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OHIO



ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
YEAR ENDED  
DECEMBER 31, 2022





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

Members of Council  
City of Moraine  
4200 Dryden Road  
Moraine, Ohio 45439

We have reviewed the *Independent Auditors' Report* of the City of Moraine, Montgomery County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2022 through December 31, 2022. 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 City of Moraine is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

August 24, 2023

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**CITY OF MORaine, OHIO**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**Issued by:**  
**Finance Department**

**Don Buczek**  
**Finance Director**

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CITY OF MORaine, OHIO  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2022

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## **INTRODUCTORY SECTION**

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# City of Moraine

## Finance Department



**June 28, 2023**

Honorable Mayor, Chair of the Finance Committee, Council Members, and Citizens of the City of Moraine, Ohio:

The Annual Comprehensive Financial Report of the City of Moraine, Ohio, for the fiscal year ended December 31, 2022, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Clark, Schaefer, Hackett & Co., under contract with the Office of the Auditor of State of Ohio, studies the City's system of internal control, conducts such tests that are necessary under the circumstances and to render their opinions on the basic financial statements. The City has again received unmodified opinions from the independent auditors' that the financial statements are presented fairly in all material respects. The opinion letter is included in the Financial Section of this report.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report.

### **City Profile**

The City provides the following services: public safety (police and fire), highways and streets, sanitation (refuse collection on a contractual basis), parks and recreation, public improvements, planning and zoning, and general administrative services. This report includes all the funds of the City of Moraine and all its component units, which make up the financial reporting entity for the City. Component units are legally separate entities for which the City is financially responsible. On December 31, 2022, the City had one blended component unit, the Vance Darroch New Community Authority (see notes to the financial statements for discussion).

Five other local governmental entities overlap the City's boundaries: Montgomery County, West Carrollton City School District, Kettering City School District, Jefferson Township Local School District, and Miami Valley Regional Transit Authority. These organizations do not meet the reporting entity criteria of governmental generally accepted accounting principles and, therefore, are not included in the City's financial report.

## **HISTORY AND BACKGROUND**

Moraine is in the heart of the Miami Valley, to the southwest of the Dayton, Ohio metropolitan area. Though the region has been predominantly dependent upon manufacturing, automobile manufacturing most recently, the area is now trending towards a diversification of industries. The City currently occupies a land area of approximately 9.5 square miles, maintains 54 miles of road and serves a population of approximately 6,400 individuals based on the 2020 Census information.

In February 1953, residents voted to detach from the Village of Kettering and formed the Township of Moraine. The Township grew to Village status in July 1957 and on May 12, 1965, had the distinction of attaining the status of a full-fledged City. The original City Charter was presented in 1966 and at that time a Home Rule Charter was adopted along with the Council-Manager form of city government. Under this form of government, policy-making and legislative authority are vested in an elected council consisting of the Mayor and six council members. Four of the council members are elected based upon geographic wards and the remaining two are elected on a non-partisan basis, meaning they represent the entire City rather than specific geographical areas within the City's boundaries. The Mayor is elected separately on a non-partisan basis. The Mayor and City Council are responsible for passing resolutions and ordinances, adopting and amending the capital and operating budgets and for appointing various committee members. The City Manager of Moraine is charged with carrying out the policies and ordinances of City Council, overseeing day-to-day operations of the City and for appointing the department heads, with general responsibilities for the Economic Development and Health, Safety and Culture components of the City's vision.

## **ECONOMIC CONDITION AND OUTLOOK**

### **Local Economy**

2022 saw another strong year of economic vitality for the Moraine community. With robust investment in new and existing facilities, Moraine remains in a strong position to take advantage of regional growth in advanced manufacturing, distribution, back-office operations, and information technology. Ohio, and the Dayton region specifically, continues to see robust growth overall and Ohio has been fortunate as the recipient of several 'mega projects' lead by the \$20B Intel project, \$3.5B Honda Battery plant and \$1B SEMCORP facility.

Several of our corporate residents continue to prepare for the expected increase in revenues due to the influx of large projects. This effort has been led by a \$400M investment by Fuyao Glass America in a new ~500,000 SF building focused on the production of OEM products for the growing EV market. This project alone is projected to bring 800+ new jobs once operations begin in early 2024.

Progress on the revitalization of the balance of sites left in ICP/IRG's Progress Park initiative also continues with the rehabilitation of the nearly 400,000 SF former GM 'paint shop' - one of the few available manufacturing facilities in the state of Ohio with 40'+ ceiling, wide column spacing, and power to attract high tech manufacturing and a potential additional 400 jobs.

Investments such as these have supported attraction efforts and Moraine welcomed several additional advanced manufacturing companies highlighted by Automated Solutions and Design (ASD) which doubled sales in 2022 to more than \$45M.

Moraine continues to hold steady on a more than 95% occupancy rate for industrial space and close to 98% occupancy for residential spaces. This along with several other factors led to issuing a contract to American Structurepoint in fourth quarter of 2022 to update the Moraine Comprehensive Land Use Plan, last done in 1995. This update will help lay the groundwork for additional development opportunities for industrial, commercial, and residential properties as well as infrastructure investment projects that will allow continued growth for the next 10-15 years. Moraine's City Planner anticipates the update being finalized by the end of 2023 and adopted in the first quarter of 2024.

Moreover, the last empty spaces within Springboro Pike Plaza and along Alex-Bell Road have been occupied with the addition of several service eateries. The southern quadrant of the City has become a hotbed of commercial activity after the neighboring Kroger Marketplace investment in 2020. Several additional outparcels have been identified as development opportunities and several fueling stations, service businesses, and Food Truck 'stations' have come 'online'.

### **Long Term Financial Planning**

Financial planning for Moraine is a dynamic interactive effort of the community, small and large business and industry, social and cultural service organizations, and municipal government. These dynamics are best demonstrated by the willingness of Moraine residents to involve themselves to support both City service and long-term capital investment.

During 2022, the world was still in a global pandemic that affected the City's services and financial condition. The City continued to watch spending levels and monitor revenue streams very closely. While 2021 saw income tax collections rebound compared to the year before, 2022 continued to increase over the prior year's amount and exceeded expectations. This continued growth shows the resilience of the local economy and the diversity which the City has sought over the last 15 years of economic development efforts. In addition, the City continues to benefit from pandemic-related funding, specifically from the federal government. Reductions in spending in some areas, some employment positions going unfilled for a long amount of time, and one-time funding streams continue to improve the City's financial position and cash balances. City income tax collections (cash basis) for 2022 increased by 3% over the previous year and were just slightly lower than the amount anticipated in the City's budget process. Resilient income tax receipts, reduced spending, and one-time funding resulted in the General Fund unencumbered cash balance reaching \$35 million at the end of 2022, continuing the recent trend of increased fund balances. These increased balances helped the City to obtain a Moody's bond rating increase to Aa3 during the prior year. The City is appreciative of this increase as it is a product of the hard work and financial focus the City has had over the last number of years.

The City coordinates public improvements of all City-related entities through adoption of a Capital Improvement Plan (CIP). The goal is to improve service to the community by adopting a CIP that is compatible with the City's financial condition and will fund capital improvements at a realistic level. The CIP consists of a five-year plan of capital expenditures for all City projects. The CIP is prepared each year during the budget planning process.

In 2021, the five-year plan was revised, and the needs and requirements of the City were again reviewed by the City Manager, Finance Director, and Department Heads, and incorporated into the 2022 budget where possible. The City's future revenues and how expenses should be allocated were also discussed and presented to Council for review.

## **ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

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

### **Budgetary Controls**

Budgetary control is maintained by a yearly appropriation and the encumbrance of appropriate balances with purchase orders before their release to vendors. Purchase orders that exceed appropriated balances are not released until additional appropriations are made available. Open encumbrances are reported as a component of fund balance at year-end. Activities of the General Fund, Special Revenue Funds, the Debt Service Fund, and the Capital Improvement Funds are included in the annual appropriated budget. For more detailed budget information, please see the Notes to the Required Supplementary Information included in this report.

## **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Moraine for its Annual Comprehensive Financial Report for the year ending December 31, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a governmental unit must publish an informative and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.



A Certificate of Achievement is applicable to one year only. The City of Moraine has received a Certificate of Achievement for the last 36 consecutive years (fiscal years ended 1986-2021). We believe our current report will also conform to the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another Certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the Finance Department.

I should also thank the Mayor, members of City Council, the City Manager, and Department and Division heads for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Don B.", with a stylized flourish at the end.

