ROBERT SPRAGUE

OHIO TREASURER

September 28, 2021

To: Municipal Securities Rulemaking Board
www.emma.msrb.org

RE: Annual Information Filing for the SIB State Transportation Infrastructure Bond Fund Program

In accordance with the continuing disclosure agreement made pursuant to SEC Rule 15c2-12(b), the State of Ohio herein provides annual financial information and operating data regarding the State Economic Development Revenue Bonds (State Bond Fund Program) as of and for the Fiscal Year ended June 30, 2021. This information is based in part on information received from the Ohio Department of Transportation. No representation is made as to the materiality or completeness of that information. Other information relating to Fiscal Year 2021 or to subsequent periods may exist that an investor would consider to be important when making an investment decision. No representation is made that this 2021 Annual Filing is indicative of financial or operating results of the State Bond Fund Program after June 30, 2021, or of future financial or operating results. **Please refer to Appendix I for a list of all the outstanding bonds and CUSIPs associated with this program.**

Any questions concerning this filing should be directed to the Office of Debt Management at (614) 466-7752.

Sincerely,

Robert Cole Sprague

Robert Cole Sprague
Ohio Treasurer

30 EAST BROAD STREET · 9TH FLOOR · COLUMBUS, OHIO 43215
PHONE: (614) 466-2160 · WWW.OHIOTREASURER.GOV · FAX: (614) 644-7313

OHIO DEPARTMENT OF TRANSPORTATION
STATE TRANSPORATION INFRASTRUCTURE
BOND FUND PROGRAM
STATEMENT OF ANNUAL INFORMATION

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Information included in the Statement of Annual Information has been provided by the Ohio Department of Transportation ("ODOT") from its records, except for information expressly attributed to other sources. The presentation of information is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of ODOT or the State. No representation is made that past experience, as illustrated by the financial and other information, will necessarily continue to be repeated in the future. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents.

INTRODUCTORY STATEMENT

The Ohio Treasurer (the "Treasurer") of the State of Ohio (the "State") has issued Bonds[1] within the State Transportation Infrastructure Bond Fund Program (the "State Program") identified in Appendix I, pursuant to the Trust Indenture dated as of September 1, 2006, between the State and The Huntington National Bank as Trustee (the "Indenture") as supplemented and amended. In connection with the issuance of the Bonds and pursuant to Securities and Exchange Commission Rule 15c2-12 (the "Rule") and the Indenture, the State agreed to provide or cause to be provided financial information and operating data (the "Annual Information"), audited financial statements and notices in such manner as may be required for purposes of paragraph (b)(5)(i) of the Rule (the "Continuing Disclosure Agreement"). The State has prepared and is providing this Statement of Annual Information in accordance with its Continuing Disclosure Agreement of the type included in the disclosure document relating to each series of the Bonds.

FINANCIAL STATEMENTS OF THE STATE

The audited financial statements for the State for its fiscal year ending June 30, 2020 are publicly available on the Ohio Auditor of State website at https://www.ohioauditor.gov.

[1] Any terms not defined herein have the meaning provided in the General Bond Order.

SUMMARY STATUS OF THE STATE PROGRAM
As of June 30, 2021

Purpose of the Program

The State Program was created to promote the development of roadway, rail, aviation, water, intermodal, transit and other transportation facilities. The State intends to accomplish this goal by enabling borrowers to benefit from the State's access to the national capital markets through the issuance of Bond Fund Bonds. The Bond Fund Bonds provide long-term and fixed-rate financing to the Contracting Parties. As the issuer for the State Program, the Treasurer issues bonds on a project-by-project basis.

Current Rating

The State Program is currently rated "AA+" by Standard & Poor's.

Key Facts

- No Common Fund Bonds are in default.
- No Common Fund Bonds have ever been in default.
- No Program Reserves have ever been accessed to cure a Borrower default.
- Pledge of State Infrastructure Bank – GRF:
    - Encumbered cash of $3,899,537;
    - Unencumbered cash of $9,438,603; and
    - Scheduled GRF Loan Repayments of $35,863,154 over calendar years 2021 through 2044.
- Program Reserve of $5,215,344.[2]
- Total Outstanding Bonds of $64,350,000.
- Bondholders are paid semi-annually.

History of Bond Issues

Since 2006, the State Program has completed twelve bond issues totaling $81,130,000.

Past Payment Issues

No Contracting Party has ever failed to make their scheduled monthly payments.

[2] Program Reserve investments were marked to market on June 30, 2021.

SUMMARY DESCRIPTION OF SECURITY & RESERVES FOR THE STATE PROGRAM
As of June 30, 2021

State Infrastructure Bank – General Revenue Fund

Amounts in the State Infrastructure Bank ("SIB") General Revenue Fund ("GRF") may be used to pay Bond Service Charges. However, amounts in the SIB GRF may be expended or encumbered for any purpose consistent with and permitted by the Ohio Revised Code and may therefore not be available to pay Bond Service Charges on the Bond Fund Bonds.

Since inception, the SIB GRF Loan Program has made 85 loans totaling $104,453,421. As of June 30, 2021, 35 SIB GRF Loans totaling $31,116,226 of principal were outstanding. The SIB GRF Loan Program Repayments are expected to be used to make future SIB GRF Loans.

As of June 30, 2021, the SIB GRF assets included:

1. Cash balance of $13,338,140, of which approximately $3,899,537 is encumbered to identified borrowers; and,
2. Scheduled loan repayments of $35,863,154 from calendar years 2021 through 2044.

State Program Reserve Fund

The State Program Reserve Fund was initially funded in the amount of $5,000,000 by the State with proceeds from the State of Ohio Taxable Transportation Project Revenue Bonds (State Transportation Infrastructure Bond Fund) Series 2006-1. As a condition to the issuance of any series of Bond Fund Bonds, the Program Reserve Fund balance must be equal to the Program Reserve Requirement. The Program Reserve Requirement is five percent (5%) of the Outstanding Bonds.

State Covenant Relating to the Rating

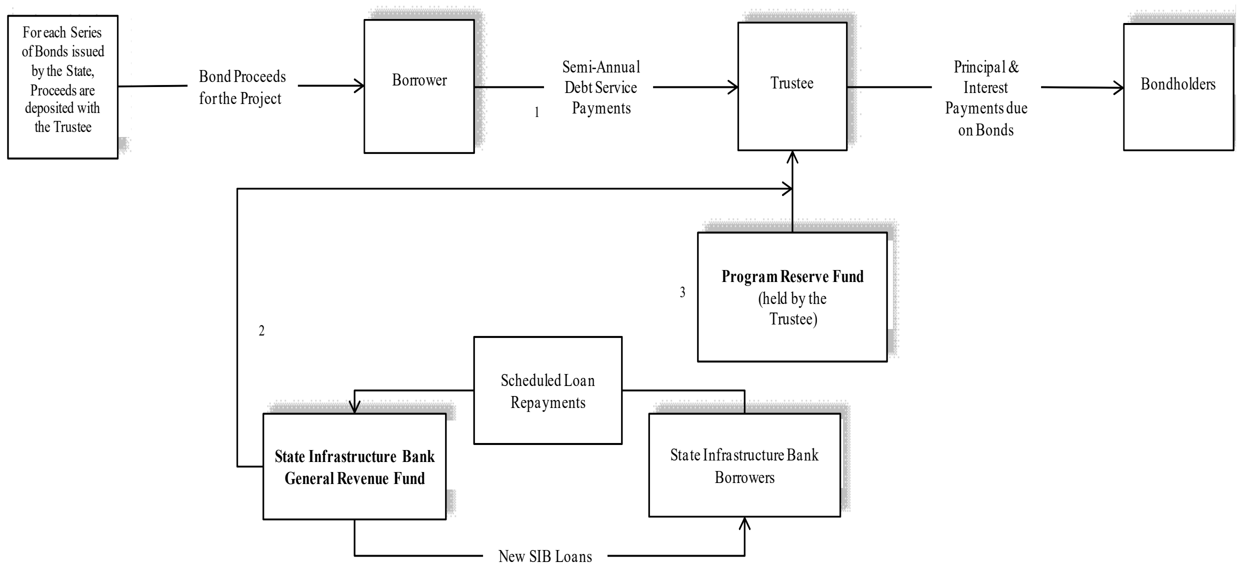
The State has covenanted to maintain a ratio of "Total Annual Cash Flows" to "Total Annual Debt Service" of not less than 1.20:1 while a Rating Service maintains a rating on any series of Bond Fund Bonds.

Covenant Relating to Insufficiency of Pledged Revenues

In the event the Pledged Revenues are insufficient to make payment of any Bond Service Charges when due and payable, or to maintain the Program Reserve Requirement in the Program Reserve Fund, the Director will notify the Governor of the State (the "Governor") of such insufficiency and will determine to what extent, if any, payment of Bond Service Charges may be made, or moneys may be restored to the Program Reserve Fund from lawfully available moneys previously appropriated to ODOT. If payment of Bond Service Charges are not made or the moneys are not immediately and fully restored to the Program Reserve Fund from such moneys, the ODOT Director is required to promptly submit to the Governor and to the Director of the Ohio Department of Budget and Management a written request for either or both of the following: (1) the biennial budget submitted by the Governor to the General Assembly include an amount to be appropriated from lawfully available moneys to ODOT for the purpose of and sufficient for the payment in full of Bond Service Charges previously due and for the full replenishment of the Program Reserve Fund; or (2) the General Assembly be requested to increase appropriations from lawfully available moneys for ODOT in the current biennium sufficient for the purpose of and for the payment in full of Bond Service Charges previously due and to come due in the biennium and for the full replenishment of the Program Reserve Fund.

SIMPLIFIED FLOW OF FUNDS

OHIO DEPARTMENT OF TRANSPORTATION
State Infrastructure Bank
Bond Fund Program



FLOW OF FUNDS

1. Borrower makes semi-annual debt service payments to the Trustee

IF A DEFAULT OCCURS

2. State Infrastructure Bank General Revenue Fund will be utilized.

3. Program Reserve Fund will be utilized.

Note: Collateral Proceeds Account, if any, will be used prior to all other funds.

SCHEDULED STATE TRANSPORTATION INFRASTRUCTURE REPAYMENTS

The SIB GRF Loan Repayments shown below are being generated from SIB GRF Loans made under the SIB GRF Loan Program. This repayment stream is pledged to the State Program.

The following table sets forth the scheduled SIB GRF Loan Repayments expected to be deposited in the State Infrastructure Bank from all loans outstanding under the SIB GRF Loan Program as of June 30, 2021. No assurance is given that all repayments will be received as scheduled.

Scheduled Repayments of the Existing SIB GRF Loan Portfolio[3]
As of June 30, 2021

Calendar Year	Repayments
2021	$ 1,915,717
2022	4,038,723
2023	3,756,731
2024	3,643,083
2025	2,987,374
2026	2,231,733
2027	1,980,016
2028	1,753,473
2029	1,753,473
2030	1,734,711
2031	1,734,711
2032	1,734,711
2033	1,734,711
2034	1,454,164
2035	898,684
2036	756,899
2037	511,772
2038	308,046
2039	233,299
2040	140,562
2041	140,140
2042	140,140
2043	140,140
2044	140,140
Total:	**$ 35,863,154**

[3] Represents principal and interest repayments from SIB GRF Loans. See Appendix IV – "Ohio Department of Transportation Existing SIB GRF Loan Borrower Description as of June 30, 2021" for further information regarding expected future Program Receipts. Total amount may not foot due to rounding.

APPENDIX I

SUMMARY OF OUTSTANDING BONDS
As of June 30, 2021

Contracting Party	Series	Purpose	CUSIP	Level of Government	Original Principal	Outstanding Principal	% of Bonds Outstanding	% of Total Bond Fund	Primary Reserve[4]	Final Maturity	Net Interest Cost	Maximum Annual Debt Service
Ohio Department of Transportation	2006-1	Fund Program Reserve	67759TAA6	State	$ 5,250,000.00	$ 505,000.00	9.62%	0.78%	$ -	5/15/2022	6.02%	$ 530,049
Toledo-Lucas County Port Authority	2011-1	Parking Facilities	67759TBU1 67759TBV9 67759TBW7 67759TBX5 67759TBY3 67759TBZ0 67759TCA4	Port Authority	$ 9,430,000.00	$ 5,900,000.00	62.57%	9.17%	$ -	11/15/2031	3.83%	$ 693,260
City of Dayton	2014-1	Parking Facilities	67759TEL8 67759TEM6 67759TEN4 67759TEP9 67759TEQ7 67759TER5 67759TES3 67759TET1 67759TEU8 67759TEV6 67759TEW4 67759TEX2 67759TEY0	City	$ 3,540,000.00	$ 2,790,000.00	78.81%	4.34%	$ -	11/15/2036	3.43%	$ 252,369
City of Cincinnati	2014-2	Road Improvements Parking Facilities	67759TDT2 67759TDU9 67759TDV7 67759TDW5 67759TDX3 67759TDY1 67759TDZ8	City	$ 2,940,000.00	$ 2,540,000.00	86.39%	3.95%	$ -	5/15/2039	3.65%	$ 201,438

(continued on next page)

[4] Does not include Program Reserve balance of $5,215,344 as of June 30, 2021.

APPENDIX I

SUMMARY OF OUTSTANDING BONDS
As of June 30, 2021 (continued)

Contracting Party	Series	Purpose	CUSIP	Level of Government	Original Principal	Outstanding Principal	% of Bonds Outstanding	% of Total Bond Fund	Primary Reserve[5]	Final Maturity	Net Interest Cost	Maximum Annual Debt Service
City of Lorain	2014-3	Road Improvements	67759TCH9 67759TCY2 67759TCJ5 67759TCK2 67759TCL0 67759TCM8 67759TCN6 67759TCP1 67759TCQ9 67759TCZ9 67759TDA3 67759TDB1	City	$ 7,165,000.00	$ 5,190,000.00	72.44%	8.07%	$ -	11/15/2034	3.27%	$ 492,056
City of Ashtabula	2014-4	Road Improvements	67759TDG0 67759TDH8 67759TDJ4 67759TDK1 67759TDL9 67759TDM7 67759TDN5 67759TDP0 67759TDQ8	City	$ 4,010,000.00	$ 2,830,000.00	70.57%	4.40%	$ -	5/15/2030	2.97%	$ 366,568
City of Columbus	2016-1	Road Improvements	67759TFG8 67759TFH6 67759TFJ2 67759TFK9 67759TFL7 67759TFM5 67759TFN3 67759TFP8 67759TFQ6 67759TFR4	City	$ 7,900,000.00	$ 6,770,000.00	85.70%	10.52%	$ -	5/15/2036	2.98%	$ 583,225

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[5] Does not include Program Reserve balance of $5,215,344 as of June 30, 2021.

APPENDIX I

SUMMARY OF OUTSTANDING BONDS
As of June 30, 2021 (continued)

Contracting Party	Series	Purpose	CUSIP	Level of Government	Original Principal	Outstanding Principal	% of Bonds Outstanding	% of Total Bond Fund	Primary Reserve[6]	Final Maturity	Net Interest Cost	Maximum Annual Debt Service
Licking County TID	2017-1	Road Improvements	67759TFV5 67759TFW3 67759TFX1 67759TFY9 67759TFZ6 67759TGA0 67759TGB8 67759TGC6 67759TGD4 67759TGE2	Transportation Improvement District	$ 4,745,000.00	$ 2,975,000.00	62.70%	4.62%	$ -	11/15/2041	3.57%	$ 330,963
Akron-Canton Regional Airport Authority	2019-1	Airport Gate Expansion	67759TGF9 67759TGG7 67759TGH5 67759TGJ1 67759TGK8 67759TGL6 67759TGM4 67759TGN2 67759TGP7	Regional Airport Authority	$ 15,680,000.00	$ 15,475,000.00	98.69%	24.05%	$ -	5/15/2043	3.89%	$ 1,115,475

(continued on next page)

[6] Does not include Program Reserve balance of $5,215,344 as of June 30, 2021.

APPENDIX I

SUMMARY OF OUTSTANDING BONDS
As of June 30, 2021 (continued)

Contracting Party	Series	Purpose	CUSIP	Level of Government	Original Principal	Outstanding Principal	% of Bonds Outstanding	% of Total Bond Fund	Primary Reserve[7]	Final Maturity	Net Interest Cost	Maximum Annual Debt Service
Port of Greater Cincinnati Development Authority	2019-1	Parking Facilities	67759TGU6 67759TGV4 67759TGW2 67759TGX0 67759TGY8 67759TGZ5 67759THA9 67759THB7 67759THC5 67759THD3 67759THE1 67759THF8 67759THG6 67759THH4 67759THJ0 67759THL5 67759THM3 67759THN1 67759THP6	Port Authority	$ 15,245,000.00	$ 14,455,000.00	94.82%	22.46%	$ -	11/15/2043	3.26%	$ 1,456,463
Toledo-Lucas County Port Authority	2019-2	Seaport Foreign Trade Zone Improvement	67759THQ4 67759THR2 67759THS0 67759THT8 67759THU5 67759THV3 67759THW1	Port Authority	$ 5,225,000.00	$ 4,920,000.00	94.16%	7.65%	$ -	5/15/2039	3.49%	$ 394,163
Totals					$ 81,130,000.00	$ 64,350,000.00	79.32%	100.00%				

[7] Does not include Program Reserve balance of $5,215,344 as of June 30, 2021.

APPENDIX II

DEBT SERVICE REQUIREMENTS ON OUTSTANDING BONDS

The total of all Common Fund Bonds currently outstanding is $64,350,000. The following table sets forth the debt service requirements for all outstanding Common Fund Bonds as of June 30, 2021.[8]

Date	Total Principal	Total Interest	Total Debt Service
11/15/2021	$ 1,660,000	$ 1,238,295	$ 2,898,295
5/15/2022	1,685,000	1,208,482	2,893,482
11/15/2022	1,455,000	1,177,441	2,632,441
5/15/2023	1,480,000	1,153,681	2,633,681
11/15/2023	1,505,000	1,126,136	2,631,136
5/15/2024	1,550,000	1,098,086	2,648,086
11/15/2024	1,560,000	1,070,679	2,630,679
5/15/2025	1,585,000	1,043,033	2,628,033
11/15/2025	1,630,000	1,010,767	2,640,767
5/15/2026	1,655,000	977,564	2,632,564
11/15/2026	1,680,000	946,067	2,626,067
5/15/2027	1,725,000	914,036	2,639,036
11/15/2027	1,750,000	877,710	2,627,710
5/15/2028	1,800,000	840,784	2,640,784
11/15/2028	1,825,000	802,791	2,627,791
5/15/2029	1,870,000	764,247	2,634,247
11/15/2029	1,895,000	729,641	2,624,641
5/15/2030	1,955,000	694,550	2,649,550
11/15/2030	1,785,000	660,441	2,445,441
5/15/2031	1,830,000	629,247	2,459,247
11/15/2031	1,845,000	595,516	2,440,516
5/15/2032	1,545,000	561,525	2,106,525
11/15/2032	1,575,000	533,466	2,108,466
5/15/2033	1,595,000	504,825	2,099,825
11/15/2033	1,610,000	475,494	2,085,494
5/15/2034	1,645,000	446,016	2,091,016
11/15/2034	1,670,000	415,831	2,085,831
5/15/2035	1,455,000	385,200	1,840,200
11/15/2035	1,480,000	357,366	1,837,366
5/15/2036	1,510,000	329,047	1,839,047
11/15/2036	1,250,000	300,909	1,550,909
5/15/2037	1,045,000	276,544	1,321,544
11/15/2037	1,060,000	255,925	1,315,925
5/15/2038	1,085,000	235,022	1,320,022
11/15/2038	1,110,000	213,609	1,323,609
5/15/2039	1,125,000	191,678	1,316,678
11/15/2039	855,000	167,238	1,022,238
5/15/2040	875,000	149,113	1,024,113
11/15/2040	895,000	130,313	1,025,313
5/15/2041	915,000	111,050	1,026,050
11/15/2041	935,000	91,363	1,026,363
5/15/2042	955,000	71,213	1,026,213
11/15/2042	975,000	50,638	1,025,638
5/15/2043	995,000	29,600	1,024,600
11/15/2043	465,000	8,138	473,138
Total	**$64,350,000**	**$25,850,309**	**$90,200,309**

[8] Total amount may not foot due to rounding.

APPENDIX III

SUMMARY OF SECURITY AND DESCRIPTION OF PROJECTS

Contracting Party	Reserve[9]	Description of Security and Lien Position	Physical Description of the Project
Ohio Department of Transportation **2006-1**	**$0**	Pledge of earnings received from the investments of the Program Reserve Bonds Pledge of the SIB Loan repayments received from the State GRF Loan program The Program Reserve Bonds are being issued on parity basis and are to be secured equally and ratably with any other SIB State Bond Fund Bonds hereafter issued.	Fund the required Program Reserve for the State Transportation Infrastructure Bond Fund Program
Toledo-Lucas County Port Authority **2011-1**	**$0**	Pledge of all Net Operating Income generated from the Parking Garage Revenues Pledge of all Net Operating Income generated from the Meter and Violation Revenues Pari Passu First Mortgage Non-Tax Revenues of Port Authority	Proceeds used by the Toledo-Lucas County Port Authority to acquire the Parking Facilities from the City of Toledo. The Parking Facilities include: (1) Port Lawrence Parking Garage, which is a 661 space parking garage; (2) Superior Street Parking Garage, which is a 1,030 space parking garage; and (3) Vistula Street Parking Garage, which is a 970 space parking garage. In addition, the Port Authority will purchase approximately 900 metered parking spaces throughout the downtown Toledo area. The Port Authority has engaged Republic Parking System, which is a third party parking consultant, who has recommended various improvements, which should improve the operating efficiencies of the Parking Facilities.

(continued on next page)

9 Does not include Program Reserve balance of $5,215,344 as of June 30, 2021.

SUMMARY OF SECURITY AND DESCRIPTION OF PROJECTS (continued)

Contracting Party	Reserve[10]	Description of Security and Lien Position	Physical Description of the Project
City of Dayton **2014-1**	**$0**	Pledge Non-Tax revenues Special Assessments payments are not pledged	Acquisition, construction, equipment and installation of a 428-space public parking facility.
City of Cincinnati **2014-2**	**$0**	Pledge of TIF service payments Pledge of Non-Tax revenues of the City of Cincinnati	Acquisition, construction, equipment and installation of street improvements, a 240-space public parking facility and other public infrastructure associated with the Keystone Parke Development.
City of Lorain **2014-3**	**$0**	Pledge of Street Repair Levy fund Other legally available funds will be used in the event of a payment shortfall	Resurfacing and reconstructing roadways as well as adding curbs, sidewalks, and other related improvements to 28 streets that have been graded low by the City of Lorain's engineering department.

(continued on next page)

[10] Reserve amounts marked to market as of June 30, 2021.

APPENDIX III

SUMMARY OF SECURITY AND DESCRIPTION OF PROJECTS (continued)

Contracting Party	Reserve[11]	Description of Security and Lien Position	Physical Description of the Project
City of Ashtabula **2014-4**	**$0**	Pledge of the City of Ashtabula's Permanent Improvement Fund	Construction, repair, and installation of street improvements on various roadways and alleyways within the City of Ashtabula limits. The project will encompass several streets throughout the entire City of Ashtabula. The project included milling of existing asphalt, repairs to the street base if required, sewer manhole and storm catch basin repairs where required and relaying of asphalt. These streets will also be striped as a part of the Project. Additional curbing and sidewalk apron work will be performed where required.
City of Columbus **2016-1**	**$0**	Pledge of unvoted general obligation and full faith and credit Pledge of TIF Service Payments	Construction of an "S" curve on Hamilton Road. Various improvements to State Route 161 including reconfiguring and improving the exit and entry ramps and relocation a portion of the road.
Licking County Transportation Improvement District **2017-1**	**$351,835**	Pledge of income tax revenues Pledge of the TIF service payments Pledge of Non-Tax revenues from Licking County and Etna Township	Street improvements, including the acquisition, construction, equipping, and installation of road improvements, right-of-way purchases and issuance costs associated with the widening of State Route 310 from Interstate 70 to US 40.

(continued on next page)

[11] Reserve amounts marked to market as of June 30, 2021.

APPENDIX III

SUMMARY OF SECURITY AND DESCRIPTION OF PROJECTS (continued)

Contracting Party	Reserve[12]	Description of Security and Lien Position	Physical Description of the Project
Akron-Canton Reginal Airport Authority **2018-1**	**$0**	Pledge of Airport Revenues	Acquisition, construction, improvement, renovation, and equipping of nine boarding gates, passenger boarding bridges, a concrete aircraft parking apron and other airport facilities.
Port of Greater Cincinnati Development Authority **2019-1**	**$0**	Pledge of Plum Street Garage Revenues Pledge of Elm Street Garage Revenues Pledge of Non-Tax Revenues from Port of Greater Cincinnati Development Authority	Acquisition, construction, improvement and installation of two parking facilities with 890 and 680 parking spaces, respectively.
Toledo-Lucas County Port Authority **2019-2**	**$0**	Pledge of Non-Tax revenues of Toledo-Lucas County Port Authority	Construction, renovation, equipping and installation of improvements including replacement of waterlines, hydrants and service connections. Construction, installation and equipping of two buildings located in the Foreign Trade Zone.

[12] Reserve amounts marked to market as of June 30, 2021.

APPENDIX IV

Ohio Department of Transportation
EXISTING SIB GRF LOAN BORROWER DESCRIPTION
As of June 30, 2021

Loan	Borrower*	GO Rating	Security or Repayment Sources	Outstanding Principal
1	City of Toledo	A2	Pledge of General Revenues	$ 1,497,321
2	City of East Liverpool	N/R	Motor vehicle gasoline taxes and motor vehicle license taxes	12,162
3	City of Westlake	Aaa	All TIF revenues, motor vehicle gasoline taxes, registration taxes, permissive taxes	4,868,929
4	City of Lorain	Baa2	Income taxes and property taxes	112,077
5	Twinsburg Township	N/R	General revenue fund	333,959
6	Erie Ottawa Regional Airport, Ottawa County**	Aa2	All legally available non-tax revenues	1,132,062
7	City of Dayton	Aa2	City non-tax revenues	2,059,623
8	City of Cincinnati	Aa2	All TIF Revenues, non-tax revenues in the event of a shortfall	2,249,275
9	City of Huber Heights	Aa3	TIF fund revenues, non-tax revenues in the event of a shortfall	2,945,197
10	Village of Ottawa	N/R	Income taxes	64,857
11	City of Warrensville Heights	A1	Hotel/Motel Tax receipts & Motor vehicle gasoline taxes	784,719
12	Village of Hopedale	N/R	General obligation, Motor vehicle gasoline taxes & motor vehicle registration taxes	447,059
13	City of Lorain	Baa2	Motor vehicle registration taxes & Street Levy Fund	295,053
14	City of Lorain	Baa2	Motor vehicle registration taxes & Street Levy Fund	648,009
15	Ottawa Village	N/R	Income Tax Fund	206,601
16	Twinsburg Township	N/R	JEDD Revenue & General Revenue Fund	1,492,101
17	City of Brookville, Montgomery County TID	A1	Motor vehicle gasoline taxes, TIF revenues, & non-tax revenues in the event of a shortfall	1,805,012
18	City of East Liverpool	N/R	Street Capital Improvement Fund, all legally available City revenues	249,055
19	Toledo-Lucas County Port Authority	A3	Non-tax revenues of the Port Authority	1,688,337
20	City of Munroe Falls	N/R	Road and Bridge Fund	264,015
21	City of Lorain	Baa2	Permissive License Tax and Street Levy Fund	1,276,449
22	Hambden Township	N/R	Road & Bridge Fund Receipts and General Fund Revenues	213,481
23	City of New Philadelphia	A2	Hangar Rent Revenues	450,329
24	City of Conneaut	A1	Permit Fees, Street Department's portion of Income Tax, Gas License Tax, and General Fund Transfer	804,300
25	City of Huber Heights	Aa3	Special Assessments and Non-Tax Revenues	1,084,652
26	City of Conneaut	A1	Municipal Income Tax	132,500
27	City of Norton	AA	Municipal Income Tax	452,000
28	City of Huber Heights	Aa3	Special Assessments and Non-Tax Revenues	698,346
29	Village of Roseville	N/R	Municipal Income Tax	11,320
30	Village of Camden	N/R	Municipal Income Tax	511,822
31	Village of New Straitsville	N/R	Gas Tax	61,061
32	Twinsburg Township	N/R	General Fund	6,000
33	City of Deer Park	A1	Gas Tax	2,000
34	Village Johnstown	A3	Municipal Income Tax	4,000
35	City of Zanesville	A1	Property Taxes and Storm Water Fund Charges	2,252,544
				$ 31,116,226

* City of Newark loan (#080003), City of University Heights loan (#090009), City of Youngstown loan (#100001), and City of Lorain loan (#110003) have matured and are not included. The Toledo-Lucas County Port Authority loan (#170011) is not included as first loan fund draw is anticipated after June 30, 2021.

** A request to defer payments on the Erie Ottawa Regional Airport loan (#140002) due to the COVID-19 pandemic was granted by the SIB Loan Committee on June 4, 2020. The loan term was extended by one year, and two payments (November 2020 and May 2021) will be deferred. Interest will accrue during this time. Payments will resume on November 6, 2021.

APPENDIX V
SIB GRF LOAN PORTFOLIO HISTORY
As of June 30, 2021

Through June 30, 2021

For the Period:	CY 2021	CY 2020	CY 2019	CY 2018	CY 2017	CY 2016-1996	Total since Inception (1996)
Principal Collected	$1,540,435.71	$2,770,861.53	$2,522,389.85	$2,655,372.21	$4,515,797.55	$47,350,464.29	$61,355,321.14
Interest Collected	$456,223.64	$903,511.67	$849,334.36	$949,623.86	$947,241.02	$8,906,381.27	$13,012,315.82
Total P & I Collected:	$1,996,659.35	$3,674,373.20	$3,371,724.21	$3,604,996.07	$5,463,038.57	$56,256,845.56	$74,367,636.96
New Loans Originated:[1]							
Number:	4	2	6	4	5	64	85
Principal Authorized:	$2,218,045	$698,363	$3,903,800	$2,666,007	$6,206,698	$88,760,508	$ 104,453,421
Average Loan Amount:	$554,511	$349,182	$650,633	$666,502	$1,241,340	$1,386,883	n/a
Principal Released - Will not be Drawn:[2]							($7,422,632)
Matured Loans:							
Number:	1	1	7	1	3	14	27
Original Principal:	$409,572	$157,327	$7,473,215	$2,025,000	$1,027,200	$19,700,482	$30,792,796
Prepaid Loans:							
Number:	1	2	0	0	1	18	22
Original Principal:	$122,000	$429,000	$0	$0	$3,108,000	$18,432,720	$22,091,720
Loans Written Off:[3]							
Number:	0	0	0	0	0	2	2
Principal:	$0	$0	$0	$0	$0	$2,903,555	$2,903,555
Total Outstanding Loans:							
Number:	35	33	34	35	31	30	
Outstanding Principal:	$31,116,226	$32,539,846	$33,657,790	$30,953,931	$30,452,980	30,145,317	
Principal Not Drawn Yet - Active Loans:[4]	$4,559,241						
Current Loans:							
Number:	35	33	34	35	31	30	
Outstanding Principal:	$31,116,226	$32,539,846	$33,657,790	$30,953,931	$30,452,980	$30,145,317	
Delinquent Loans (60-120 days) as of End of Calendar Year:							
Number:	0	0	0	0	0	0	
Outstanding Principal:	$0	$0	$0	$0	$0	$0	
Delinquent Loans (Over 120 days) as of End of Calendar Year:							
Number:	0	0	0	0	0	0	
Outstanding Principal:	$0	$0	$0	$0	$0	$0	

[1] Toledo-Lucas County Port Authority loan (#170011) omitted as funds have not yet been drawn.

[2] Total Loan Principal on all loans that has been released (cancelled). Will not be drawn.

[3] Loan Defaults - Two Eastlake Land Development Co. loans written off as uncollectable in 2005. SIB policy no longer permits loans to private entities.

[4] Total Loan Principal obligated to outstanding loans that has not been drawn down as of June 30, 2021.

APPENDIX VI

AUDITED FINANCIAL STATEMENTS OF SIGNIFICANT OBLIGORS
Available as of June 30, 2021

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AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2019

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES
DECEMBER 31, 2019 AND 2018

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OHIO AUDITOR OF STATE
KEITH FABER

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700 Chase Tower
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(330) 438-0617 or (800) 443-9272
EastRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

Akron-Canton Regional Airport Authority
Stark and Summit Counties
5400 Lauby Road Box 23
North Canton, Ohio 44720

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the Akron-Canton Regional Airport Authority, Stark and Summit Counties, Ohio (the Airport), as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Akron-Canton Regional Airport Authority, Stark and Summit Counties, Ohio, as of December 31, 2019 and 2018, and the changes in financial position and it cash flows, thereof for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 14 to the financial statements, the Airport corrected the 2018 classification of Net Position Net Investments in Capital Assets and the Net Position Unrestricted in order to correct the inclusion of unspent proceeds of the Restricted Revenue Bond Projects Funds within the amount of debt related to capital assets. In addition, as discussed in Note 13 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Airport. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

The Schedule of Receipts and Expenditures of Federal Awards and the Schedule of Expenditures of Passenger Facility Charges presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the Passenger Facility Charge Audit Guide for Public Agencies (the Guide), issued by the Federal Aviation Administration, respectively, and are not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2020, on our consideration of the Airport's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Airport's internal control over financial reporting and compliance.

