Fund:

Street Construction Maintenance and Repair The street construction maintenance and repair fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of streets within the Village.

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant capital project fund:

Ohio Public Works Commission (OPWC) Fund The OPWC fund accounts for and reports the activity for the Water Street Resurfacing project.

Enterprise Funds These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Village had the following significant Enterprise Funds:

Water Fund The water fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Village of Baltimore, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Sewer Fund The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Sewer and Water Debt Service Funds The sewer and water debt service funds are used to account for resources accumulated for the payment of long-term debt principal and interest.

Fiduciary Funds Fiduciary funds include private purpose trust funds and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

The Village's private purpose trust fund is for the maintenance and upkeep of Maple Grove Cemetery.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial funds account for the Village's Mayor's Court and Unclaimed monies.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. The amounts distributed to the other funds of the entity are identified on the combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2020 budgetary activity appears in Note 3.

Village of Baltimore, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Deposits and Investments

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Investment in STAR Ohio is measured 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.

Capital Assets

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

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

Committed Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Village of Baltimore, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 31, 2020 follows:

| 2020 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|--------------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$ 989,585 | \$ 1,159,445 | \$ 169,860 |
| Special Revenue | 787,864 | 543,536 | (244,328) |
| Capital Projects | 308,694 | 307,174 | (1,520) |
| Enterprise | 1,936,345 | 1,901,707 | (34,638) |
| Trust | 300 | 123 | (177) |
| Total | \$ 4,022,788 | \$ 3,911,985 | \$ (110,803) |

| 2020 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$ 822,316 | \$ 780,805 | \$ 41,511 |
| Special Revenue | 897,875 | 813,785 | 84,090 |
| Capital Projects | 308,694 | 307,174 | 1,520 |
| Enterprise | 2,677,057 | 2,328,120 | 348,937 |
| Trust | - | - | - |
| Total | \$ 4,705,942 | \$ 4,229,884 | \$ 476,058 |

Note 4 - Deposits and Investments

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Village's deposit and investment accounts are as follows:

| | |
|--|--------------|
| Cash Management Pool: | 2020 |
| Demand Deposits | \$ 1,255,710 |
| Total Deposits | 1,255,710 |
| STAR Ohio | 514,469 |
| Total carrying amount of deposits and investments held in the Pool | \$ 1,770,179 |

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2020, the Village is holding \$10,058 in unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized through 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.

Village of Baltimore, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Investments

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

Note 5 - Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Village.

The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the Village.

Income Taxes

The Village levies a municipal income tax of 1 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

Note 6 - Risk Management

Risk Pool Membership

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool covers the following risks:

- General Liability and Casualty
- Public Official's Liability
- Cyber
- Law Enforcement Liability
- Automobile Liability
- Vehicles
- Property
- Equipment Breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

Village of Baltimore, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2020

| | <u>2019</u> |
|-----------------------|--------------|
| Cash and investments | \$38,432,610 |
| Actuarial liabilities | 14,705,917 |

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

All officials, employees and part-time police officers belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2020.

Ohio Police and Fire Retirement System

The Village's full-time Police Officers belong to the Ohio Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.5 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2020.

Note 8 - Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2020. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2020. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

Note 9 - Debt

Debt outstanding at December 31, 2020, was as follows:

Village of Baltimore, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2020

| | Principal | Interest Rate |
|--|--------------|---------------|
| Ohio Water Development Authority Loan (4659) | \$ 2,510,415 | 2.75% |
| Various Purpose Bonds, Series 2010 | 2,410,000 | 5.25% |
| Ohio Public Works Commission Loan (CQ18J) | 113,227 | 0.00% |
| Ohio Public Works Commission Loan (CQ31K) | 157,500 | 0.00% |
| Ohio Public Works Commission Loan (CQ04M) | 45,777 | 0.00% |
| Ohio Public Works Commission Loan (CQ09O) | 42,360 | 0.00% |
| Ohio Public Works Commission Loan (CQ25U) | 95,973 | 0.00% |
| Ohio Public Works Commission Loan (CQ04R) | 26,469 | 0.00% |
| Ohio Public Works Commission Loan (CQ16T) | 24,993 | 0.00% |
| Peoples Bank Loan - WTP Upgrade | 1,437,746 | 3.74% |
| Peoples Bank Loan - Police SUVs | 29,846 | 2.50% |
| Fairfield National Bank Loan - Service Vehicle | 67,680 | 3.13% |
| Total | \$ 6,961,986 | |

The Ohio Water Development Authority (OWDA) loan #4659 relates to a water and sewer plant expansion project the Ohio Environmental Protection Agency mandated. The OWDA approved up to \$5,437,797 in loans to the Village for this project. The Village repays the loan in semiannual installments of \$186,357, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover debt service requirements.

The Various Purpose Bonds relates to a water and sewer plant expansion project. The bonds issued totaled \$3,085,000. The Village repays the bonds annually in accordance with the amortization schedule. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover debt service requirements.

The Ohio Public Works Commission (OPWC) loan #CQ18J relates to the Southeast Lift Station and Force Main project. OPWC approved \$266,417 in a loan to the Village for this project. The Village repays the loan in semi-annual installments of \$6,660, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover debt service requirements.

OPWC loan #CQ31K relates to the East Water Tower and Waterline project. OPWC approved \$350,000 in a loan to the Village for this project. The Village repays the loan in semi-annual installments of \$8,750, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover debt service requirements.

OPWC loan #CQ04M relates to the 2008 Sanitary Sewer and Manhole Rehab project. OPWC approved \$91,554 in a loan to the Village for this project. The Village repays the loan in semi-annual installments of \$2,289, over 20 years. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover debt service requirements.