Don Buczek  
Finance Director

# **CITY OF MORaine, OHIO**

## **CITY COUNCIL**

Teri Murphy, Mayor

Ora Allen, Council Member (At Large)

Don Burchett, Council Member (At Large)

Randy Daugherty, Council Member (Ward 1)

Dave Miller, Council Member (Ward 2)

Shirley Whitt, Council Member (Ward 3)

Jeanette Marcus, Council Member (Ward 4)

## **APPOINTED OFFICIALS**

Michael Davis, City Manager

Martina Dillon, Law Director

Don Buczek, Finance Director

Amy Brown, Clerk of Council

# **CITY OF MORaine, OHIO**

## **DEPARTMENT OF FINANCE STAFF**

Don Buczek, Finance Director

Lora Perry, Deputy Finance Director

Sheri Thatcher, Income Tax Administrator

Paula Cox, Financial Assistant

Penny Tincer, Financial Assistant

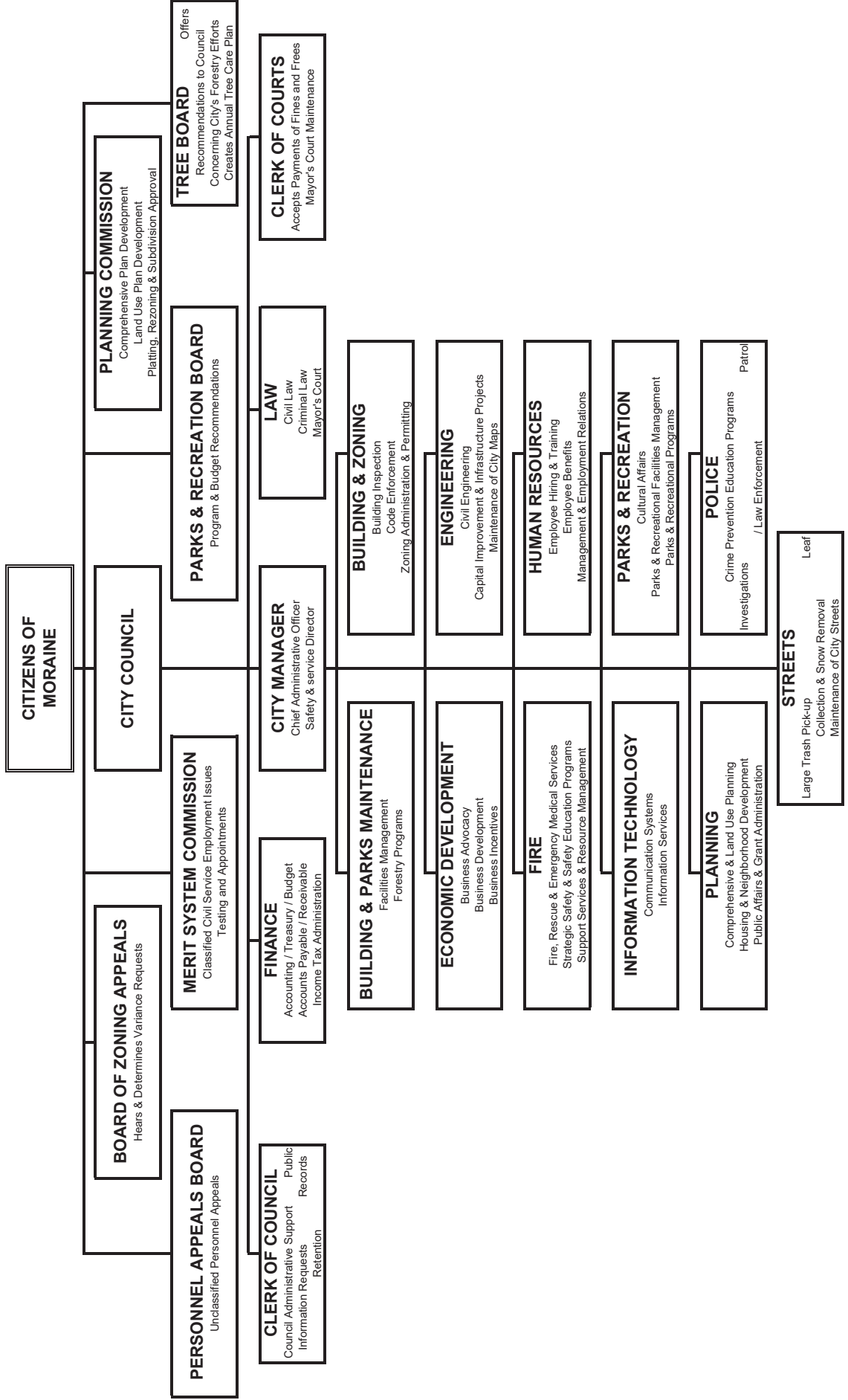
Richard Hisey, Financial Assistant

Lorie Forsythe, Finance Clerk

Ann Marie Vanderburgh, Finance Clerk (resigned 9/30/22)

Stacy Finch, Finance Clerk (started 11/28/22)

# Organization of the City of Moraine





Government Finance Officers Association

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

Presented to

**City of Moraine  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

Executive Director/CEO

# **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

City Council  
City of Moraine, Ohio  
4200 Dryden Road  
Moraine, Ohio 45439

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moraine, Ohio (the "City"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules and the required pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.



**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining statements and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements and individual fund schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

*Clark, Schaefer, Hackett & Co.*

Springfield, Ohio  
June 28, 2023

**CITY OF MORaine, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(Unaudited)

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The discussion and analysis of the City of Moraine, Ohio's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2022. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

### **Financial Highlights**

Key financial highlights for the year ended December 31, 2022 are as follows:

- Total net position increased by \$7.2 million which represents a 19.4% increase from the beginning balance of 2022. An increase of \$6.8 million was reported in governmental activities and an increase of \$446,010 was reported in business-type activities.
- Total assets of governmental activities at December 31, 2022 increased by \$4.6 million from the 2021 total assets primarily due to the \$3.4 million increase in cash and investments reported at current year end as the City's income tax receipts continue to increase from strong local economy in the form of increased income tax, licenses and permits, and property taxes during the current year. Total liabilities of the governmental activities decreased by \$2.1 million due to the decrease in the net pension and OPEB liabilities, as well as the liability for compensated absences, reported by the City at the end of 2022 compared with one year prior.
- Overall, the net position of the City's business-type activities increased by \$446,010 or 41.3% over the ending balance reported one year prior. The increase during 2022 resulted from the Vance Darroch New Community Authority (a blended component unit) continuing to grow and add active properties to the development thereby increasing the development fees reported.
- The \$31.7 million unassigned ending fund balance reported in the General Fund represents 205.7% of the total expenditures, transfers excluded, reported in the General Fund for 2022 compared with 235.4% in the prior year.

### **Using this Annual Financial Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Moraine, Ohio as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregated view of the City's finances and a longer-term view of those statements. Major fund financial statements provide the next level of detail. For governmental funds, these financial statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

### **Reporting the City as a Whole**

#### *Statement of Net Position and the Statement of Activities*

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2022?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

**CITY OF MORaine, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(Unaudited)

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These two statements report the City's net position and change in that position. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements should take into account non-financial factors that also impact the City's financial well being. Some of these factors include the City's local economy, tax base and the condition of its capital assets. In the Statement of Net Position and the Statement of Activities, the financial information of the City is divided into two kinds of activities:

- **Governmental Activities** – Most of the City's services are reported here including public safety (police and fire), highways and streets, sanitation (refuse collection on a contractual basis), parks and recreation, public improvements, economic development, planning and zoning, and general administrative services.
- **Business-Type Activities** – The City has two activities that are reported as business-type activities, the Moraine Loan Program and the Vance Darroch New Community Authority. The intent of both of these activities is to have operating charges be sufficient to cover the operating cost of each program. The City has currently suspended issuing new loans under the Moraine Loan Program but anticipates restarting the program in future years. The Vance Darroch New Community Authority is a blended business-type component unit for the City and charges a development fee to properties to finance certain commonly used features, such as infrastructure and greenspace within the development area.

## **Reporting the City's Most Significant Funds**

### *Fund Financial Statements*

Fund financial reports provide detailed information about each major fund. The City uses many funds to account for a multitude of financial transactions. However, the focus of the fund financial statements is on the City's most significant funds, and therefore only the major funds are presented in separate columns. The major governmental funds of the City include the General, Capital Improvement, Street Construction and Maintenance, and Local Fiscal Recovery COVID funds. All other funds are combined into one column for reporting purposes.

### Governmental Funds

Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

### Proprietary Funds

When the City charges citizens for the services it provides, with the intent of recouping operating costs, these services are generally reported in enterprise funds. Internal service funds account for services provided various departments or agencies within the City. Both fund types, classified as proprietary funds, use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

**CITY OF MORAINE, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(Unaudited)

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. All of the City's fiduciary activities are reported in a separate set of fiduciary funds' statements following the proprietary fund statements.

**The City as a Whole**

Recall that the Statement of Net Position provides the perspective of the City as a whole. In the case of the City of Moraine, Ohio, assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by a total of \$37.1 million at December 31, 2022.

Table 1 provides a summary of the City's net position for 2022 compared to 2021.

**Table 1**  
**Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>Restated 2021</u>	<u>2022</u>	<u>Restated 2021</u>
Current and Other Assets	\$ 48,496,030	44,305,416	1,525,314	1,079,304	50,021,344	45,384,720
Capital Assets	31,971,789	31,527,141	-	-	31,971,789	31,527,141
Total Assets	<u>80,467,819</u>	<u>75,832,557</u>	<u>1,525,314</u>	<u>1,079,304</u>	<u>81,993,133</u>	<u>76,911,861</u>
Deferred Outflows of Resources	<u>6,437,495</u>	<u>4,241,671</u>	<u>-</u>	<u>-</u>	<u>6,437,495</u>	<u>4,241,671</u>
Current and Other Liabilities	2,013,638	1,279,483	-	-	2,013,638	1,279,483
Long-Term Liabilities:						
Net Pension and OPEB Liabilities	16,424,291	18,454,166	-	-	16,424,291	18,454,166
Other Amounts	<u>14,977,508</u>	<u>15,823,719</u>	<u>-</u>	<u>-</u>	<u>14,977,508</u>	<u>15,823,719</u>
Total Liabilities	<u>33,415,437</u>	<u>35,557,368</u>	<u>-</u>	<u>-</u>	<u>33,415,437</u>	<u>35,557,368</u>
Deferred Inflows of Resources	<u>10,582,650</u>	<u>8,396,463</u>	<u>-</u>	<u>-</u>	<u>10,582,650</u>	<u>8,396,463</u>
Net Position:						
Net Investment in						
Capital Assets	20,882,294	20,524,636	-	-	20,882,294	20,524,636
Restricted	1,607,929	1,857,372	-	-	1,607,929	1,857,372
Unrestricted	<u>20,417,004</u>	<u>13,738,389</u>	<u>1,525,314</u>	<u>1,079,304</u>	<u>21,942,318</u>	<u>14,817,693</u>
Total Net Position	<u>\$ 42,907,227</u>	<u>36,120,397</u>	<u>1,525,314</u>	<u>1,079,304</u>	<u>44,432,541</u>	<u>37,199,701</u>

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2022 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement 27". The City also implemented GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net OPEB asset and deferred outflows related to pension and OPEB.