Keith Faber
Auditor of State

Columbus, Ohio

September 23, 2020

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The Airport

The Akron – Canton Regional Airport Authority, (the "Airport") was dedicated in 1946 and commercial air service began in 1948, when the Airport served 43,042 passengers. Today the Airport is the second entry portal to Northeast Ohio for air travelers. In 2019 the Airport served over 834,000 passengers.

The Airport offers 22 daily flights to 10 non-stop destinations and has one stop service to virtually anywhere in the world. The Airport continually updates and improves its facilities to ensure our passengers' have a great experience. The Airport is currently in the midst of a passenger gate replacement project to modernize our facility by replacing five older gates.

Overview of Financial Statements

The financial statements are presented in accordance with the accounting principles generally accepted in the United States of America, including GASB Statement No. 34. The statements are:

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows

The statements are prepared on the accrual basis and present all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Airport, both financial and capital, and short and long – term. They also present revenues and expenses of the Airport during the year, regardless of when cash was received or paid. Collectively, the statements provide information regarding the Airport's financial condition as of December 31, 2019 and 2018 and the results of its operations and cash flows for the years then ended. Accompanying the statements are notes and required supplemental information that are integral parts to understanding the Airport's net position.

Financial Highlights

As of December 31, 2019, Operating Revenues decreased from the prior year due to continued changes in air service levels. Despite this reduction in revenue the Airport was able to meet all its financial obligations. Operating Expenses, increased $1,079,367 as compared to the prior year primarily due to large non-cash expense adjustments associated with depreciation and the Airport's proportionate share of the Ohio Public Employees Retirement System (OPERS). The total amount of these expense adjustments between depreciation and both the pension and other post employment benefits was $1,010,783 in 2019. Operating Expenses less these adjustments increased 0.89% from 2018.

Statement of Net Position

The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Airport using the accrual basis of accounting, which is similar to the accounting used by most private – sector institutions. Condensed information from the Airport's statements of net position, including comparative data from 2018 and 2017 is as follows:

(Table 1)
Net Position

	2019	2018	2017
Assets			
Current Assets	$ 1,623,286	$ 1,546,225	$ 1,507,285
Restricted Assets	27,301,992	37,269,590	13,078,995
Noncurrent Assets	171,199,517	163,822,482	169,717,821
Total Assets	200,124,795	202,638,297	184,304,101
Deferred Outflows of Resources			
OPEB	207,498	147,040	-
Pension	1,608,087	758,288	1,767,788
Total Deferred Outflow of Resources	1,815,585	905,328	1,767,788
Liabilities			
Current Liabilities	1,383,147	1,619,914	1,679,536
Noncurrent Liabilities	43,942,635	41,651,689	17,523,300
Total Liabilities	45,325,782	43,271,603	19,202,836
Deferred Inflows of Resources			
OPEB	40,927	214,650	-
Pension	123,626	858,596	119,905
Total Deferred Inflows of Resources	164,553	1,073,246	119,905
Net Position			
Net Investment in Capital Assets	146,003,351	149,515,395	156,059,909
Restricted Net Position	27,301,992	37,269,590	13,078,995
Unrestricted Net Position	(16,855,298)	(27,586,209)	(2,389,756)
Total Net Position	$ 156,450,045	$ 159,198,776	$ 166,749,148

An analysis of significant changes in assets, liabilities and net position for the year ended 2019 is as follows:

Assets

Total assets decreased $2,513,502 from 2018 due primarily to the following factors.

- Decrease in Assets Restricted for Airport Improvement

Liabilities

Total liabilities increased $2,054,179 due primarily to the following factors

- Increase in Net Pension Liability
- Increase in Net OPEB Liability

An analysis of significant changes in assets, liabilities and net position for the year ended 2018 is as follows:

Assets

Total assets increased $18,334,196 from 2017 due to the following factor.

- Increase in Assets Restricted for Airport Improvement Projects due to issuance of Restricted Revenue bonds.

Liabilities

Total liabilities Increased $24,068,767 due to the following factor:

- Refinancing of existing debt service.
- Addition of $23 million dollars in debt to fund Gate Concourse Replacement Project.

Deferred Inflow of Resources and Deferred Outflows

The net pension liability (NPL) is reported by the Airport at December 31, 2019 and 2018, and is reported pursuant to GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27." In 2018, the Airport adopted GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Airport's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting the net pension asset and deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability.* GASB 68 and 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 75 require the net pension liability (asset) and the net OPEB liability to equal the Airport'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 pension and OPEB 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 Airport is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for 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 system *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 previously, 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 Airport's statements prepared on an accrual basis of accounting include an annual pension expense and annual OPEB expense for their proportionate share of each plan's *change* in net pension liability (asset) and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75, the Airport is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at January 1, 2018, from $166,749,148 to $164,820,176.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position present the operating results of the Airport, as well as the non - operating revenues and expenses. Federal Grant, Car Rental Facility Charge, Passenger Facility Charge and Interest income are considered non – operating revenues. Condensed information from the Airport's Statement of Revenues, Expenses, and Changes in Net Position, including comparative data from 2018 and 2017 is as follows:

(Table 2)
Change in Net Position

	2019	2018	2017
Operating Revenues	$ 8,996,343	$ 9,660,664	$ 11,815,386
Operating Expenes (Including Depreciation)	19,641,329	18,561,962	18,738,155
Operating Income (Loss)	(10,644,986)	(8,901,298)	(6,922,769)
Net Non-Operating Revenues (Expenses)	7,896,255	3,279,898	5,325,939
Change in Net Position	(2,748,731)	(5,621,400)	(1,596,830)
Net Position Beginning of the Year (restated)	159,198,776	164,820,176	168,345,978
Net Position End of Year	$ 156,450,045	$ 159,198,776	$ 166,749,148

Prior to 2019 Payroll Fringe Benefits and Interest Expense were included in Operating Expenses within the Administrative Expense figure. In 2019 these expenses were classified separately.

An analysis of significant changes in revenues and expenses for the year ended 2019 is as follows:

Operating Revenues

The Airport had a decrease in annual passenger traffic of 9.7% compared to 2018 due to continued significant air service changes. Annual passenger traffic decreased over 27% the previous fiscal year. As a result the Airport experienced declines in Parking and Rent Revenue as well as Charges for Services including scheduled landing fees, rental car concession, terminal restaurant concessions, airline rental fees and passenger hold room rental fees. The Airport had budgeted for the significant decline in revenues that transpired during the year.

Operating Expenses

Operating expenses less depreciation, OPEB expense and pension expense adjustments increased 0.89% from 2018. Due to continued anticipated reduction in annual revenues all departments made conscious efforts to maintain financial discipline while adapting to new air service realities. The depreciation expense increased by 3% due to the capitalization of a few large completed projects.

Non-Operating Revenues

In 2019, the Airport received significantly more federal funding compared to the previous year. The increase was due to the commencement of a Gate Replacement Project. The Airport was awarded slightly more than $11 million in federal funds in 2018 towards this project. These federal funds are authorized by federal grants received by the Airport. The project was well underway at the end of 2019. The Airport made a significant drawdown of these grant funds throughout the year.

Passenger Facility Charge (PFC) and Car Rental Facility Charge (CFC) funds decreased compared to 2018 due to the decrease in passenger levels.

An analysis of significant changes in revenues and expenditures for the year ended 2018 is as follows:

Operating Revenues

The Airport had a decrease in annual passenger traffic of 27.0% compared to 2017 due to continued significant air service changes. As a result, the Airport experienced declines in scheduled landing fee revenue, Airport concession revenues consisting of parking, rental car and terminal restaurant concession. The Airport had budgeted for the significant decline in revenues that transpired during the year.

Operating Expenses

Operating expenses less depreciation decreased 6.0% from 2017. Due to the anticipated reduction in annual revenues all departments made conscious efforts to maintain financial discipline while adapting to new air service realities. The depreciation expense increased by 4% due to the capitalization of several large completed projects.

Non-Operating Revenues

In 2018, the Airport received less federal funding compared to the previous year. The decrease was due to the delay in the commencement of a Gate Replacement Project. The Airport was awarded slightly more than $11 million in federal funds during the year towards this project. These federal funds are authorized by federal grants received by the Airport. The project did not start until November and the Airport did not need to significantly drawdown these funds. Passenger Facility Charge (PFC) and Car Rental Facility Charge (CFC) funds decreased compared to 2017 due to the decrease in passenger levels.

Restatement Note

The Beginning Net Position for 2018 was adjusted ($1,928,972) for the cumulative effect of a change in accounting principle pertaining to the adoption of Net OPEB liability in 2018. The information was not available at the end of 2017 and therefore not practical to restate 2017 and earlier.

Budget Summary

The annual budget is the main document used to estimate revenues and expenses for the year and helps track the actual progress. The Airport is not required to follow the budgetary requirements of the Ohio Revised Code.

Capital Asset and Long-Term Debt Activity

The Airport's capital asset acquisitions during the year were for equipment replacements and facility enhancements. The Airport completed projects associated with taxiway and roadway improvements as well as the construction of a new maintenance storage facility. The Airport's long-term debt was comprised of three revenue bond agreements one with the Ohio Department of Transportation (ODOT) and two with S & T Bank at the end of the year. During 2018, the Airport was issued $15,680,000 in debt via Airport Revenue Bonds with the Ohio Department of Transportation (ODOT) and issued $6,184,000 in debt via Airport Revenue Bonds with S&T Bank. These bonds were issued to fund a terminal concourse gate replacement project. During 2018, the Airport also refinanced long-term debt in the amount of $13,155,251 with S&T Bank originally held by the Huntington National Bank. As of December 31, 2019, the Airport had $35,491,059 in Airport Revenue Bonds outstanding. See notes 8 and 11 in the Notes to the Financial Statements for further information related to debt and capital assets, respectively.

Current Issues

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Akron – Canton Regional Airport Authority. In addition, the impact on the Akron – Canton Regional Airport Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Contacting the Airport's Management

This financial report is designed to provide our users, investors and creditors with a general overview of the Airport's finances and to show the Airport's accountability for the money it receives. If you have questions about this report or need additional financial information contact James Krum, Contracts and Finance Manager, at the Akron Canton Regional Airport, 5400 Lauby Road NW, Box 9, North Canton, OH. 44720.

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AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES

STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2019 and 2018

	2019	2018
ASSETS:		
Current Assets:		
Cash and Cash Equivalents	$ 963,859	$ 895,403
Accounts Receivable	595,626	591,904
Prepaid Expenses	63,801	58,918
Total Current Assets	1,623,286	1,546,225
Assets Restricted for Airport Improvement Projects:		
Cash and Cash Equivalents	15,712,314	14,427,322
Restricted Revenue Bond Project Funds	11,367,856	22,624,336
Passenger Facility Charges Receivable	221,822	217,932
Total Assets Restricted for Airport Improvement Projects	27,301,992	37,269,590
Noncurrent Assets:		
Capital Assets:		
Airport Improvement Projects-In-Progress	21,456,702	5,277,112
Land and Land Improvements	52,821,716	52,821,716
Paving	116,017,131	116,010,251
Buildings	96,097,382	95,308,327
Vehicles and Equipment	24,529,228	23,600,350
Utility Systems	677,294	658,361
Less Accumulated Depreciation	(140,399,936)	(129,853,635)
Total Noncurrent Assets	171,199,517	163,822,482
TOTAL ASSETS	$ 200,124,795	$ 202,638,297
DEFERRED OUTFLOW OF RESOURCES:		
Total Deferred Outflows of Resources - OPEB	$ 207,498	$ 147,040
Total Deferred Outflows of Resources - Pension	1,608,087	758,288
Total Deferred Outflow of Resources	1,815,585	$ 905,328
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**$ 201,940,380**	**$ 203,543,625**

The notes to the financial statements are an integral part of this statement

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES

STATEMENT OF NET POSITION (Continued)
AS OF DECEMBER 31, 2019 and 2018

	2019	2018
LIABILITIES:		
Current Liabilities:		
Accounts Payable	$ 135,868	$ 235,190
Projects Payable	1,250	205,707
Accrued Payroll Expenses	743,314	794,009
Accrued Real Estate Taxes	63,215	63,215
Debt Due Within One Year	439,500	321,793
Total Current Liabilities	1,383,147	1,619,914
Long-Term Liabilities:		
Long-term Bonds Payable	36,124,474	36,609,630
Net OPEB Liability	2,426,565	1,998,104
Net Pension Liability	5,391,596	3,043,955
Total Long-Term Liabilities	43,942,635	41,651,689
TOTAL LIABILITIES	$ 45,325,782	$ 43,271,603
DEFERRED INFLOWS OF RESOURCES:		
Total Deferred Inflows of Resources - OPEB	40,927	214,650
Total Deferred Inflows of Resources - Pension	123,626	858,596
Total Deferred Inflows of Resources	164,553	1,073,246
Net Position:		
Net Investment in Capital Assets	146,003,351	149,515,395
Restricted for Airport Improvement Projects	27,301,992	37,269,590
Unrestricted Net Position	(16,855,298)	(27,586,209)
TOTAL NET POSITION	156,450,045	159,198,776
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	**$ 201,940,380**	**$ 203,543,625**

The notes to the financial statements are an integral part of this statement

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018

	2019	2018
Operating Revenues:		
Charges for Services	$ 3,787,114	$ 4,141,901
Rent	921,084	1,067,642
Parking	3,435,106	3,666,723
Other Operating Revenues	853,039	784,398
Total Operating Revenues	8,996,343	9,660,664
Operating Expenses:		
Salaries	2,905,240	2,795,751
Payroll Fringe Benefits	1,928,799	-
Contract Services	1,477,991	1,373,612
Materials and Supplies	620,050	644,374
Utilities	733,819	727,346
Fuel	58,893	60,973
Insurance	88,844	79,938
Administrative	1,263,392	2,688,619
Depreciation	10,564,301	10,191,349
Total Operating Expenses	19,641,329	18,561,962
Operating (Loss)	(10,644,986)	(8,901,298)
Nonoperating Revenues (Expenses):		
Federal Funds	5,162,088	768,818
Car Rental Facility Charge Revenue	514,072	571,171
Passenger Facility Charge Revenue	1,766,292	1,891,886
Interest	334,866	40,523
Gain on Sale of Capital Assets	5,530	7,500
Insurance Proceeds	327,780	-
Interest Expense	(214,373)	-
Total Non-operating Revenues (Expenses)	7,896,255	3,279,898
Change in Net Position	(2,748,731)	(5,621,400)
Net Position - January 1	159,198,776	164,820,176
Net Postion - December 31	**$ 156,450,045**	**$ 159,198,776**

The notes to the financial statements are an integral part of this statement

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities:		
Cash Received from Customers	$ 8,992,621	$ 10,036,716
Cash Payments to Suppliers for Goods and Services	(4,551,733)	(5,312,024)
Cash Payments to Employees for Services	(3,927,583)	(2,386,161)
Net Cash Provided by Operations	**513,305**	**2,338,531**
Cash Flows from Capital and Related Financing Activities:		
Receipts from Passenger Facility Charge	1,762,402	1,931,100
Receipts from Car Rental Facility Charge	514,072	571,171
Grants	5,162,088	768,818
S & T Bank Series A & B Bonds	-	37,032,549
Acquisition of Construction of Capital Assets	(16,845,785)	(3,905,083)
Debt Principal Paid	(321,793)	(13,759,035)
Gain of Sale of Equipment	5,530	7,500
Interest Paid	(1,355,497)	(390,930)
Insurance Proceeds	327,780	-
Net Cash (Provided by) Capital and Related Financing Activities	(10,751,203)	22,256,090
Cash Flows from Investing Activities:		
Interest Received	334,866	40,523
Net Cash Provided by Investing Activities	334,866	40,523
Net Increase (Decrease) in Cash and Cash Equivalents	(9,903,032)	24,635,144
Cash and Cash Equivalents - January 1	37,947,061	13,311,917
Cash and Cash Equivalents - December 31	**28,044,029**	**37,947,061**
Statement of Net Position Classification		
Cash and Cash Investments	$ 16,676,173	$ 15,322,725
Restricted Cash	11,367,856	22,624,336
Total Cash and Cash Equivalents	**$ 28,044,029**	**$ 37,947,061**
Cash Flows from Operating Activities:		
Operating (Loss)	(10,644,986)	(8,901,299)
Adjustments to Reconcile Operating Income to Cash Flows from Operating Activities:		
Depreciation	10,564,301	10,191,348
(Increase) Decrease in Accounts Receivable	(3,722)	376,053
(Increase) Decrease in Prepaid Assets	(4,883)	(9,658)
(Increase) Decrease in Deferred Outflows Related to Pension	(849,799)	1,036,259
(Increase) Decrease in Deferred Outflows Related to OPEB	(60,458)	(147,040)
Increase (Decrease) in Accounts Payable	(99,404)	66,790
Increase (Decrease) in Project Payable	(204,457)	205,707
Increase (Decrease) in Payroll related Liabilities	(50,696)	106,383
Increase (Decrease) in Real Estate Tax Accrual	-	-
Increase (Decrease) in Net Pension Liability	2,347,641	(1,581,726)
Increase (Decrease) in OPEB Liability	428,461	42,373
Increase (Decrease) in Deferred Inflows Related to Pension	(734,970)	738,691
Increase (Decrease) in Deferred Inflows Related to OPEB	(173,723)	214,650
Total Adjustments	11,158,291	11,239,830
Net Cash Provided by Operating Activities	**$ 513,305**	**$ 2,338,531**

The notes to the financial statements are an integral part of this statement

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

Akron-Canton Regional Airport Authority (the Airport) was founded in 1946, as a governmental entity, for the purpose of operating an airport facility serving commercial carriers and industrial concerns. The Akron-Canton Regional Airport Authority was created by resolution of the County Commissioners of Stark and Summit Counties of Ohio in 1964. The Airport is governed by a Board of Trustees consisting of representatives from both Stark and Summit Counties.

The Airport's financial reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Reporting Entity*," as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units.*" The financial statements include all departments and operations for which the Airport is financially accountable. Financial accountability exists if a primary government/component unit appoints a majority of an organization's governing board and is able to impose its will on that organization. Financial accountability may also be deemed to exist if there is a potential for the organization to provide financial benefit to, or impose financial burdens on, the primary government/component unit. On this basis, no governmental organizations other than the Airport itself are included in the financial reporting entity.

B. BASIS OF ACCOUNTING

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

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

For financial statement presentation purposes, the Airport has one fund which is categorized as a proprietary fund. Proprietary funds are used to account for the Airport's ongoing activities which are similar to those found in the private sector. The following is the Airport's proprietary fund type:

Enterprise Fund - A fund used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The accounting and financial reporting treatment applied to the Airport's fund is determined by their measurement focus. The Airport's enterprise fund, uses a flow of economic resources measurement focus. This measurement focus emphasizes the determination of net income. The Airport uses the accrual basis of accounting, which records revenue when earned and measurable and expenses when the liability is incurred. Revenues subject to accrual are charges for services.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF ACCOUNTING (Continued)

Property and Equipment

Property and Equipment – The Airport's capitalization threshold is $500. Substantially all of the Airport's grounds and runways were contributed by the U.S. Government at the time the Airport was founded. These assets were recorded at their estimated fair value as of the date the contributions were made. Property and equipment acquired subsequent to the Airport's inception is carried at cost.

Renewals and betterments are capitalized. The cost of maintenance and repairs are charged to expense accounts as incurred.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Paving	2-30 years
Buildings	3-30 years
Vehicles and equipment	3-20 years
Utility systems	3-20 years

Compensated Absences – The Airport accounts for compensated absences in accordance with GASB Statement No. 16. Sick leave and other compensated absences with similar characteristics are accrued as a liability based on the sick leave accumulated at the Statement of Net Position date by those employees who currently are eligible to receive termination payments. To calculate the liability, those accumulations are reduced to the maximum amount allowed as a termination payment. All employees who meet the termination policy of the Airport for years of service are included in the calculation of the Accrued Payroll Expenses liability amount.

Vacation leave and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered and are not contingent on a specific event that is outside the control of the employer and employee.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

Assets Restricted for Airport Improvement Projects – Cash and cash equivalents, and investments funded by federal grant monies, along with passenger facility charges receivable, are restricted for use in various Airport Improvement Projects. Such deposits, along with passenger facility charges receivable, are not available for use in the general operations of the Airport. When both restricted and unrestricted are available for use, it is the Airport's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents –The Airport considers all highly liquid investments with a maturity of three months or less to be cash equivalents. STAR Ohio (the State Treasury Asset Reserve of 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 Securities and Exchange Commission (SEC) as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants.* The Airport measures their investment in STAR Ohio at

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF ACCOUNTING (Continued)

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 2019 and 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of $25 million or more. STAR Ohio reserves the right to limit the transactions to $100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the $100 million limit. All account participants will be combined for these purposes

Pensions/Other Postemployment Benefits (OPEB)
For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plans. 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 market value.

Accounting and Reporting for Nonexchange Transactions – The Airport accounts for nonexchange transactions in accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions. Nonexchange transactions occur when the Airport receives (or gives) something of value without giving (or receiving) equal value in return. As such, and in conformity with GASB Statement No. 33, the Airport has recognized grant funds expended for capitalizable property and equipment as revenues and the related depreciation thereon, as expenses in the accompanying financial statements.

Deferred Outflows / Inflows of Resources – In addition to assets, the statement of net position will sometimes 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 Airport, there were no deferred outflows of resources to report other than OPEB and pension deferred outflows. In addition to liabilities, the statement of net position will sometimes 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 Airport, there were no deferred inflows of resources to report other than OPEB and pension deferred inflows.

Operating Revenues and Expenses – Operating revenues are those revenues that are generated directly from primary activities. For the Airport, these revenues are charges for services, lease rents, parking and other operating revenues. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the Airport. Revenues and expenses which do not meet these definitions are reported as non-operating.

Net Position – Net position represents the difference between all other elements of the statement of net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of 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 external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other Airport Improvement Projects include resources from federal and state grants restricted for specified purposes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF ACCOUNTING (Continued)

Use of Accounting Estimates – Management uses estimates and assumptions in preparing financial statements in accordance with Generally Accepted Accounting Principles (GAAP). These estimates and assumptions affect the reported amounts in the financial statements and accompanying notes. Actual results could vary from the estimates that were used.

2. CASH AND CASH EQUIVALENTS

The investment and deposit of Airport monies are governed by the provisions of the Ohio Revised Code. In accordance with these statutes, only financial institutions located in Ohio and domestic building and loan associations are eligible to hold public deposits. The statutes also permit the Airport to invest its monies in certificates of deposit, commercial
paper, savings accounts, money market accounts, the State Treasurer's Asset Reserve investment pool (STAR Ohio) and obligations of the United States government or certain agencies thereof. The Airport may also enter into repurchase agreements with any eligible depository or any eligible dealer who is a member of the National Association of Securities

Dealers for a period not exceeding thirty days. The Airport is prohibited from investing in any financial instrument, contract, or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a derivative). The Airport is also prohibited from investing in reverse repurchase agreements.

Deposits with Financial Institutions

At December 31, 2019 and 2018, the carrying amount of the Airport's deposits was $16,596,409 and $15,244,785, respectively, excluding petty cash deposits of $116 and $116. The bank balance was $18,447,608 and $15,559,584 at December 31, 2019 and 2018, respectively. Additionally, in 2018, the Airport received restricted Revenue Bond proceeds for the Airport Improvement project. The carrying amount of the Airport's proceeds at December 31, 2019 and 2018 was $11,367,856 and $22,624,336, respectively, while the bank balance was $11,367,856 and $22,772,478, respectively. Deposits with financial institutions were covered by federal depository insurance and/or were collateralized by a pool of securities maintained by the Airport's financial institutions but not in the Airport's name.

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

2. CASH AND CASH EQUIVALENTS (Continued)

The securities must be obligations of or guaranteed by the United States and must mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities, subject to a repurchase agreement, must exceed the value of the principal by 2% and be marked to market daily.

Credit Risk: STAR Ohio carries a rating of AAAm by Standard & Poor's. Ohio Law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Airport's investment policy does not specifically address credit risk beyond requiring the Airport to only invest in securities authorized by State statute.

Concentration of Credit Risk: The Airport'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 class of securities. The following table includes the percentage of each investment held by the Airport at December 31, 2019 and 2018, respectively:

Measurement / Investment Type	Measurement Amount	% of Total
December 31, 2019		
Net Asset Value (NAV) STAR Ohio	$79,648	100%
December 31, 2018		
Net Asset Value (NAV) STAR Ohio	$77,824	100%

3. INSURANCE COVERAGES

As of December 31, 2019 and 2018, the Airport had general liability insurance coverage of $50,000,000 for each occurrence and in the aggregate; director and officer liability coverage of $5,000,000 per loss and in the aggregate; vehicle liability coverage with a combined single limit of $1,000,000; public officials' coverage of $5,000,000 per loss and in the aggregate and environmental impairment coverage of $1,000,000 per loss and in the aggregate. The risks of loss exposed to the Airport include theft, fire, errors and omissions, and general liability. There has been no reduction in insurance coverage during the year ending December 31, 2019. In 2019 the Airport added cyber liability insurance coverage of $1,000,000 for each occurrence and in aggregate. Settlement costs did not exceeded coverage in the past three years.

4. VACATION BENEFITS

Employees hired on or before January 1, 1996 earn two weeks of vacation annually during their first five years of service plus an additional week for every five years thereafter, up to a maximum of six weeks. Employees hired after January 1, 1996 can earn a maximum of five weeks of vacation. Vacation leave may, upon approval, be carried over for up to two years. As of December 31, 2019, and 2018, the accrual for vacation benefits totaled $329,626 and $356,650, respectively, and is included in the Accrued Payroll Expense in the accompanying Statement of Net Position.

5. DEFINED BENEFIT PENSION PLAN

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by

5. DEFINED BENEFIT PENSION PLAN (Continued)

an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years,

each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – Airport employees, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the

5. DEFINED BENEFIT PENSION PLAN (Continued)

three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

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**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career. Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	2019 State and Local	2018 State and Local
Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0%
Employee	10.0 %	10.0%
Actual Contribution Rates		
Employer:		
Pension	14.0 %	14.0%
Post-employment Health Care Benefits	0.0	0.0%
Total Employer	14.0 %	14.0%
Employee	10.0 %	10.0%

5. DEFINED BENEFIT PENSION PLAN (Continued)

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

The Airport's contractually required contribution was $374,331 for 2019.

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

The net pension liability for OPERS was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Airport's proportion of the net pension liability was based on the Airport'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:

	Traditional Plan	
	2019	2018
Proportionate Share of the Net Pension Liability	$5,391,596	$3,043,955
Proportion of the Net Pension Liability	0.019686%	0.019403%
Pension Expense	$1,137,204	$558,670
Change in Proportion from Prior Year	0.000283%	-0.000967%

At December 31, 2019, the Airport reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Plan	
	2019	2018
Deferred outflow of resources		
Net difference between projected and actual earnings on pension plan investments	$ 731,791	$ -
Differences between expected and actual experience	249	3,110
Changes in proportion and differences between Airport contributions and proportionate share of contributions	32,364	-
Changes in assumptions	469,352	363,773
Airport's contributions subsequent to the measurement date	374,331	391,405
Total	**$ 1,608,087**	**$ 758,288**
Deferred inflows of resources		
Net difference between projected and actual earnings on pension plan investments	$ -	$ 653,500
Differences between expected and actual experience	70,795	59,987
Changes in proportion and differences between Airport contributions and proportionate share of contributions	52,832	145,109
Total	**$ 123,627**	**$ 858,596**

$374,331 reported as deferred outflows of resources related to pension resulting from Airport contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020.

5. DEFINED BENEFIT PENSION PLAN (Continued)

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:	
2020	$450,585
2021	251,319
2022	67,889
2023	340,336
Total	$1,110,129

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2018 and December 31, 2017, actuarial valuation were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2018	2017
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA	3.00 percent, simple through 2018 then 2.15 percent	3.00 percent, simple through 2018, 2.15 percent, simple after 2018
Investment Rate of Return	7.2 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Mortality – The tables used in evaluating age-and-service and survivor benefit allowances to be paid were updated as a result of the experience study and are now based on the RP-2014 Healthy Annuitant mortality tables. The Healthy Annuitant mortality tables were used, adjusted for mortality improvement back to observation period base of 2006, and then established the base year as 2015 for males and 2010 for females. The mortality rates used in evaluating disability allowances were updated as a result of the experience study and are now based upon the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation period base year of 2006, and then established the base year as 2015 for males and 2010 for females. Mortality rates for particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to previously noted tables.

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

5. DEFINED BENEFIT PENSION PLAN (Continued)

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

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of 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 money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is (2.94%) percent for 2018.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

	2018		2017	
Asset Class	Target Allocation	Long Term Expected Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)	Target Allocation	Long Term Expected Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.79 %	23.00 %	2.20 %
Domestic Equities	19.00	6.21	19.00	6.37
Real Estate	10.00	4.90	10.00	5.26
Private Equity	10.00	10.81	10.00	8.97
International Equities	20.00	7.83	20.00	7.88
Other investments	18.00	5.50	18.00	5.26
Total	100.00 %	5.95 %	100.00 %	5.66 %

Discount Rate The discount rate used to measure the total pension liability for measurement years 2018 and 2017 was 7.5 percent and 7.2 percent respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Airport's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Airport's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.2 percent, as well as what the Airport's proportionate share of the net pension liability would be if it were calculated using a

5. DEFINED BENEFIT PENSION PLAN (Continued)

discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

		1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
2019	Airport's proportionate share of the net pension liability	$7,964,956	$5,391,596	$3,253,112

		1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
2018	Airport's proportionate share of the net pension liability	$5,405,288	$3,043,955	$1,075,314

Defined Contribution Plan
OPERS also offers a defined contribution plan, the Member-Directed Plan. The Member-Directed Plan does not provide disability benefits, annual cost-of-living adjustments, post-retirement health care benefits or death benefits to plan members and beneficiaries. Benefits are entirely dependent on the sum of contributions and investment returns earned by each participant's choice of investment option

Combined Plan
OPERS also offers a combined plan. This is a cost-sharing, multiple-employer defined benefit plan that has elements of both a defined benefit and defined contribution plan. In the combined plan, employee contributions are invested in self-directed investments, and the employer contribution is used to fund a reduced benefit.

Employees electing the combined plan receive post-retirement health care benefits. OPERS provide retirement, disability, survivor and post-retirement health benefits to qualifying members of the combined plan.

6. DEFINED BENEFIT OPEB PLAN

Net OPEB Liability

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

The net OPEB liability represents Akron Canton Regional Airport Authority's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability calculation is dependent on critical long-term variables, including estimated average life

6. DEFINED BENEFIT OPEB PLAN (Continued)

expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. The proportional share of the plan's unfunded benefit is presented as a long-term net OPEB liability on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in the accounts payable.

Plan Description

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' CAFR 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

6. DEFINED BENEFIT OPEB PLAN (Continued)

writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019 and 2018, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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 for the Traditional and Combined plans beginning January 1, 2018 decreased to 0 percent for both 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 2019 and 2018 was 4.0 percent.

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

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

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

	2019	2018
Proportionate Share of the Net OPEB Liability	$ 2,426,565	$ 1,998,104
Proportion of the Net OPEB Liability	0.018612%	0.018400%
Increase / (decrease) in % from prior proportion measured	0.000212%	0.000963%
OPEB Expense	$ 196,038	$ 136,742

At December 31, 2019, the Airport reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

6. DEFINED BENEFIT OPEB PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 111,244	$ -
Differences between expected and actual experience	821	6,584
Changes in proportion and differences between Airport contributions and proportionate share of contributions	15,440	34,343
Changes in assumptions	78,235	-
Airport's contributions subsequent to measurement date	1,758	-
Total	$ 207,498	$ 40,927

At December 31, 2018, the Airport reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 148,845
Differences between expected and actual experience	1,557	-
Changes in proportion and differences between Airport contributions and proportionate share of contributions	-	65,805
Changes in assumptions	145,483	-
Total	$ 147,040	$ 214,650

6. DEFINED BENEFIT OPEB PLAN (Continued)

$1,758 reported as deferred outflows of resources related to contributions subsequent the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020 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:	
2020	$63,116
2021	27,100
2022	18,556
2023	56,041
Total	$164,813

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 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 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, 2017, rolled forward to the measurement date of December 31, 2018.

6. DEFINED BENEFIT OPEB PLAN (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:

Rolled-forward measurement date	December 31, 2018	December 31, 2017
Experience Study	5 year period ended December 31, 2015	5 year period ended December 31, 2015
Actuarial Cost Method	Individual Entry age	Individual entry age
Actuarial Assumptions current measurement period	3.96%	3.85%
Investment Rate of Return	6.00%	6.50%
Single Discount Rate prior measurement period	3.85%	4.23%
Municipal Bond Rate	3.71%	3.31%
Wage Inflation	3.25%	3.25%
Projected Salary Increase	10.0% initial, 3.25% ultimate in 2029	7.5% initial, 3.25% ultimate in 2028
Health Care Trend Rate	3.25% - 10.75% (includes wage inflation)	3.25% - 10.75% (includes wage inflation)

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 allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The tables below display the Board-approved asset allocation policy for 2018 and 2017 and the long-term expected real rates of return.