OPWC loan #CQ09O relates to the North Main Street Waterline Improvements project. OPWC approved \$57,764 in a loan to the Village for this project. The Village repays the loan in semi-annual installments of \$963, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover debt service requirements.

OPWC loan #CQ04Q relates to the East Water, Union, North and Basil Streets paving project. OPWC approved \$5,728 in a loan to the Village for this project. The Village repays the loan in semi-annual installments of \$143, over 20 years. Debt is paid from the Street Construction, Maintenance, and Repair Fund and was retired on January 16, 2019.

Village of Baltimore, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2020

OPWC loan #CQ04R relates to the Basil Street Resurfacing project. OPWC approved \$35,509 in a loan to the Village for this project. The Village repays the loan in semi-annual installments of \$913, over 20 years. Debt is paid from the Street Construction, Maintenance, and Repair Fund.

OPWC loan #CQ16T relates to the 2016 Pavement Improvements project. OPWC approved \$33,324 in a loan to the Village for this project. The Village repays the loan in semi-annual installments of \$1,041, over 20 years. Debt is paid from the Permissive Tax Fund.

OPWC loan #CQ25U relates to the 2017 Dorchester, Circle, and Tremont Resurfacing project. OPWC approved \$105,902 in a loan to the Village for this project. The Village repays the loan in semi-annual installments of \$3,309, over 20 years. Debt is paid from the Permissive Tax Fund.

In 2014, the Village obtained a loan from Peoples Bank for the purchase of a truck to be used by the Street, Water, and Sewer Departments. In 2015, the purchase of a backhoe was added to the loan. The original loan for the truck was \$40,265 and the backhoe was \$59,083. The Village repays the loan in monthly installments of \$1,745, and matured in February 2020.

In 2015, the Village obtained a loan from Peoples Bank for Water Treatment Plan Improvements. The Village was approved \$1,677,000 for this project. The Village repays the loan in monthly installments of \$10,757, and matures June 2035. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover debt service requirements.

In 2018, the Village approved a \$58,200 loan from Peoples Bank for the purchase of two Sports Utility Vehicles for the Police Department. The Village repays the loan in annual installments of \$15,493, including interest, and matures October 2022.

In 2019, the Village approved a \$83,475 loan from Fairfield National Bank for the purchase of a Utility Truck for the Street Department. The Village repays the loan in semi-annual installments of \$9,096, including interest, and matures July 2024.

Amortization

Amortization of the above debt, including interest, is scheduled as follows:

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Village of Baltimore, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2020

| Year ending December 31: | OPWC Loans | OWDA Loan | General Obligation Bonds | Peoples Bank Loans | Fairfield National Bank Loan |
|-----------------------------|-------------------|---------------------|--------------------------------|-----------------------|------------------------------------|
| 2021 | \$ 47,851 | \$ 372,714 | \$ 205,490 | \$ 144,579 | \$ 18,192 |
| 2022 | 47,851 | 372,714 | 206,290 | 144,579 | 18,192 |
| 2023 | 47,851 | 372,714 | 201,828 | 129,087 | 18,192 |
| 2024 | 47,851 | 372,714 | 202,365 | 129,087 | 18,027 |
| 2025 | 47,851 | 372,714 | 197,640 | 129,087 | - |
| 2026-2030 | 201,774 | 931,784 | 988,075 | 646,678 | - |
| 2031-2035 | 51,792 | - | 965,012 | 592,087 | - |
| 2036-2040 | 9,627 | - | 935,725 | - | - |
| 2041-2042 | 3,851 | - | - | - | - |
| Total | <u>\$ 506,299</u> | <u>\$ 2,795,354</u> | <u>\$ 3,902,425</u> | <u>\$ 1,915,184</u> | <u>\$ 72,603</u> |

Note 10 - Contingent Liabilities

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 11 - Jointly Governed Organizations

Fairfield County Regional Planning Commission The Village participates in the Fairfield County Regional Planning Commission, a statutorily created political subdivision of the State. The Village appoints a member of Council to represent the Village on the 43-member board. The Village pays a small membership fee annually based on the per capita of the Village. In 2020, the Village's membership fee amounted to \$742. There is no ongoing financial responsibility by the Village.

Mid-Ohio Regional Planning Commission The Village participates in the Mid-Ohio Regional Planning Commission. The Village Administrator represents the Village on the Board. There is no ongoing financial responsibility by the Village.

Basil Joint Fire District The Basil Joint Fire District provides fire protection and emergency medical services to the Village and Liberty Township residents. The Village appoints a member of Council to represent the Village on the five-member Board of Trustees. There is no ongoing financial responsibility by the Village.

Note 12 - Fund Balances

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Village of Baltimore, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2020

| Fund Balances | General | Special Revenue | Total |
|--------------------------|-----------|--------------------|-----------|
| Nonspendable: | | | |
| Unclaimed Monies | \$ 290 | \$ - | \$ 290 |
| Outstanding Encumbrances | 13,095 | 77,508 | 90,603 |
| <i>Total</i> | \$ 13,385 | \$ 77,508 | \$ 90,893 |

The fund balance of Special Revenue Funds is either restricted or committed. The restricted or committed amounts in Special Revenue would include the outstanding encumbrances. In the General Fund, outstanding encumbrances are considered assigned.

Note 13 - Subsequent Events

On January 13, 2021, the Village issued \$2,512,000 Various Purpose Refunding Bonds, Series 2021. The bonds issued were used to retire the \$3,085,000 Various Purpose Bonds, Series 2010 outstanding as of December 31, 2020. See Note 9.

Note 14 - 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 Village. The Village's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.