**CITY OF MORaine, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(Unaudited)

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

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability, nor is the City able to utilize the net OPEB asset. As explained above, changes in pension 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 net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

**CITY OF MORaine, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(Unaudited)

As displayed in Table 1, total governmental net position of the City increased by \$6.8 million from 2021 to 2022. Equity in pooled cash and investments increased by \$3.4 million during the current year as the City continued to receive increased revenues from an improving economy in the form of increased income tax, licenses and permits, and property taxes revenues. Improving economic conditions also resulted in receivables increasing \$482,030, or 9.1%. Total net capital assets increased \$444,648 as additions for the year exceeded depreciation expense. Changes in the deferred outflows of resources and deferred inflows of resources virtually offset one another while net OPEB asset increased \$330,759 and the net pension and OPEB liabilities decreased by just over \$2.0 million based on positive earnings reported by the State-wide pension systems for the measurement year. Other long-term liabilities decreased by \$846,211 in 2022 as a result of scheduled debt service payments and retirement of employees that had significant seniority, which resulted in a reduction in the compensated absences liability.

At December 31, 2022, the City reported a positive unrestricted net position amount totaling \$21.9 million compared to the \$14.8 million unrestricted deficit reported one year prior. However, it should be noted that if the components of the net pension and OPEB amounts are excluded, the City's unrestricted net position would be \$40.9 million. We feel this important to mention as the management of the City has no control over the management of the State-wide retirement systems or the benefits offered; both of which control the net pension and OPEB amounts, both of which significantly impact the City's financial statements.

Table 2 shows the changes in the governmental and business-type net position for the year ended December 31, 2022 compared with the prior year.

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	Restated 2021	2022	Restated 2021
Program Revenues:						
Charges for services	\$ 1,026,076	1,050,708	470,777	296,464	1,496,853	1,347,172
Operating grants and contributions	1,004,449	810,991	-	-	1,004,449	810,991
Capital grants and contributions	1,270,514	299,812	-	-	1,270,514	299,812
Total Program Revenues	<u>3,301,039</u>	<u>2,161,511</u>	<u>470,777</u>	<u>296,464</u>	<u>3,771,816</u>	<u>2,457,975</u>
General Revenues and Transfers:						
Income taxes	21,656,654	21,060,368	-	-	21,656,654	21,060,368
Property and other taxes	726,267	706,088	-	-	726,267	706,088
Payment in lieu of taxes	363,118	330,646	-	-	363,118	330,646
Shared revenues	191,680	202,737	-	-	191,680	202,737
Investment earnings	(55,326)	(14,837)	(504)	342	(55,830)	(14,495)
Miscellaneous	1,037,571	1,897,519	-	-	1,037,571	1,897,519
Transfers	16,588	-	(16,588)	-	-	-
Total General Revenues and Transfers	<u>23,936,552</u>	<u>24,182,521</u>	<u>(17,092)</u>	<u>342</u>	<u>23,919,460</u>	<u>24,182,863</u>
Total Revenues	<u>27,237,591</u>	<u>26,344,032</u>	<u>453,685</u>	<u>296,806</u>	<u>27,691,276</u>	<u>26,640,838</u>

(continued)



**CITY OF MORaine, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(Unaudited)

**Table 2**  
**Changes in Net Position**  
**(Continued)**

	Governmental Activities		Business-Type Activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	Restated <u>2021</u>	<u>2022</u>	Restated <u>2021</u>
Expenses:						
General Government	4,170,521	3,010,336	-	-	4,170,521	3,010,336
Public Safety	9,704,079	8,776,765	-	-	9,704,079	8,776,765
Highways and Streets	4,266,139	3,262,088	-	-	4,266,139	3,262,088
Sanitation	356,162	355,042	-	-	356,162	355,042
Culture and Recreation	1,000,951	532,436	-	-	1,000,951	532,436
Economic Development	608,390	698,898	-	-	608,390	698,898
Health & Welfare	1,980	-	-	-	1,980	-
Interest and Fiscal Expense	342,539	334,363	-	-	342,539	334,363
New Community Authority	-	-	7,675	14,314	7,675	14,314
Total Expenses	<u>20,450,761</u>	<u>16,969,928</u>	<u>7,675</u>	<u>14,314</u>	<u>20,458,436</u>	<u>16,984,242</u>
Change in net position	6,786,830	9,374,104	446,010	282,492	7,232,840	9,656,596
Net Position - Beginning	<u>36,120,397</u>	<u>26,746,293</u>	<u>1,079,304</u>	<u>796,812</u>	<u>37,199,701</u>	<u>27,543,105</u>
Net Position - Ending	<u>\$ 42,907,227</u>	<u>36,120,397</u>	<u>1,525,314</u>	<u>1,079,304</u>	<u>44,432,541</u>	<u>37,199,701</u>

As noted above, the governmental activities reported an increase in revenues of \$893,559 as well as an increase in expenses of \$3.5 million for the year ended December 31, 2022 compared with those reported for the prior year. These factors resulted in the \$6.8 million increase in net position during calendar year 2022 compared to the \$9.4 million increase in net position reported during 2021. Some of the more significant factors attributing to this change in the statement of net position included:

- Income tax revenue, which represents 79.5 percent of total revenue for governmental activities, increased \$596,286 million (2.8 percent) over those reported for the prior year as economic conditions continue to improve in the last few years after the worst of the global pandemic ended.
- Program revenues increased by 52.7 percent compared with 2021 amounts as the City benefited from \$1.3 million in capital grants during the current year compared to \$299,812 reported for capital related grants in the prior year. Operating grants received during the current year increased \$193,458 over those received in prior year primarily to the City recognizing \$157,911 of COVID related grant funding during the year, while the remaining unspent grant funding is reported as unearned revenue at year-end.
- Miscellaneous revenues reported for 2022 decreased were \$859,948 less than the prior year due to fewer lots being sold within the City's residential developments reported for 2022 (\$1.0 million) was less than the \$1.7 million reported in the prior year. The area being developed is land the City had previously purchased and recorded as a capital asset, therefore the sale of properties is reported as a gain on sale of asset by the City. All buildable lots were sold during 2022.
- Total governmental activities expenses increased by \$3.5 million, or 20.5%, over 2021 levels. While some additional expenses are attributable to operating a full schedule of programs and activities again after the pandemic, a significant portion is related to recording pension and OPEB expenses. In the prior year, pension and OPEB adjustments reduced expenses by \$2.0 million while the adjustments for the current year reduced expenditures by \$592,436; a swing of \$1.4 million in expenses reported. The City also reported additional expenses in 2022 due to resuming normal street resurfacing schedule.

**CITY OF MORaine, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(Unaudited)

*Governmental Activities*

Table 3 shows the expenses of each functional area and the net cost of each functional area financed with general revenue for 2022 and 2021.

Table 3  
Governmental Activities

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2022	2021	2022	2021	2022	2021
General Government	\$ 4,170,521	\$ 3,010,336	\$ 613,579	\$ 531,749	\$ 3,556,942	\$ 2,478,587
Public Safety	9,704,079	8,776,765	462,667	467,271	9,241,412	8,309,494
Highways and Streets	4,266,139	3,262,088	2,010,982	893,056	2,255,157	2,369,032
Sanitation	356,162	355,042	-	-	356,162	355,042
Culture and Recreation	1,000,951	532,436	194,543	119,435	806,408	413,001
Economic Development	608,390	698,898	19,268	150,000	589,122	548,898
All Others	344,519	334,363	-	-	344,519	334,363
	<u>\$ 20,450,761</u>	<u>\$ 16,969,928</u>	<u>\$ 3,301,039</u>	<u>\$ 2,161,511</u>	<u>\$ 17,149,722</u>	<u>\$ 14,808,417</u>

As indicated by Table 3, the City is spending the majority (88.7 percent) of its resources on public safety, highways and streets and general government activities. While the expenses of the police and fire departments total approximately \$9.7 million, only \$462,667 of program revenue is generated to cover department expenses. The remaining \$9.2 million of expenses must be covered by general revenues collected by the City, principally municipal income taxes. General government functions, principally legislation and administration, comprise approximately \$4.2 million of the total governmental expenses. Court costs and fees generated by licenses and permits financed \$613,579 of the general government functional expenses while the remaining \$3.6 million comes from general revenue sources. Increased operating and capital grants received during 2022, resulted in program revenues covered approximately 47.1 percent of highways and streets maintenance expense reported, compared with the 27.4 percent coverage reported for 2021.

### The City's Funds

Information about the City's major governmental funds begins after the Statement of Activities. These funds are reported using the modified accrual basis of accounting. Governmental funds had total revenues of \$26.0 million and expenditures of \$24.2 million during 2022. The net change in fund balance of the governmental funds was an increase of \$2.9 million, due to the net \$1.1 million of other financing sources, resulting in an ending total fund balance of \$40.1 million. While capital assets are included in the Statement of Net Position, expenditures are recognized in the fund statements thereby reducing the amount of resources available for future spending. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The City's General Fund realized an increase of approximately \$3.2 million in fund balance during 2022. The General Fund is the primary fund that finances government services to citizens. The revenues of the General Fund for 2022 were \$598,022 more than those reported in the prior year. The \$770,492 increase in income tax revenue, along with increase for charges for services, more than offset the decreases reported for investment earnings (fair value adjustment) and miscellaneous revenue (workers' compensation rebate received in prior year). Total expenditures reported for 2022 were \$1.2 million more than those reported for the prior year due to increased personnel costs (wage increases, cost of benefits, and additional employees). The City's recreation department returned to normal program schedule in 2022 after pandemic related reductions in the past few years. The sale of the land for development (noted above) was recorded within the other financing sources of the general fund.