6. DEFINED BENEFIT OPEB PLAN (Continued)

2018

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.88 %
Domestic Equities	21.00	6.37
Real Estate Investment Trusts	6.00	5.91
International Equities	22.00	7.88
Other investments	17.00	5.39
Total	100.00 %	4.98 %

2017

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.88 %
Domestic Equities	21.00	6.37
Real Estate	6.00	5.91
International Equities	22.00	7.88
Other investments	17.00	5.39
Total	100.00 %	4.98 %

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 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is (5.6%) for 2018

6. DEFINED BENEFIT OPEB PLAN (Continued)

A single discount rate of 3.96% as used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. 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 3.71%. 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 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

The following table presents the OPEB liability calculated using the single discount rate of 3.96%, and the expected net OPEB liability if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate.

		1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
2019	Airport's proportionate share of the net OPEB liability	$3,104,482	$2,426,565	$1,887,443

		1% Decrease (2.85%)	Current Discount Rate (3.85%)	1% Increase (4.85%)
2018	Airport's proportionate share of the net OPEB liability	$2,654,568	$1,998,104	$1,467,032

Sensitivity of the Airport's Proportionate Share of the Net OPEB Liability to Changes in Health Care Cost Trent Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.00%. 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 3.25% in the most recent valuation.

6. DEFINED BENEFIT OPEB PLAN (Continued)

		1% Decrease 9.00 % decreasing to 2.25 %	Current Discount 10.00% decreasing to 3.25%	1% Increase 11.0% decreasing to 4.25%
2019	Aiport's proportionate share of the net OPEB liability	$2,332,456	$2,426,565	$2,534,954

		1% Decrease 6.50 % decreasing to 2.25 %	Current Discount 7.50% decreasing to 3.25%	1% Increase 8.5% decreasing to 4.25%
2018	Aiport's proportionate share of the net OPEB liability	$1,911,760	$1,998,104	$2,087,296

7. DEFERRED EMPLOYEE BENEFITS

Deferred employee benefits consist exclusively of accrued sick leave. Full-time employees accumulate ten hours of sick leave for each completed month in active pay status. Part-time employees accrue sick leave on a proportionate basis. Upon retirement, employees are paid for accrued sick leave, up to a maximum of 960 hours. Employees qualify for this payment upon retirement by having at least five years of service with the Airport and being eligible to receive OPERS retirement benefits.

8. LONG-TERM LIABILITIES

The changes in the Airport's long-term obligations during 2019 were as follows:

Name	Principal Outstanding 12/31/2018	Additions	Deductions	Principal Outstanding 12/31/2019	Due in One Year
S&T Bank Series A 2018	13,948,852	-	321,793	13,627,059	336,006
S&T Bank Series B 2018	6,184,000	-	-	6,184,000	103,494
SIB Series A 2018	15,680,000	-	-	15,680,000	-
Premium on SIB Series A 2018	1,118,571	-	45,656	1,072,915	-
Net OPEB Liability	1,998,104	428,461	-	2,426,565	-
Net Pension Liability	3,043,955	2,347,641	-	5,391,596	-
Totals	$ 41,973,482	$ 2,776,102	$ 367,449	$ 44,382,135	$ 439,500

8. LONG-TERM LIABILITIES (Continued)

The changes in the Airport's long-term obligations during 2018 were as follows:

Name	Principal Outstanding 12/31/2017	Additions	Deductions	Principal Outstanding 12/31/2018	Due in One Year
Airport Bonds	$ 13,657,912	$ -	$ 13,657,912	$ -	$ -
S&T Bank Series A 2018	-	14,027,150	78,298	13,948,852	321,793
S&T Bank Series B 2018	-	6,184,000	-	6,184,000	-
SIB Series A 2018	-	15,680,000	-	15,680,000	-
Premium on SIB Series A 2018	-	1,141,399	22,828	1,118,571	
Net OPEB Liability		1,998,104	-	1,998,104	-
Net Pension Liability	4,625,681	-	1,581,726	3,043,955	-
Totals	**$ 18,283,593**	**$ 39,030,653**	**$ 15,340,764**	**$ 41,973,482**	**$ 321,793**

Airport Bonds - During 2010, the Airport along with Huntington Bank reissued the 2007 Airport Revenue Bonds. The Bonds bear interest at a variable rate and mature on January 1, 2031. In 2018 the Airport refinanced these bonds with S & T Bank as part of larger financing deal. These bonds are now S & T Bank Series A 2018. The total amount of Airport Bonds refunded was $13,155,251.

S & T Bank Series A – These bonds were issued in 2018 to refinance the existing Revenue Bonds held by Huntington Bank. The amount of the new bonds issued was $14,027,150. This included the $13,155,251 in Airport Bonds that were refunded. The remainder of the issuance went towards fees associated with the transaction and breakage of an interest rate swap agreement associated with the Airport Bonds. Payments on these bonds are due monthly. Principal payments are due as follows. Interest payments are per current schedule.

Year Ending December 31,	Principal Payment	Interest Payment
2020	$ 336,006	$ 583,435
2021	350,848	568,594
2022	366,344	553,097
2023	382,526	536,916
2024	399,422	520,020
2025-2029	2,277,855	2,319,353
2030-2034	2,827,364	1,769,845
2035-2039	3,509,435	1,087,773
2040-2043	3,177,259	270,922
Total	**$ 13,627,059**	**$ 8,209,955**

S &T Bank Series B 2018 – These bonds were issued in 2018 on behalf of the Airport to help fund the passenger gate replacement project that commenced in late 2018. The total amount of bonds issued was $6,184,000. Payments on these bonds will be due monthly starting in April 2020. The Airport will make monthly interest payments based on the amount of funds drawdown at the end of each month.

8. LONG-TERM LIABILITIES (Continued)

Year Ending December 31,	Principal Payment	Interest Payment
2020	$ 103,494	$ 271,274
2021	143,416	265,275
2022	149,870	258,821
2023	156,615	252,076
2024	163,663	245,028
2025-2029	935,647	1,107,805
2030-2034	1,166,000	877,452
2035-2039	1,453,065	590,387
2040-2044	1,810,804	232,648
2045	101,426	746
Total	**$ 6,184,000**	**$ 4,101,512**

State of Ohio Infrastructure Bank Series A 2018 - These bonds were issued in 2018 on behalf of the Airport to help fund the passenger gate replacement project that commenced in late 2018. Payments on these bonds will be due semi - annually starting in May 2021. The Airport will make interest only payments on a semi – annual basis until May 2021 per schedule. The $16,821,399 balance associated with these bonds is comprised of two parts. The principal amount of these Revenue Bonds is $15,680,000. The remaining $1,141,399 is for the Bond Premium Payable associated with this borrowing. The Bond Premium Payable will be amortized over the life of the borrowing.

Year Ending December 31,	Principal Payment	Interest Payment
2020	$ -	$ 701,925
2021	415,000	696,600
2022	435,000	675,600
2023	455,000	653,600
2024	485,000	630,475
2025-2029	2,790,000	2,764,044
2030-2034	3,415,000	2,140,869
2035-2039	4,160,000	1,395,425
2040-2043	3,525,000	361,250
Total	**$ 15,680,000**	**$ 10,019,788**

8. LONG-TERM LIABILITIES (Continued)

Year Ending December 31,	Reduction of Bond Premium Payable	
2020	$	45,656
2021		45,656
2022		45,656
2023		45,656
2024		45,656
2025-2029		228,280
2030-2034		228,280
2035-2039		228,280
2040-2043		159,795
Total	**$**	**1,072,915**

9. NONCANCELLABLE LEASES

The Airport leases space, hangars, counters, gates, etc. to various entities under noncancellable operating lease agreements. All leases are for the ground or space occupied by the lease. All leases are triple-net leases. Future minimum rentals as of December 31, 2019 under such agreements are as follows:

Year Ending December 31,	Amount	
2020	$	6,199,494
2021		4,890,324
2022		4,748,247
2023		4,554,139
2024		4,495,096
Thereafter		25,117,816
Total Payments	$	50,005,116

10. AIRPORT IMPROVEMENT PROJECTS-IN-PROGRESS

Airport Improvement Projects-in-Progress consists of expenses for capitalized improvements or additions to the Airport's facilities. The cost of completed projects is transferred to property and equipment accounts and depreciated over the estimated useful lives of the projects as of the date of completion. Airport Improvement Projects-in-Progress consist of the following at December 31, 2019:

	Source of Funding		
Description of Project	Federal Grants	State/Local	Total Cost of Projects-In-Progress
AIP #6216	$ 1,959,095	$ 1,246,103	$ 3,205,198
AIP #6418	4,800,227	533,358	5,333,585
AIP #6518	316,173	35,130	351,303
Gate Mod. Project	-	12,230,764	12,230,764
Various Projects	-	335,852	335,852
Total	$ 7,075,495	$ 14,381,207	$ 21,456,702

Airport Improvement Projects-in-Progress consist of the following at December 31, 2018:

	Source of Funding		
Description of Project	Federal Grants	State/Local	Total Cost of Projects-In-Progress
AIP #6216	$ 1,959,095	$ 1,246,103	$ 3,205,198
AIP #6317	399,426	44,624	444,050
AIP #6418	352,988	39,221	392,209
AIP #6518	2,169	241	2,410
Various Projects	-	1,233,245	1,233,245
Total	$ 2,713,678	$ 2,563,434	$ 5,277,112

11. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019:

	12/31/2018 Balance	Additions	Deletions	12/31/2019 Balance
Capital assets non-depreciable:				
Airport Improvement Projects in Progress	$ 5,277,112	$ 16,631,292	$ (451,702)	$ 21,456,702
Land	12,542,983	-	-	12,542,983
Land Improvements	40,278,733	-	-	40,278,733
Total non-depreciable capital assets	58,098,828	16,631,292	(451,702)	74,278,418
Capital assets being depreciated:				
Buildings	95,308,327	789,055	-	96,097,382
Paving	116,010,251	6,880	-	116,017,131
Vehicles and Equipment	23,600,350	946,878	(18,000)	24,529,228
Utility Systems	658,361	18,933	-	677,294
Total capital assets being depreciated	235,577,289	1,761,746	(18,000)	237,321,035
Less accumulated depreciation				
Buildings	(54,139,003)	(4,772,524)	-	(58,911,527)
Paving	(55,780,969)	(5,006,820)	-	(60,787,789)
Vehicles and Equipment	(19,313,723)	(761,880)	18,000	(20,057,603)
Utility Systems	(619,940)	(23,077)	-	(643,017)
Total accumulated depreciation	(129,853,635)	(10,564,301)	18,000	(140,399,936)
Capital assets, net of depreciation	$ 163,822,482	$ 7,828,737	$ (451,702)	$ 171,199,517

The Airport capitalized $399,448 in interest expense associated with Phase I of the Terminal Gate Rehabilitation which is included in the Buildings Additions in the above table. There was no interest earned on the capitalized amount.

11. CAPITAL ASSETS (Continued)

Capital asset activity for the year ended December 31, 2018:

	12/31/2017 Balance	Additions	Deletions	12/31/2018 Balance
Capital assets non-depreciable:				
Airport Improvement Projects in Progress	$ 18,523,057	$ 2,933,870	$ (16,179,815)	$ 5,277,112
Land	12,542,983	-	-	12,542,983
Land Improvements	40,278,733	-	-	40,278,733
Total non-depreciable capital assets	71,344,773	2,933,870	(16,179,815)	58,098,828
Capital assets being depreciated:				
Buildings	89,988,237	5,320,090	-	95,308,327
Paving	103,899,261	12,110,990	-	116,010,251
Vehicles and Equipment	23,514,978	110,875	(25,503)	23,600,350
Utility Systems	658,361	-	-	658,361
Total capital assets being depreciated	218,060,837	17,541,955	(25,503)	235,577,289
Less accumulated depreciation				
Buildings	(49,603,144)	(4,535,859)	-	(54,139,003)
Paving	(50,897,779)	(4,883,190)	-	(55,780,969)
Vehicles and Equipment	(18,590,574)	(748,652)	25,503	(19,313,723)
Utility Systems	(596,292)	(23,648)	-	(619,940)
Total accumulated depreciation	(119,687,789)	(10,191,349)	25,503	(129,853,635)
Capital assets, net of depreciation	$ 169,717,821	$ 10,284,476	$ (16,179,815)	$ 163,822,482

The Airport capitalized $928,797 in interest expense associated with Phase I of the Terminal Gate Rehabilitation which is included in the Buildings Additions in the above table. There was no interest earned on the capitalized amount.

12. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, particularly the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed, by the grantor cannot be determined at this time although the Airport expects such amounts, if any, to be immaterial.

Management believes there are no pending claims or lawsuits that would have a material, if any, effect on the financial condition of the Airport.

13. SUBSEQUENT EVENTS

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Akron -Canton Regional Airport Authority. In addition, the impact on the Akron - Canton Regional Airport Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

14. CORRECTION OF COMPARATIVE STATEMENTS

A misstatement of 2018 Net Position Net Investments in Capital Assets and the Net Position Unrestricted caused 2019 comparative statements to be restated due to incorrect inclusion of unspent proceeds of the Restricted Revenue Bond Project Funds within the amount of debt related to capital assets as noted below:

Net Position	Reported	Restated
Net Investments in Capital Assets	$104,265,723	$149,515,395
Unrestricted Net Position	(4,961,873)	(27,586,209)

15. RESTATEMENT FOR CHANGES IN ACCOUNTING PRINCIPLES

Effective January 1, 2018, the Airport adopted Governmental Accounting Standards Board (GASS) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The Statement addresses accounting and financial reporting for other post-employment benefits (OPES) provided to employees who participate in the State OPES plan. The Statement also requires various note disclosures and required supplementary information. As a result, beginning net position has been restated as follows:

Net Position as previously reported at December 31, 2017	$166,749,148
Prior period adjustment	
Beginning new OPES Liability	(1,955,731)
Deferred outflows of resources - 2017 OPES contributions	26,759
Total prior period adjustment	(1,928,972)
Net position as restated, January 1, 2018	$164,820,176

The Net Position in 2018 was adjusted ($1,928,972) for the cumulative effect of a change in accounting principle pertaining to the net pension liability in 2017. The information was not available at the end of 2017 and therefore not practical to restate 2017 and earlier.

16. SERVICE CONCESSION ARRANGEMENT

The Airport has a concession agreement with SP Plus Corporation to manage the day to day operations of the Airport's short term and long-term parking lots. The current agreement went into effect April 2012 and runs through March 2027. The Airport owns the parking lots, the parking structures and equipment. SP Plus Corporation remits a tiered percentage of gross proceeds to the Airport on a monthly basis. The remaining percentage of gross proceeds goes to SP Plus Corporation to fund their operation. The current agreement has a minimum annual guarantee (MAG) of $3.6 million.

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES
Required Supplementary Information on GASB 68 Pension Liabilities
For the Year Ended December 31, 2019

Schedule of the Airport's Proportionate Share of OPERS Net Pension Liability:

	2019*	2018*	2017*	2016*	2015*	2014*
Airport's proportion of the net pension liability (asset) (percentage) - Traditional Plan	0.019686%	0.019403%	0.020370%	0.021326%	0.021587%	0.021587%
Airport's proportionate share of the net pension liability (asset) - Traditional Plan	$ 5,391,596	$ 3,043,955	$ 4,625,681	$ 3,693,932	$ 2,603,633	$ 2,544,826
Airport's covered payroll	$ 2,795,754	$ 2,607,208	$ 2,675,890	$ 2,669,464	$ 2,660,511	$ 2,774,597
Airport's pension liability (asset) as a percentage of its covered payroll	192.85%	116.75%	172.87%	138.38%	97.86%	91.72%
Plan fiduciary net position as a percentage of the total pension liability (Traditional Plan)	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Information prior to 2014 is not available

Schedule of the Airport's Contributions to OPERS Pension:

	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 374,331	$ 391,406	$ 338,937	$ 321,107	$ 318,659	$ 317,590
Contributions in relation to contractually required contribution	(374,331)	(391,406)	(338,937)	(321,107)	(318,659)	(317,590)
Contribution deficit (surplus)	$ -	$ -	$ -	$ -	$ -	$ -
Airport's covered payroll	$ 2,673,790	$ 2,795,754	$ 2,607,208	$ 2,675,890	$ 2,669,464	$ 2,660,511
Contributions as a percentage of covered payroll	14.00%	14.00%	13.00%	12.00%	11.94%	11.94%

Information prior to 2014 is not available.

* Amounts presented for each year were determined as of the Airport's measurement date, which is the prior year end.
See accompanying nores to the required supplementary information.

AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES
Required Supplementary Information on GASB 75 OPEB Liabilities
For the Year Ended December 31, 2019

Schedule of the Airport's Proportionate Share of OPERS Net OPEB Liability:

	2019*	2018*	2017*
Airport's proportion of the net OPEB liability (asset) (percentage)	0.018612%	0.018400%	0.019363%
Airport's proportionate share of the net OPEB liability (asset)	$ 2,426,565	$ 1,998,104	$ 1,955,731
Airport's covered payroll	$ 2,795,754	$ 2,607,208	$ 2,675,890
Airport's pension liability (asset) as a percentage of its covered payroll	86.79%	76.64%	73.09%
Plan fiduciary net position as a percentage of the total OPEB liability	46.33%	54.14%	54.05%

Information prior to 2017 is not available.

Schedule of the Airport's Contributions to OPERS OPEB:

	2019	2018	2017
Contractually required contribution	$ 1,758	$ -	$ 26,759
Contributions in relation to contractually required contribution	(1,758)	-	(26,759)
Contribution deficit (surplus)	$ -	$ -	$ -
Airport's covered payroll	$ 2,717,741	$ 2,795,754	$ 2,607,208
Contributions as a percentage of covered payroll	0.06%	0.00%	1.03%

Information prior to 2017 is not available.

* Amounts presented for each year were determined as of the Airport's measurement date, which is the prior year end.
See accompanying nores to the required supplementary information.

Assumptions – OPERS Pension

Amounts reported beginning in 2018 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

	2018	2017	2016 and prior
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent simple	3 percent, simple through 2018, then 2.15 percent simple	3 percent, simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.2 percent	7.5 percent	8.0 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions – OPERS OPEB

For 2019, the single discount rate changed from 3.85 percent to 3.96 percent.
For 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

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AKRON-CANTON REGIONAL AIRPORT AUTHORITY
STARK AND SUMMIT COUNTIES
Schedule of Receipts and Expenditures of Federal Award
FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Expenditures
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Funding:				
Airport Improvement Program:				
Airport Improvement Project No. 63	3-39-000-6317	20.106	$ 38,492	$ -
Airport Improvement Project No. 64	3-39-000-6418	20.106	4,807,424	5,287,888
Airport Improvement Project No. 65	3-39-000-6518	20.106	316,172	348,893
Total -- U.S. Department of Transportation			5,162,088	5,636,781
Total Federal Financial Assistance			$ 5,162,088	$ 5,636,781

The accompanying notes to this schedule are an integral part of this schedule.

Akron - Canton Regional Airport Authority
Schedule of Expenditures of Passenger Facility Charges
for the Year ended December 31, 2019

Project Number	Project Name	Approved Project Budget	Cumulative Expenditures at 12/31/18	1st Qtr. 2019 Expenditures	2nd Qtr. 2019 Expenditures	3rd Qtr. 2019 Expenditures	4th Qtr. 2019 Expenditures	Total 2019 Expenditures	Cumulative Expenditures at 12/31/19
PFC6-01	Property Acquisition- Ketron	$128,169.00	$128,169.00	$0.00	$0.00	$0.00	$0.00	$0.00	$128,169.00
PFC6-02	Property Acquisition- Goodyear	$246,802.00	$246,802.00	$0.00	$0.00	$0.00	$0.00	$0.00	$246,802.00
PFC6-03	Property Acquisition- Fouts	$163,810.00	$163,810.00	$0.00	$0.00	$0.00	$0.00	$0.00	$163,810.00
PFC6-04	Property Acquisition- Frayer	$97,567.00	$97,567.00	$0.00	$0.00	$0.00	$0.00	$0.00	$97,567.00
PFC6-05	Property Acquisition- Salmons	$120,831.00	$120,831.00	$0.00	$0.00	$0.00	$0.00	$0.00	$120,831.00
PFC6-06	Property Acquisition- Maynley	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
PFC6-07	Security Enhancements (AIP 32)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
PFC6-08	Glycol Recovery Study	$134,689.00	$134,689.00	$0.00	$0.00	$0.00	$0.00	$0.00	$134,689.00
PFC6-09	Glycol Recovery Design	$1,457,092.00	$1,457,092.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,457,092.00
PFC6-10	SRE - High Speed Rotary Broom	$335,681.00	$335,681.00	$0.00	$0.00	$0.00	$0.00	$0.00	$335,681.00
PFC6-11	SRE - High Speed Rotary Broom	$395,000.00	$395,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$395,000.00
PFC6-12	SRE - Runway De-Icing Truck	$201,172.00	$201,172.00	$0.00	$0.00	$0.00	$0.00	$0.00	$201,172.00
PFC6-13	Aircraft Apron Rehabilitation	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
PFC6-14	Terminal Rehabilitation	$24,419,714.00	$19,521,611.68	$0.00	$151,707.87	$151,707.88	$0.00	$303,415.75	$19,825,027.43
PFC6-15	RNWY 14/32 Closure Converstion to Taxiway K	$36,558.00	$36,558.00	$0.00	$0.00	$0.00	$0.00	$0.00	$36,558.00
PFC7-01	De-Icing North Pad Construction	$92,431.00	$92,431.00	$0.00	$0.00	$0.00	$0.00	$0.00	$92,431.00
PFC7-02	De-Icing South Pad Construction	$262,807.00	$262,807.00	$0.00	$0.00	$0.00	$0.00	$0.00	$262,807.00
PFC7-03	De-Icing Treatment Plant	$897,792.00	$897,792.00	$0.00	$0.00	$0.00	$0.00	$0.00	$897,792.00
PFC7-04	Domestic Water Service	$568,116.00	$568,116.00	$0.00	$0.00	$0.00	$0.00	$0.00	$568,116.00
PFC7-05	CTX Design and Installation	$1,578,857.00	$329,354.09	$151,707.87	$0.00	$0.00	$151,707.87	$303,415.74	$632,769.83
PFC7-06	Landside Planning Effort Study	$94,856.00	$94,856.00	$0.00	$0.00	$0.00	$0.00	$0.00	$94,856.00
PFC7-07	Runway 5 and 23 Environmental Assessment Study	$41,474.00	$41,474.00	$0.00	$0.00	$0.00	$0.00	$0.00	$41,474.00
PFC7-08	Runway 5 and 23 Runway Safety Area Fix	$3,000,000.00	$2,780,938.00	$0.00	$0.00	$0.00	$0.00	$0.00	$2,780,938.00
PFC7-09	Wildlife Habitat Removal	$133,264.00	$133,264.00	$0.00	$0.00	$0.00	$0.00	$0.00	$133,264.00
PFC7-10	ARFF, Snow Removal Equipment Storage Facility Design	$30,391.00	$30,391.00	$0.00	$0.00	$0.00	$0.00	$0.00	$30,391.00
PFC7-11	ARFF, Snow Removal Equipment Storage Facility Constr.	$395,000.00	$395,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$395,000.00
PFC7-12	Aircraft Rescue and Firefighting Vehicle A	$34,659.00	$34,659.00	$0.00	$0.00	$0.00	$0.00	$0.00	$34,659.00
PFC7-13	Aircraft Rescue and Firefighting Vehicle B	$34,659.00	$34,659.00	$0.00	$0.00	$0.00	$0.00	$0.00	$34,659.00
PFC7-14	Federal Inspection Facility Study	$57,308.00	$57,308.00	$0.00	$0.00	$0.00	$0.00	$0.00	$57,308.00
PFC8-01	Security Checkpoint Expansion	$82,456.00	$82,456.00	$0.00	$0.00	$0.00	$0.00	$0.00	$82,456.00
PFC8-02	SRE: HS Runway Brooms, Front End Loader, Tractor	$517,890.00	$67,890.00	$0.00	$0.00	$0.00	$0.00	$0.00	$67,890.00
PFC8-03	Taxiway D, E, K Reconstruction	$404,412.00	$404,412.00	$0.00	$0.00	$0.00	$0.00	$0.00	$404,412.00
PFC8-04	West General Aviation Ramp Reconstruction	$46,996.00	$46,996.00	$0.00	$0.00	$0.00	$0.00	$0.00	$46,996.00
PFC8-05	Airport Master Plan Study	$113,527.00	$110,799.00	$0.00	$0.00	$0.00	$0.00	$0.00	$110,799.00
PFC8-06	Part 150 Noise Study	$77,076.00	$77,076.00	$0.00	$0.00	$0.00	$0.00	$0.00	$77,076.00
PFC8-07	General Aviation Customs & Border Patrol Facility	$490,161.00	$490,161.00	$0.00	$0.00	$0.00	$0.00	$0.00	$490,161.00
PFC8-08	South De-Icing Pad Expansion	$540,607.00	$540,607.00	$0.00	$0.00	$0.00	$0.00	$0.00	$540,607.00
PFC8-09	Airport Entrance Road Reconfiguration	$522,228.00	$522,228.00	$0.00	$0.00	$0.00	$0.00	$0.00	$522,228.00
PFC8-10	Ticket Wing Reconstruction	$627,398.00	$627,398.00	$0.00	$0.00	$0.00	$0.00	$0.00	$627,398.00
PFC8-11	Sand/Chemical Storage Building	$108,835.00	$104,460.00	$0.00	$0.00	$0.00	$0.00	$0.00	$104,460.00
PFC8-12	Enclosed Baggage Make Up Area	$1,500,000.00	$1,413,529.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,413,529.00
PFC8-13	Taxiway B Rehabilitation	$196,575.00	$132,953.00	$0.00	$0.00	$0.00	$0.00	$0.00	$132,953.00
PFC8-14	Preparation of PFC Application	$43,681.00	$43,681.00	$0.00	$0.00	$0.00	$0.00	$0.00	$43,681.00
PFC9-01	Terminal Modification - Gate Replacement	$24,145,535.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
PFC9-02	Terminal Apron - Design and Construct	$928,544.00	$0.00	$69,714.83	$0.00	$0.00	$396,843.17	$466,558.00	$466,558.00
PFC9-03	Preparation of PFC Application	$75,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Grand Totals	$65,379,620.00	$33,256,677.77	$221,422.70	$151,707.87	$151,707.88	$548,551.04	$1,073,389.49	$34,330,067.26

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Receipts and Expenditures of Federal Awards and the Schedule of Expenditures of the Passenger Facility Charges include the federal award activity of the Akron – Canton Regional Airport Authority (the Airport) under programs of the federal government for the year ended December 31, 2019. The information on the Schedule of Receipts and Expenditures of Federal Awards is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles,* and *Audit Requirements for Federal Awards* (Uniform Guidance). The information on the Schedule of Expenditures of Passenger Facility Charges is prepared in accordance with the requirements of the *Audit Requirements for Federal Awards,* and the *Passenger Facility Charge Audit Guide for Public Agencies* (the "Guide"). Because the Schedules present only a selected portion of the operations of the Airport, they are not intended to and do not present the financial position, changes in net position, or cash flows of the Airport.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedule of Receipts and Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Schedule of Expenditures of Passenger Facility Charges has been prepared on the cash basis of accounting. Consequently, certain revenues are recognized when received rather than when earned and certain expenditures are recognized when paid rather than when the obligation is incurred.

NOTE C – INDIRECT COST RATE

The Airport has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D – MATCHING REQUIREMENTS

Certain federal programs require that the Airport contribute non-federal funds (matching funds) to support the federally-funded programs. The Airport has met its matching requirements. The expenditures of non-federal funds are not included on these schedules.

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KEITH FABER

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Akron-Canton Regional Airport Authority
Stark and Summit Counties
5400 Lauby Road Box 23
North Canton, Ohio 44720

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Akron-Canton Regional Airport Authority, Stark and Summit Counties, (the Airport) as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements and have issued our report thereon dated September 23, 2020, wherein we noted the Airport referred to the correction of the comparative statements for the 2018 Net Position Net Investments in Capital Assets and the Net Position Unrestricted and wherein the Airport referred to the financial impact of COVID-19 and the ensuing emergency measures that will impact subsequent periods.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Airport's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Airport's internal control. Accordingly, we have not opined on it.

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

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

Compliance and Other Matters

As part of reasonably assuring whether the Airport's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Airport's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Airport's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Keith Faber
Auditor of State

Columbus, Ohio

September 23, 2020

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND THE PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Akron-Canton Regional Airport Authority
Stark and Summit Counties
5400 Lauby Road Box 23
North Canton, Ohio 44720

To the Board of Trustees:

Report on Compliance for the Major Federal Program and the Passenger Facility Charge Program

We have audited the Akron-Canton Regional Airport Authority's (the Airport) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Airport's major federal program and the *Passenger Facility Charge Audit Guide for Public Agencies (the Guide),* issued by the Federal Aviation Administration, for the Passenger Facility Charge Program, for the year ended December 31, 2019. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Airport's major federal program.

Management's Responsibility

The Airport's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program and Passenger Facility Charge program.

Auditor's Responsibility

Our responsibility is to opine on the Airport's compliance for the Airport's major federal program and the Passenger Facility Charge Program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance and *the Guide* require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program or the Passenger Facility Charge program occurred. An audit includes examining, on a test basis, evidence about the Airport's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the Airport's major program and the Passenger Facility Charge program. However, our audit does not provide a legal determination of the Airport's compliance.

Opinion on the Major Federal Program

In our opinion, the Akron-Canton Regional Airport Authority complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program and the Passenger Facility Charge program for the year ended December 31, 2019.

Report on Internal Control Over Compliance

The Airport's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Airport's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program or the Passenger Facility Charge Program, to determine our auditing procedures appropriate for opining on each major federal program's and the Passenger Facility Charge Program compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Airport's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance and the Guide requirements. Accordingly, this report is not suitable for any other purpose.

Keith Faber
Auditor of State

Columbus, Ohio

September 23, 2020

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2019 and 2018

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Airport Improvement Program (CFDA #20.106)
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	No

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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AKRON-CANTON
AIRPORT

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
December 31, 2019

Finding Number	Finding Summary	Status	Additional Information
2018-001	The Airport's financial statements, the accompanying footnotes, required supplemental information and the management's discussion and analysis contained a variety of exceptions and errors which resulted in adjustments to reflect the proper reporting.	Partially Corrected	Refer to Management Letter Recommendation – Financial Reporting.
2018-002	While the Airport attempted to reconcile the cash balances to the accounting system records as of December 31, 2018 multiple times, the final reconciliation included various deficiencies.	Partially Corrected	Refer to Management Letter Recommendation – Cash Reconciliation Process Errors.

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OHIO AUDITOR OF STATE
KEITH FABER

AKRON CANTON REGIONAL AIRPORT AUTHORITY

SUMMIT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.

Certified for Release 10/20/2020

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

Port of Greater Cincinnati Development Authority

Financial Report
with Supplemental Information
December 31, 2020

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Board of Directors
Port of Greater Cincinnati Development Authority
3 East Fourth Street, Suite 300
Cincinnati, Ohio 45202

We have reviewed the *Independent Auditor's Report* of the Port of Greater Cincinnati Development Authority, Hamilton County, prepared by Plante & Moran, PLLC, for the audit period January 1, 2020 through December 31, 2020. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Port of Greater Cincinnati Development Authority is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

July 30, 2021

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Contents

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plante moran

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Independent Auditor's Report

To the Board of Directors
Port of Greater Cincinnati Development Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the Port of Greater Cincinnati Development Authority (The Port) as of and for the years ended December 31, 2020 and 2019 and the related notes to the financial statements, which collectively comprise The Port'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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 audits 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 auditor's 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 opinion.

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Port of Greater Cincinnati Development Authority as of December 31, 2020 and 2019 and the changes in its financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
Port of Greater Cincinnati Development Authority

Other Matter

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplemental information, 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, which 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 supplemental 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021 on our consideration of the Port of Greater Cincinnati Development Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 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 Port of Greater Cincinnati Development Authority's internal control over financial reporting and compliance.

Plante & Moran, PLLC

June 29, 2021

Management's Discussion and Analysis

Our discussion and analysis of Port of Greater Cincinnati Development Authority's (dba "The Port") financial performance provides an overview of the financial activities for the fiscal years ended December 31, 2020, 2019, and 2018. Please read it in conjunction with The Port's financial statements.

Financial Highlights

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended December 31, 2020:

- Operating revenue of $9.2 million in 2020 was $0.4 million or 5% higher than the prior year, as The Port continues to increase operating revenues through its growth in charges for services.

- Operating expense of $10.4 million in 2020 was $0.7 million or 6% lower than the prior year primarily due to a decrease in salary and benefits resulting from pension and postemployment benefit (OPEB) adjustments.

- Capital assets increased $73.9 million or 64% in 2020 due to the $39.3 million acquisition and pre-demolition of the Convention Center Hotel, $23.2 million acquisition and garage construction at Uptown Gateway Development Phase IA, $9.8 million garage construction at Gallery at Kenwood, $4.5 million garage construction at RBM Development Phase 2B, and $0.6 million parking and leasehold improvements, offset by $3.6 million of depreciation.

- Long-term liabilities increased $100.2 million or 54% in 2020 primarily as a result of issuing revenue bonds of $52.9 million for the Convention Center Hotel Acquisition & Demolition Project, $48.4 million for Uptown Development Phase IA, and $1.0 million for the additional bond issued under the Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund.

- The Port's net position decreased to $3.6 million by the end of 2020, a decrease of $9.6 million or 73 percent from the previous year. The decrease is mainly derived from a $5.0 million asset impairment to assets held for resale and a $4.5 million loss from the net of trust restricted bond revenue, bond administrative expense and interest expense. However, unrestricted net position, the part of net position that can be used to finance day-to-day operations, improved $1.6 million in 2020.