**CITY OF MORaine, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(Unaudited)

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At December 31, 2022 the ending unassigned fund balance of the General Fund was \$31.7 million; a 5.1 percent decrease from the unassigned fund balance reported at December 31, 2021 but still represents 205.7 percent of total General Fund expenditures, excluding transfers, reported for 2022.

The City separately reports other governmental funds as major funds, two of which are special revenue funds and other is a capital project fund. The Capital Improvement fund reported a minimal increase in fund balance of \$15,549 which was anticipated in the capital planning as the City transfers monies from the General Fund to cover net expenditures on an annual basis. The revenues and expenditures of the Street Construction and Maintenance Fund reported for the current year were similar to those of the prior year and resulted in a \$8,408 reduction of fund balance during the current year. The Local Fiscal Recovery COVID fund accounts for funding received by the City under the American Rescue Plan's, Coronavirus State and Local Fiscal Recovery Funds program. The City received \$680,445 under the program, in two tranches over the past two years. As eligible programs are identified to be financed with this funding, the City records the respective revenue and expenditure in like amounts. Until eligible program expenditures are identified by the City, the funding is reported as unearned income.

The City has two enterprise funds, both of which are reported as major funds. The Moraine Loan Program fund had no activity for the year except for interest earned. The Vance Darroch New Community Authority fund accounts for the financial activity of the New Community Authority established for the Vance Darroch housing development and is considered a blended component unit of the City. The increase during 2022 resulted from the Vance Darroch New Community Authority continuing to grow as all buildable lots were sold during 2022 thereby continuing to increase the development fees reported.

### **General Fund Budgeting Highlights**

The City's budget is adopted on a fund basis. Before the budget is adopted, the City Manager and Finance Director review the budgets of each department within the General Fund with City Council. City Council then adopts the annual appropriations budget at the personal services, other operating expenditures, and capital expenditures level for each department within each fund (legal level of control). Management may reallocate appropriations below the legal level, but modifications to the legal level must be approved by Council in advance.

General Fund revenues at the beginning of the year were estimated at \$23.0 million and were not modified during the year. Actual revenues for the year totaled \$23.2 million or less than one percent more than original budgeted revenues at the beginning of the year. On a budgetary basis, actual revenues received during 2022 were 2.6 percent more than those received in 2021.

The expenditures, excluding transfers, for the General Fund were estimated at \$16.5 million at the beginning of the year and increased \$279,868 during the year. Actual budgetary expenditures for the year were nearly \$2.3 million less than final budgetary estimates due to management's continued efforts to control spending and lower than expected spending levels, especially the public safety and general government functions.

Actual ending budgetary fund balance at December 31, 2022 was \$35.4 million compared to the \$30.9 million anticipated in the final 2022 budget.

**CITY OF MORaine, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(Unaudited)

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### Capital Assets

At the end of fiscal year 2022, the City had a total of \$77.2 million invested in capital assets less accumulated depreciation of \$45.2 million resulting in a net investment in capital assets of \$32.0 million. Major capital asset additions for 2022, included the acquisition of police cruisers, street maintenance vehicles, and various pieces of technology amounting to \$940,379 and on-going rehabilitation of North Dryden Road, recorded as \$1.3 million of construction in progress. Depreciation expense for 2022 was \$1.6 million, resulting in the overall \$444,648 increase in the net value of the City's capital assets reported at December 31, 2022.

Table 4 shows 2022 balances compared to those of 2021:

Table 4  
Capital Assets at Year-End  
(Net of Depreciation)

		Governmental Activities	
		2022	2021
Land	\$	10,411,970	10,622,373
Construction in progress		8,527,300	7,246,057
Building and improvements		2,836,210	3,016,649
Equipment		3,027,674	2,656,790
Infrastructure		7,168,635	7,985,272
Total	\$	31,971,789	31,527,141

Additional information on the City's capital assets can be found in Note 6 to the basic financial statements.

### Debt Administration

At December 31, 2022, the City had the following outstanding long-term obligations: \$3.9 million of general obligation bonds; \$7.7 million of infrastructure improvement bonds; and \$784,227 associated with six Ohio Public Works Commission (OPWC) loans. Total principal payments made during the year amounted to \$348,240 with another \$368,242 of principal payments scheduled to be made within the next calendar year. See Notes 11 through 13 of the notes to the basic financial statements for more detailed information on the debt and other long-term obligations of the City.

### Current Economic Factors

The City continues to recover from the economic conditions caused by the COVID-19 pandemic and related emergency orders issued by the federal and state governments. Additional funding through federal and State agencies provided necessary stopgap funding due to decreases realized during calendar year 2020. Income tax revenue and other economy driven revenues, such as licenses and permits, have exceeded pre-pandemic levels due to a robust local economy that has seen higher local wages and higher property values. However, the total effect the pandemic has had on the local economy might not be known for years to come.

**CITY OF MORaine, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(Unaudited)

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**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Finance Director at City of Moraine, Ohio, 4200 Dryden Road, Moraine, Ohio 45439.

**CITY OF MORAINE, OHIO**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Investments	\$ 41,448,754	\$ 646,983	\$ 42,095,737
Cash in Segregated Accounts	132,817	276,052	408,869
Receivables:			
Income Tax	3,807,423	-	3,807,423
Property Tax	711,219	-	711,219
Payment in Lieu of Taxes	352,364	-	352,364
Accounts	391,505	602,279	993,784
Intergovernmental	417,428	-	417,428
Loans	115,000	-	115,000
Inventories	224,096	-	224,096
Prepays	110,707	-	110,707
Net OPEB Asset	784,717	-	784,717
Non Depreciable Assets	18,939,270	-	18,939,270
Depreciable Capital Assets, Net of Accumulated Depreciation	13,032,519	-	13,032,519
<b>Total Assets</b>	<b>80,467,819</b>	<b>1,525,314</b>	<b>81,993,133</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Charge on Refunding	211,589	-	211,589
Pension and OPEB	6,225,906	-	6,225,906
<b>Total Deferred Outflows of Resources</b>	<b>6,437,495</b>	<b>-</b>	<b>6,437,495</b>
<b>LIABILITIES</b>			
Accounts Payable	615,578	-	615,578
Salaries and Benefits Payable	383,907	-	383,907
Matured Compensated Absences Payable	156,345	-	156,345
Accrued Interest Payable	31,467	-	31,467
Insurance Claims Payable	275,574	-	275,574
Unearned Revenue	522,534	-	522,534
Deposits Held Payable	28,233	-	28,233
Long-Term Liabilities:			
Due Within One Year	616,186	-	616,186
Due In More Than One Year:			
Other Long-Term Liabilities	14,361,322	-	14,361,322
Net OPEB Liability	2,109,709	-	2,109,709
Net Pension Liability	14,314,582	-	14,314,582
<b>Total Liabilities</b>	<b>33,415,437</b>	<b>-</b>	<b>33,415,437</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	687,472	-	687,472
Payments in Lieu of Property Taxes	347,247	-	347,247
Pension and OPEB	9,547,931	-	9,547,931
<b>Total Deferred Inflows of Resources</b>	<b>10,582,650</b>	<b>-</b>	<b>10,582,650</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	20,882,294	-	20,882,294
Restricted for:			
Streets and Highways	936,943	-	936,943
Judiciary Programs	159,091	-	159,091
Debt Service	141,622	-	141,622
Cemetery Operations	128,199	-	128,199
Law Enforcement Programs	232,288	-	232,288
Unclaimed Monies	9,786	-	9,786
Unrestricted	20,417,004	1,525,314	21,942,318
<b>Total Net Position</b>	<b>\$ 42,907,227</b>	<b>\$ 1,525,314</b>	<b>\$ 44,432,541</b>

See accompanying notes to the basic financial statements.

**CITY OF MORaine, OHIO**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

FUNCTIONS/PROGRAMS	Program Revenues			Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions		Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
General Government	\$ 4,170,521	\$ 455,668	\$ 157,911	\$ -	\$ (3,556,942)	\$ -	\$ (3,556,942)
Public Safety	9,704,079	454,970	7,697	-	(9,241,412)	-	(9,241,412)
Highways and Streets	4,266,139	-	740,468	1,270,514	(2,255,157)	-	(2,255,157)
Sanitation	356,162	-	-	-	(356,162)	-	(356,162)
Culture and Recreation	1,000,951	96,170	98,373	-	(806,408)	-	(806,408)
Economic Development	608,390	19,268	-	-	(589,122)	-	(589,122)
Health and Welfare	1,980	-	-	-	(1,980)	-	(1,980)
Debt Service							
Interest and Fiscal Expense	342,539	-	-	-	(342,539)	-	(342,539)
<b>Total Governmental Activities</b>	<b>20,450,761</b>	<b>1,026,076</b>	<b>1,004,449</b>	<b>1,270,514</b>	<b>(17,149,722)</b>	<b>-</b>	<b>(17,149,722)</b>
<b>Business Type Activities:</b>							
Loan Program	-	-	-	-	-	-	-
New Community Authority	7,675	470,777	-	-	-	463,102	463,102
<b>Total Business Type Activities</b>	<b>7,675</b>	<b>470,777</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>463,102</b>	<b>463,102</b>
<b>Total</b>	<b>\$ 20,458,436</b>	<b>\$ 1,496,853</b>	<b>\$ 1,004,449</b>	<b>\$ 1,270,514</b>	<b>(17,149,722)</b>	<b>463,102</b>	<b>(16,686,620)</b>
<b>General Revenues and Transfers</b>							
Income Tax					21,656,654	-	21,656,654
Property Tax Levied for							
General Purposes					507,636	-	507,636
Police Pensions					81,496	-	81,496
Fire Pensions					81,497	-	81,497
Other Taxes					55,638	-	55,638
Payments in Lieu of Taxes					363,118	-	363,118
Shared Revenues (unrestricted)					191,680	-	191,680
Miscellaneous Receipts					207,076	-	207,076
Gain on Sale of Property					830,495	-	830,495
Investment Earnings					(55,326)	(504)	(55,830)
Transfers					16,588	(16,588)	-
<b>Total General Revenues and Transfers</b>					<b>23,936,552</b>	<b>(17,092)</b>	<b>23,919,460</b>
Change in Net Position							
					6,786,830	446,010	7,232,840
<b>Net Position - Beginning, Restated</b>					<b>36,120,397</b>	<b>1,079,304</b>	<b>37,199,701</b>
<b>Net Position - Ending</b>					<b>\$ 42,907,227</b>	<b>\$ 1,525,314</b>	<b>\$ 44,432,541</b>

See accompanying notes to the basic financial statements.

**CITY OF MORaine, OHIO**  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022

	Major Governmental Funds				Other	Total
	General Fund	Capital Improvement	Street Construction & Maintenance	Local Fiscal Recovery COVID Fund	Governmental Funds	Governmental Funds
<b>ASSETS</b>						
Equity in Pooled Cash and Investments	\$ 35,392,432	\$ 1,124,959	\$ 212,786	\$ 522,534	\$ 1,852,062	\$ 39,104,773
Cash in Segregated Accounts	132,334	-	-	-	483	132,817
Receivables:						
Income Tax	3,807,423	-	-	-	-	3,807,423
Property Tax	538,328	-	-	-	172,891	711,219
Payment in Lieu of Tax	-	-	-	-	352,364	352,364
Accounts	361,883	-	-	-	-	361,883
Intergovernmental	70,522	-	292,018	-	54,888	417,428
Loans	-	-	-	-	115,000	115,000
Inventories	11,350	-	108,138	-	-	119,488
Prepays	110,707	-	-	-	-	110,707
Restricted Asset:						
Equity in Pooled Cash and Investments	38,119	-	-	-	-	38,119
<b>Total Assets</b>	<u>\$ 40,463,098</u>	<u>\$ 1,124,959</u>	<u>\$ 612,942</u>	<u>\$ 522,534</u>	<u>\$ 2,547,688</u>	<u>\$ 45,271,221</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ 238,035	\$ 361,967	\$ 3,217	\$ -	\$ 12,359	\$ 615,578
Salaries and Benefits Payable	236,629	-	38,442	-	101,589	376,660
Matured Compensated Absences Payable	156,345	-	-	-	-	156,345
Unearned Revenue	-	-	-	522,534	-	522,534
Deposits Held Payable	28,233	-	-	-	-	28,233
<b>Total Liabilities</b>	<u>659,242</u>	<u>361,967</u>	<u>41,659</u>	<u>522,534</u>	<u>113,948</u>	<u>1,699,350</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Taxes	520,496	-	-	-	166,976	687,472
Payments in Lieu of Taxes	-	-	-	-	347,247	347,247
Unavailable for:						
Income Taxes	1,744,888	-	-	-	-	1,744,888
Delinquent Property Taxes	17,832	-	-	-	5,915	23,747
Delinquent Payments in Lieu of Taxes	-	-	-	-	5,117	5,117
Intergovernmental	60,349	-	244,690	-	49,423	354,462
Other Sources	312,785	-	-	-	-	312,785
<b>Total Deferred Inflows of Resources</b>	<u>2,656,350</u>	<u>-</u>	<u>244,690</u>	<u>-</u>	<u>574,678</u>	<u>3,475,718</u>
<b>FUND BALANCE</b>						
Nonspendable for:						
Materials and Supplies Inventory	11,350	-	108,138	-	-	119,488
Prepaid Items	110,707	-	-	-	-	110,707
Unclaimed Monies	9,786	-	-	-	-	9,786
Long-term Receivable	-	-	-	-	92,000	92,000
Restricted for:						
Law Enforcement	-	-	-	-	223,573	223,573
Judiciary Programs	-	-	-	-	159,091	159,091
Cemetery Services	-	-	-	-	128,199	128,199
Debt Service	-	-	-	-	169,855	169,855
Capital Projects	-	-	-	-	122,746	122,746
Street Repair and Maintenance	-	-	218,455	-	665,018	883,473
Economic Development	-	-	-	-	212,196	212,196
Committed for:						
Capital Projects	-	762,992	-	-	-	762,992
Economic Development	-	-	-	-	86,384	86,384
Assigned for:						
Subsequent Appropriations	4,730,346	-	-	-	-	4,730,346
Unpaid Obligations	400,876	-	-	-	-	400,876
Recreation Services	201,466	-	-	-	-	201,466
Unassigned	31,682,975	-	-	-	-	31,682,975
<b>Total Fund Balance</b>	<u>37,147,506</u>	<u>762,992</u>	<u>326,593</u>	<u>-</u>	<u>1,859,062</u>	<u>40,096,153</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 40,463,098</u>	<u>\$ 1,124,959</u>	<u>\$ 612,942</u>	<u>\$ 522,534</u>	<u>\$ 2,547,688</u>	<u>\$ 45,271,221</u>

See accompanying notes to the basic financial statements.

**CITY OF MORaine, OHIO**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO**  
**NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**DECEMBER 31, 2022**

Total Governmental Fund Balances		\$ 40,096,153
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		31,969,244
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Municipal income taxes	1,744,888	
Property and other taxes	23,747	
Payments in lieu of taxes	5,117	
Shared revenues and grants	354,462	
Charges for services and other sources	<u>312,785</u>	
Total		2,440,999
Deferred outflows of resources from loss on refunding is amortized over the life of the bonds and are not reported in the funds.		211,589
Internal service funds are used by management to charge the costs of providing insurance as well as central services to the individual funds. The assets, liabilities, and deferred outflows and inflows of resources of the internal service funds are included in governmental activities in the statement of net position.		1,880,082
Some liabilities, including long-term debt obligations and compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable	(31,467)	
Compensated absences payable	(1,667,817)	
General obligations bonds payable	(11,590,000)	
Premium on bonds	(874,087)	
OPWC loans payable	<u>(784,227)</u>	
Total		(14,947,598)
The net pension and OPEB assets/liabilities are not available or payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in the governmental funds:		
Net OPEB asset	750,214	
Deferred outflows - pension and OPEB	6,151,200	
Net OPEB liability	(2,109,709)	
Net pension liability	(14,168,023)	
Deferred inflows - pension and OPEB	<u>(9,366,924)</u>	
Total		<u>(18,743,242)</u>
Governmental Activities' Net Position		<u>\$ 42,907,227</u>

See accompanying notes to the basic financial statements.

**CITY OF MORaine, OHIO**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	Major Governmental Funds				Other	Total
	General	Capital	Street	Local Fiscal	Governmental	Governmental
	Fund	Improvement	Construction & Maintenance	Recovery COVID Fund	Funds	Funds
<b>REVENUES</b>						
Taxes:						
Income	\$ 21,275,939	\$ -	\$ -	\$ -	\$ -	\$ 21,275,939
Property	520,031	-	-	-	166,972	687,003
Other	54,036	-	-	-	-	54,036
Payment in Lieu of Taxes	-	-	-	-	358,001	358,001
Shared Revenues	142,328	37,926	616,858	-	127,387	924,499
Intergovernmental Grants	26,846	1,270,514	-	157,911	7,697	1,462,968
Licenses and Permits	156,389	-	-	-	-	156,389
Charges for Services	565,121	-	-	-	22,343	587,464
Fines	217,914	-	-	-	49,813	267,727
Investment Earnings	(59,433)	-	(243)	-	4,350	(55,326)
Miscellaneous	296,079	972	8,468	-	1,879	307,398
<b>Total Revenues</b>	<b>23,195,250</b>	<b>1,309,412</b>	<b>625,083</b>	<b>157,911</b>	<b>738,442</b>	<b>26,026,098</b>
<b>EXPENDITURES</b>						
Current:						
General Government	4,344,396	-	-	157,911	16,377	4,518,684
Public Safety	8,837,618	-	-	-	1,174,375	10,011,993
Highways and Streets	219,180	-	2,133,491	-	152,769	2,505,440
Sanitation	356,162	-	-	-	-	356,162
Economic Development	612,629	-	-	-	181,802	794,431
Health and Welfare	1,980	-	-	-	-	1,980
Culture and Recreation	1,028,592	-	-	-	-	1,028,592
Debt service:						
Principal	-	68,240	-	-	280,000	348,240
Interest	-	-	-	-	383,200	383,200
Capital Outlays:						
General Government	-	182,455	-	-	-	182,455
Public Safety	-	968,458	-	-	-	968,458
Highways and Streets	-	3,022,974	-	-	-	3,022,974
Culture and Recreation	-	96,736	-	-	-	96,736
<b>Total Expenditures</b>	<b>15,400,557</b>	<b>4,338,863</b>	<b>2,133,491</b>	<b>157,911</b>	<b>2,188,523</b>	<b>24,219,345</b>
<b>Excess (Deficiency) of Revenues</b>						
<b>Over (Under) Expenditures</b>	<b>7,794,693</b>	<b>(3,029,451)</b>	<b>(1,508,408)</b>	<b>-</b>	<b>(1,450,081)</b>	<b>1,806,753</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of Capital Assets	1,040,898	-	-	-	-	1,040,898
Transfers In	-	3,045,000	1,500,000	-	1,156,588	5,701,588
Transfers Out	(5,685,000)	-	-	-	-	(5,685,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(4,644,102)</b>	<b>3,045,000</b>	<b>1,500,000</b>	<b>-</b>	<b>1,156,588</b>	<b>1,057,486</b>
<b>Net Change in Fund Balance</b>	<b>3,150,591</b>	<b>15,549</b>	<b>(8,408)</b>	<b>-</b>	<b>(293,493)</b>	<b>2,864,239</b>
<b>Fund Balance - Beginning</b>	<b>33,996,915</b>	<b>747,443</b>	<b>335,001</b>	<b>-</b>	<b>2,152,555</b>	<b>37,231,914</b>
<b>Fund Balance - Ending</b>	<b>\$ 37,147,506</b>	<b>\$ 762,992</b>	<b>\$ 326,593</b>	<b>\$ -</b>	<b>\$ 1,859,062</b>	<b>\$ 40,096,153</b>

See accompanying notes to the basic financial statements.