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of revenues, expenses, and changes in net position provide information about the activities of The Port as a whole and present a longer-term view of its finances. These are followed by the statement of cash flows, which presents detailed information about the changes in The Port's cash position during the year.

Condensed Financial Information

The following table shows, in a condensed format, the current year's net position and changes in net position, compared to the prior two years:

	Business-type Activities				
	2018	2019	2020	Change	Percent Change
Assets					
Other assets	$ 70,006,057	$ 88,418,515	$ 102,283,796	$ 13,865,281	16%
Capital assets being depreciated - Net	48,414,870	66,340,390	62,855,136	(3,485,254)	-5%
Capital assets not being depreciated	25,910,164	49,164,146	126,517,934	77,353,788	157%
Total assets	144,331,091	203,923,051	291,656,866	87,733,815	43%
Deferred Outflows of Resources	1,258,784	1,854,924	1,068,402	(786,522)	-42%
Total assets and deferred outflows	145,589,875	205,777,975	292,725,268	86,947,293	42%
Liabilities					
Current liabilities	1,344,028	6,208,696	1,569,783	(4,638,913)	-75%
Long-term liabilities:					
Due within one year	4,411,824	5,639,047	18,253,430	12,614,383	224%
Due in more than one year	123,337,223	180,678,686	268,241,398	87,562,712	48%
Total liabilities	129,093,075	192,526,429	288,064,611	95,538,182	50%
Deferred Inflows of Resources	761,875	57,587	1,105,410	1,047,823	1820%
Net Position					
Net investment in capital assets	5,568,793	3,442,943	(2,128,520)	(5,571,463)	-162%
Restricted	9,685,628	9,035,970	3,337,203	(5,698,767)	-63%
Unrestricted	480,504	715,046	2,346,564	1,631,518	228%
Total net position	**$ 15,734,925**	**$ 13,193,959**	**$ 3,555,247**	**$ (9,638,712)**	-73%

Note: 2018 net position includes a $1,692,405 beginning of year reduction for a change in accounting principle.

	Business-type Activities				
	2018	2019	2020	Change	Percent Change
Operating Revenue					
Public funding	$ 1,400,000	$ 700,000	$ 660,000	$ (40,000)	-6%
Charges for services	6,673,464	8,129,555	8,574,073	444,518	5%
Total operating revenue	8,073,464	8,829,555	9,234,073	404,518	5%
Operating Expenses					
Salaries and benefits	4,123,709	4,873,330	4,241,367	(631,963)	-13%
Professional services	817,803	1,436,483	1,604,476	167,993	12%
Occupancy	163,998	153,927	163,817	9,890	6%
Travel and business development	118,315	132,800	40,521	(92,279)	-69%
Equipment and supplies	45,856	37,680	54,492	16,812	45%
Other operating expenses	224,224	304,245	327,115	22,870	8%
Taxes and holding costs	387,160	808,739	331,594	(477,145)	-59%
Depreciation	2,563,102	3,333,143	3,598,818	265,675	8%
Total operating expenses	8,444,167	11,080,347	10,362,200	(718,147)	-6%
Operating Loss	(370,703)	(2,250,792)	(1,128,127)	1,122,665	-50%
Restricted bond revenues	4,289,551	4,881,053	6,522,368	1,641,315	34%
Interest expense	(3,970,017)	(5,158,932)	(7,583,772)	(2,424,840)	47%
Gain/(Loss) on sale of property	(37,000)	(807,472)	497,587	1,305,059	-162%
Impairment on asset	(1,593,070)	(108,609)	(5,031,669)	(4,923,060)	N/A
Investment income	457,473	859,315	489,436	(369,879)	-43%
Bond administrative expense	(2,061,598)	(2,993,345)	(3,485,016)	(491,671)	16%
Grants, net	-	50,719	(19,519)	(70,238)	-138%
Forgiveness income	-	-	50,000	50,000	N/A
Capital grants and contributions	7,954,860	2,987,097	50,000	(2,937,097)	-98%
(Decrease) Increase in Net Position	4,669,496	(2,540,966)	(9,638,712)	(7,097,746)	279%
Adjustment for change in accounting principle	(1,692,405)	-	-	-	N/A
Change in Net Position	**$ 2,977,091**	**$ (2,540,966)**	**$ (9,638,712)**	**$ (7,097,746)**	279%

The Port uses a broad range of tools to assist with economic development projects within the City of Cincinnati, Ohio and Hamilton County, Ohio, as described further in Note 1 to the financial statements.

The net position of all business-type activities decreased by $9.6 million, or 73 percent, in 2020. In comparison, net position in 2019 decreased by $2.5 million, or 16 percent. The decrease in 2020 is mainly derived from a $5.0 million asset impairment and a $4.5 million loss from the net of bond revenue, bond administrative expense and interest expense.

Unrestricted net position, the part of net position that can be used to finance day-to-day operations, increased $1.6 million, or 228 percent in 2020. In comparison, in 2019 unrestricted net position increased by $234,542, or 49 percent. The current level of unrestricted net position stands at $2.3 million, or about 35 percent of annual operating expenditures, excluding depreciation.

Restricted net position decreased by $5.7 million, or 63 percent, in 2020 primarily due to the $5.0 million asset impairment (see Note 12). In contrast, restricted net position decreased by $0.6 million, or 7 percent, in 2019. The prior year decrease resulted from a $2.0 million decrease in trust restricted equity due to the refinance of Fountain Square South Garage and Amberley Site bonds (see Note 6), while grant restricted equity increased $1.4 million from the Hudepohl redevelopment in Queensgate.

Net position from The Port's net investment in capital assets decreased $5.6 million, or 162 percent, in 2020 primarily due to nonoperating activity from The Port's capital assets added in 2020 and 2019, including Uptown Gateway Development Phase IA, the Convention Center Hotel, Gallery at Kenwood and the Convention Center Garages. In 2019,net investment in capital assets decreased $2.1 million or 38 percent, mainly due to the addition of the Convention Center Garages and Gallery at Kenwood, offset by depreciation of $3.3 million.

Operating Revenue

In 2020 and 2019, public funding in the form of operating grants was provided solely by Hamilton County in the amount of $660,000 and $700,000, respectively. In 2018, public funding was provided in equal amounts of $700,000 from the City of Cincinnati and Hamilton County to support The Port's economic development and inclusion activities. These grants are appropriated annually and have not increased since 2012.

Charges for services consist primarily of fees charged for: parking, utilization of The Port's finance tools, mortgage down payment assistance, management of other organizations, commercial real estate leases, and oversight of redevelopment projects. Service revenue increased $444,518 or 5 percent in 2020 compared to the prior year. The increase was led by a $1.1 million increase in finance fees, an $0.8 million increase in mortgage down payment assistance fees offset by a $1.3 million decrease in parking fees. In comparison, service revenue increased $1.5 million or 22 percent in 2019 compared to the prior year due to a $2.4 million increase in parking fees offset by a $0.7 million decrease in finance fees.

Operating Expenses

Operating expenses decreased $0.7 million or 6 percent in 2020 compared to the prior year, primarily due to a $0.5 million pension and postemployment benefit (OPEB) adjustment for GASB 68 & 75 reflected in salary and benefits. In 2019, operating expenses increased $2.6 million primarily due to a $1.4 million increase in garage operating expenses related to the addition of the Convention Center Garages, $0.6 million pension and postemployment benefit (OPEB) adjustments, and a $0.2 million increase in consulting.

For years 2020, 2019 and 2018, The Port had adequate operating revenue to cover its operating expenses before depreciation on capital assets.

Nonoperating Income (Expenses)

Nonoperating income consists of grant revenues received under reimbursement-type grants and subsequently passed through to third parties, service payments, special assessments, or other revenues assigned by and received from other public bodies to support The Port's revenue bonds, other nonoperating contributions to The Port's projects, and certain post-closing bond reserves established for future debt service.

Restricted bond revenues increased $1.6 million or 34 percent in 2020 due to a $1.1 million addition from the Convention Center Hotel and a $0.2 million increase in both RBM 2A and Kenwood Collection bond revenues. In comparison, restricted bond revenues increased $0.6 million or 14 percent in 2019 due to a $0.7 million increase in RBM 2A bond revenues.

Bond administrative expenses increased $0.5 million or 16 percent in 2020 due to an increase in issuance costs from new financings in 2020 (see Note 6). Similarly, in 2019 bond administrative expenses increased $0.9 million or 45% due to an increase in debt issuance costs.

In 2020, The Port recognized a $5.0 million cost-to-market adjustment to assets held for resale, including adjustments of: $2.8 million for Hudephol upon being listed by a commercial real estate broker after redevelopment was complete, and $2.0 million for MidPointe Crossing upon signing a purchase sale agreement below its broker listed price. This write-down represents the subsidy invested to make the properties marketable. In comparison, in 2019 The Port recognized a $0.1 million cost-to-market adjustment on an asset held for sale in the West End neighborhood of Cincinnati.

Capital grants and contributions decreased $2.9 million or 98 percent in 2020 primarily due to City of Cincinnati capital grants in 2019 including $2.2 million for the Hudepohl redevelopment in Queensgate and $0.7 million for the Bond Hill business district redevelopment. In comparison, capital grants and contributions decreased $5.0 million or 62 percent in 2019 primarily due to a $4.9 million private developer contribution in 2018 for the RBM Development Project Phase 2B in Madisonville. During 2018 through 2020, The Port received public funding of capital grants from the City of Cincinnati, Hamilton County, and JobsOhio.

Capital Asset and Debt Administration

At the end of 2020, The Port had $189.4 million invested in a broad range of capital assets, including public parking facilities, infrastructure, and utilities. During the year, The Port's major additions included $39.3 million acquisition and demolition of the Convention Center Hotel (former Millennium Hotel), $23.2 million acquisition and garage construction at Uptown Gateway Development Phase IA, $9.8 million garage construction at Gallery at Kenwood, $4.5 million garage construction at RBM Development Phase 2B, and $0.6 million parking and leasehold improvements. This activity was offset by additional depreciation on capital assets in the amount of $3.6 million.

In comparison, in 2019 The Port acquired the 1,570-space Convention Center Garages for $25.7 million, recognized $13.4 million of construction-in-progress on the RBM 2B Medpace parking garage in Madisonville, and acquired land at the Gallery at Kenwood development for $5.0 million. This activity was offset by additional depreciation on capital assets in the amount of $3.3 million.

In support of economic development and other authorized projects within the City of Cincinnati and Hamilton County, The Port considers and, with board approval, issues bonds. In 2020, The Port issued $385.1 million of bonds, compared to $328.3 million and $421.3 million of bonds issued in 2019 and 2018, respectively. The following table summarizes The Port's issuance of bonds and conduit financings in the years 2020, 2019 and 2018.

Issue Date	Project Name	Bond Amount
01/2020	Kenwood Gallery Lease ***	54,000,000
01/2020	Uptown Gateway Development Phase IA	48,445,000
02/2020	Convention Center Hotel	52,855,000
03/2020	Fourth & Race Residential Tower *	15,607,000
03/2020	Springrose Meadows *	2,450,000
04/2020	3CDC Parking 1400 Vine St Parking Facility *	3,750,000
05/2020	Kao Property Acquisition Project **	7,800,000
05/2020	Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund – Additional Bond	1,000,000
06/2020	Madison & Stewart Apartments ***	18,750,000
06/2020	College Hill Station ***	22,000,000
07/2020	St Xavier High School *	21,500,000
07/2020	3CDC Ziegler and Fountain Place Parking Facilities *	13,440,000
09/2020	Uptown Gateway Office Building I ***	31,145,100
09/2020	Uptown Gateway Office Building II ***	30,500,000
10/2020	FC Cincinnati Stadium Public Improvements *	8,000,000
11/2020	Willows at Springdale ***	42,000,000
12/2020	Madison & Whetsel Phase III ***	11,818,084
	Total 2020	$ 385,060,184

02/2019	Mariemont City School District Project *	42,980,000
02/2019	Summit Park – Blue Ash Airport Redevelopment *	8,340,000
02/2019	Fountain Square South Garage (refinance)	11,325,000
03/2019	Convention Center Garages	27,170,000
06/2019	3CDC Master Parking (refinance) *	13,260,000
06/2019	Cincinnati Neighborhood Commercial Real Estate Loan Fund (new tranche)	1,500,000
08/2019	The Artistry ***	54,605,000
09/2019	Findlay Center Project **	5,525,000
10/2019	1118 Sycamore Project ***	30,600,000
10/2019	Madison & Whetsel - Phase II ***	13,100,000
10/2019	Madison & Whetsel - Phase II **	4,500,000
12/2019	Fields Ertel Project *	7,500,000
12/2019	3CDC Master Parking (refinance) *	80,480,000
12/2019	Cincinnati Neighborhood Commercial Real Estate Loan Fund (new tranche)	1,000,000
12/2019	Gallery at Kenwood	26,405,000
	Total 2019	$ 328,290,000
06/2018	Fifth and Plum Project	$ 12,590,000
07/2018	RBM Development Phase 2B - TIF	22,805,000
08/2018	Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund	1,000,000
06/2018	Mercer Commons Garage (refinance) *	8,329,000
07/2018	Poste (formerly Firehouse Row) ***	13,680,795
07/2018	RBM Development Phase 2B - Lease ***	43,000,000
09/2018	Woodlawn Meadows Project **	1,855,000
09/2018	Madison and Whetsel **	2,795,000
09/2018	Madison and Whetsel ***	1,412,602
10/2018	Springdale Office Park **	6,605,000
10/2018	Fourth and Race Parking Garage *	29,240,000
12/2018	Provident Bank Building ***	28,000,000
12/2018	FC Cincinnati MLS Stadium *	250,000,000
	Total 2018	$ 421,312,397

* *Conduit revenue bond obligations*
** *Conduit revenue bond obligations - Southwest Ohio Regional Bond Fund*
*** *Conduit revenue drawdown bond obligations – maximum bonds authorized are shown*

Economic Factors and Next Year's Budgets and Rates

The Port will continue to rely on operating support provided from its public partners. The City of Cincinnati and Hamilton County are expected to make operating grants of $700,000 and $800,000, respectively, in 2021.

The Port actively manages a pipeline of potential structured financings that could result in the issuance of bonds or project leases, which generate recurring and non-recurring fees, some of which could be significant.

Revenues from The Port's mortgage down payment assistance program are correlated with the demand for mortgage loans, which can fluctuate due to economic factors such as mortgage interest rates and the supply of housing inventory.

The Port operates four public parking facilities in Cincinnati's central business district providing 2,230 total parking spaces. COVID-19 significantly impacted The Port's parking revenues as companies migrated employees to work-from-home. Additionally, convention center events and professional sports were cancelled or closed to the public. This trend is expected to continue through the first half of 2021 and gradually improve thereafter as more people are vaccinated and offices and special events reopen.

Capital funding from the City of Cincinnati for real estate development is subject to annual, discretionary appropriation by Cincinnati City Council. The City has appropriated $2 million to The Port for redevelopment of an industrial site, which is fully planned for capital expenditure in 2021 and will include developer fee revenue to The Port.

Contacting the Management

This financial report is intended to provide our stakeholders with a general overview of The Port's finances and to show accountability for the money received. If you have questions about this report or need additional information, we welcome you to contact Rick Hudson, Vice President of Accounting & Financial Management at 513-621-3000.

Proprietary Funds
Statement of Net Position

December 31, 2020 and 2019

	2020	2019
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	$ 7,038,173	$ 6,584,134
Receivables - Net of allowance	1,645,998	2,829,789
Prepaid expenses and other assets	580,449	2,833,527
Total current assets	9,264,620	12,247,450
Noncurrent assets:		
Restricted cash and investments	71,606,735	51,949,534
Notes receivable	2,530,486	2,985,625
Capital assets: (Note 4)		
Assets not subject to depreciation	126,517,934	49,164,146
Assets subject to depreciation	62,855,136	66,340,390
Assets held for resale (Note 12)	18,881,955	21,235,906
Total noncurrent assets	282,392,246	191,675,601
Total assets	291,656,866	203,923,051
Deferred Outflows of Resources		
Pension (Note 9)	587,011	1,523,956
OPEB (Note 9)	481,391	330,968
Total deferred outflows of resources	1,068,402	1,854,924
Liabilities		
Current liabilities:		
Accounts payable	1,118,980	2,623,850
Accrued liabilities and other	244,803	3,577,346
Unearned grant revenue	206,000	7,500
Total current liabilities	1,569,783	6,208,696
Noncurrent liabilities:		
Accrued interest payable from restricted assets	3,633,026	2,214,842
Accrued expenses payable from restricted assets	881,388	822,113
Net pension obligation (Note 9)	2,322,206	3,670,558
Net OPEB obligation (Note 9)	2,605,332	2,488,494
Current portion of long-term debt payable from restricted assets (Note 6)	13,739,016	2,602,092
Long-term payable from restricted assets (Note 6)	59,237,176	39,042,434
Long-term debt payable from future restricted bond revenue (Note 6)	204,076,684	135,477,200
Total noncurrent liabilities	286,494,828	186,317,733
Total liabilities	288,064,611	192,526,429
Deferred Inflows of Resources		
Pension (Note 9)	717,450	50,835
OPEB (Note 9)	387,960	6,752
Total deferred inflows of resources	1,105,410	57,587
Net Position		
Net investment in capital assets	(2,128,520)	3,442,943
Restricted:		
Grants	2,647,506	8,357,811
Trust assets	689,697	678,159
Unrestricted	2,346,564	715,046
Total net position	$ 3,555,247	$ 13,193,959

See notes to financial statements.

Proprietary Funds
Statement of Revenue, Expenses, and Changes in Net Position

Years Ended December 31, 2020 and 2019

	2020	2019
Operating Revenue		
Public funding (Note 7)	$ 660,000	$ 700,000
Charges for services	8,574,073	8,129,555
Total operating revenue	9,234,073	8,829,555
Operating Expenses		
Salaries and benefits	4,241,367	4,873,330
Professional services	1,604,476	1,436,483
Occupancy	163,817	153,927
Travel and business development	40,521	132,800
Equipment and supplies	54,492	37,680
Other operating expenses	327,115	304,245
Taxes and holding costs	331,594	808,739
Depreciation	3,598,818	3,333,143
Total operating expenses	10,362,200	11,080,347
Operating Loss	(1,128,127)	(2,250,792)
Nonoperating Revenue (Expense)		
Restricted bond revenue	6,522,368	4,881,053
Investment income	489,436	859,315
Interest expense	(7,583,772)	(5,158,932)
Gain (loss) on sale of property	497,587	(807,472)
Impairment on assets	(5,031,669)	(108,609)
Bond administrative expense	(3,485,016)	(2,993,345)
Grants	262,636	1,450,885
Grant expenditures	(282,155)	(1,400,166)
Forgiveness income	50,000	-
Total nonoperating (expense) revenue	(8,560,585)	(3,277,271)
Loss - Before capital grants and contributions	(9,688,712)	(5,528,063)
Capital Grants and Contributions	50,000	2,987,097
Decrease in Net Position	(9,638,712)	(2,540,966)
Net Position - Beginning of year	13,193,959	15,734,925
Net Position - End of year	$ 3,555,247	$ 13,193,959

See notes to financial statements.

Propriety Funds
Statement of Cash Flows

Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Receipts from public funding sources	$ 660,000	$ 700,000
Receipts from charges for services	8,330,392	8,279,565
Payments to suppliers	(3,775,868)	(1,684,817)
Payments to employees	(3,614,225)	(3,728,500)
Net cash and cash equivalents provided by operating activities	1,600,299	3,566,248
Cash Flows from Noncapital Financing Activities		
Receipts from grants and subsidies	2,007,406	2,142,153
Proceeds from the issuance of debt	1,000,000	12,474,380
Principal paid on debt	(184,955)	(8,743,333)
Interest paid	(628,916)	(450,468)
Proceeds from the sale of assets held for sale	497,587	1,056,230
Purchase and development of assets held for sale	(3,584,987)	(4,639,555)
Net cash and cash equivalents (used in) provided by noncapital financing activities	(893,865)	1,839,407
Cash Flows from Capital and Related Financing Activities		
Proceeds from the issuance of capital debt	101,300,000	54,925,620
Restricted bond revenue	6,522,368	4,881,053
Purchase and construction of capital assets	(77,134,191)	(44,512,646)
Principal paid on capital debt	(2,150,061)	(3,151,867)
Interest paid	(5,520,506)	(3,955,641)
Bond administrative expenses paid	(4,276,308)	(2,304,508)
Net cash and cash equivalents provided by capital and related financing activities	18,741,302	5,882,011
Cash Flows from Investing Activities		
Interest received on investments	488,428	853,517
Loans collected	1,039,775	1,907,826
Loans provided	(864,699)	(3,358,200)
Net cash and cash equivalents provided by (used in) investing activities	663,504	(596,857)
Net Increase in Cash and Cash Equivalents	20,111,240	10,690,809
Cash and Cash Equivalents - Beginning of year	58,533,668	47,842,859
Cash and Cash Equivalents - End of year	$ 78,644,908	$ 58,533,668
Classification of Cash and Cash Equivalents		
Cash and investments	$ 7,038,173	$ 6,584,134
Restricted cash	71,606,735	51,949,534
Total cash and cash equivalents	$ 78,644,908	$ 58,533,668

Years Ended December 31, 2020 and 2019

	2020	2019
Reconciliation of Operating Loss to Net Cash from Operating Activities		
Operating loss	$ (1,128,127)	$ (2,250,792)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation	3,598,818	3,333,143
Changes in assets and liabilities:		
Accounts receivable	(312,064)	(130,618)
Prepaid and other assets	710,459	(568,342)
Accounts payable	(1,024,542)	1,375,505
Accrued and other liabilities	(244,245)	1,807,352
Net cash and cash equivalents provided by operating activities	$ 1,600,299	$ 3,566,248

See notes to financial statements.

Note 1 - Nature of Business

Port of Greater Cincinnati Development Authority (dba, "The Port") is a port authority that uses a broad range of tools to assist with economic development projects within the City of Cincinnati, Ohio and Hamilton County, Ohio.

Note 2 - Significant Accounting Policies

The Port follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by The Port:

Reporting Entity

The Port is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Port was formed under Ohio Revised Code Section 4582.22 by the City of Cincinnati, Ohio (the "City") and Hamilton County, Ohio (the "County") on December 7, 2000. In August 2008, the City and County amended the original agreement by expanding The Port's geographical jurisdiction to include all of Hamilton County, Ohio and the City of Cincinnati, Ohio, streamlining the size of the board of directors and committing to a specific funding plan. The City and County also removed substantially all of the restrictions that had initially been imposed to permit The Port to use all powers available to Ohio port authorities.

The Port primarily seeks to identify, restore, and redevelop properties and land in Hamilton County, Ohio; to provide development financing through the issuance of revenue bonds; and to identify and pursue other opportunities to promote economic development, transportation, and other statutorily authorized purposes of The Port.

The Port's management believes these financial statements present all activities for which The Port is financially accountable.

Port Authority Powers

Historically, port authorities were created to conduct maritime activities and, later, airport activities. However, port authorities in Ohio have evolved as an economic development tool. As independent units of government, Ohio port authorities may conduct traditional waterborne and air transportation activities, as well as own property and provide financing for local economic development initiatives. Ohio law defines the "authorized purposes" of a port authority as "activities that enhance, foster, aid, provide, or promote transportation, economic development, housing, recreation, education, governmental operations, culture, or research within the jurisdiction of the port authority" and "activities authorized by Sections 13 and 16 of Article VIII, Ohio Constitution." These broad powers are complemented by expansive authority to enter into cooperative relationships with one or more other political subdivisions to undertake major development projects jointly.

Special Financing, Projects, and Programs

Under Ohio law, a port authority has a broad range of project management and funding capabilities that enable it to participate in a variety of ways in economic development projects:

Conduit Revenue Bond Financings - Port authorities may provide assistance through conduit revenue bond financing. These revenue bond financings are based on the creditworthiness of the borrower and may include some form of credit enhancement. The issuing port authority has no obligation with respect to the bonds except to the extent of loan payments payable solely from pledged receipts and, unless issued as part of a capital lease financing, would have no interest in the property financed (see Note 11). The Port has several conduit revenue bond issues outstanding and provides such assistance upon request.

Note 2 - Significant Accounting Policies (Continued)

The Port issues conduit debt on behalf of third parties. The Port classifies debt as conduit debt when all of the following characteristics exist: the proceeds from the debt issuance benefits a third party, the debt obligation is payable solely from pledged receipts and is not an obligation of The Port, and the third party has ultimate control over and primary benefit from the asset resulting from the expenditure of bond proceeds.

Cooperative Public Infrastructure Financings - The proceeds of port authority revenue bonds may be used to finance public facilities or properties to be owned by the port authority. Often these projects are undertaken in cooperation with one or more overlapping political subdivisions and supported by tax increment financing service payments, special assessments, or both, assigned by the political subdivision to the port. The bonds would be secured by the assignment of that revenue and would be non-recourse to the general revenue and assets of the port. The Port has issued such bonds in the past and expects to continue to do so.

Project Incentives - Port authorities may act as the central point of contact for investigating and procuring local, state, and federal business retention and expansion incentives.

Grant Programs - Ohio port authorities may apply for local, state, and federal grant funds, which generally are used for public infrastructure improvements made in support of local economic development efforts.

Common Bond Fund Programs - Common bond funds are a tool that supplements the financing options available to small- and medium-sized companies within the community. These programs provide credit enhancements and long-term, fixed-rate loans that make it possible for companies to access capital markets that might otherwise be unavailable.

In April 2015, The Port became an eligible issuer of economic development revenue bonds for the Southwest Ohio Regional Bond Fund, created from the expansion of the Dayton-region Port Authority Bond Fund. The expanded bond fund serves growing companies in the Dayton and Cincinnati regions. The Port also issues bond fund debt repayable from tax increment financing and special assessments. See Note 6 and Note 11 for additional details regarding the bond fund activity.

Property Ownership - Ohio port authorities have broad powers to acquire, construct, and own real or personal property, or any combination of real and personal property, to further any authorized purpose. This includes the power to own and improve property if doing so helps to create or preserve jobs and economic or business development opportunities. This is especially helpful when a property has negative value, as in the case of a Brownfield site where barriers such as liens and environmental issues are impediments to redevelopment. Furthermore, port authorities may sell, lease (to or from others and with or without purchase options), and convey other interests in real or personal property, improved or unimproved, as well. The Port has owned and improved property as part of its Brownfield development and economic redevelopment financing activities.

Structured Lease Projects - Under this structure, the port authority owns the real estate assets and leases it to a private entity on a long-term basis. The port authority may also issue revenue bonds to finance the acquisition, construction, and leasing of a project. The lease structure has been used to convey a variety of incentives, such as sales tax exemption on building materials incorporated into buildings owned by a port authority, and accounting advantages to the lessee/user of the project. The Port has provided capital lease structures and lease financing.

Down Payment Assistance Programs - Ohio port authorities may provide grants, loans, guarantees, and other means to enhance the availability of adequate housing for individuals and families in Ohio. In November 2014, The Port established a market rate government-insured mortgage and down payment assistance homeownership program for qualified borrowers of single-family residential properties. In July 2015, the program expanded to include conventional mortgages.

Note 2 - Significant Accounting Policies (Continued)

Project Coordination - Ohio port authorities can facilitate and coordinate the various regulatory approvals needed from multiple agencies or jurisdictions. This is particularly helpful for assisting with complicated, large-scale projects. As a result, the development process is streamlined, and projects can move forward more quickly and efficiently.

Management Agreements

The Port has management agreements to operate other entities aligned with The Port's mission. These entities include:

- Hamilton County Land Reutilization Corporation (Hamilton County Landbank)
- Greater Cincinnati and Northern Kentucky Foreign Trade Zones
- Homesteading and Urban Redevelopment Corporation

Each entity has its own board of directors and no employees. Management fee revenue from the entities above is reflected in charges for services.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements consist of a single-purpose business-type activity, which is reported on the accrual basis of accounting, using the economic resources measurement focus.

The financial statements of The Port have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Port maintains budgetary control by not permitting total expenses and amounts charged to individual expense categories to exceed respective appropriations without amendment of appropriations by the board of directors. Unencumbered appropriations lapse at year end; but to the extent that unencumbered general operating monies remain at year end, an amount equal to 10 percent of that year's appropriation is appropriated for successive months' expenses until the next year's appropriation is approved by the board.

The Port follows the GASB guidance as applicable to proprietary funds. Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Proprietary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

When an expense is incurred for the purpose for which both restricted and unrestricted net position are available, The Port's policy is to first apply restricted resources.

Assets, Liabilities, and Net Position

Bank Deposits and Investments

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Restricted Assets

The revenue bonds of the enterprise funds require amounts to be set aside for construction, debt service principal and interest, operations and maintenance, and a bond reserve. These amounts have been classified as restricted assets. Unspent bond proceeds are required to be set aside for construction. These amounts have also been classified as restricted assets.

Note 2 - Significant Accounting Policies (Continued)

Assets Held for Resale

Assets held for resale consist of land and real estate held for resale and are valued at the lower of cost or market.

Capital Assets

Capital assets are stated at historical cost and depreciated using the straight-line method over the estimated useful life of each asset. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful lives of the improvements. Property held for redevelopment that is environmentally contaminated, or perceived to be contaminated, is not depreciated until redevelopment is completed. Bond-financed assets are depreciated over the life of the bond, or a lesser useful life when appropriate. Capital assets in excess of $2,500 are capitalized.

The Port capitalizes interest costs as a component of construction in progress, based on interest costs of borrowing specifically for the project, net of interest earned on investments acquired with the proceeds of the borrowing. Capitalized interest for 2020 and 2019 was $3,487,088 and $1,102,003, respectively.

The following estimated useful lives are being used by The Port:

	Depreciable Life Years
Land improvements	30 to 45
Buildings and leasehold improvements	3 to 45
Equipment and furnishings	3 to 7

Notes Receivable

The Port provided housing loans of $839,605 and $771,200 in years 2020 and 2019, respectively, from the Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund (see Note 6). All loans were provided to entities managed by The Port, mature in the year 2025, and have an annual interest rate of 2.50 percent. Interest payments are due quarterly.

The Port provided commercial loans of $25,094 and $1,937,000 in years 2020 and 2019, respectively, from the Cincinnati Neighborhood Commercial Real Estate Loan Fund (see Note 6). All loans mature in the year 2026 and have an annual interest rate of 3.00 percent. Interest payments are due quarterly.

Compensated Absences (Vacation and Sick Leave)

It is The Port's policy to permit employees to accumulate earned but unused paid-time-off benefits (PTO). Employees begin earning PTO on their first day of service and are permitted to carry over a maximum of seven days from one service year to the next. Accumulated paid-time-off balances are accrued when incurred in the financial statements.

Long-term Debt

In the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the proprietary fund-type statement of net position. The Port records debt when The Port has legal title over the capital assets purchased, has ultimate control over the capital asset and its use, and the capital assets resulting from the expenditure of bond proceeds are for public use or support The Port's governmental purpose by fostering continued opportunity for economic or business development.

Note 2 - Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense) until then. The Port reports deferred outflows related to pensions and OPEB (other post-employment benefits) (Note 9).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Port reports deferred inflows related to pensions and OPEB (Note 9).

Pension and Other Postemployment Benefit Costs

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Ohio Public Employees Retirement System Pension Plan (OPERS) and additions to/deductions from OPERS' fiduciary net position have been determined on the same basis as they are reported by OPERS. OPERS uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expense when due and payable in accordance with the benefit terms. Investments are reported at fair value. OPERS reports investments at fair value (see Note 9).

Net Position Flow Assumption

The Port will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is The Port's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Net Position

Net position of The Port is classified in three components:

- Net Position Investment in Capital Assets - Consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets.
- Restricted Net Position - Consists of cash and investments held by trusts to secure revenue bonds reduced by liabilities payable from the trusts and the remaining balance of purpose-restricted grants.
- Unrestricted Net Position - Equals the remaining assets less remaining liabilities that do not meet the definition of invested in capital assets or restricted net position.

Capital Grants and Contributions

Grants for the acquisition and construction of land and property are reported in the statement of revenue, expenses, and changes in net position under the classification of capital grants and contributions.

Note 2 - Significant Accounting Policies (Continued)

Proprietary Funds Operating Classification

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of proprietary funds are charges to customers for sales or services. Operating expenses for these funds include the cost of sales or services, administrative expenses, and may include depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Upcoming Accounting Pronouncements

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Port is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for The Port's financial statements for the year ending December 31, 2022.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, which simplifies accounting for interest cost incurred before the end of construction and requires those costs to be expensed in the period incurred. As a result, interest cost incurred before the end of a construction period will not be capitalized and included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of the standard will be applied prospectively and will result in increased interest expense during periods of construction. The provisions of this statement are effective for The Port's financial statements for the December 31, 2021 fiscal year.

In May 2019, the GASB issued Statement No. 91, Conduit Debt Obligations, which clarifies the existing definition of conduit debt, provides a single method of reporting conduit debt obligations by issuers, and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. As a result, issuers should not recognize a liability for items meeting the definition of conduit debt; however, a liability should be recorded for additional or voluntary commitments to support debt service if certain recognition criteria are met. The standard also addresses the treatment of arrangements where capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by a third-party obligor. The provisions of this statement are effective for The Port's financial statements for the December 31, 2022 fiscal year.

Note 2 - Significant Accounting Policies (Continued)

In January 2020, the GASB issued Statement No. 92, Omnibus 2020. This statement addresses eight unrelated practice issues and technical inconsistencies in authoritative literature. The standard addresses leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The standard has various effective dates. The Port does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In May 2020, the Governmental Accounting Standards Board issued GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs), which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Port is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Port's financial statements for the year ending December 31, 2023.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including June 29, 2021, which is the date the financial statements were available to be issued.

Note 3 - Deposits and Investments

Deposits

Monies in the funds of The Port, except as otherwise described below with respect to investments controlled by the terms of a bond resolution or trust agreement or indenture, and to the extent in excess of current needs, may be invested in accordance with the Ohio Uniform Depository Act, Revised Code Sections 135.01-135.21 (UDA). At December 31, 2020 and 2019, the aggregate amount of monies in the general operating funds of The Port was $7,160,899 and $6,658,194, respectively, all of which constituted "active deposits," with three qualified banking institutions deposited in accordance with UDA. At December 31, 2020 and 2019, approximately $1,000,000 of The Port's deposits were covered by FDIC insurance. The remaining bank balances at December 31, 2020 and 2019 of approximately $6,160,900 and $5,658,200, respectively, were collateralized with securities by the pledging institution's trust department or agent, but not in The Port's name. At no time during the two-year period ended December 31, 2020 did The Port have any amounts for investment in the unrestricted general operating funds of The Port not constituting active deposits.

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, The Port's deposits may not be returned to it. Operating (nontrusteed) investments of The Port are insured, registered in the name of the government, and/or collateralized with securities by the pledging institution's trust department or agent; therefore, there is no custodial credit risk exposure.

Investments

Investments represent trusteed funds securing revenue bonds. Funds held by a corporate trustee on behalf of The Port may be legally invested in accordance with the bond-authorizing resolution of The Port's board of directors or the trust indenture or agreement securing those revenue bonds.

Note 2 - Significant Accounting Policies (Continued)

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Port held the following investments as of December 31, 2020 and 2019.

- U.S. Treasury securities with a market value of $219,987 and $5,895,158 having a maximum of 365 days remaining until maturity for the years ended December 31, 2020 and 2019, respectively.
- Federal Home Loan Bank securities with a market value of $690,262 having a maximum of 365 days remaining until maturity for the year ended December 31, 2020. No Federal Home Loan Bank securities were held as of year end 2019.
- Certificates of deposit with 9 different bank institutions for a combined market value of $2,302,033 with a maximum of 1 year and 269 days remaining until maturity for the year ended December 31, 2020. The same 9 certificates of deposit were also held during the prior year for a combined market value of $2,247,479 with a maximum of 2 years and 269 days remaining until maturity for the year ended December 31, 2019.

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Port has no investment policy that would further limit its investment choices. As of year end, the S&P credit quality ratings of the money markets held are AAAm for 2020 and 2019.

Note 4 - Capital Assets

Capital asset activity of The Port's business-type activities was as follows:

	Balance January 1, 2020	Additions	Disposals	Balance December 31, 2020
Business-type Activities				
Capital assets not being depreciated:				
Land easements - Red Bank	$ 450,000	$ -	$ -	$ 450,000
Land - RBM 2A	5,785,192	-	-	5,785,192
Land - Fifth & Plum Parking Lot	11,920,221	-	-	11,920,221
Land - Convention Center Garages	4,857,323	-	-	4,857,323
Land - Gallery at Kenwood	4,999,052	-	-	4,999,052
Land - Convention Center Hotel	-	38,561,497	-	38,561,497
Land improvements - Conv Ctr Hotel	-	747,807	-	747,807
Land - Uptown Gateway Dev IA	-	1,000,000	-	1,000,000
Construction in progress - RBM 2B	21,152,358	4,463,157	-	25,615,515
Construction in progress - Gallery at Kenwd	-	9,842,979	-	9,842,979
Construction in progress - Uptown Gateway	-	22,234,245	-	22,234,245
Construction in progress - Conv Ctr Garage	-	504,103	-	504,103
Subtotal	49,164,146	77,353,788	-	126,517,934
Capital assets being depreciated:				
Land improvements - Cincinnati Mall	4,519,426	-	-	4,519,426
Land improvements - Springdale Pictoria	882,619	-	-	882,619
Land improvements - Red Bank	2,539,587	-	-	2,539,587
Buildings - Cincinnati Mall	10,084,875	-	-	10,084,875
Buildings - Springdale Pictoria	9,260,329	-	-	9,260,329
Buildings - Kenwood Collection	34,371,914	-	-	34,371,914
Buildings - RBM 2A	6,341,624	-	-	6,341,624
Buildings - Convention Center Garages	20,880,388	-	-	20,880,388
Parking equipment	115,016	-	-	115,016
Office equipment	23,541	-	(20,784)	2,757
Furniture and fixtures	85,518	3,141	-	88,659
Leasehold improvements - Garage	1,655,701	110,422	-	1,766,123
Leasehold improvements - Office	15,347	-	-	15,347
Subtotal	90,775,885	113,563	(20,784)	90,868,664
Accumulated depreciation:				
Land improvements - Cincinnati Mall	2,252,438	152,040	-	2,404,478
Land improvements - Springdale Pictoria	481,579	36,459	-	518,038
Land improvements - Red Bank	1,246,833	75,306	-	1,322,139
Buildings - Cincinnati Mall	4,942,392	342,832	-	5,285,224
Buildings - Springdale Pictoria	5,039,784	383,687	-	5,423,471
Buildings - Kenwood Collection	9,031,324	1,333,716	-	10,365,040
Buildings - RBM 2A	377,368	220,898	-	598,266
Buildings - Convention Center Garages	623,295	831,060	-	1,454,355
Parking equipment	16,717	38,343	-	55,060
Office equipment	22,852	394	(20,784)	2,462
Furniture and fixtures	50,651	12,221	-	62,872
Leasehold improvements - Garage	345,621	169,942	-	515,563
Leasehold improvements - Office	4,641	1,919	-	6,560
Subtotal	24,435,495	3,598,817	(20,784)	28,013,528
Net capital assets being depreciated	66,340,390	3,485,254	-	62,855,136
Net capital assets	$ 115,504,536	$73,868,534	$ -	$ 189,373,070

Note 4 - Capital Assets (Continued)

	Balance January 1, 2019	Additions	Disposals	Balance December 31, 2019
Business-type Activities				
Capital assets not being depreciated:				
Land easements - Red Bank	$ 450,000	$ -	$ -	$ 450,000
Land - RBM 2A	5,785,192	-	-	5,785,192
Land - Fifth & Plum Parking Lot	11,920,221	-	-	11,920,221
Land - Convention Center Garages	-	4,857,323	-	4,857,323
Land - Gallery at Kenwood	-	4,999,052	-	4,999,052
Construction in progress - RBM 2B	7,754,751	13,397,607	-	21,152,358
Subtotal	25,910,164	23,253,982	-	49,164,146
Capital assets being depreciated:				
Land improvements - Cincinnati Mall	4,519,426	-	-	4,519,426
Land improvements - Springdale Pictoria	882,619	-	-	882,619
Land improvements - Red Bank	2,539,587	-	-	2,539,587
Buildings - Cincinnati Mall	10,084,875	-	-	10,084,875
Buildings - Springdale Pictoria	9,260,329	-	-	9,260,329
Buildings - Kenwood Collection	34,371,914	-	-	34,371,914
Buildings - RBM 2A	6,341,624	-	-	6,341,624
Buildings - Convention Center Garages	-	20,880,388	-	20,880,388
Parking equipment	-	115,016	-	115,016
Office equipment	23,541	-	-	23,541
Furniture and fixtures	85,518	-	-	85,518
Leasehold improvements - Garage	1,392,442	263,259	-	1,655,701
Leasehold improvements - Office	15,347	-	-	15,347
Subtotal	69,517,222	21,258,663	-	90,775,885
Accumulated depreciation:				
Land improvements - Cincinnati Mall	2,100,398	152,040	-	2,252,438
Land improvements - Springdale Pictoria	445,120	36,459	-	481,579
Land improvements - Red Bank	1,171,527	75,306	-	1,246,833
Buildings - Cincinnati Mall	4,599,560	342,832	-	4,942,392
Buildings - Springdale Pictoria	4,656,097	383,687	-	5,039,784
Buildings - Kenwood Collection	7,697,609	1,333,715	-	9,031,324
Buildings - RBM 2A	156,470	220,898	-	377,368
Buildings - Convention Center Garages	-	623,295	-	623,295
Parking equipment	-	16,717	-	16,717
Office equipment	19,489	3,363	-	22,852
Furniture and fixtures	38,430	12,221	-	50,651
Leasehold improvements - Garage	214,930	130,691	-	345,621
Leasehold improvements - Office	2,722	1,919	-	4,641
Subtotal	21,102,352	3,333,143	-	24,435,495
Net capital assets being depreciated	48,414,870	17,925,520	-	66,340,390
Net capital assets	$ 74,325,034	$41,179,502	$ -	$ 115,504,536

It is The Port's practice to engage a third-party management company to manage the public-use facilities owned by The Port. The contracts generally require the management company to pay costs of operation, including but not limited to taxes, insurance, maintenance, and repairs.

Note 4 - Capital Assets (Continued)

Construction in Progress

In July 2018, construction on a new parking garage and related public infrastructure at the RBM 2B development began and continued through 2020 year end. In January 2020, construction began on a new parking garage and related public infrastructure at Gallery of Kenwood and Uptown Gateway and continued through 2020 year end. Additionally, during 2020 land improvements began at the Convention Center Hotel site and garage improvements began at the Convention Center Garages.

Construction Commitments

The Port commitments as of December 31, 2020 and 2019 are $13,895,923 and $25,979, respectively.

Note 5 - Fair Value Measurements

The Port categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets and liabilities. Level 1 inputs are quoted prices in active markets for identical assets and liabilities; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances whereby inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Port's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Port has the following recurring fair value measurements as of December 31, 2020 and 2019:

- U.S. Treasury securities of $219,987 and $5,895,158, respectively, are valued using quoted market prices (Level 1 inputs).
- Federal Home Loan Bank securities of $690,262 and $0, respectively, are valued using quoted market prices (Level 1 inputs).
- Certificates of deposit of $2,302,033 and $2,247,479, respectively, are valued using quoted market prices (Level 1 inputs)
- Money market funds of $31,445,170 and $17,809,751, respectively, are valued using quoted market prices (Level 1 inputs).

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

The Port held no investments using Level 3 inputs for fair value measurement, nor investments measured at the net asset value per share as of December 31, 2020 and 2019.

Note 6 - Long-term Debt

The bonds are special limited obligations of The Port payable only from the funds established with and revenue assigned to the bond trustee under the trust indenture and treated as nonoperating revenue of The Port. All bonds are issued as direct placement bonds. The bondholders have no recourse to any other revenue or assets of The Port, except for bondholders of the 2016 Patient Capital Fund, 2018 Fifth and Plum Project, and 2019 Convention Center Garages.

Costs of The Port, including legal costs, are generally considered to be administrative expenses under the bond documents and are eligible for payment or reimbursement from the trust if and when amounts are available in the trust for such purposes. The Port is also specifically indemnified by various parties including the private developers. This indemnification includes all costs of The Port, including legal costs.

Note 6 - Long-term Debt (Continued)

A detailed description of each bond issue as of December 31, 2020 follows:

Description	Amount
Business-type Activities	
Revenue bonds:	
2004 Cincinnati Mall Public Infrastructure (formerly known as Cincinnati Mills) Special Obligation Development Revenue Bonds, bearing interest at 6.30 percent and 6.40 percent, maturing in 2024 and 2034	$ 13,170,000
2006 Springdale Pictoria Public Parking/Infrastructure Special Obligation Development Revenue Bonds, bearing interest at 1.40 percent, maturing in 2031	5,675,000
2015 Southwest Ohio Regional Bond Fund - State Loan Revenue Bonds, bearing interest at 0.00 percent, maturing in 2055	2,500,000
2016 Kenwood Collection Redevelopment - Public Parking Project Special Obligation TIF Revenue Refunding Bonds, bearing interest at 4.50, 5.00, 6.00, 6.60, and 6.25 percent, maturing in 2039	17,900,000
2016 Patient Capital Fund - Economic Development Mortgage Revenue Bond Anticipation Notes, bearing interest at 0.15 percent, maturing in 2021	10,825,000
2016 RBM Development Phase 2A Special Obligation Development TIF Revenue Bonds, bearing interest at 4.00, 4.375, 4.75, 5.00, and 6.00 percent, maturing in 2033 and 2046	14,895,000
2017 Cincinnati Neighborhood Commercial Real Estate Loan Fund - Economic and Community Development Revenue Bonds, bearing interest at 0.00 percent through January 25, 2019 and 2.00 percent thereafter, maturing in 2026	5,000,000
2017 Fairfax Village Red Bank Infrastructure Project - Special Obligation TIF Refunding Revenue Bonds, bearing interest at 3.98 percent, maturing in 2037	2,968,088
2018 Fifth & Plum Project - Development Revenue Bonds, bearing interest at 4.95 percent through June 1, 2028 and 6.75 percent thereafter, maturing in 2043	12,590,000
2018 RBM Development Phase 2B Special Obligation Development TIF Revenue Bonds, bearing interest at 6.00 percent, maturing in 2050	22,805,000
2018 Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund - Housing and Community Development Revenue Bond and 2020 Additional Bond, bearing interest at 0.00 percent through March 31, 2019 and 2.00 and 2.22 percent thereafter, maturing in 2025	2,000,000
2019 Fountain Square South Garage - Parking Facility Refunding Revenue Bonds, bearing interest at 4.65 percent and 5.00 percent, maturing in 2043	10,970,000
2019 Convention Center Garages - Parking Facility Revenue Bonds, bearing interest ranging from 0.00 percent to 5.00 percent, maturing in 2043	26,435,000
2019 Gallery at Kenwood - Special Obligation TIF Revenue Bonds, bearing interest at 5.00 percent and 8.00 percent, maturing in 2051	26,405,000
2020 Uptown Gateway Development Phase IA - Special Obligation Dev TIF & Parking Revenue Bonds, bearing interest ranging from 3.70 to 7.50 percent, maturing in 2051	48,445,000
2020 Convention Center Hotel Acquisition and Demolition Project - Revenue Bonds, bearing interest at 3.00 percent, maturing in 2023	52,855,000
Total	$ 275,438,088

Note 6 - Long-term Debt (Continued)

Changes in Long-term Debt

The following is a summary of long-term debt transactions (excluding unamortized bond premiums and discounts in the amount of $1,614,788 and $1,648,622 of The Port for the years ended December 31, 2020 and 2019, respectively):

	2020				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities - Revenue bonds	$ 175,473,104	$102,300,000	$(2,335,016)	$ 275,438,088	$ 13,739,016

	2019				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities - Revenue bonds	$ 119,968,304	$67,400,000	$(11,895,200)	$ 175,473,104	$ 2,602,092

Debt Service Requirements to Maturity

The annual total principal and interest requirements to service all debt outstanding at December 31, 2020 are as follows:

	Business-type Activities		
Years Ending December 31	Principal	Interest	Total
2021	$ 13,739,016	$ 12,327,916	$ 26,066,932
2022	3,132,213	11,496,263	14,628,476
2023	57,690,682	10,621,049	68,311,731
2024	5,877,490	9,619,041	15,496,531
2025	8,186,842	9,355,967	17,542,809
2026-2030	32,891,745	43,111,279	76,003,024
2031-2035	39,336,964	35,689,222	75,026,186
2036-2040	38,973,136	25,537,479	64,510,615
2041-2045	36,345,000	15,616,965	51,961,965
2046-2050	29,775,000	6,914,789	36,689,789
2051-2055	9,490,000	350,917	9,840,917
Total	$ 275,438,088	$ 180,640,887	$ 456,078,975

Cincinnati Mall Public Infrastructure (formerly known as Cincinnati Mills)

In February 2004, The Port issued $18 million principal amount of Special Obligation Development Revenue Bonds for the purpose of financing, in cooperation with the cities of Forest Park, Ohio and Fairfield, Ohio, costs of the development of public infrastructure improvements to support the redevelopment of the suburban retail center currently known as Cincinnati Mall. The bonds consisted of $7,465,000 principal amount of term bonds maturing on February 15, 2024 and $10,535,000 principal amount of term bonds maturing on February 15, 2034. The assets acquired, improved, constructed, or otherwise developed by The Port with the proceeds of the bonds include a public parking garage and other parking facilities, two storm water detention ponds, and public roadways supporting the mall.

Note 6 - Long-term Debt (Continued)

Interest is payable semiannually at 6.30 and 6.40 percent for the 2024 and 2034 term bonds, respectively. Principal and interest payments for 2020 and 2019 were paid upon the due date. Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $1,440,000 and $1,506,000, respectively, compared to net debt service (principal and interest) of approximately $1,418,000 and $1,417,000, respectively.

The debt service requirements for this bond issue are as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ 595,000	$ 821,503	$ 1,416,503
2022	635,000	782,758	1,417,758
2023	680,000	741,335	1,421,335
2024	725,000	697,078	1,422,078
2025	775,000	649,440	1,424,440
2026-2030	4,710,000	2,408,000	7,118,000
2031-2034	5,050,000	673,919	5,723,919
Total	$ 13,170,000	$ 6,774,033	$ 19,944,033

Springdale Pictoria Public Parking/Infrastructure

In October 2006, The Port issued $10 million principal amount of Special Obligation Development Revenue Bonds for the purpose of financing, in cooperation with the City of Springdale, Ohio, costs of the acquisition and development of public parking facilities to support the development of the Pictoria Corporate Center. The bonds consist of term bonds maturing on February 1, 2031. The assets acquired, improved, constructed, or otherwise developed by The Port with the proceeds of the bonds include a 1,132-space public parking garage serving the general public and located at a mixed-use commercial development (including office, restaurant, cinema, and distribution facilities).

Interest is payable semiannually at variable interest rates currently reset annually and with conversion options permitting the interest rate to be reset weekly or fixed to maturity. Until the interest rate on the bonds is fixed to maturity, bondholders have certain rights to tender bonds for purchase, as provided by the trust indenture. RBC Capital Markets serves as the remarketing agent of the bonds. Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $805,000 and $780,000, respectively, compared to net debt service (principal and interest) of approximately $514,000 and $517,000, respectively.

Credit and liquidity support are provided for the bonds pursuant to a U.S. Bank N.A. Irrevocable Letter of Credit dated October 25, 2006, and as amended, extended, and reissued, and stated to expire on February 15, 2022, but extended one additional year annually thereafter if not terminated by the bank at least 270 days before February 15, 2022 or any subsequent expiration date. Obligations under the reimbursement agreement providing for that letter of credit are payable only from the trust estate established under the trust indenture. On February 15, 2015, the letter of credit fee increased from 3.0 to 3.5 percent, where it remained throughout 2020.

Note 6 - Long-term Debt (Continued)

On February 1, 2020, the interest rate was reset to 1.40 percent from 2.10 percent per year. Assuming a constant interest rate of 1.40 percent per year from February 1, 2020 to the maturity of the bonds, debt service as of December 31, 2020 is estimated as follows:

Years Ending December 31	Principal	Interest	Total
2021	$ 425,000	$ 76,475	$ 501,475
2022	445,000	70,385	515,385
2023	460,000	64,050	524,050
2024	475,000	57,505	532,505
2025	495,000	50,715	545,715
2026-2030	2,760,000	142,450	2,902,450
2031	615,000	4,305	619,305
Total	$ 5,675,000	$ 465,885	$ 6,140,885

Southwest Ohio Regional Bond Fund (Reserve)

In April 2015, The Port issued $2,500,000 principal amount State Loan Revenue Bonds (Series 2015) to establish its bond fund program. The Southwest Ohio Regional Bond Fund was created from the expansion of the Dayton-region Port Authority Bond Fund. The Port's participation in the bond fund was made available by a $3.5 million deposit into the common fund (reserve), of which $2.5 million was loaned by the State of Ohio and $1.0 million was granted by Hamilton County, Ohio. Combined with Dayton's $4.2 million in reserves and a $10.0 million letter of credit, the bond fund has approximately $17.7 million in total program reserves and capacity to issue approximately $80 million in bonds. The expanded bond fund serves growing companies in 14 counties by providing access to project capital at terms and rates not available through traditional lending channels.

The state loan revenue bonds consist of term bonds maturing on April 29, 2055 in a lump sum. Interest (if any) is payable semiannually and is based upon the net investment earnings from the $2.5 million held by the trustee. The net investment earnings were $74,719 and $36,792 for the years 2020 and 2019. All investment earnings for years 2020 and 2019 were forwarded to the State of Ohio by the trustee in either the year received, or soon after yearend. Interest payable to the State of Ohio as of December 31, 2020 and 2019 was $15,521 and $17,040, respectively, and included in accrued expenses payable from restricted assets.

Assuming an interest rate of 0.0 percent per year to the maturity of the bonds, debt service as of December 31, 2020 is estimated as a lump-sum principal payment of $2.5 million in the year 2055. Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $75,000 and $40,000, respectively, compared to net debt service (principal and interest) of approximately $75,000 and $40,000, respectively.

Kenwood Collection Redevelopment (Public Parking Project)

In May 2016, The Port issued Taxable Special Obligation TIF Revenue Refunding Bonds in principal amounts of $15,915,000 for Series 2016A and $2,750,000 for Series 2016B in order to provide funds to refund the 2008 Kenwood Development Bonds, fund required reserves, pay related issuance and transaction costs, and pay additional project costs. The Port worked with the new owner of the retail development and the Series B bonds to restructure aspects of the transaction.

The bonds being refunded were issued in January 2008. The Port issued $14,315,000 principal amount of Series 2008A Special Obligation Development Revenue Bonds and $6,115,000 of Series 2008B Taxable Special Obligation Development Revenue Bonds for the purpose of financing costs related to the acquisition, construction, installation, equipping, improvement, and development of public infrastructure improvements, in cooperation with Sycamore Township.

Note 6 - Long-term Debt (Continued)

The refinanced improvements include an approximately 2,500-space public parking garage and related infrastructure, in support of a mixed-use commercial development, generally known as Kenwood Collection, and other neighboring properties including the Kenwood Towne Centre Mall.

Litigation primarily relating to the construction of the Kenwood Development had prevented timely completion of the project facilities. The foreclosure sale of the Kenwood Development occurred in July 2012, which allowed The Port to resume construction of the public parking garage in 2013.

On February 1, 2011, the 2008 bonds were tendered to the trustee, in accordance with the trust indenture, at 100 percent of the principal amount plus accrued interest. The bonds were purchased from proceeds of draws on the letters of credit and were held as pledged bonds under the indenture until successfully remarketed in 2016.

Upon refunding the 2008B bonds, The Port recognized a $3,365,000 gain on the extinguishment of debt from the exchange of $6,115,000 Series 2008B bonds for $2,750,000 Series 2016B refunding bonds.

The table below summarizes the 2016 Taxable Special Obligation TIF Revenue Refunding Bonds issued:

Series	Amount	Matures January 1	Interest Rate	Bond Type
2016A	$ 375,000	2019	3.75%	Serial
2016A	800,000	2021	4.50	Term
2016A	1,355,000	2024	5.00	Term
2016A	2,810,000	2029	6.00	Term
2016A	10,575,000	2039	6.60	Term
2016B	2,750,000	2039	6.25*	Term
	$ 18,665,000			

*The 2016B refunding bonds have an interest rate of 6.25 percent through December 31, 2020, and 6.90 percent thereafter.

Interest is payable semiannually on the 2016A bonds, and the initial interest payment on the 2016B bonds is January 1, 2021 with semiannual payments thereafter. Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $1,628,000 and $1,431,000, respectively, compared to net debt service (principal and interest) of approximately $1,352,000 and $1,352,000, respectively.

Assuming interest rates as shown in the table above through maturity of the bonds, debt service is estimated as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ 410,000	$ 1,835,232	$ 2,245,232
2022	505,000	1,110,713	1,615,713
2023	530,000	1,083,365	1,613,365
2024	560,000	1,054,548	1,614,548
2025	590,000	1,021,613	1,611,613
2026-2030	3,580,000	4,492,103	8,072,103
2031-2035	4,960,000	3,115,665	8,075,665
2036-2039	6,765,000	1,069,033	7,834,033
Total	$ 17,900,000	$ 14,782,272	$ 32,682,272

Note 6 - Long-term Debt (Continued)

Patient Capital Fund

In June 2016, The Port issued $7,325,000 principal amount Economic Development Mortgage Revenue Bond Anticipation Notes to establish its Patient Capital Fund. In 2017, The Port issued an additional $3,500,000 principal amount bringing the total original issue to $10,825,000 as of December 31, 2017.

The proceeds raised from social impact investment will be used to fund the acquisition of underutilized urban industrial sites and to reposition them for advanced manufacturing. The maximum amount of Patient Capital Fund funds used cannot exceed the expected land sale proceeds. Thus, funding for these industrial projects will likely require a combination of various funding sources. The Port developed this program for community-minded private investors, providing them with a transformational way to invest for economic development and social impact.

During 2016, The Port utilized Patient Capital Fund funds in the amounts of $6,383,788 to acquire 56 acres at 2100 Section Rd. in Amberley Village (the former headquarters of Gibson Greetings Cards) and $841,320 to acquire 19 acres at 2250 Seymour Avenue in Bond Hill (the former Cincinnati Gardens arena). In subsequent years, The Port utilized Patient Capital Fund funds in the amounts of: $497,559 in year 2017 for redevelopment of the Amberley Site; $691,387 in year 2019 to acquire 25 acres at 2000 West Street in Reading, Ohio (a former Dow Chemical site); and $2,312,537 in year 2020 to acquire 42 acres on Reading Road in Evandale, Ohio (formerly Formica Corporation).

The notes bear interest at 0.15 percent per year, and interest is due upon the note maturity date of June 1, 2021. The Port's nontax revenue is pledged to support the interest payment if other funds held in trust are not available. To the extent debt service funds held by the trustee are not sufficient to pay principal due on the note maturity date, The Port will issue bonds to the Patient Capital Fund noteholders for the remaining unpaid principal amount. The bonds, if issued, will also bear interest at 0.15 percent per year with interest payable semiannually and will mature on June 1, 2026 (see note 13). The notes and bonds constitute special obligations of The Port, issued under and secured by the trust agreement and payable solely from the pledged revenue and secured mortgages authorized by the trust agreement. Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $527,000 and $62,000, respectively, with no net debt service (principal and interest) payments in 2020 or 2019

Assuming a constant interest rate of 0.15 percent per year to the maturity of the notes, debt service is estimated as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ 10,825,000	75,518	10,900,518
Total	$ 10,825,000	$ 75,518	$ 10,900,518

RBM Development Phase 2A Project

In July 2016, The Port issued $15,065,000 principal amount of Special Obligation Development TIF Revenue Bonds for the purpose of financing, in cooperation with the City of Cincinnati, costs of the acquisition and development of public parking facilities and related public infrastructure improvements supporting the development. The site consists of eight acres (Phase 2A) on the 31-acre campus headquarters of Medpace, a research-based drug and medical device company. The project is specifically located at the southeast intersection of Red Bank Expressway and Madison Road in the Madisonville neighborhood of the City of Cincinnati, Ohio. The mixed-use site includes a 239-room, six-story full-service boutique hotel and conference center, which sits atop the parking garage.

Note 6 - Long-term Debt (Continued)

The table below summarizes the Special Obligation Development TIF Revenue Bonds issued. Interest is payable semiannually:

Series	Amount	Matures January 1	Interest Rate	Bond Type	Bond Type
2016A	$ 1,115,000	2025	4.000%	Term	Taxable
2016A	1,080,000	2029	4.375	Term	Taxable
2016A	1,360,000	2033	4.750	Term	Taxable
2016B	8,765,000	2046	5.000	Term	Tax exempt
2016C	2,745,000	2046	6.000	Term	Tax exempt
	$ 15,065,000				

Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $1,002,000 and $818,000, respectively, compared to net debt service (principal and interest) of approximately $919,000 and $769,000, respectively. Assuming interest rates as shown in the table above through maturity of the bonds, debt service is estimated as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ 195,000	$ 752,200	$ 947,200
2022	205,000	743,900	948,900
2023	215,000	735,100	950,100
2024	255,000	725,800	980,800
2025	265,000	714,800	979,800
2026-2030	1,685,000	3,374,231	5,059,231
2031-2035	2,445,000	2,893,025	5,338,025
2036-2040	3,525,000	2,158,350	5,683,350
2041-2045	4,905,000	1,110,800	6,015,800
2046	1,200,000	62,400	1,262,400
Total	$ 14,895,000	$ 13,270,606	$ 28,165,606

Cincinnati Neighborhood Commercial Real Estate Loan Fund

In 2017, The Port issued two tranches of Economic and Community Development Revenue Bonds totaling $2,000,000 to establish its Commercial Real Estate Loan Fund (the "Loan Fund") that will focus on rebuilding commercial districts in targeted Cincinnati neighborhoods. The Port issued a third tranche in the amount of $500,000 in 2018, and a final tranche of $2,500,000 in 2019, bringing the total Loan Fund issue to $5,000,000 at December 31, 2019.

The Kresge Foundation, a private, national foundation based in Detroit, Michigan, provided initial capital to seed the Loan Fund up to $5,000,000. The Port administers the Loan Fund and develops the program.

The Loan Fund is part of a program aligned with The Port’s strategic initiative to comprehensively revitalize disinvested target neighborhoods through acquisition and rehab of blighted residential properties and development of commercial districts with place-based, neighborhood-serving retail, arts and culture, and microenterprise. Among the program goals are to help lower the barrier for local business formation by providing available space for target tenants; stabilizing neighborhoods through the support of entrepreneurship; and restoring vibrant retail and commerce with a focus on inclusivity and engagement of neighborhood-based enterprise.

The Port provided loans from the Commercial Real Estate Loan Fund totaling: $1,035,000 in 2017; $1,937,000 in 2019; and $25,094 in 2020 (see Note 2).

Note 6 - Long-term Debt (Continued)

The bonds bear interest at 0.00 percent per year through January 25, 2019 and 2.00 percent thereafter through the bond maturity date of December 31, 2026. Interest payments are quarterly in arrears, starting with the initial interest payment date of March 31, 2019. The bonds constitute special obligations of The Port, and the bond payments due are payable solely from pledged revenue, including the Loan Fund and liens against mortgaged properties . Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $72,000 and $85,000, respectively, compared to net debt service (principal and interest) of approximately $51,000 and $64,000, respectively.

Assuming an interest rate of 2.00 percent, debt service is estimated as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ -	$ 100,000	$ 100,000
2022	-	100,000	100,000
2023	500,000	100,000	600,000
2024	1,000,000	90,000	1,090,000
2025	1,000,000	70,000	1,070,000
2026	2,500,000	50,000	2,550,000
Total	$ 5,000,000	$ 510,000	$ 5,510,000

Fairfax Red Bank Public Infrastructure

In November 2017, The Port issued Special Obligation TIF Refunding Revenue Bonds in the principal amount of $7,035,000 to provide funds to refund the 2007 Fairfax Red Bank Bonds, fund required reserves, and pay related issuance and transaction costs.

The bonds being refunded were issued in May 2007. The Port issued $7,675,000 principal amount of Series 2007 Special Obligation Development Revenue Bonds for the purpose of financing costs of the acquisition, construction, installation, equipping, improvement, and development of public infrastructure improvements, in cooperation with the Village of Fairfax, Ohio.

The refinanced improvements include road and street improvements, public utility (water, sanitary sewer, and storm water control facilities), and public safety improvements, in support of a mixed-use commercial development generally known as Red Bank Village.

Interest on the Series 2017 bonds is payable semiannually at 3.98 percent through the bond maturity date of February 1, 2037. Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $428,000 and $382,000, respectively, compared to net debt service (principal and interest) of approximately $242,000 and $242,000, respectively.

Because of the nature and location of certain of the improvements financed, those improvements are owned by the Village of Fairfax, Ohio or other political subdivisions pursuant to cooperative agreements, dedication, or other arrangements (Red Bank Non-Port Infrastructure). The portion of the refunding revenue bonds issued to refinance Red Bank Non-Port Infrastructure ($3,787,644 principal amount, or 53.84 percent) and related revenue, expenses, assets, and liabilities is treated as a separate issue of conduit revenue bonds issued by The Port (Red Bank Conduit Bonds). The remaining improvements refinanced are owned by The Port (Red Bank Port Infrastructure) and, to the extent issued to refinance Red Bank Port Infrastructure ($3,247,356 principal amount, or 46.16 percent), those bonds (Red Bank Infrastructure Bonds), and related revenue, expenses, assets, and liabilities, are treated as a separate issue of infrastructure development refunding revenue bonds issued to refinance assets of The Port.

Note 6 - Long-term Debt (Continued)

The debt service requirements for The Port's portion of the Red Bank Infrastructure Bonds as of December 31, 2020 are as follows:

Years Ending December 31	Principal	Interest	Total
2021	$ 126,940	$ 116,890	$ 243,830
2022	131,556	111,792	243,348
2023	136,172	106,510	242,682
2024	140,788	101,044	241,832
2025	147,712	95,349	243,061
2026-2030	830,880	382,774	1,213,654
2031-2035	1,010,904	202,134	1,213,038
2036-2037	443,136	19,704	462,840
Total	$ 2,968,088	$ 1,136,197	$ 4,104,285

Fifth and Plum Project

In June 2018, The Port issued $12,590,000 principal amount Development Revenue Bonds (Series 2018) for the purpose of acquiring real and personal property comprising the project and paying bond issuance costs. The 1.7 acre property is a 250-space parking lot located south of the Duke Energy Convention Center in the southwest corner of Cincinnati’s central business district. The Port will continue to operate the property as a surface parking lot in the short term, while exploring development options for the best long-term benefit to the region.