**CITY OF MORaine, OHIO**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO**  
**THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balance - Total Governmental Funds \$ 2,864,239

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

Governmental funds report capital outlays as expenditures. However in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	2,221,622	
Depreciation	(1,563,115)	
Book value of disposed capital assets	<u>(210,403)</u>	
Total		448,104

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums or discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

General obligation bond payment	280,000	
OPWC loan payment	68,240	
Amortization of deferred charge on refunding	(17,632)	
Amortization of premium	<u>57,402</u>	
Total		388,010

Internal service funds are used by management to charge the cost of certain activities to individual funds.

The net revenue (expense) of the internal service funds is reported with governmental activities. (40,797)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, rather these revenues are reported as as deferred inflow of resources. On the statement of activities, these amounts are revenues.

364,410

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

These activities consist of:

Decrease in accrued interest payable	891	
Decrease in compensated absences payable	<u>448,606</u>	
Total		449,497

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

Pensions	1,691,082	
OPEB	<u>29,849</u>	
Total		1,720,931

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

Pensions	(58,932)	
OPEB	<u>651,368</u>	
Total		<u>592,436</u>

Change in Net Position of Governmental Activities \$ 6,786,830

See accompanying notes to the basic financial statements.

**CITY OF MORaine, OHIO**  
**STATEMENT OF FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2022**

		Enterprise Funds		Governmental Activities
	Moraine Loan Program	Vance Darroch New Community Authority	Total	Internal Service Funds
<b>ASSETS</b>				
<b>Current Assets</b>				
Equity in Pooled Cash and Investments	\$ 646,983	\$ -	\$ 646,983	\$ 2,305,862
Cash in Segregated Accounts	-	276,052	276,052	-
Receivables:				
Accounts	-	602,279	602,279	29,622
Inventories	-	-	-	104,608
<b>Total Current Assets</b>	<u>646,983</u>	<u>878,331</u>	<u>1,525,314</u>	<u>2,440,092</u>
<b>NON-CURRENT ASSETS</b>				
Net OPEB Asset	-	-	-	34,503
Capital Assets, Net	-	-	-	2,545
<b>Total Non-Current Assets</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,048</u>
<b>Total Assets</b>	<u>646,983</u>	<u>878,331</u>	<u>1,525,314</u>	<u>2,477,140</u>
<b>Deferred Outflows of Resources</b>				
Pension and OPEB	-	-	-	74,706
<b>Total Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,706</u>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Salaries and Benefits Payable	-	-	-	7,247
Compensated Absences Payable	-	-	-	8,801
Insurance Claims Payable	-	-	-	275,574
<b>Total Current Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>291,622</u>
<b>Long-Term Liabilities</b>				
Compensated Absences Payable	-	-	-	52,576
Net Pension Liability	-	-	-	146,559
<b>Total Long-Term Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>199,135</u>
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>490,757</u>
<b>Deferred Inflows of Resources</b>				
Pension and OPEB	-	-	-	181,007
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,007</u>
<b>NET POSITION</b>				
Investment in Capital Assets	-	-	-	2,545
Unrestricted	646,983	878,331	1,525,314	1,877,537
<b>Total Net Position</b>	<u>\$ 646,983</u>	<u>\$ 878,331</u>	<u>\$ 1,525,314</u>	<u>\$ 1,880,082</u>

See accompanying notes to the basic financial statements.

**CITY OF MORaine, OHIO**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

		Enterprise Funds		Governmental
		Vance Darroch		Activities
	Moraine Loan	New Community	Total	Internal
	Program	Authority		Service Funds
<b>Operating Revenues</b>				
Charges for Services	\$ -	\$ -	\$ -	\$ 3,241,752
Development Charges	-	470,777	470,777	-
Miscellaneous	-	-	-	1,492
<b>Total Operating Revenues</b>	-	470,777	470,777	3,243,244
<b>Operating Expenses</b>				
Personal Services	-	-	-	202,926
Contractual Services	-	7,675	7,675	431,551
Supplies and Materials	-	-	-	273,597
Claims and Judgements	-	-	-	2,376,549
Depreciation	-	-	-	3,456
<b>Total Operating Expenses</b>	-	7,675	7,675	3,288,079
<b>Operating Income</b>	-	463,102	463,102	(44,835)
<b>Non-Operating Revenues</b>				
Investment earnings	(504)	-	(504)	4,038
<b>Total Non-Operating Revenues</b>	(504)	-	(504)	4,038
<b>Income Before Transfers</b>	(504)	463,102	462,598	(40,797)
Transfers out	-	(16,588)	(16,588)	-
<b>Change in Net Position</b>	(504)	446,514	446,010	(40,797)
<b>Total Net Position - Beginning, Restated</b>	647,487	431,817	1,079,304	1,920,879
<b>Total Net Position - Ending</b>	<u>\$ 646,983</u>	<u>\$ 878,331</u>	<u>\$ 1,525,314</u>	<u>\$ 1,880,082</u>

See accompanying notes to the basic financial statements.

**CITY OF MORaine, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	Enterprise Funds			Governmental Activities
	Moraine Loan Program	Vance Darroch New Community Authority	Total	Internal Service Funds
<b>Cash Flows From Operating Activities</b>				
Cash received for interfund services	\$ -	\$ -	\$ -	\$ 3,212,130
Cash received for development charges	-	191,404	191,404	0
Miscellaneous receipts & reimbursements	-	-	-	1,492
Cash paid to employees for services	-	-	-	(285,157)
Cash paid to suppliers for goods or services	-	(7,675)	(7,675)	(726,233)
Cash paid for insurance claims	-	-	-	(2,308,790)
Net cash provided (used) by operating activities	-	183,729	183,729	(106,558)
<b>Cash Flows From Non-Capital and Related Financing Activities</b>				
Transfers out	-	(16,588)	(16,588)	-
Net cash used by non-capital and related financing activities	-	(16,588)	(16,588)	-
<b>Cash Flows From Investing Activities</b>				
Investment earnings	(504)	-	(504)	4,038
Net cash provided by investing activities	(504)	-	(504)	4,038
<b>Net Change</b>	(504)	167,141	166,637	(102,520)
<b>Equity in Pooled Cash and Investments Beginning of Year</b>	647,487	108,911	756,398	2,408,382
<b>Equity in Pooled Cash and Investments End of Year</b>	<u>\$ 646,983</u>	<u>\$ 276,052</u>	<u>\$ 923,035</u>	<u>\$ 2,305,862</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>				
Operating income	\$ -	\$ 463,102	\$ 463,102	\$ (44,835)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	-	-	-	3,456
Increase in accounts receivable	-	(279,373)	(279,373)	(29,622)
Decrease in inventories	-	-	-	650
Increase in net OPEB asset	-	-	-	(15,744)
Decrease in deferred outflows of resources	-	-	-	8,362
Decrease in accounts payable	-	-	-	(22,295)
Increase in salaries and benefits payable	-	-	-	1,893
Increase in insurance claims payable	-	-	-	68,319
Increase in compensated absences payable	-	-	-	8,037
Decrease in net pension liabilities	-	-	-	(79,518)
Decrease in deferred inflows of resources	-	-	-	(5,261)
Net cash provided (used) by operating activities	<u>\$ -</u>	<u>\$ 183,729</u>	<u>\$ 183,729</u>	<u>\$ (106,558)</u>

See accompanying notes to the basic financial statements.

**CITY OF MORaine, OHIO**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUND**  
**DECEMBER 31, 2022**

	<u>Custodial Fund</u>
<b>ASSETS</b>	
Cash in Segregated Accounts	<u>\$          5,386</u>
<b>Total Assets</b>	<u>5,386</u>
<b>LIABILITIES</b>	
Due to Other Jurisdictions	<u>3,278</u>
<b>Total Liabilities</b>	<u>3,278</u>
<b>FIDUCIARY NET POSITION</b>	
Restricted for Individuals, Organizations, and Other Governments	<u>2,108</u>
<b>Total Fiduciary Net Position</b>	<u><u>\$          2,108</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MORaine, OHIO**  
**STATEMENT OF CHANGE IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Custodial Fund</u>
<b>ADDITIONS:</b>	
Fines and Forfeitures for Other Jurisdictions	\$ 53,488
Cash and Surety Bonds	<u>137,771</u>
<b>Total Additions</b>	<u>191,259</u>
<b>DEDUCTIONS:</b>	
Fines and Forfeitures Distributions to Other Governments	63,690
Cash and Surety Bonds Returned to Individuals	<u>128,191</u>
<b>Total Deductions</b>	<u>191,881</u>
<b>Change in Fiduciary Net Position</b>	(622)
<b>Total Fiduciary Net Position - Beginning</b>	<u>2,730</u>
<b>Total Fiduciary Net Position - Ending</b>	<u><u>\$ 2,108</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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**NOTE 1 – DESCRIPTION OF CITY AND REPORTING ENTITY:**

The City of Moraine (the “City”) is a home rule municipal corporation organized under the laws of the State of Ohio, which operates under its own Charter. The current Charter was adopted in 1966 and has subsequently been amended. As provided in the Charter, the City operates under a Council/Manager form of government. The City was incorporated in 1958 and gained City status in 1965.

**Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds and departments which provide the following services: public safety (police and fire), highways and streets, sanitation (refuse collection on a contractual basis), parks and recreation, public improvements, planning and zoning, and general administrative services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing body and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt or the levying of taxes. The City reports one component unit within its financial reporting entity, the Vance Darroch New Community Authority (the Authority), which is included as a blended component unit, as is described below.

In 2017, the City of Moraine (as the Developer) file a petition for the creation of the Authority with the Moraine City Council. By its Ordinance, the City Council established the Authority as a body corporate and politic to govern the new community district within the City and to provide oversight for architectural review, land acquisition and development activities, community facilities, and community activities, as well as determine methods of funding such activities. The Authority’s governing Board of Trustees consist of seven members, all of which are appointed by City Council or the City of Moraine and day-to-day management and operation of the Authority is the responsibility of the City of Moraine. Separately issued financial statements can be obtained from the Vance Darroch New Community Authority, 4200 Dryden Road, Moraine, OH 45439.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of the City of Moraine have been prepared in conformity with generally accepted accounting principles (GAAP) applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the City’s accounting policies are described below.

**Basis of Presentation**

The City’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements that provide a more detailed level of financial information.

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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Government-wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by a recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business-type activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets and deferred outflows of resources are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities and deferred inflows of resources are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources compared to liabilities and deferred inflows of resources is reported as fund balance. The following are the City's major governmental funds:

General Fund - This fund is the operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the Charter of the City.

Capital Improvement Fund – This fund is used to account for the financial resources to be used for the acquisition or construction of major capital facilities or equipment (other than those financed by proprietary funds).



**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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Street Construction & Maintenance Fund – This fund is used to account for the City’s share of the gasoline and motor vehicle gasoline taxes which is restricted to the construction and maintenance of the City’s transportation infrastructure.

Local Fiscal Recovery COVID Fund – This fund accounts the federal assistance money distributed to state and local governments through American Rescue Plan Act’s, Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program to assist governmental entities with the economic hardships caused by the global pandemic.

The other governmental funds of the City account for grants and other resources, whose use is restricted or committed to a particular purpose.

Proprietary Fund Types

The proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The City has two enterprise funds; 1) the Moraine Loan Program Fund, which accounts for home improvement and business loans offered to residents and businesses located within the City and 2) the Vance Darroch New Community Authority which accounts for the financial activity of the blended component unit, the New Community Authority for the Vance Darroch housing development.

Internal Service Funds – An internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City has three internal service funds. They are the City Garage Fund used to account for the cost of servicing the vehicles and maintenance equipment of City departments, the Health Insurance Program Fund used to accumulate and account for monies for the payment of health insurance costs for the employees of City departments and the Insurance Reserve Fund used to account for monies to cover legal services related to lawsuits and other expenditures where reimbursement is received from the general insurance carrier.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Custodial funds are used to account for assets held by the City for the benefit of and distributed to other governments or organizations. The City’s only custodial fund accounts for the fines and fees collected by the Moraine Mayor’s Court which are distributed to jurisdictions outside the City itself.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operations of the City are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources along with current liabilities and deferred inflows of resources are included on the balance sheet. The statement of revenues, expenditures and

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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changes in fund balances report the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources along with all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

#### Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows or resources and in the presentation of expenses versus expenditures.

#### Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the City is thirty-one days after year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income tax, property tax and payments in lieu of taxes, grants, entitlements and donations. On an accrual basis, revenue from income tax is recognized in the fiscal year in which the tax imposed takes place and revenue from property tax is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements and matching requirements. Timing requirements specify the year when the resources are required to be used or the fiscal year when use is first permitted. Matching requirements specify how the City must provide local resources and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: income tax, state-levied locally shared taxes (including local government assistance, gasoline tax and vehicle license tax), EMS and other charges for services, and intergovernmental grants.

**CITY OF MORAIN, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position may report a separate category for deferred outflows of resources. Deferred outflows of resources represent consumption of net assets that applies to a future period and will not be recognized as an outflow of resources until then. For the City, deferred outflows of resources are reported on the government-wide statement for deferred charges on refunding and for pension and other post-employment benefit (OPEB) plans. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its acquisition price. This amount is deferred and amortized over the shorter of the life of the debt refunded or the refunding debt issued. The deferred outflows of resources related to pension and OPEB plans are explained further in Notes 7 and 8.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of property taxes, pension and OPEB plans, and unavailable revenue. Property taxes and payments in lieu of property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2022, but which are levied to finance fiscal year 2023 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes income taxes, delinquent property taxes, shared taxes, intergovernmental grants, and various charges for services. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the full accrual statements of net position and are further explained in Notes 7 and 8.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related fund liability is incurred, if measurable. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

Equity in Pooled Cash and Investments

To improve cash management, cash received by the City is pooled. Money for all funds, except the Vance Darroch New Community Authority and Mayor's Court activity (cash in segregated accounts), is maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pooled bank account is presented as "equity in pooled cash and investments" on the financial statements.

During 2022, the City invested in STAROhio. STAROhio (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. STAROhio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, "Certain External Investment Pools and Pool Participants". The City measures their investment in STAROhio at the net asset value (NAV) per share provided by STAROhio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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Investments with an original maturity of three months or less at the time of purchase, and investments of the cash management pool are reported as cash equivalents on the financial statements. Investments are reported at fair value. For the City's investments in STAROhio and open-end mutual funds, fair value is determined by the share price. There are no limitations or restrictions on withdrawals from these investments due to redemption notice periods, liquidity fees, or redemption gates. STAROhio does require notice to be given 24 hours in advance for all deposits or withdrawals exceeding \$100 million. STAROhio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the STAROhio investors will be combined for these purposes.

Interest income is distributed to the funds according to ordinance and statutory requirements. Interest revenue reported in the statement of activities for 2022 amounted to \$(55,830) due to recording investments at fair value.

Supplies Inventory

Inventory consists of expendable supplies held for consumption. Inventories are presented at cost on first-in, first-out basis and are expended/expensed when used.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2022, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Capital Assets

Capital assets, which include land, construction in progress, infrastructure, buildings and improvements, and equipment, are reported in the applicable governmental or business-type columns in the government-wide financial statements. Capital assets utilized by governmental activities are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported in the respective fund financial statements with the enterprise funds capital assets being reported in the business-type activities column of the government-wide statement of net position.

The City defines capital assets as those with an individual cost of more than \$3,000 except for improvements to infrastructure, which is \$50,000. All capital assets are capitalized at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are recorded at the acquisition value as of the date received. When capital assets are purchased, they are capitalized and depreciated in the government-wide statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements. The City's infrastructure consists of bridges, culverts, curbs, storm sewers and streets.

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historic records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Building and Improvements	20-40 years
Equipment	2-25 years
Infrastructure	20-50 years

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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Compensated Absences

Vacation leave accumulated by employees is accrued as a liability as the benefits are earned when both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
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.

A liability for sick leave is accrued based on the vesting method; which states that the City will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments. The amount is based on accumulated sick leave and employees' wage rates at year-end, taking into consideration any limits specified in the City's termination policy. The entire compensated absence liability is reported on the government-wide financial statements.

On governmental fund statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. If any, these amounts are recorded in the account "matured compensated absences payable" in the fund from which the employee who have accumulated leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

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

Pensions and OPEB

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

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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Fund Balance

The City reports classifications of fund equity based on the purpose for which resources were received and the level of constraint placed on the resources. Nonspendable fund balance indicates resources that cannot be spent because they are not in a spendable form. Resources that have purpose constraints placed upon them by laws, regulations, creditors, grantors, or other external parties are considered available only for the purpose for which they were received and are reported as a restricted fund balance. The City may limit the use of unrestricted resources and they may be reported as committed or assigned fund balance depending on the level of governance the constraints were placed upon the resources. With an affirmative vote of its members, through ordinance, the City Council may create funds for which resources are committed to the established purpose of that fund. Once funds are committed, those resources may not be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts. Through the City's purchasing policy the Council has given the Finance Director the authority to constrain monies for intended purposes, which are reported as assigned fund balances. Unassigned fund balance consists of amounts, that are in spendable form, which have not been restricted, committed, or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds, if any.

The City applies restricted resources when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

Net Position

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. 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 its use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for Unclaimed Monies is done so in accordance with laws of the State of Ohio which requires monies be retained for a period of three to five years. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. At December 31, 2022, none of the City's net position is restricted by enabling legislation.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. Operating expenses are necessary costs incurred to provide goods or services that are the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

Interfund Activity

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



**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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Interfund receivables and payables between governmental and business-type activities are eliminated in the government-wide statement of net position. These eliminations minimize the duplicate effect on assets and liabilities within the governmental and business-type activities total column; however, the interfund services provided and used are not eliminated in the process of consolidation. Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Budgetary Process

All funds anticipating expenditures during the year, are legally required to be budgeted and appropriated, except custodial funds. The major documents prepared are the certificate of estimated resources and the appropriation ordinance, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriation ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by the Council at the department level with a detail breakdown by personal services, operating and capital expenditures/expenses. Budgetary control is maintained by not permitting expenditures to exceed appropriations at the department level within each fund. Administrative control is maintained through the establishment of more detailed line-item budgets.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate at the time final appropriations were adopted.

The appropriation ordinance is subject to amendment by Council throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covers the entire year plus amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

**NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION:**

Change in Accounting Principles

For calendar year 2022, the City has implemented GASB Statement No. 87, *Leases*; GASB Implementation Guide 2019-3, *Leases*; GASB Statement No. 91, *Conduit Debt Obligations*; GASB Statement No. 92, *Omnibus 2020*; GASB Statement No. 93, *Replacement of Interbank Offered Rates*; and GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*.

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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GASB Statement No. 87 and GASB Implementation Guide 2019-3 enhance the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. 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.

GASB Statement No. 91 defines conduit debt obligations for accounting and financial reporting purposes and establishes related standards for recognition, measurement, and disclosure for issuers.