The term bonds have an initial interest rate of 4.95 percent. On June 2, 2028 the interest rate resets through maturity at a rate equal to the 10-year U.S. Treasury Securities rate on this date plus 2.12 percent, with a minimum calculated rate of 5.03 percent and a maximum calculated rate of 6.75 percent. The bonds have a maturity date of June 1, 2043 with semiannual payments of interest and principal on the bonds (principal payments commence June 1, 2024). Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $565,000 and $942,000, respectively, compared to net debt service (principal and interest) of approximately $623,000 and $623,000, respectively. Additionally, The Port’s nontax revenue is pledged to support the principal and interest payment if other funds held in the trust are not available.

Assuming a constant interest rate of 4.95 percent per year through June 1, 2028 and 6.75 percent (the maximum rate on the reset date) thereafter to the maturity of the bonds, debt service is estimated as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ -	$ 623,205	$ 623,205
2022	-	623,205	623,205
2023	-	623,205	623,205
2024	225,000	620,483	845,483
2025	265,000	608,850	873,850
2026-2030	1,525,000	3,313,980	4,838,980
2031-2035	2,465,000	3,243,038	5,708,038
2036-2040	4,640,000	2,105,831	6,745,831
2041-2043	3,470,000	363,149	3,833,149
Total	$ 12,590,000	$ 12,124,946	$ 24,714,946

Note 6 - Long-term Debt (Continued)

RBM Development Phase 2B Project

In July 2018, The Port issued $22,805,000 principal amount of Special Obligation Development TIF Revenue Bonds (Series 2018) for the purpose of financing the costs of acquiring, constructing and equipping an approximately 905-space structured parking facility and related public improvements, located on the 31-acre campus headquarters of Medpace. This project expands the campus development started in 2016 (see RBM Development Phase 2A Project – Series 2016).

In addition to proceeds received from the issuance of the RBM Development Phase 2B bonds, The Port received a $4,893,328 developer contribution to fund the project.

The bonds bear interest at 6.00 percent annually through the bond maturity date of December 1, 2050. Interest payments are semiannual. Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $83,000 and $288,000, respectively, compared to net debt service (principal and interest) of approximately $1,368,000 and $1,368,000, respectively.

Assuming an interest rate of 6.00 percent through maturity of the bonds, debt service is estimated as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ 170,000	$ 1,368,300	$ 1,538,300
2022	180,000	1,358,100	1,538,100
2023	190,000	1,347,300	1,537,300
2024	235,000	1,335,900	1,570,900
2025	250,000	1,321,800	1,571,800
2026-2030	1,685,000	6,352,200	8,037,200
2031-2035	2,605,000	5,740,800	8,345,800
2036-2040	3,895,000	4,814,400	8,709,400
2041-2045	5,625,000	3,453,600	9,078,600
2046-2050	7,970,000	1,500,000	9,470,000
Total	$ 22,805,000	$ 28,592,400	$ 51,397,400

Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund

In August 2018, The Port issued an initial $1,000,000 Housing and Community Development Revenue Bond to establish its Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund (the "Program Fund") to rehab foreclosed, vacant residential properties into homes ready for sale in targeted Cincinnati neighborhoods. In May 2020, The Port issued an additional $1,000,000 Housing and Community Development Revenue Bond for the Program Fund.

The Greater Cincinnati Foundation provided the initial and additional capital to seed the Program Fund. The Port administers the Program Fund and develops the program.

The Program Fund is part of The Port's strategic initiative to comprehensively revitalize disinvested target neighborhoods through acquisition and rehabilitation of blighted residential properties. This strategy has increasingly focused on barriers to opportunity, including the growing housing affordability crisis in Hamilton County and concern over displacement of legacy residents in neighborhoods undergoing revitalization.

During 2020 and 2019, The Port provided project loans from the Program Fund totaling $839,605 and $771,200, respectively (see Note 2). Two non-profit organizations managed by The Port are eligible borrowers, namely the Hamilton County Land Reutilization Corporation and Homesteading & Urban Redevelopment Corporation.

Note 6 - Long-term Debt (Continued)

The initial bond bears interest at 0.00 percent per year through March 31, 2019 and 2.2213 percent thereafter through the bond maturity date of April 1, 2025. The additional bond bears interest at 2.00 percent through the bond maturity date of April 1, 2025. Interest payments are quarterly in arrears, commencing on July 1, 2019. The bonds constitute special obligations of The Port, and the bond payments due are payable solely from pledged revenue, including the Program Fund and liens against mortgaged properties. Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $23,000 and $25,000, respectively, compared to net debt service (principal and interest) of approximately $29,000 and $11,000, respectively.

Assuming interest rates of 2.2213 percent on the initial bond and 2.00 percent on the additional bond, debt service is estimated as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ -	$ 42,213	$ 42,213
2022	-	42,213	42,213
2023	-	42,213	42,213
2024	-	42,213	42,213
2025	2,000,000	21,106	2,021,106
Total	$ 2,000,000	$ 189,958	$ 2,189,958

Fountain Square South Garage - Parking Facility

In March 2019, The Port refinanced and consolidated debt for Fountain Square South Garage and Amberley Site bonds. The $11,325,000 principal debt issued consists of: $4,025,000 of bonds from the Southwest Ohio Regional Bond Fund issued by The Port at a fixed interest rate of 5.00 percent, and $7,300,000 from the Central Ohio Regional Bond Fund issued by the Columbus-Franklin County Finance Authority at a fixed interest rate of 4.65 percent. The cross collateralized bonds have a final maturity date in the year 2043. The refinance eliminated the interest rate swap on the 2015 Fountain Square South Garage bonds and removed The Port's nontax revenue pledge assigned under the Amberley Site bonds.

The 2016 Amberley Site development bonds were issued to assist with financing the acquisition of 56 acres at 2100 Section Rd. in Amberley Village (the former headquarters of Gibson Greetings). The other source of funds to acquire the property was the Patient Capital Fund. The principal balance of these bonds on the refinance date was $1,980,000.

The 2015 Parking Facility Revenue Bonds were issued for the purpose of acquiring a leasehold interest in, improving, furnishing, and equipping The Port's facilities, which includes Fountain Square South Garage (an underground parking garage located in downtown Cincinnati, Ohio), or financing other facilities approved by its board of directors. The principal balance of these bonds at refinancing was $8,064,100.

A long-term lease agreement for Fountain Square South Garage is with the City of Cincinnati, Ohio whereby The Port has agreed to operate, maintain, and rehabilitate the garage and use garage revenue to pay annual debt service on the bonds and other certain payments (see Note 8). Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $1,333,000 and $1,854,000, respectively, compared to net debt service (principal and interest) of approximately $741,000 and $637,000, respectively.

Note 6 - Long-term Debt (Continued)

The debt service requirements for the bonds are as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ 230,000	$ 521,029	$ 751,029
2022	235,000	510,054	745,054
2023	255,000	498,605	753,605
2024	260,000	486,316	746,316
2025	280,000	473,670	753,670
2026-2030	1,635,000	2,151,649	3,786,649
2031-2035	2,125,000	1,711,276	3,836,276
2036-2040	2,770,000	1,137,573	3,907,573
2041-2043	3,180,000	336,938	3,516,938
Total	$ 10,970,000	$ 7,827,110	$ 18,797,110

Convention Center Garages - Parking Facilities

In April 2019, The Port acquired two parking facilities located at 605 Plum and 609 Elm, directly north of the Duke Energy Convention Center in Cincinnati's central business district. The 605 Plum parking facility has approximately 280,000 square feet, with 5 levels, 890 parking spaces and 7,800 square feet of retail on the street level. The 609 Elm parking facility has approximately 240,000 square feet with 5 levels and 680 parking spaces.

The $27,170,000 principal debt issued for The Port's acquisition of the garages includes: $4,500,000 of bonds from the Southwest Ohio Regional Bond Fund issued by The Port at a fixed interest rate of 4.65 percent, $15,245,000 of bonds issued by the State of Ohio (ODOT) with fixed interest rates ranging between 2.00 and 5.00 percent, and a $7,425,000 loan from the Ohio Development Services Agency (ODSA) with an initial interest rate of 0.00 percent later increasing to 3.00 percent. All debt related to the garages is cross collateralized and matures in the year 2043. Interest and principal on the bonds are paid semiannually, however The Port funds debt service to the trustee monthly from parking operations.

A long-term ground lease agreement for the 605 Plum garage is with the City of Cincinnati, Ohio whereby The Port has agreed to pay a percentage of garage operating revenues to the City. This accrued ground lease liability is netted from parking revenue.

Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $1,416,000 and $1,865,000, respectively, compared to net debt service (principal and interest) of approximately $1,221,000 and $720,000, respectively. The Port's nontax revenue is pledged to support the principal and interest payment if other funds held in the trust are not available.

The debt service requirements for the bonds are as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ 762,076	$ 795,827	$ 1,557,903
2022	755,657	843,619	1,599,276
2023	759,510	885,034	1,644,544
2024	796,702	854,434	1,651,136
2025	819,130	828,825	1,647,955
2026-2030	4,645,865	3,626,200	8,272,065
2031-2035	9,046,060	2,602,069	11,648,129
2036-2040	4,945,000	1,272,101	6,217,101
2041-2043	3,905,000	293,947	4,198,947
Total	$ 26,435,000	$ 12,002,056	$ 38,437,056

Note 6 - Long-term Debt (Continued)

Gallery at Kenwood

In December 2019, The Port issued $26,405,000 principal amount of Special Obligation Development TIF Revenue Bonds for the purpose of financing the costs of acquiring, constructing and equipping an approximately 633-space public parking facility and related public improvements at The Gallery at Kenwood. The project is a mixed-use development on a 7-acre site located on Kenwood Road in Sycamore Township of Hamilton County, Ohio and includes: a six-story 130-room hotel, a five-story 115,000 square foot office building, two restaurants, and 248 luxury apartments.

In addition to proceeds received from the issuance of bonds, The Port received land valued at $4,999,052 (see Note 4).

The bonds bear interest at 5.00 percent and 8.00 percent annually through the bond maturity date of November 1, 2051. Interest payments are semiannual. Total pledged revenues on the bonds for the year ended December 31, 2020 and 2019 were approximately $53,000 and $0, respectively, compared to net debt service (principal and interest) of approximately $1,074,000 and $0, respectively.

The debt service requirements for the bonds are as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ -	$ 1,486,000	$ 1,486,000
2022	40,000	1,486,000	1,526,000
2023	230,000	1,482,800	1,712,800
2024	240,000	1,471,000	1,711,000
2025	295,000	1,458,700	1,753,700
2026-2030	1,980,000	7,029,650	9,009,650
2031-2035	2,865,000	6,394,150	9,259,150
2036-2040	4,115,000	5,491,850	9,606,850
2041-2045	5,795,000	4,142,100	9,937,100
2046-2050	8,125,000	2,246,250	10,371,250
2051	2,720,000	152,800	2,872,800
Total	$ 26,405,000	$ 32,841,300	$ 59,246,300

Uptown Gateway Development Phase IA

In January 2020, The Port issued $48,445,000 principal amount of Special Obligation Development TIF and Parking Revenue Bonds for the purpose of acquiring, constructing and equipping an approximately 1,328 space public parking garage and related public improvements, located at Uptown Innovation Corridor, a 6-acre site in the southeast corner of Reading Road and Martin Luther King Drive. The garage is part of a mixed-use development including office buildings, hospitality and retail.

The term Bonds have an annual fixed interest rate which resets on December 1, 2028 and 2040 as shown in the table below. The bond maturity date is December 1, 2051.

			12/1/2028 Int Rate Reset			12/1/2040 Int Rate Reset		
Series	Issue Amount	Initial Interest Rate	10 Year Tbill +	Min	Max	10 Year Tbill +	Min	Max
2020A-1	$ 5,475,000	4.24%	260 bps	4.24%	4.64%	280 bps	4.24%	5.19%
2020A-2	16,245,000	3.73%	210 bps	3.73%	4.18%	230 bps	3.73%	4.73%
2020A-3	5,770,000	4.08%	245 bps	4.08%	4.55%	265 bps	4.08%	5.10%
2020A-4	11,740,000	4.08%	245 bps	4.08%	4.55%	265 bps	4.08%	5.10%
2020B	4,925,000	5.15%	350 bps	5.15%	5.65%	375 bps	5.15%	6.35%
2020C	4,290,000	7.50%			N/A – fixed to maturity			
Total	$48,445,000							

Note 6 - Long-term Debt (Continued)

Total pledged revenues on the bonds for the year ended December 31, 2020 were approximately $69,000 compared to net debt service (principal and interest) of approximately $1,515,000. Assuming the initial and subsequent maximum interest rates as shown in the table above through maturity of the bonds, debt service is estimated as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ -	$ 2,127,874	$ 2,127,874
2022	-	2,127,874	2,127,874
2023	880,000	2,118,707	2,998,707
2024	965,000	2,082,720	3,047,720
2025	1,005,000	2,041,099	3,046,099
2026-2030	5,355,000	9,788,042	15,143,042
2031-2035	6,150,000	9,108,841	15,258,841
2036-2040	7,875,000	7,468,637	15,343,637
2041-2045	9,465,000	5,916,431	15,381,431
2046-2050	12,480,000	3,106,139	15,586,139
2051	4,270,000	198,117	4,468,117
Total	$ 48,445,000	$ 46,084,481	$ 94,529,481

Convention Center Hotel

In February 2020, The Port issued $52,855,000 principal amount of Revenue Bonds for the purpose of financing the acquisition and demolition of the 872-room former Millennium Hotel and certain other buildings located directly east of the Duke Energy Convention Center in Cincinnati’s central business district. Approximately $13.7 million of bond proceeds will fund demolition work, which began in 2020 and will continue through the year 2022. The Port and officials are exploring development options for the best long-term benefit to the region, including a new standalone hotel, expanding the Duke Energy Convention Center, or a combination thereof.

The term bonds have a fixed interest rate of 3.00 percent and a lump sum principal payment due on the bond maturity date of May 1, 2023. Interest on the bonds is paid semiannually beginning November 1, 2020. The bond payments due are payable solely from pledged revenues, including a portion of Hamilton County’s Transient Occupancy Tax. Total pledged revenues on the bonds for the year ended December 31, 2020 were approximately $1,161,000 compared to net debt service (principal and interest) of approximately $1,141,000.

The debt service requirements for the bonds are as follows as of December 31, 2020:

Years Ending December 31	Principal	Interest	Total
2021	$ -	$ 1,585,650	$ 1,585,650
2022	-	1,585,650	1,585,650
2023	52,855,000	792,825	53,647,825
Total	$ 52,855,000	$ 3,964,125	$ 56,819,125

Note 7 - Public Funding

For the years ended December 31, 2020 and 2019, public funding for The Port came from Hamilton County, Ohio totaling $660,000 and $700,000, respectively.

Note 8 - Leases

Operating Leases

As of December 31, 2020, noncancelable operating leases for office space and equipment expire in various years through 2025. In October 2014, The Port signed a 10-year and 10-month term sublease agreement for office space. Minimum annual lease payments began in April 2016 and range from approximately $100,000 to $115,000.

Future minimum lease payments are as follows:

Years Ending December 31	Amount
2021	$ 134,347
2022	135,374
2023	133,275
2024	131,802
2025	71,501
Thereafter	-
Total	$ 606,299

On January 8, 2015, the City of Cincinnati, Ohio leased a city-owned parking garage (Fountain Square Garage) to The Port for $100 for a 30-year term. The purpose of the lease is to modernize and improve the garage and provide funds to The Port for economic development within the city limits. In accordance with the agreement, The Port issued bonds to make improvements to the garage (see Note 6). The improvements are capitalized as leasehold improvements (see Note 4) and are amortized over the life of the lease.

In April 2019, The Port acquired the 605 Plum Street garage adjacent to the Convention Center in Cincinnati's central business district (see Note 6). The acquisition included the transfer of a ground lease with the City of Cincinnati, Ohio, the owner of title to the property. The ground lease is dated March 22, 1985 and has a term expiring on March 31, 2055. Basic rent, as defined by the lease, is $1 payable annually plus a percentage of garage operating revenues.

In February 2020, The Port acquired the former Millennium Hotel located at 150 W. Fifth Street, directly east of the Convention Center in Cincinnati's central business district (see Note 6). The acquisition included the transfer of a ground lease covering a portion of the demolition project site. The 99-year ground lease is dated November 20, 1975 and has a term expiring on November 20, 2074. Rent is paid quarterly and subject to an increase based upon a CPI (Consumer Price Index) calculation every five years. Nonoperating rents during the year of acquisition were based upon an annualized rate of $100,032 and will continue at this rate until the next CPI adjustment in the year 2022.

Note 9 - Net Pension and OPEB Liabilities

Net Pension and OPEB Liabilities

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

Note 9 - Net Pension and OPEB Liabilities (Continued)

The net pension and OPEB liabilities represent The Port'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 Port's obligation for these liabilities to annually required payments. The Port cannot control benefit terms or the manner in which pensions/OPEB are financed; however, The Port does receive the benefit of employees' services in exchange for compensation including pension/OPEB.

GASB Statement No. 68 assumes the pension liability is solely the obligation of the employer, because (1) they benefit from employee services and (2) state statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also include costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the state legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB liability on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in accrued liabilities.

Plan Description

The Port's employees participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit pension and OPEB plan administered by OPERS. OPERS provides retirement, disability and survivor benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

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. The Port employees are members in either the traditional pension plan or the member-directed plan. The Port has no employee members in the combined plan. OPERS maintains a cost-sharing multiple-employer defined benefit postemployment healthcare 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.

Note 9 - Net Pension and OPEB Liabilities (Continued)

In order to qualify for postemployment healthcare coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit. Healthcare coverage for disability benefit recipients and qualified survivor benefit recipients is available. The healthcare coverage provided by OPERS meets the definition of an other postemployment benefit (OPEB), as described in GASB Statement No. 75. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend health care coverage is provided to the OPERS board in Chapter 145 of the Ohio Revised Code.

The Ohio Revised Code provides statutory authority requiring public employers to fund postretirement 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. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2020 and 2019, local employer units contributed at a rate of 14 percent of covered payroll. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund postretirement healthcare benefits.

Each year, the OPERS board of trustees determines the portion of the employer contribution rate that will be set aside for funding of postemployment healthcare benefits. The portion of employer contributions allocated to health care for members in the traditional pension and combined plans was 0 percent in years 2020 and 2019, as recommended by the OPERS’ actuary. The OPERS board of trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the healthcare benefits 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 member-directed plan participants was 4.0 percent for years 2020 and 2019.

No portion of the employer contributions in years 2020 and 2019 was made to fund other postemployment benefits (OPEB). There are no postemployment benefits provided by The Port other than those provided through OPERS.

Benefits Provided

All benefits of OPERS, and any benefit increases, are established by the legislature pursuant to Ohio Revised Code Chapter 145. The board, pursuant to Ohio Revised Code (ORC) Chapter 145, has elected to maintain funds to provide healthcare coverage to eligible traditional pension plan and combined plan retirees and survivors of members. Healthcare coverage does not vest and is not required under ORC Chapter 145. As a result, coverage may be reduced or eliminated at the discretion of the board. Additional information on OPERS healthcare coverage can be found in the OPERS 2019 ACFR (Annual Comprehensive Financial Report).

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. Members who were eligible to retire under law in effect prior to SB 343 or will be eligible to retire no later than five years after January 7, 2013, comprise transition Group A. Members who have 20 years of service credit prior to January 7, 2013, or will be eligible to retire no later than 10 years after January 7, 2013, are included in transition Group B. Group C includes those members who are not in either of the other groups and members who were hired on or after January 7, 2013. Please see the plan statement in the OPERS 2019 ACFR for additional details.

Note 9 - Net Pension and OPEB Liabilities (Continued)

In the traditional pension plan, state and local members are calculated on the basis of age, final average salary (FAS), and service credit. State and local members in transition Groups A and B are eligible for retirement benefits at age 60 with 60 contributing months of service credit or at age 55 with 25 or more years of service credit. Group C for state and local members is eligible for retirement at age 57 with 25 years of service or at age 62 with five years of service. For Groups A and B, the annual benefit is based on 2.2 percent of final average salary multiplied by the actual years of service for the first 30 years of service credit and 2.5 percent for years of service in-excess of 30 years. For Group C, the annual benefit applies a factor of 2.2 percent for the first 35 years and a factor of 2.5 percent for the years of service in-excess of 35. 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. Refer to the age-and-service tables located in the OPERS 2019 ACFR Plan Statement for additional information regarding the requirements for reduced and unreduced benefits. Members who retire before meeting the age and years of service credit requirement for unreduced benefit receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of annual cost of living adjustment.

Contributions

Employers are required to make contributions to OPERS on the basis of a percentage of eligible salary and at a rate based upon the recommendations of the OPERS actuary, subject to the statutory limitations. Penalties and interest are assessed for late payments. The contribution rate for state and local employers in 2020 and 2019 was 14.0 percent. The 2020 and 2019 employee contribution rate for state and local members was 10.0 percent of earnable salary.

Individual accounts for each member of OPERS are maintained and funds contributed by members of the traditional pension plan are fully refundable at service termination or death. The refund value of contributions made by members of the combined plan and the member-directed plan are subject to changes (gains or losses) that occur as a result of the member's selected investment options.

Payable to the Pension and OPEB Plans

At December 31, 2020 and 2019, The Port reported a payable of $56,302 and $50,698, respectively, to OPERS for the outstanding amount of contributions to the plan required for the years ended December 31, 2020 and 2019, respectively.

Net Pension Liability, Deferrals, and Pension Expense

At December 31, 2020 and 2019, The Port reported a liability of $2,322,206 and $3,670,558, respectively, for its proportionate share of the net pension liability for OPERS. The net pension liability was measured as of December 31, 2019 and 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Port's proportion of the net pension liability was based on The Port's share of contributions to the pension plan relative to the contributions of all participating entities. The Port's proportionate share of the OPERS net pension liability is 0.011787 and 0.013416 percent for 2019 and 2018, respectively.

For the year ended December 31, 2020 and 2019, The Port recognized pension expense of $504,600 and $1,143,261, respectively.

Note 9 - Net Pension and OPEB Liabilities (Continued)

At December 31, 2020 and 2019, The Port reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2020		2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 25,314	$ 29,457	$ 16,038	$ 48,247
Changes in assumptions	125,667	-	321,044	-
Net difference between projected and actual earnings on pension plan investments	-	467,120	499,977	-
Changes in proportionate share and differences between employer contributions and proportionate share of contributions	37,605	220,873	304,394	2,588
Employer contributions to the plan subsequent to the measurement date	398,426	-	382,503	-
Total	$ 587,012	$ 717,450	$ 1,523,956	$ 50,835

Contributions of $398,426 reported as deferred outflows of resources as of December 31, 2020 are related to pension resulting from The Port’s contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31	Amount
2021	$ (153,226)
2022	(224,299)
2023	22,286
2024	(182,414)
2025	2,659
Thereafter	6,130
Total	$ (528,864)

Net OPEB Liability, Deferrals, and OPEB Expense

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. The Port's proportion of the net OPEB liability was based on The Port's share of contributions to the retirement plan relative to the contributions of all participating entities. The Port's proportionate share of the OPERS net OPEB liability is 0.018862 and 0.019087 percent for 2019 and 2018, respectively. At December 31, 2020 and 2019, The Port reported a liability of $2,605,332 and $2,488,494, respectively, for its proportionate share of the net OPEB liability for OPERS.

For the year ended December 31, 2020 and 2019, The Port recognized OPEB expense of $352,210 and $296,868, respectively.

Note 9 - Net Pension and OPEB Liabilities (Continued)

At December 31, 2020 and 2019, The Port reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2020		2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 70	$ 238,270	$ 843	$ 6,752
Changes in assumptions	412,396	-	80,232	-
Net difference between projected and actual earnings on OPEB plan investments	-	132,663	114,083	-
Changes in proportionate share and differences between employer contributions and proportionate share of contributions	68,925	17,028	135,811	-
Employer contributions to the plan subsequent to the measurement date	-	-	-	-
Total	$ 481,391	$ 387,961	$ 330,969	$ 6,752

The Port had no OPEB contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31	Amount
2021	$ 123,622
2022	26,391
2023	106
2024	(56,689)
2025	-
Thereafter	-
Total	$ 93,430

Actuarial Assumptions

The total pension liability in the actuarial valuations was determined using the following actuarial assumptions applied to all periods included in the measurement:

	Ohio Public Employees Retirement System (OPERS)
Valuation date	December 31, 2019 and 2018
Experience study	Five-year period ended December 31, 2015
Actuarial cost method	Individual entry age
Investment rate of return	7.20% for 2019 and 2018 - Net of pension plan investment expense
Wage inflation	3.25%
Projected salary increases	3.25-10.75% (includes wage inflation at 3.25%) Traditional Plan 3.25-8.25% (includes wage inflation at 3.25%) Combined/Member-Directed Plans
Cost of living adjustments	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 1.40% Simple through 2020, then 2.15% simple thereafter

Note 9 - Net Pension and OPEB Liabilities (Continued)

The total OPEB liability in the actuarial valuations was determined using the following actuarial assumptions applied to all periods included in the measurement:

	Ohio Public Employees Retirement System (OPERS)	
Valuation date	December 31, 2018 rolled forward to the measurement date December 31, 2019	December 31, 2017 rolled forward to the measurement date December 31, 2018
Experience study	Five-year period ended December 31, 2015	Five-year period ended December 31, 2015
Actuarial cost method	Individual entry age	Individual entry age
Single discount rate	3.16% current measurement date	3.96% current measurement date
Investment rate of return	6.00% - Net of OPEB plan investment expense	6.00% - Net of OPEB plan investment expense
Municipal bond rate	2.75%	3.71%
Wage inflation	3.25%	3.25%
Projected salary increases	3.25-10.75% (includes wage inflation at 3.25%)	3.25-10.75% (includes wage inflation at 3.25%)
Health care cost trend rate	10.5% initial, 3.5% ultimate in 2030	10.0% initial, 3.25% ultimate in 2029

Mortality rates were based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP 2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the tables shown above.

Discount Rate

The discount rate used to measure the total pension liability was 7.20 percent for years 2019 and 2018. The projection of cash flows used to determine the pension discount rate assumed that contributions from plan members and those of the contributing employers are made at statutorily required rates.

A single discount rate of 3.16 and 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2019 and 2018, respectively. This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and 6.00 percent and a municipal bond rate of 2.75 and 3.71 percent, for years 2019 and 2018, respectively. The projection of cash flows used to determine the single OPEB discount rate assumed that employer contributions will be made at rates equal to statutorily required rates.

Projected Cash Flows

Based on the pension plan assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 9 - Net Pension and OPEB Liabilities (Continued)

Based on the OPEB plan 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.

Investment Rate of Return

The allocation of investment assets within the defined benefit portfolio is approved by the board 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 plan. The following table displays the board-approved asset allocation policy for years 2019 and 2018 and the long-term expected real rates of return.

	2019		2018	
Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed income	25.00%	1.83%	23.00%	2.79%
Domestic equities	19.00	5.75	19.00	6.21
Real estate	10.00	5.20	10.00	4.90
Private equity	12.00	10.70	10.00	10.81
International equities	21.00	7.66	20.00	7.83
Other investments	13.00	4.98	18.00	5.50
Total	100.00%	5.61%	100.00%	5.95%

The allocation of investment assets within the health care portfolio is approved by the board as outlined in the annual investment plan. 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. The system's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The following table displays the board-approved asset allocation policy for years 2019 and 2018 and the long-term expected real rates of return.

	2019		2018	
Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed income	36.00%	1.53%	34.00%	2.42%
Domestic equities	21.00	5.75	21.00	6.21
REITs	6.00	5.69	6.00	5.98
International equities	23.00	7.66	22.00	7.83
Other investments	14.00	4.90	17.00	5.57
Total	100.00%	4.55%	100.00%	5.16%

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

Note 9 - Net Pension and OPEB Liabilities (Continued)

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 includes the investment assets of 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 money-weighted rate of return, net of investment expense, for the defined benefit portfolio is a gain of 17.20 and loss of 2.94 percent for 2019 and 2018, respectively.

The health care portfolio includes the assets for health care expenses for the traditional pension plan, combined plan and member-directed plan eligible members. Within the health care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the health care portfolio is a gain of 19.70 and loss of 5.60 percent for 2019 and 2018, respectively.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of The Port, calculated using the discount rate of 7.20 percent for years 2020 and 2019, as well as what The Port's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percent Decrease (6.20%)	Current Discount Rate (7.20%)	1 Percent Increase (8.20%)
Net pension liability - 2020	$ 3,838,554	$ 2,322,206	$ 959,814

	1 Percent Decrease (6.20%)	Current Discount Rate (7.20%)	1 Percent Increase (8.20%)
Net pension liability - 2019	$ 5,426,441	$ 3,670,558	$ 2,210,302

Sensitivity of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rates

The following presents the net OPEB liability of The Port, calculated using the single discount rate of 3.16 and 3.96 percent for years 2020 and 2019, respectively, as well as what The Port's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percent Decrease (2.16%)	Current Single Discount Rate (3.16%)	1 Percent Increase (4.16%)
Net OPEB liability - 2020	$ 3,409,495	$ 2,605,332	$ 1,961,459

	1 Percent Decrease (2.96%)	Current Single Discount Rate (3.96%)	1 Percent Increase (4.96%)
Net OPEB liability - 2019	$ 3,183,712	$ 2,488,494	$ 1,935,613

Note 9 - Net Pension and OPEB Liabilities (Continued)

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 rate, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1 percent point lower or 1 percentage point higher than the current rate.

	1 Percent Decrease	Current Health Care Cost Trend Rate Assumption	1 Percent Increase
Net OPEB liability - 2020	$ 2,528,451	$ 2,605,332	$ 2,681,233
Net OPEB liability - 2019	2,391,983	2,488,494	2,599,649

Additional Financial and Actuarial Information

OPERS issues a publicly available, stand-alone financial report that includes financial statements, required supplemental information, and detailed information about OPERS' fiduciary net position. That report can be obtained by visiting the OPERS website at www.opers.org. Additional information supporting the preparation of the schedules of collective pension/OPEB amounts and employer allocations (including the disclosure of the net pension/OPEB liability/(asset), required supplemental information on the net pension/OPEB liability (asset), and the unmodified audit opinion on the combined financial statements) is located in the OPERS 2019 ACFR. This ACFR is available at www.opers.org or by contacting OPERS at: OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (800) 222-7377.

Note 10 - Risk Management

The Port is exposed to various risks of loss related to torts-theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, natural disasters, and medical benefits provided to employees. These risks are covered by commercial insurance purchased from independent third parties.

The Port pays into the State of Ohio Bureau of Workers' Compensation System. Workers' compensation claims are submitted to the State of Ohio for authorization and payment to the injured employee. The Port has no further risk. The State of Ohio establishes employer payments, employee payments, and reserves.

In February 2020, a developer sued The Port for $5 million in fees tied to the redevelopment of the former Millennium Hotel in Cincinnati's central business district. Litigation is ongoing and the outcome and liability (if any) cannot be determined at the time of this report.

Settled claims have not exceeded The Port's commercial insurance coverage for any of the past three years.

Note 11 - Conduit Revenue Bond Obligations

The Port has outstanding aggregate conduit revenue bond obligations of approximately $903,163,000 and $925,163,000 at December 31, 2020 and 2019, respectively. The conduit revenue bonds issued are payable solely from the net revenue derived from the respective agreements and are not a general obligation of The Port. After these bonds are issued, all financial activity is taken over by the paying agent. The bonds and related lease contracts are not reflected in The Port's financial statements. Information regarding the status of each bond issue, including possible default, must be obtained from the paying agent or other knowledgeable source.

Note 11 - Conduit Revenue Bond Obligations (Continued)

In 2020, The Port issued conduit debt for Kenwood Gallery Lease, Fourth & Race Residential Tower, Springrose Meadows, 3CDC 1400 Vine St Parking Facility, Kao Property Acquisition Project, Madison & Stewart Apartments, College Hill Station, St Xavier High School, 3CDC Ziegler and Fountain Place Parking Facilities, Uptown Gateway Office Buildings I & II, FC Cincinnati Stadium Public Improvement TIF, Willows at Springdale, and Madison and Whetsel Phase III.

Additional conduit debt outstanding includes the following: the Cincinnati Zoo, Queen City Square, Fountain Square, 12th and Vine Parking, Oakley Station, UC Health Drake Center, Fifth and Race Development, Saint Ursula Villa, AHA Colonial Village, RBM Development Phase 2A, Downtown/OTR West Redevelopment, Keystone Hotel, Rumpke, The Collegiate, Fairfax Village Red Bank Public Infrastructure, Court and Walnut Development, Poste (formerly Firehouse Row), RBM Development Phase 2B, Woodlawn Meadows, Madison and Whetsel, Springdale Commerce Park, Fourth and Race Parking Garage, Provident Bank Building, Eighth and Main Apartments, FC Cincinnati MLS Stadium, Mariemont City School District, Summit Park - Blue Ash Airport Redevelopment, 3CDC Master Parking, The Artistry, Findlay Center, 1118 Sycamore, Madison & Whetsel Phase II, and Fields Ertel Project.

Note 12 - Assets Held for Resale

The Port's assets held for resale consist of approximately 172 acres as of December 31, 2020, compared to 129 acres at the prior year end. All properties owned by The Port are located in Hamilton County, Ohio. A summary of real estate held for redevelopment follows:

	2020	2019
2100 Section Road (Amberley Village)	$ 7,162,913	$ 7,162,913
MidPointe Crossing and Swift Park (Bond Hill)	940,000	2,984,625
TechSolve II (Roselawn)	162,724	162,724
Bond Hill and Roselawn Business Districts	4,283,977	4,068,011
2250 Seymour Avenue (Bond Hill)	1,392,798	1,534,998
Hudepohl (Queensgate)	705,000	3,462,945
2000 West Street (Reading)	767,330	756,780
10155 Reading Road (Evendale)	2,364,303	-
West End properties	544,692	544,692
Evanston properties	432,472	432,472
Price Hill properties	125,746	125,746
Total	$ 18,881,955	$ 21,235,906

Assets held for resale are recorded at the lower of cost or market value. Management estimates net realizable value based upon the list prices used by commercial real estate brokers less selling costs. In 2020, The Port recognized a cost-to-market adjustment in the amount of $5,031,669 to write down costs on the following properties: $2,844,845 for Hudephol upon being listed by a commercial real estate broker; and $2,044,624 and $142,200 for MidPointe Crossing and 2250 Seymour Avenue, respectively, upon signing a PSA (Purchase Sale Agreement) below their broker listed price. In 2019, The Port recognized a cost-to-market adjustment in the amount of $108,609 to write down costs on property located in the West End.

The Port funds its acquisition and redevelopment of real estate primarily from local and state redevelopment awards and the issuance of bonds and bond anticipation notes (see Note 6).

- The acquisition and redevelopment of MidPointe Crossing and TechSolve II was funded by the City of Cincinnati, Ohio in the amount of $6.2 million and $4.3 million, respectively.
- The Bond Hill and Roselawn Business Districts are being funded by a $3 million grant from the City of Cincinnati and The Port's real estate development fund, which was created by the issuance of Fountain Square South Garage parking revenue bonds in 2015, subsequently refinanced in 2019.

Note 12 – Assets Held for Resale (Continued)

- The acquisitions of 2100 Section Road and 2250 Seymour Avenue were funded by the issuance of revenue bonds and mortgage revenue bond anticipation notes (Patient Capital Fund). Redevelopment at 2100 Section Road completed in 2017. Project costs on 2100 Section Road were primarily funded by capital contributions from Hamilton County and JobsOhio. Redevelopment at 2250 Seymour Avenue completed in 2018. Project costs were primarily funded by the City of Cincinnati and JobsOhio.
- The Hudepohl redevelopment completed in late 2019. Project funding came from a $2.2 million grant from the City of Cincinnati and The Port's real estate development fund.
- The acquisition of 10155 Reading Road in Evendale (former Formica Corporation site) was funded by The Port's Patient Capital Fund (See Note 6).

Certain redevelopment agreements disburse funds to The Port in advance of the redevelopment services being performed. These agreements require The Port to return any unused redevelopment funds. As a result, The Port records the unused portion as a liability, unearned grant revenue, in the statement of net position.

Note 13 - Subsequent Events

In June 2021, The Port issued $9.5 million of Economic Development Mortgage Revenue Bonds for the refinance of certain Patient Capital Fund noteholder debt (see Note 6). The remaining $1.3 million of Patient Capital Fund debt due on June 1, 2021 was redeemed to noteholders. The bonds have a fixed interest rate of 0.15 percent and mature in the year 2026.

Required Supplemental Information

Required Supplemental Information
Schedule of The Port's Pension Contributions
OPERS Traditional Plan

Last Ten Fiscal Years

Years Ended December 31

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	$ 273,617	$ 283,801	$ 265,822	$ 218,792	$ 130,688	$ 103,833	$ 105,605	$ 99,498	$ 49,896	$ 22,609
Contributions in relation to the contractually required contribution	273,617	283,801	265,822	218,792	130,688	103,833	105,605	99,498	49,896	22,609
Contribution Deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
The Port's Covered Payroll	$ 1,954,408	$ 2,027,149	$ 1,898,732	$ 1,683,015	$ 1,089,067	$ 865,273	$ 880,038	$ 765,372	$ 498,963	$ 226,090
Contributions as a Percentage of Covered Payroll	14.00 %	14.00 %	14.00 %	13.00 %	12.00 %	12.00 %	12.00 %	13.00 %	10.00 %	10.00 %

Required Supplemental Information
Schedule of The Port's OPEB Contributions
OPERS Health Care Plan

Last Four Fiscal Years

Years Ended December 31

	2020	2019	2018	2017
Contractually required contribution	$ -	$ -	$ -	$ 16,830
Contributions in relation to the contractually required contribution	-	-	-	16,830
Contribution Deficiency	**$ -**	**$ -**	**$ -**	**$ -**
Covered Employee Payroll	**$ 1,954,408**	**$ 2,027,149**	**$ 1,898,732**	**$ 1,683,015**
Contributions as a Percentage of Covered Employee Payroll	**- %**	**- %**	**- %**	**1.00 %**

Note: OPEB data prior to 2017 is not available.

Required Supplemental Information
Schedule of The Port's Proportionate Share of Net Pension Liability
OPERS - Traditional Plan

Last Seven Plan Years

For the Plan Years Ended December 31

	2020	2019	2018	2017	2016
The Port's proportion of the net pension liability	0. 01179 %	0.01342 %	0.01274 %	0.00843 %	0.00695 %
The Port's proportionate share of the net pension liability	$ 2,322,206	$ 3,670,558	$ 1,993,142	$ 1,912,511	$ 1,203,569
The Port's Covered Payroll	$ 2,027,149	$ 1,898,732	$ 1,683,015	$ 1,089,067	$ 865,273
The Port's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	114.55 %	193.32 %	118.43 %	175.61 %	139.10 %
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	82.17 %	74.70 %	84.66 %	77.30 %	81.20 %

	2015	2014
The Port's proportion of the net pension liability	0.00718 %	0.00718 %
The Port's proportionate share of the net pension liability	$ 865,747	$ 846,193
The Port's Covered Payroll	$ 880,038	$ 765,372
The Port's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	98.38 %	110.56 %
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.50 %	86.40 %

Note: Pension data prior to 2014 is not available.

Required Supplemental Information
Schedule of The Port's Proportionate Share of the Net OPEB Liability
OPERS - Health Care Plan

Last Three Plan Years

For the Plan Year Ended December 31

	2020	2018	2018
The Port's proportion of the net OPEB liability	0.01886 %	0.01909 %	0.01722 %
The Port's proportionate share of the net OPEB liability (asset)	$ 2,605,332	$ 2,488,494	$ 1,870,194
The Port's Covered Employee Payroll	$ 2,027,149	$ 1,898,732	$ 1,683,015
The Port's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Employee Payroll	128.52 %	131.06 %	111.12 %
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	47.80 %	46.33 %	54.14 %

Note: OPEB data prior to 2018 is not available.

Note A – Pension Liability and Contributions

Information about factors that significantly affect trends in the amounts reported in the schedules should be presented as notes to the schedule.

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for the Plan years ended December 31, 2020 and 2019, respectively.

Changes in assumptions: During the plan year ended December 31, 2016, there were changes to several assumptions for OPERS. The long-term pension investment return assumption was reduced from 8.00% to 7.50%. The wage inflation dropped from 3.75% to 3.25%. The projected salary increase range changed from 4.25-10.05% to 3.25-10.75%. The mortality tables used changed from RP-2000 to RP-2014.

During the plan year ended December 31, 2018, the long-term investment return assumption for pension was modified from 7.50% to 7.20% based on changes in the market outlook.

The change in the actuarial information as of the measurement and valuation date of December 31, 2019 compared to December 31, 2018 included no change in the investment rate of return of 7.20 percent.

Calculation of employer allocations: OPERS Health care funding is discretionary and dependent on both the pension funding and future projections. The portion of Traditional Pension Plan and Combined Plan employer contributions allocated to health care was 0% and 4% for Member-Directed Plan for 2019. The 2020 allocation is expected to be 0.0% for health care funding, and expected to continue at that rate thereafter.

Note B – OPEB Liability and Contributions

Information about factors that significantly affect trends in the amounts reported in the schedules should be presented as notes to the schedule.

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for the Plan years ended December 31, 2020 and 2019, respectively.

Changes in assumptions: There were no changes in benefit terms from the amounts reported for the Plan year 2019. The change in the actuarial information as of the measurement and valuation date of December 31, 2019 compared to December 31, 2018 included: a decrease in the single discount rate from 3.96 percent to 3.16 percent, a decrease in the municipal bond rate from 3.71 percent to 2.75 percent, and an increase in the health care cost trend rate from 10.0 percent initial, 3.5 percent ultimate in 2029 to 10.5 percent initial, 3.5 percent ultimate in 2030.

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To Management and the Board of Directors
Port of Greater Cincinnati Development Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Port of Greater Cincinnati Development Authority (The Port), which comprise the basic statement of net position as of December 31, 2020 and the related basic statements of revenue, expenses, and changes in net position and cash flows for the year then ended, and related notes to the financial statements and have issued our report thereon dated June 29, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Port's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Port's internal control. Accordingly, we do not express an opinion on the effectiveness of The Port's internal control.

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

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

Compliance and Other Matters

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

To Management and the Board of Directors
Port of Greater Cincinnati Development Authority

Purpose of This Report

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

Plante & Moran, PLLC

June 29, 2021

OHIO AUDITOR OF STATE
KEITH FABER

PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY

HAMILTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.

Certified for Release 8/12/2021

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

APPENDIX VII

ODOT-STATE INFRASTRUCTURE BANK ANNUAL FINANCIAL REPORT
Available as of June 30, 2021

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STATE INFRASTRUCTURE BANK
ANNUAL FINANCIAL REPORT

Federal Fiscal Year 2020
(October 2019 – September 2020)

Mike DeWine, Ohio Governor
Jack Marchbanks, Ph.D., ODOT Director

Ohio Department of Transportation

State Infrastructure Bank
Annual Financial Report

The Ohio Department of Transportation is pleased to present the Federal Fiscal Year (FFY) 2020 State Infrastructure Bank (SIB) Annual Financial Report.

This report contains a financial statement of the SIB and summaries for loans that were approved by the loan committee during the federal fiscal year (October 2019-September 2020).

The FFY 2020 portfolio of the SIB includes seven loans totaling $15.2m. Since the inception of the program, the Ohio SIB has issued 252 loans and twelve bonds totaling $768.7m.

The Ohio SIB has been audited for State Fiscal Year 2017 by the State of Ohio Auditor's office and complies with the Single Audit Act.

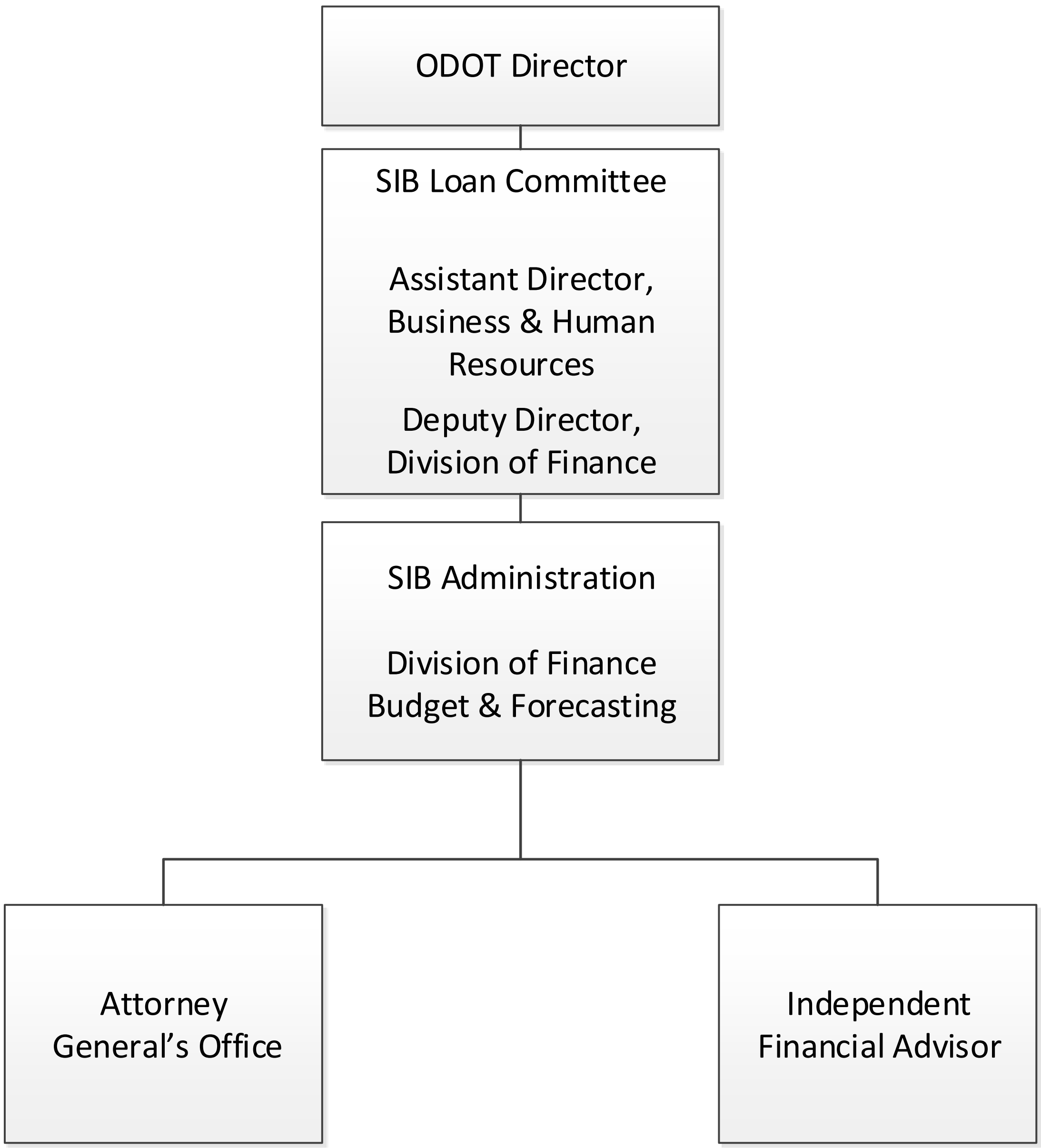
To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the Ohio State Infrastructure Bank.

Cover Photos: City of Athens-Stimson Avenue Improvements
City of Huber Heights-Carriage Trails & Windbrooke Public Improvements
City of Zanesville-Wayne Avenue (SR60) Improvements
City of Conneaut-SR7/SR531 Resurfacing

Ohio Department of Transportation

State Infrastructure Bank

Organizational Chart



OHIO DEPARTMENT OF TRANSPORTATION
STATE INFRASTRUCTURE BANK
FUNDS 2120 AND 2130
COMBINED STATEMENT OF REVENUES AND EXPENDITURES IN FUND BALANCES
FOR FEDERAL YEAR ENDING SEPTEMBER 30, 2020

Beginning Cash Balance	$97,239,706
Revenues	
Investment Earnings	1,879,872
Principal Loan Repayment (FHWA)	9,727,206
Interest Payment on Loan (FHWA)	641,625
Principal Loan Repayment (GRF)	2,773,356
Interest Payment on Loan (GRF)	938,404
Principal Loan Repayment (2nd Generation)	5,748,381
Interest Payment on Loan (2nd Generation)	2,177,606
Principal Loan Repayment (State Motor Fuel)	2,334,238
Interest Payment on Loan (State Motor Fuel)	279,485
Transfer In - Fund 7002 to SIB Fund 2120	0
Administrative Fees	45,646
Total Revenues	$26,545,818
Expenditures	
Administrative	0
Federal Highway Funds	9,094,435
General Revenue Funds	3,836,506
Motor Fuel Tax Funds	2,075,813
Second Generation/Title 23 Funds	20,472,633
Total Expenditures	$35,479,388
Ending Cash Balance	$88,306,137

STATE INFRASTRUCTURE BANK
BALANCE SHEET FOR FUNDS 2120 AND 2130
FOR FEDERAL YEAR ENDING SEPTEMBER 30, 2020

Assets and Other Debits		
Assets		
Uncommitted Cash	$	36,179,499
Cash Reserve - Current Year Debt Service - Title 23 & GRF	$	-
Cash Reserve for Approved Loans Already Encumbered	$	23,457,838
Cash Reserve for Approved Loans Not Yet Encumbered	$	28,668,799
Total Cash on Hand:		$88,306,137
Receivables		
Loans Already Disbursed		
Principal Due	$	155,616,804
Interest Due	$	29,716,573
Administrative Fees	$	3,631
Total:		$185,337,007
Total Assets		$273,643,144
Equity		
Original Seed Money		
Federal	$	87,000,000
GRF	$	40,000,000
Motor Fuel Tax	$	15,000,000
Total:		$142,000,000
Investment Earnings	$	62,266,997
Interest from Loans	$	69,376,147
Total Equity:		$273,643,144

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	70/75 Airport Logistics Access

The project is for improvements that include widening of a certain portion of US 40 to five lanes from just west of Union Airpark Boulevard to the interchange connecting US 40 to the Dayton International Airport Access Road and other improvements. The project will improve safety and reduce traffic congestion projected to increase due to significant new business development in the area.

Borrower:	Montgomery County Transportation Improvement District Montgomery County
Total Project Cost:	$12,608,000
Construction/Procurement Date:	September 30, 2020
Project Completion Date:	December 31, 2021
PID Identification:	98794
STIP Identification:	21-24
SIB Identification:	200005

LOAN CHARACTERISTICS

Date of Loan:	September 9, 2020
Amount of Loan:	$2,708,000
Interest Rate:	3%
Term:	10 years
Purpose of Loan:	Construction
Primary Repayment Source:	County Non-Tax Revenues
SIB Funding Source:	Title 23

TOTAL FUNDING SOURCES

SIB Loan	$2,708,000
ODOT TRAC (PE, DD, ROW)	$1,400,000
Montgomery County	$300,000
City of Union	$100,000
City of Dayton	$100,000
ODOT TRAC (Construction, CE)	$8,000,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Newpark Drive Reconstruction

The project includes reconstruction of approximately 1,800 feet of concrete street and replacing 17 catch basins on Newpark Drive. Reconstruction includes the constructing, improving, paving, grading, draining, constructing curbs and driveway aprons, and constructing and installing storm sewer improvements.

Borrower:	City of Norton
Total Project Cost:	$1,094,075
Construction/Procurement Date:	September 30, 2019
Project Completion Date:	December 31, 2019
PID Identification:	111493
STIP Identification:	N/A
SIB Identification:	200006

LOAN CHARACTERISTICS

Date of Loan:	December 23, 2019
Amount of Loan:	$452,000
Interest Rate:	3%
Term:	5 years
Purpose of Loan:	Construction
Primary Repayment Source:	Municipal Income Tax, Gas Tax Revenues
SIB Funding Source:	General Revenue Fund

TOTAL FUNDING SOURCES

SIB Loan	$452,000
Local Funds	$642,075

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Carriage Trails & Windbrooke Public Improvements

This project is for public street improvements for residential subdivisions located within their residential special assessment district. Public street improvements will include pavements and base and curbs within public right-of-way of the Carriage Trails Community Development.

Borrower:	City of Huber Heights
Total Project Cost:	$1,286,000
Construction/Procurement Date:	July 17, 2019
Project Completion Date:	June 30, 2021
PID Identification:	111494
STIP Identification:	N/A
SIB Identification:	200007

LOAN CHARACTERISTICS

Date of Loan:	December 10, 2019
Amount of Loan:	$1,286,000
Interest Rate:	3%
Term:	20 years
Purpose of Loan:	Construction
Primary Repayment Source:	Special Assessment Revenues, Non-Tax Revenues
SIB Funding Source:	General Revenue Fund

TOTAL FUNDING SOURCES

No additional funding sources.

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Potters Lane Widening & Access Road

This project is for the demolishing of an existing vacant structure to add an access road to new development sites on Potters Lane. Includes widening Potters Lane from a one-lane to a two-lane in order to handle the traffic for the new development, pave an existing alley to allow to use for deliveries, add sidewalks and parking around the access road to provide easier access.

Borrower:	Village of Roseville
Total Project Cost:	$553,350
Construction/Procurement Date:	June 30, 2020
Project Completion Date:	September 30, 2020
PID Identification:	113232
STIP Identification:	N/A
SIB Identification:	200008

LOAN CHARACTERISTICS

Date of Loan:	May 4, 2020
Amount of Loan:	$173,363
Interest Rate:	3%
Term:	20 years
Purpose of Loan:	Construction
Primary Repayment Source:	Income Tax Receipts
SIB Funding Source:	General Revenue Fund

TOTAL FUNDING SOURCES

SIB Loan	$173,363
Economic Development Grant	$129,987
ARC/GOA Buckeye Hills	$250,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Youngstown SMART2 Network

This project is a portion of the second phase of the MAH-Youngstown SMART2 Network Project. This will connect strategic & sustainable, medical & manufacturing, academic & arts, residential & recreational, and technology & training centers in the Mahoning Valley region. This will enhance mobility, improve safety and integrate technology into a modern and efficient multi-modal transportation system in downtown Youngstown.

Borrower:	City of Youngstown Eastgate Regional Council of Governments
Total Project Cost:	$27,632,692
Construction/Procurement Date:	July 1, 2020
Project Completion Date:	December 31, 2023
PID Identification:	110187
STIP Identification:	2018AM13ID0431FDCO
SIB Identification:	200009

LOAN CHARACTERISTICS

Date of Loan:	August 5, 2020
Amount of Loan:	$5,000,000
Interest Rate:	3%
Term:	8 years
Purpose of Loan:	Construction
Primary Repayment Source:	City Gas Tax, City Non-Tax Revenues, Eastgate's Annual Federal Allocation
SIB Funding Source:	Federal

TOTAL FUNDING SOURCES

FHWA	$17,780,055
TRC Funds	$143,750
LPA Funds	$4,698,887
SIB Loan	$5,000,000
City of Youngstown Equity	$10,000

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Stimson Avenue Improvement

This project is for roadway improvements along Stimson Avenue, includes full depth pavement reconstruction, pedestrian facility upgrades, new signals at East State Street and Campbell Street, lighting improvements, landscaping, and water and sewer upgrades.

Borrower:	City of Athens
Total Project Cost:	$7,819,019
Construction/Procurement Date:	July 30, 2020
Project Completion Date:	May 30, 2022
PID Identification:	106687
STIP Identification:	SLI 16
SIB Identification:	200010

LOAN CHARACTERISTICS

Date of Loan:	June 15, 2020
Amount of Loan:	$5,010,000
Loan Interest Rate:	3%
Term:	20 years
Purpose of Loan:	Construction
Primary Repayment Source:	City Municipal Income Tax
SIB Funding Source:	Title 23

TOTAL FUNDING SOURCES

SIB Loan	$5,010,000
ODOT Small City Program	$2,126,815
Local Funds	$682,204

LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project:	Street & Alley Resurfacing

This project is the resurfacing of various streets and alleys with asphalt overlay. This is part of the Village's maintenance program to resurface deteriorating streets within the Village corporation limits.

Borrower:	Village of Camden
Total Project Cost:	$525,000
Construction/Procurement Date:	September 25, 2020
Project Completion Date:	June 30, 2021
PID Identification:	113928
STIP Identification:	N/A
SIB Identification:	210000

LOAN CHARACTERISTICS

Date of Loan:	September 21, 2020
Amount of Loan:	$525,000
Interest Rate:	3%
Term:	5 years
Purpose of Loan:	Construction
Primary Repayment Source:	Village Local Income Tax
SIB Funding Source:	General Revenue Fund

TOTAL FUNDING SOURCES

No additional funding sources.

Ohio Department of Transportation
State Infrastructure Bank
Active Project List ending September 30, 2020

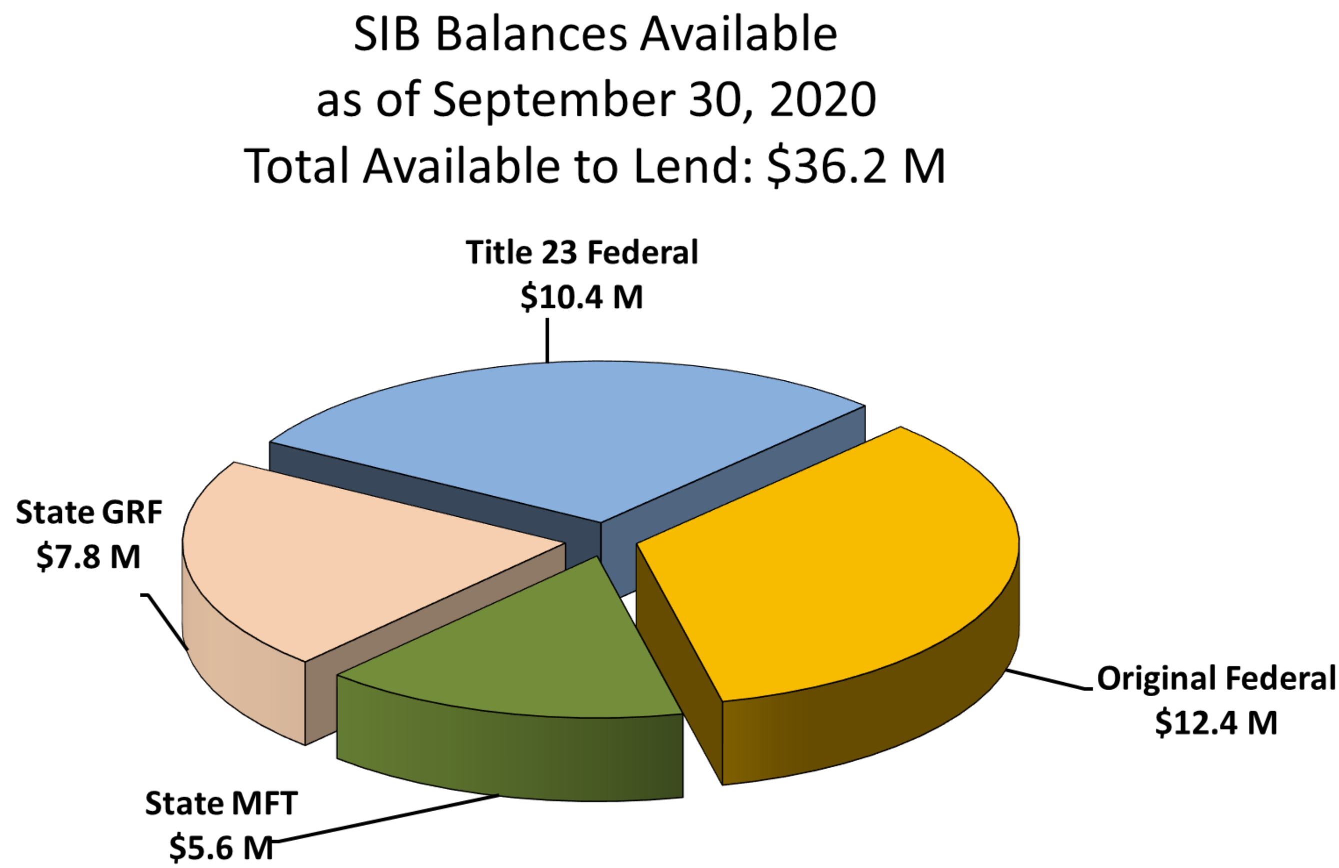
Borrower	Project	Loan/Bond Amount	Loan/Bond Disbursements	Funds Available	Interest Rate	Term	Loan Number
ALLIANCE, CITY OF	MLK VIADUCT PROJECT	$169,839.36	$169,839.36	$0.00	3.00%	10	100005
ASHTABULA, CITY OF	LOCAL ROAD PAVING PROJECTS	$942,000.00	$942,000.00	$0.00	3.00%	15	140021
ASHTABULA, CITY OF	US 20 REHABILITATION	$302,000.00	$249,206.32	$52,793.68	3.00%	10	160008
ATHENS, CITY OF	STIMSON AVENUE	$5,010,000.00	$10,000.00	$5,000,000.00	3.00%	20	200010
BAY VILLAGE, CITY OF	COLUMBIA ROAD CULVERT	$835,940.00	$4,000.00	$831,940.00	3.00%	10	190011
BELOMAR INTERSTATE PLANNING COMMISSION	I-70/SR40/SR331 INTERCHANGE MOD	$2,708,000.00	$1,745,391.44	$962,608.56	3.00%	10	150009
BRUNSWICK, CITY OF	BRUNSWICK-NORTH CARPENTER ROAD	$2,000.00	$2,000.00	$0.00	3.00%	10	170B08
CAMBRIDGE, CITY OF	AIRPORT RUNWAY EXTENSION	$122,000.00	$2,000.00	$120,000.00	3.00%	7	190013
CAMDEN, CITY OF	STREET & ALLEY RESURFACING	$302,000.00	$302,000.00	$0.00	3.00%	7	160003
CAMDEN, CITY OF	STREET RESURFACING	$525,000.00	$4,000.00	$521,000.00	3.00%	5	210000
CANTON, CITY OF	12TH ST. N CORRIDOR SAFETY	$2,308,000.00	$2,303,603.02	$4,396.98	3.00%	10	140016
CHARDON TOWNSHIP	ROAD RECONSTRUCTION	$222,000.00	$222,000.00	$0.00	3.00%	10	180013
CINCINNATI, CITY OF	KEYSTONE PARK	$2,500,000.00	$2,500,000.00	$0.00	3.00%	29	140013
CINCINNATI, CITY OF	MLK INTERCHANGE	$25,000,000.00	$11,906,392.59	$13,093,607.41	3.00%	25	140009
CLEVELAND HEIGHTS, CITY OF	TAYLOR ROAD REHAB	$7,266,000.00	$426,354.85	$6,839,645.15	3.00%	10	110002
CLEVELAND, CITY OF	W. 150TH AND HARVARD	$1,600.00	$1,600.00	$0.00	3.00%	10	160B10
CLEVELAND, CITY OF	TOWER CITY BRIDGES PROJECT	$2,000.00	$2,000.00	$0.00	3.00%	10	170B09
COLUMBUS, CITY OF	MAIN STREET BRIDGE REPLACEMENT	$15,001,134.00	$10,758,372.66	$4,242,761.34	3.00%	10	060012
CONCORD TOWNSHIP	CAPITAL PARKWAY EXTENSION	$5,390,450.00	$2,662,028.32	$2,728,421.68	3.00%	20	140007
CONNEAUT, VILLAGE OF	CHESTNUT STREET	$100,000.00	$100,000.00	$0.00	3.00%	10	180009
CONNEAUT, VILLAGE OF	US20 RESURFACING	$187,416.00	$111,597.85	$75,818.15	3.00%	10	190001
CONNEAUT, VILLAGE OF	CHAMBERLAIN REHAB	$804,300.00	$341,530.00	$462,770.00	3.00%	15	190004
CONNEAUT, VILLAGE OF	SR7/SR351 RESURFACING	$387,000.00	$245,254.30	$141,745.70	3.00%	10	200001
CONNEAUT, VILLAGE OF	LAKE ROAD STORM SEWER	$132,500.00	$2,000.00	$130,500.00	3.00%	10	200002
COSHOCTON, CITY OF	CHESTNUT STREET REPAVING	$202,000.00	$202,000.00	$0.00	3.00%	12	130010
CUYAHOGA COUNTY	BAGLEY/PLEASANT VALLEY RDS	$8,026,000.00	$7,846,000.00	$180,000.00	3.00%	6	140018
DAYTON, CITY OF	WATER STREET PARKING GARAGE	$2,500,000.00	$2,500,000.00	$0.00	3.00%	22	140012
DELAWARE COUNTY/MORPC	RESURFACING PROJECT	$3,382,400.00	$1,246,647.85	$2,135,752.15	3.00%	6	190020
DOVER, CITY OF	TUSCARAWAS AVENUE BRIDGE	$1,868,675.00	$996,657.24	$872,017.76	3.00%	10	070001
DUBLIN, CITY OF	US33/I270 INTERCHANGE DUBLIN PORTION	$10,010,000.00	$7,579,295.74	$2,430,704.26	3.00%	20	150B03
DUBLIN, CITY OF	US33/I-270 INTERCHANGE MORPC PORTION	$25,000,000.00	$19,819,250.18	$5,180,749.82	3.00%	20	150A03
EAST LIVERPOOL, CITY OF	GARFIELD ST/ST. CLAIR RETAI	$302,000.00	$300,000.00	$2,000.00	3.00%	10	170012
EAST LIVERPOOL, CITY OF	RIVER ROAD	$1,256,000.00	$1,116,032.50	$139,967.50	3.00%	15	150007
EAST LIVERPOOL, CITY OF	ELIZABETH STREET BRIDGE	$200,000.00	$1,630.00	$198,370.00	3.00%	2	190002
EAST LIVERPOOL, CITY OF	US30/SR39 IMPROVEMENTS	$173,775.04	$142,893.91	$30,881.13	3.00%	10	190016
ELYRIA, CITY OF	STATE ROUTE 20 PAVING	$420,200.00	$33,022.97	$387,177.03	3.00%	20	190006
ELYRIA, CITY OF	STATE ROUTE 113 PAVING	$690,699.00	$424,731.65	$265,967.35	3.00%	10	190007
ERIE-OTTAWA REGIONAL AIRPORT	4 AIRPORT HANGER PROJECTS	$1,297,750.00	$1,297,750.00	$0.00	3.00%	20	140002
FRANKLIN COUNTY	WEST BROAD STREET RECONSTRU	$1,032,170.00	$878,394.98	$153,775.02	3.00%	10	130007
GENEVA ON THE LAKE	LOCAL ROAD REPAVING	$107,000.00	$90,467.05	$16,532.95	3.00%	7	150011
GERMAN TOWNSHIP	EBY ROAD REPAVING PROJECT	$102,000.00	$93,386.55	$8,613.45	3.00%	5	170007
GREAT LAKES SCIENCE CENTER	GREAT LAKES INTERMODAL FAC	$7,825,000.00	$7,616,977.01	$208,022.99	3.00%	20	SB9703
HAMBDEN TOWNSHIP	CUTTS ROAD RECONSTRUCTION	$454,000.00	$417,637.14	$36,362.86	3.00%	2	180016
HIGHLAND COUNTY	HANGAR ACQUISITION HIGHLAND CTY AIRPORT	$127,000.00	$103,698.51	$23,301.49	3.00%	20	180001

Ohio Department of Transportation
State Infrastructure Bank
Active Project List ending September 30, 2020

Borrower	Project	Loan/Bond Amount	Loan/Bond Disbursements	Funds Available	Interest Rate	Term	Loan Number
HOLMES COUNTY	COUNTY ROAD REPAVING	$2,508,000.00	$2,411,940.46	$96,059.54	3.00%	5	170006
HOPEDALE VILLAGE	LOCAL ROAD (6) REPAVING PROGRAM	$529,000.00	$529,000.00	$0.00	3.00%	20	160005
HUBER HEIGHTS, CITY OF	I70/SR202 INTERCHANGE	$2,059,000.00	$2,059,000.00	$0.00	3.00%	27	SB0410
HUBER HEIGHTS, CITY OF	MUSIC CENTER PARKING	$4,008,000.00	$3,691,660.90	$316,339.10	3.00%	20	140017
HUBER HEIGHTS, CITY OF	SR 201/I70 INTERCHANGE	$1,504,000.00	$807,775.29	$696,224.71	3.00%	25	SB0510
HUBER HEIGHTS, CITY OF	CARRIAGE TRAIL	$1,107,000.00	$6,000.00	$1,101,000.00	3.00%	20	190017
HUBER HEIGHTS, CITY OF	CARRIAGE TRAILS/WINDBROOKE	$1,286,000.00	$660,342.14	$625,657.86	3.00%	20	200007
LAKE TOWNSHIP	SR619 PHASE 1	$2,006,000.00	$2,006,000.00	$0.00	3.00%	10	130002
LANCASTER, CITY OF	TRANSPORTATION SYSTEM SYSTEM UPGRADE	$227,000.00	$217,587.00	$9,413.00	3.00%	10	190009
LAWRENCE ECONOMIC DEVELOPMENT CORPORATION	CONSTRUCTION OF A CRANE FOUNDATION	$2,088,000.00	$2,088,000.00	$0.00	3.00%	10	120002
LEBANON, CITY OF	BYPASS 48 RESURFACING	$302,000.00	$302,000.00	$0.00	3.00%	4	180015
LEWISBURG, VILLAGE OF	STREET RESURFACING	$850,000.00	$850,000.00	$0.00	3.00%	20	190012
LICKING TOWNSHIP	3 TOWNSHIP RD. REPAVING	$202,000.00	$202,000.00	$0.00	3.00%	10	160014
LIMA-ALLEN COUNTY REGIONAL PLANNING COMMISSION	GRADE CROSSING ELIMINATION-LIMA	$2,279,200.00	$335,882.95	$1,943,317.05	3.00%	4	180004
LORAIN, CITY OF	REDFERN ROAD BRIDGE	$202,000.00	$202,000.00	$0.00	3.00%	10	130011
LORAIN, CITY OF	SR 57 AND 7 LOCAL ROADS	$1,633,000.00	$1,620,230.70	$12,769.30	3.00%	10	160012
LORAIN, CITY OF	12 LOCAL ROAD REHAB	$448,489.00	$412,952.91	$35,536.09	3.00%	10	130004
LORAIN, CITY OF	WEST 38TH, WEST 39TH, OBERLIN AVE	$409,572.00	$304,555.73	$105,016.27	3.00%	10	110003
LORAIN, CITY OF	SR58 AND VARIOUS LOCAL ROADS	$1,285,000.00	$1,166,785.95	$118,214.05	3.00%	10	090007
LORAIN, CITY OF	12 LOCAL ROADWAY REHABILITATION	$1,547,329.00	$1,415,848.40	$131,480.60	3.00%	10	170010
LORAIN, CITY OF	SR611 RESURFACING	$848,963.00	$564,713.55	$284,249.45	3.00%	10	130006
LORAIN, CITY OF	WASHINGTON & REID AVE REHAB	$1,630,076.00	$1,301,541.67	$328,534.33	3.00%	10	130005
LORAIN, CITY OF	LOCAL ROADWAY REHABILITATION 2015	$1,336,739.00	$934,356.62	$402,382.38	3.00%	7	160006
LORAIN, CITY OF	5 ROAD REHAB/REPAIR IN CITY	$2,458,000.00	$1,928,397.01	$529,602.99	3.00%	15	130009
LORAIN, CITY OF	LOCAL ROAD REHAB	$1,822,688.00	$1,547,488.76	$275,199.24	3.00%	7	180014
LUCAS COUNTY TRANSPORTATION IMPROVEMENT	I-475/20A INTERCHANGE	$8,000,000.00	$5,021,444.85	$2,978,555.15	3.00%	20	190003
MACEDONIA, CITY OF	IR271 RAMP RELOCATION	$502,000.00	$502,000.00	$0.00	3.00%	10	140010
MARIETTA, CITY OF	RIVER TRAIL PATH PROJECT	$254,800.00	$229,059.15	$25,740.85	3.00%	10	160011
MARTINS FERRY, CITY OF	8TH ST. SLIP REPAIR	$392,000.00	$291,039.98	$100,960.02	3.00%	20	170005
MCCOMB VILLAGE	OLIVER STREET RECONSTRUCTION	$642,000.00	$540,230.05	$101,769.95	3.00%	15	140003
MENTOR ON THE LAKE	SR 283 NOACA PORTION	$1,842,140.00	$1,842,140.00	$0.00	3.00%	5	070A10
MENTOR ON THE LAKE	SR 283 CITY PORTION	$1,209,042.56	$1,209,042.56	$0.00	3.00%	20	070B10
MONTGOMERY CNTY TRANSPORTATION IMPROVEMENT	DOG LEG RD. IMPROVE	$13,369,518.00	$13,369,517.61	$0.39	3.00%	12	140001
MONTGOMERY CNTY TRANSPORTATION IMPROVEMENT	MARKET ST. EXTENSION	$1,976,000.00	$1,976,000.00	$0.00	3.00%	20	170002
MONTGOMERY CNTY TRANSPORTATION IMPROVEMENT	AUSTIN RD. ENHANCEMENTS	$704,000.00	$704,000.00	$0.00	3.00%	10	170003
MONTGOMERY COUNTY	YANKEE STREET	$1,135,218.00	$1,038,736.88	$96,481.12	3.00%	10	140004
MONTGOMERY COUNTY	AUSTIN PIKE	$2,508,000.00	$1,295,180.06	$1,212,819.94	3.00%	10	110007
MONTGOMERY COUNTY TID	MIAMI-LYONS ROAD	$584,180.00	$323,801.84	$260,378.16	3.00%	10	180017
MONTGOMERY COUNTY TID	MIAMISBURG ROAD	$1,005,564.00	$1,005,564.00	$0.00	3.00%	10	190014
MONTGOMERY COUNTY TID	MIAMI TOWNSHIP	$1,960,589.00	$6,000.00	$1,954,589.00	3.00%	10	190015
MONTGOMERY COUNTY TID	I-70/75 AIRPORT LOGISTICS ACCESS	$2,708,000.00	$8,000.00	$2,700,000.00	3.00%	10	200005
MUNROE FALLS	LOCAL ROAD REHAB	$1,100,000.00	$1,083,822.63	$16,177.37	3.00%	9	180011
MUSKINGUM COUNTY	PHILO-DUNCAN BRIDGE	$1,092,598.00	$423,866.01	$668,731.99	3.00%	20	180002
MUSKINGUM COUNTY TRNSPORTATION IMPROVEMENT	BYERS RD. RELOCATION	$2,510,990.00	$2,510,990.00	$0.00	3.00%	10	110005

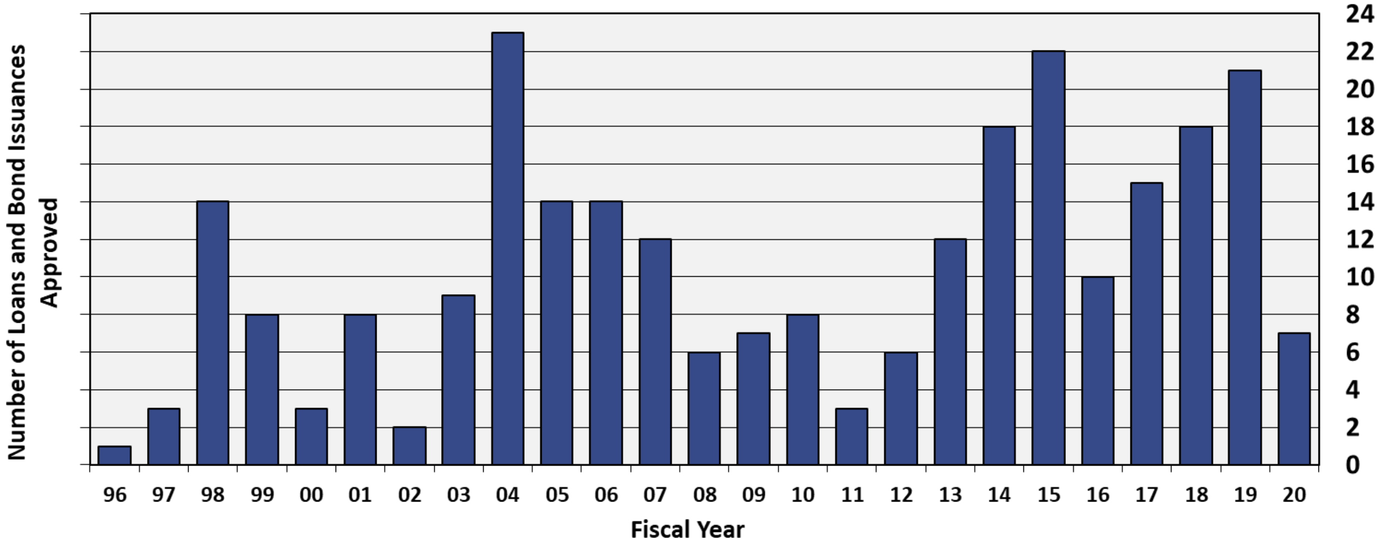
Ohio Department of Transportation
State Infrastructure Bank
Active Project List ending September 30, 2020

Borrower	Project	Loan/Bond Amount	Loan/Bond Disbursements	Funds Available	Interest Rate	Term	Loan Number
MUSKINGUM COUNTY TRNSPORTATION IMPROVEMENT	NORTHPOINTE DRIVE	$11,060,000.00	$11,060,000.00	$0.00	3.00%	20	SB9908
NEW PHILADELPHIA, CITY OF	SR 39/WEST HIGH AVE	$350,000.00	$350,000.00	$0.00	3.00%	10	140014
NEW PHILADELPHIA, CITY OF	AIRPORT HANGAR	$504,000.00	$503,990.00	$10.00	3.00%	20	180018
NEWARK, CITY OF	WATERWORKS SR 13 RECONSTRUCTION	$3,010,000.00	$2,129,147.30	$880,852.70	3.00%	10	080003
NEWARK, CITY OF	MOUNT VERNON ROAD IMPROVEMENTS	$6,630,000.00	$5,553,269.11	$1,076,730.89	3.00%	20	150013
NEWARK, CITY OF	OHIO & MANNING BRIDGES	$2,717,728.00	$1,356,808.79	$1,360,919.21	3.00%	10	180008
NORTH RIDGEVILLE, CITY OF	LEAR NAGLE ROAD-NORTH RIDGEVILLE PORTION	$2,000.00	$2,000.00	$0.00	3.00%	10	160B07
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	LEAR NAGLE ROAD-NOACA PORTION	$5,304,000.00	$5,242,256.34	$61,743.66	3.00%	10	160A07
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	W.150TH & HARVARD	$4,006,400.00	$3,631,099.86	$375,300.14	3.00%	10	160A10
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	NOACA-CLEVELAND-TOWER CITY BRIDGE PROJEC	$8,298,000.00	$5,677,406.87	$2,620,593.13	3.00%	10	170A09
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	NOACA/BRUNSWICK-NORTH CARPENTER ROAD	$9,710,000.00	$2,296,559.73	$7,413,440.27	3.00%	10	170A08
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	NOACA/CUYAHOGA-ROYALTON ROAD WIDENING	$10,358,800.00	$2,447,166.86	$7,911,633.14	3.00%	10	180007
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY	NOACA/LAKE-VROOMAN RD*AMENDMENT*	$14,809,910.00	$9,905,931.60	$4,903,978.40	3.00%	6	180005
NORTON, CITY OF	CLEVELAND-MASSILLON ROAD WIDENING	$3,158,000.00	$1,196,688.24	$1,961,311.76	3.00%	20	190008
NORTON, CITY OF	NEWPARK DRIVE RECONSTRUCTION	$452,000.00	$452,000.00	$0.00	3.00%	5	200006
OTTAWA VILLAGE	WILLIAMSTOWN RD PROFILING	$211,000.00	$138,903.54	$72,096.46	3.00%	10	140020
OTTAWA VILLAGE	PUTNAM PKWY EXTENSION	$272,725.00	$191,964.49	$80,760.51	3.00%	10	140019
OTTAWA VILLAGE	VILLA DRIVE RECONSTRUCT	$614,700.00	$289,891.97	$324,808.03	3.00%	10	160013
PATASKALA, CITY OF	SUMMIT ROAD SOUTH REHAB	$317,000.00	$247,771.32	$69,228.68	3.00%	10	110001
PERRY TOWNSHIP	LOCAL STREET REPAVING (6)	$302,000.00	$232,667.65	$69,332.35	3.00%	7	150008
POWELL, CITY OF	SAWMILL PARKWAY RESURFACING	$1,133,800.00	$8,499.00	$1,125,301.00	3.00%	5	190019
ROSEVILLE, VILLAGE OF	POTTERS LANE	$173,363.00	$2,000.00	$171,363.00	3.00%	20	200008
ROSS COUNTY	SR207 & HOSPITAL ROAD	$2,006,000.00	$6,000.00	$2,000,000.00	3.00%	20	190010
SOUTHWEST LICKING COMM WATER & SEWER DISTRICT	I70&SR 310 INTERCHANGE	$314,722.00	$263,316.16	$51,405.84	3.00%	10	160009
SPRINGFIELD TOWNSHIP	LIGHTING, CANTON/WATERLOO	$227,000.00	$2,155.80	$224,844.20	3.00%	10	190005
STEUBENVILLE, CITY OF	SR43 WIDENING	$2,282,292.00	$2,257,851.16	$24,440.84	3.00%	25	SB9809
TOLEDO LUCAS CO PORT AUTHORITY	AIRPORT IMPROVEMENTS	$1,761,000.00	$1,281,594.14	$479,405.86	3.00%	20	180003
TOLEDO, CITY OF	TOLEDO/TMACOG MLK MEMORIAL BRIDGE	$4,547,300.00	$4,505,000.00	$42,300.00	3.00%	10	SB0416
TOLEDO, CITY OF	MARINA DISTRICT; RIVERSIDE DRIVE	$5,010,000.00	$4,044,735.86	$965,264.14	3.00%	15	080002
TUSCARAWAS VILLAGE	MAIN ST. SIDEWALK REP	$110,446.00	$102,561.55	$7,884.45	3.00%	10	170004
TWINSBURG TOWNSHIP	HEIGHTS RD RECONSTRUCTION	$2,932,478.00	$1,947,378.67	$985,099.33	3.00%	10	130008
TWINSBURG TOWNSHIP	MARWELL ESTATES ROAD REC	$2,040,698.00	$1,912,463.37	$128,234.63	3.00%	10	170001
TWINSBURG TOWNSHIP	HEIGHTS ALLOTMENT RD RECON	$1,582,019.00	$1,022,581.06	$559,437.94	3.00%	15	180006
UNIVERSITY HEIGHTS, CITY OF	UNIVERSITY PARKWAY	$682,000.00	$577,844.93	$104,155.07	3.00%	10	090009
VANDALIA, CITY OF	SOUTH DIXIE PHASE 3 WIDENING	$1,776,000.00	$1,652,214.99	$123,785.01	3.00%	10	140015
WARRENSVILLE HEIGHTS, CITY OF	3 LOCAL ROADS REHAB	$2,797,205.00	$2,797,205.00	$0.00	3.00%	10	150014
WEST FARMINGTON VILLAGE	2 BRIDGES/WATERLINE RELO	$12,600.00	$11,958.41	$641.59	3.00%	10	150010
WEST JEFFERSON	SR29/US40 EXT AND UPGRADES	$1,006,000.00	$1,006,000.00	$0.00	3.00%	20	180012
WESTLAKE, CITY OF	SR254/CROCKER ROAD IMPROVEMENTS	$8,510,000.00	$8,510,000.00	$0.00	3.00%	20	130003
YOUNGSTOWN, CITY OF	BRIER HILL INDUSTRIAL PARK	$2,626,090.00	$1,801,341.82	$824,748.18	3.00%	10	100001
YOUNGSTOWN, CITY OF	SMART 2 PROJECT	$5,000,000.00	$0.00	$5,000,000.00	3.00%	8	200009
ZANESVILLE, CITY OF	STATE STREET BRIDGE	$109,580.00	$75,728.73	$33,851.27	3.00%	10	120001
ZANESVILLE, CITY OF	SR60 IMPROVEMENTS	$754,000.00	$725,110.09	$28,889.91	3.00%	10	200003
ZANESVILLE, CITY OF	SR146/60 CONNECTOR	$5,010,000.00	$4,641,113.28	$368,886.72	3.00%	27	SB0423
		$347,764,399.96	$240,726,317.34	$107,038,082.62			



Note: Total available to lend is calculated net of annual debt service totaling $1,077,751.

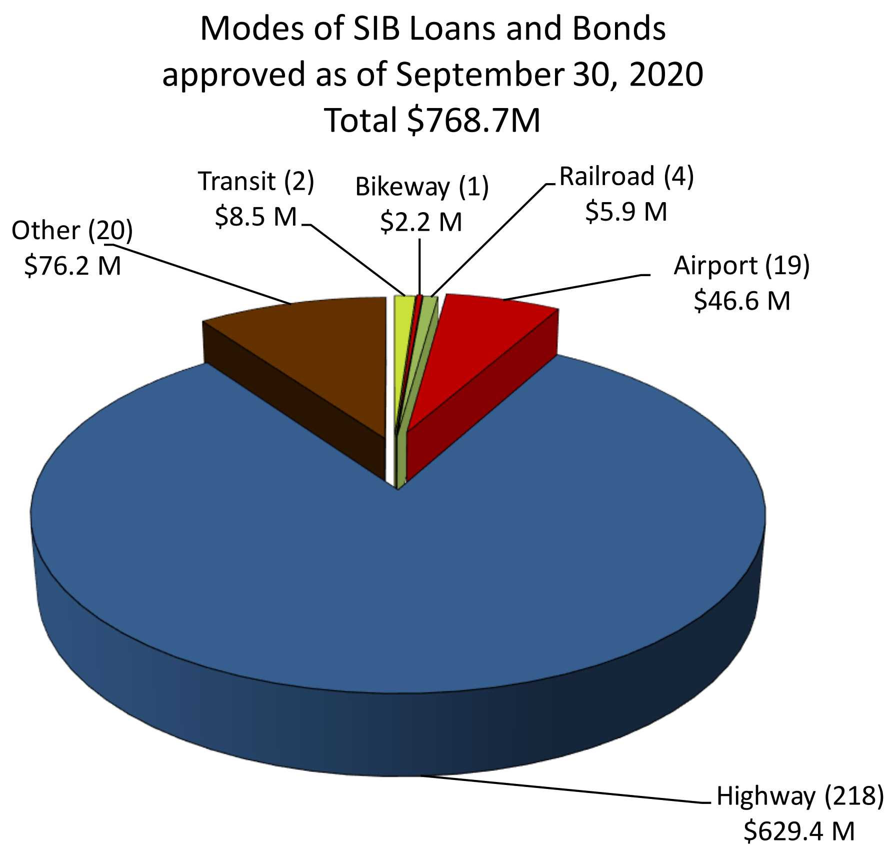
State Infrastructure Bank Loans and Bonds



Federal Fiscal Year	1996-2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total *
# of Loans	130	3	5	12	17	19	9	14	17	19	7	252
$ of Approved Loans (in millions)	$385.73	$5.5	$7.8	$33.6	$56.9	$65.1	$10.1	$28.9	$46.2	$19.4	$15.2	$674.3
# of Bonds	2		1		1	3	1	1	1	2		12
$ of Approved Bonds (in millions)	$18.5		$9.4		$7.2	$10.5	$7.9	$4.7	$15.7	$20.5		$94.4

Number of Loans:	252		Amount of Approved Loans:	$674.3
Number of Bonds:	12		Amount of Approved Bonds:	$94.4
Total:	264		Total:	$768.7

* Annual amounts may not equal to total due to rounding. Excludes loans that were approved but cancelled prior to closing on the loan.


Modes of SIB Loans and Bonds
approved as of September 30, 2020
Total $768.7M
Other (20)
$76.2 M
Transit (2)
$8.5 M
Bikeway (1)
$2.2 M
Railroad (4)
$5.9 M
Airport (19)
$46.6 M
Highway (218)
$629.4 M

HIGHLIGHTED STATE INFRASTRUCTURE BANK (SIB) PROJECTS

SIB projects include those found below and are depicted on the next page.

City of Huber Heights, Carriage Trails & Windbrooke Public Improvements Project

This SIB loan was used to finance public street improvements for residential subdivisions located within their residential special assessment district in the City of Huber Heights, Montgomery County, Ohio. Public street improvements will include pavements and base and curbs within public right-of-way of the Carriage Trails Community Development. There are six phases to the Development all of which are at different stages of construction.

Total Project Costs: $1,286,000 SIB Loan Amount: $1,286,000

City of Norton, Newpark Drive Reconstruction Project

This SIB loan was used for reconstruction of approximately 1,800 feet of concrete street and replacing 17 catch basins on Newpark Drive within the City of Norton, Summit County, Ohio. The enhancements included in this project are the constructing, improving, paving, and grading for roadways, constructing curbs and driveway aprons, and constructing and installing storm sewer improvements.

Total Project Costs: $1,094,075 SIB Loan Amount: $452,000

City of Conneaut, SR7/SR531 Resurfacing Project

With a SIB loan the City of Conneaut was able to finance the City's portion of their streets resurfacing project. This consisted of work along Broad Street (SR 7), between Jackson Street and Lake Road and Lake Road (SR 531) between Whitney Road and Broad Street. Work also included minor work on structures within the City of Conneaut, Ashtabula County, Ohio.

Total Project Costs: $387,000 SIB Loan Amount: $387,000

City of Athens, Stimson Avenue Improvement Project

This project is for roadway improvements along 0.43 miles of Stimson Avenue from East State Street to North 1804 Way within the City of Athens, Athens County, Ohio. The SIB loan will be used for roadway improvements including full depth pavement reconstruction, pedestrian facility upgrades, new signals at East State Street and Campbell Street, lighting improvements, landscaping, and water and sewer upgrades.

Total Project Costs: $7,819,019 SIB Loan Amount: $5,010,000

City of Zanesville, Wayne Avenue (SR60) Improvements Project

The City obtained a SIB loan for a project located in Muskingum County. The loan was to assist in financing a slip repair with a 280' plug pile retaining wall and culvert replacement with an 8'x6' box culvert and wing wall on Wayne Avenue (SR 60) in the City of Zanesville, Ohio.

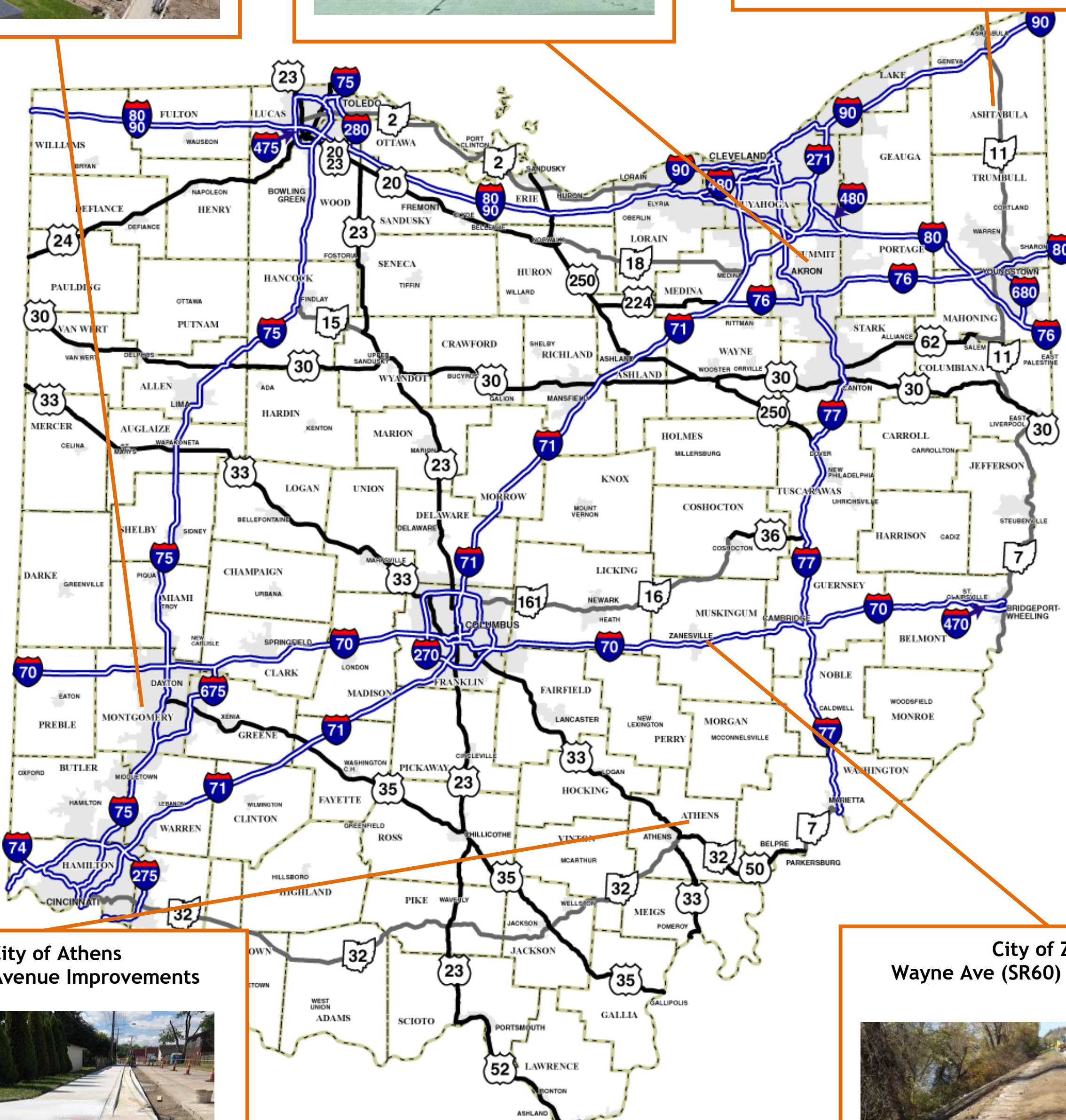
Total Project Costs: $869,800 SIB Loan Amount: $754,000

STATE INFRASTRUCTURE BANK PROJECTS

City of Huber Heights
Carriage Trails & Windbrooke
Public Improvements

City of Norton
Newpark Drive Reconstruction

City of Conneaut
SR7/SR531 Resurfacing



City of Athens
Stimson Avenue Improvements

City of Zanesville
Wayne Ave (SR60) Improvements

SIB LOANS AND BONDS ISSUED SINCE PROGRAM INCEPTION
APPROVED, ACTIVE AND PAID OFF LOANS AND BONDS
as of September 30, 2020

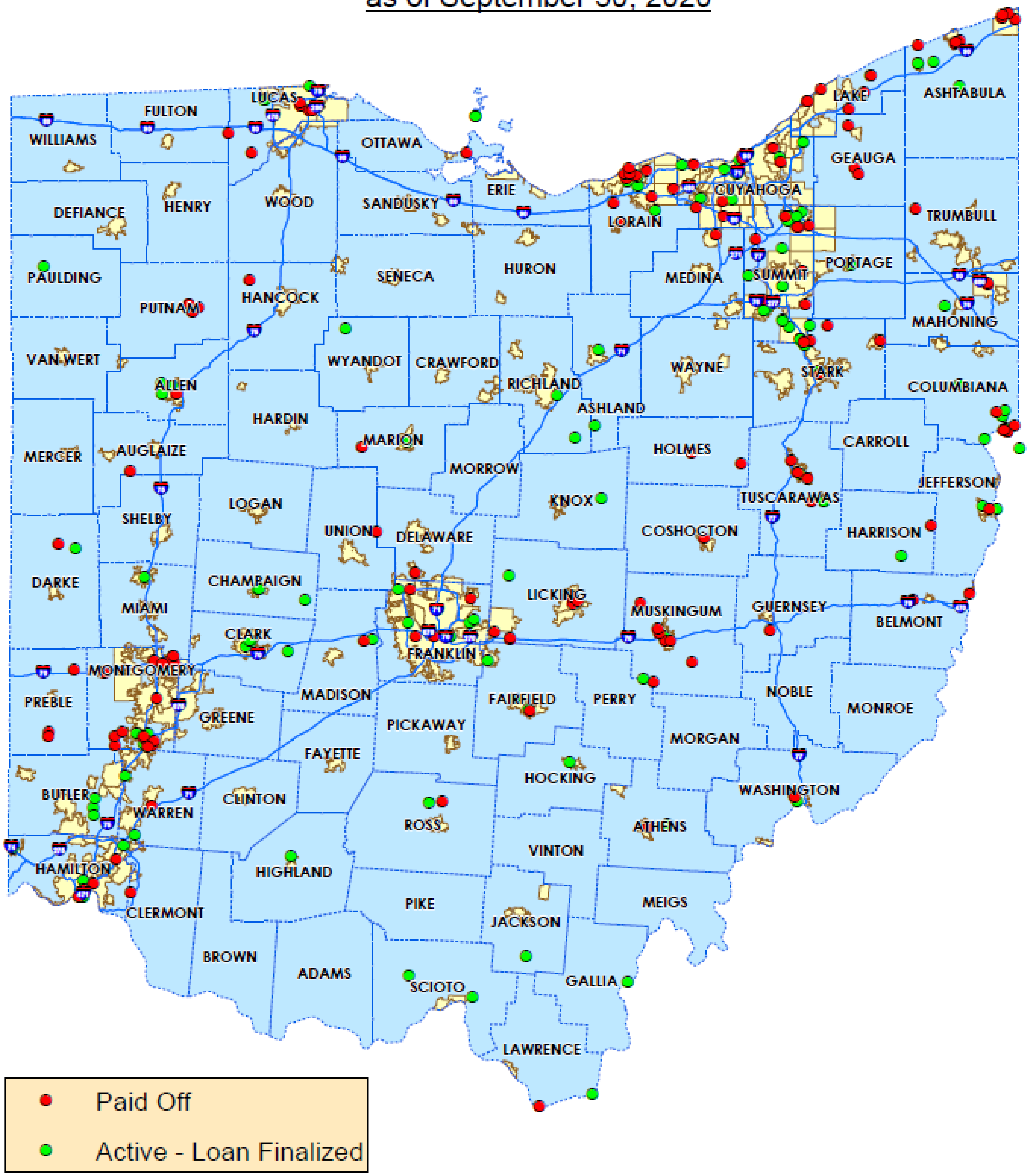
ODOT District	District Location	Loans	Bonds	Authorized Amount	% of Funds loaned/bonded	Approved * Loans	Active Loans	Paid off Loans	Approved * Bonds	Active Bonds	Paid-off Bonds
1	Lima	10		$7,997,339	1.04%		5	5			
2	Bowling Green	15	2	$50,975,050	6.63%		7	8		2	
3	Ashland	23	1	$33,348,032	4.34%		14	9		1	
4	Akron/Canton	48	3	$108,921,739	14.17%		22	26		2	1
5	Jacksontown	22	1	$57,078,519	7.43%		15	7		1	
6	Columbus	13	1	$92,539,486	12.04%		6	7		1	
7	Dayton	30	1	$66,397,189	8.64%		17	13		1	
8	Cincinnati	17	3	$127,256,245	16.55%		7	10		2	1
9	Chillicothe	9		$12,359,770	1.61%		3	6			
10	Marietta	8		$12,145,870	1.58%		2	6			
11	New Philadelphia	24		$21,518,847	2.80%		14	10			
12	Cleveland	33		$178,187,482	23.18%	2	17	14			
		252	12	$768,725,568	100.00%	2	129	121	0	10	2

Average loan amount is $2,675,855
Average bond amount is $7,867,500

***Approved loans or bonds means the SIB loan committee has approved but closing documents have not been executed.**

SIB LOAN/BOND LOCATIONS

as of September 30, 2020



SIB ANNUAL STATEMENT DISTRIBUTION LIST

Federal Highway Administration Washington office
Federal Highway Administration Ohio office
State of Ohio, Attorney General's office
State of Ohio, Office of Budget and Management
State of Ohio, Department of Transportation (10)
State of Ohio, Treasurer's office (2)
Huntington National Bank
The Bank of New York Mellon Trust Company
Michael DiPerna, DiPerna Economic Development Advisors