GASB Statement No. 92 enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

GASB Statement No. 93 establishes accounting and financial reporting requirements related to the replacement of Interbank Offered Rates (IBORs) in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments.

GASB Statement No. 97 is to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The City determined that any contract covered by GASB Statement No. 87 and the 2019-3 GASB Implementation Guide were insignificant and therefore were not incorporated into these financial statements. The implementation of GASB Statements No. 91, 92, 93 and 97 did not have an effect on the City's financial statements.

Restatement in Net Position

In conjunction with Montgomery County, the Vance Darroch New Community Authority (the Authority) determined not all properties within the development were assessed the appropriate development charge or that not all development charges were properly remitted to the Authority for calendar years 2020 and 2021 (collection years 2021 and 2022). It is anticipated this issue will be resolved during collection year 2023 by the County.

As a result, the City restated the business-type activities beginning net position on the Statement of Net Position from the \$953,844 previously reported to \$1,079,304 at January 1, 2022. This issue also required increasing the beginning net position reported for the Vance Darroch New Community Authority, a major enterprise fund, by \$125,460 from the \$306,357, previously reported at December 31, 2021, to an adjusted beginning net position of \$431,817 at January 1, 2022.



**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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**NOTE 4 – DEPOSITS AND INVESTMENTS:**

Monies of substantially all funds of the City are maintained or invested in a common group of bank accounts and STAROhio. This is done in order to limit the risk associated with the investments while providing for a reasonable market rate of return. Interest income is distributed to the funds according to local ordinances and statutory requirements.

The provisions of the Charter and Codified Ordinances of the City and the Ohio Revised Code govern the investment and deposit of City monies. In accordance with these provisions, only financial institutions located in Ohio, as well as primary and regional securities dealers are eligible to hold public deposits. The provisions also permit the City to invest its monies in certificates of deposit, savings accounts, money market accounts, the State Treasurer's investment pool (STAROhio), obligations of the United States government or certain agencies thereof, banker's acceptance notes, and commercial paper. The City may also enter into repurchase agreements with any eligible depository for a period not exceeding five years.

Public depositories must give security for all public funds on deposit. According to the City's Deposit and Investment Policy, these institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), or may pledge a pool of government securities through the Ohio Pooled Collateral System (OPCS), a centralized collateral system monitored by the Ohio Treasurer of State. Financial institutions participating in OPCS must pledge eligible securities equal to at least 102 percent of the carrying value of all public deposits held by each institution. Financial institutions choosing not to participate in OPCS must pledge eligible securities equal to at least 105 percent of the carrying value of the public deposits held by each institution. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

**Deposits**

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned. Protection of the City's cash and deposits is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited or 102 percent for OPCS. Collateral is held by trustees including the Federal Reserve Bank and designated third parties of the financial institution.

At year end, the City reported total bank balances of \$18,200,733 of which \$11,354,294 was covered by federal deposit insurance and the remaining \$6,846,439 was exposed to custodial credit risk because it was uninsured and collateralized by specific pledged securities held by the pledging financial institution's trust department or agent, but not in the City's name.

**Investments**

At year-end, the City had the following investments:

<u>Investment Type</u>	<u>Rating</u>	<u>Measurement Value</u>	<u>Less than One Year</u>	<u>Two to Three Years</u>	<u>Beyond Three Years</u>
Federal Agency Securities	AA+	\$ 5,171,175	\$ -	\$ 611,273	\$ 4,559,902
STAR Ohio	AAAm	351,325	351,325	-	-
Negotiable CD's	N/A	8,137,344	3,396,881	4,522,572	217,891
U.S. Treasury Notes	N/A	10,522,920	-	4,490,820	6,032,100
Mutual Funds	N/A	387,280	387,280	-	-
		<u>\$ 24,570,044</u>	<u>\$ 4,135,486</u>	<u>\$ 9,624,665</u>	<u>\$ 10,809,893</u>

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*Interest Rate Risk* – The City’s investment policy addresses interest rate risk by directing management to attempt to match the term to maturity of the investments with anticipated cash flow requirements and investing active deposits necessary for operating funds primarily in short term demand accounts and money market accounts or similar investments.

STAR Ohio is managed to maintain a weighted average maturity to reset of 60 days or less and a weighted average maturity to final of 90 days or less, to enhance liquidity and to limit market price exposure to volatile interest rate movements in the market. STAR Ohio had an average maturity of 31.9 days as of December 31, 2022.

*Credit Risk* – The City’s investment policy restricts investments in obligations of the United States Treasury and Federal Agencies to direct obligations of the issuing entity. The City’s policy requires commercial paper to have a credit rating in the highest classification established by at least two nationally recognized standard rating services and the aggregate value of the notes cannot exceed ten percent of the outstanding commercial paper of the issuing corporation. Bankers acceptances are restricted to those insured by the federal deposit insurance corporation, are eligible for purchase by the Federal Reserve System and the obligations mature not later than one hundred eighty days after purchase. All negotiable certificates of deposit are covered by FDIC.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with custodial credit risk beyond the requirements of State statute which prohibit payment for investments prior to the delivery of the securities representing the investments to the treasurer or qualified trustee.

*Concentration of Credit Risk* – The City’s investment policy addresses concentration of credit risk by limiting the portfolio holding of allowable investments to the following percentages:

<u>Diversification of Instrument</u>	<u>Maximum Percent Allowed</u>
U.S. Treasury Obligations	100%
Authorized U.S. Federal Agency Securities and U.S. Government-sponsored Corporations	100%
Nonnegotiable Certificates of Deposit	100%
Authorized Banker’s Acceptance	25%
STAR Ohio	100%
Prime Commercial Paper	25%

The following table includes percentage of each investment type held by the City at December 31, 2022:

<u>Investment Type</u>	<u>Measurement Value</u>	<u>Percent of Total</u>
Federal Agency Securities	\$ 5,171,175	21.05%
STAR Ohio	351,325	1.43%
Negotiable CD's	8,137,344	33.12%
U.S. Treasury Notes	10,522,920	42.83%
Mutual Funds	387,280	1.57%
	<u>\$ 24,570,044</u>	<u>100.00%</u>

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**Fair Value Measurement**

The City's investments measured and reported at fair value are classified according to the following hierarchy:

- Level 1 - Investments reflect prices quoted in active markets.
- Level 2 - Investments reflect prices that are based on a similar observable asset either directly, or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 - Investments reflect prices based upon unobservable sources.

The categorization of investments with the hierarchy is based upon the transparency of the instrument and should not be perceived as the particular investment's risk. The City had the following reoccurring fair value measurements as of December 31, 2022:

<u>Investment Type</u>	<u>Measurement Value</u>	<u>Identical Assets (Level 1)</u>	<u>Observable Inputs (Level 2)</u>	<u>Unobservable Inputs (Level 3)</u>
U.S. Treasury Notes	\$ 10,522,920	\$ 10,522,920	\$ -	\$ -
Federal Agency Securities	5,171,175	-	5,171,175	-
Negotiable CD's	8,137,344	-	8,137,344	-
	<u>\$ 23,831,439</u>	<u>\$ 10,522,920</u>	<u>\$ 13,308,519</u>	<u>\$ -</u>

Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique by the City's investment managers. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The City's investments in STAROhio and mutual funds are measured at amortized cost and therefore are not classified based on the hierarchy above.

**NOTE 5 – RECEIVABLES:**

Receivables at December 31, 2022 consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, special assessments, and loans.

**Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2022 for real and public utility property taxes represents collections of 2021 taxes.

2022 real property taxes were levied after October 1, 2022, on the assessed value as of January 1, 2022, the lien date. Assessed values are established by State law at 35 percent of the appraised market value. 2022 real property taxes are collected in and intended to finance 2023.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2022 public utility property taxes which became a lien December 31, 2021, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

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The full tax rate for all City operations for the year ended December 31, 2022 was \$2.50 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2022 property tax receipts were based are as follows:

Real Property Tax Assessed Valuation	\$ 158,319,770
Public Utility Real Property Assessed Valuation	315,620
Public Utility Personal Property Assessed Valuation	<u>124,302,690</u>
Total	<u><u>\$ 282,938,080</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Moraine. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2022, and for which there is an enforceable legal claim. At the fund level, the entire receivable has been offset as a deferred inflow of resources since the current taxes were not levied to finance 2022 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the full accrual basis, collectible delinquent property taxes have been recorded as revenue.

Income Tax

The City levies a municipal income tax on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current income tax rate. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City monthly. Corporation and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

During 2022, the income tax rate was two and a half percent of earned income. In accordance with the ordinance adopted by the City Council, 100 percent of income tax revenue is allocated to and maintained by the General Fund.

Loans Receivable

In 2001, as an economic development tool, the City began offering business loans that would be forgiven if the business met certain employment and financial conditions over the life of the loan. The first such loan was made during 2001. The loans receivable in the Economic Development Fund at December 31, 2022 were as follows:

Loans Receivable, 12/31/2021	\$ 4,000
New Loans	115,000
Forgiven Loans	<u>(4,000)</u>
Loans Receivable, 12/31/2022	<u><u>\$ 115,000</u></u>

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**NOTE 6 – CAPITAL ASSETS:**

Capital asset activity for the year ended December 31, 2022 was as follows:

	Balance 12/31/21	Increases	Decreases	Balance 12/31/22
<i><u>Governmental Activities</u></i>				
Non-depreciable capital assets:				
Land	\$ 10,622,373	\$ -	\$ (210,403)	\$ 10,411,970
Construction in Progress	7,246,057	1,281,243	-	8,527,300
Non-depreciable capital assets:	<u>17,868,430</u>	<u>1,281,243</u>	<u>(210,403)</u>	<u>18,939,270</u>
Depreciable capital assets:				
Buildings and improvements	12,116,815	-	-	12,116,815
Equipment	11,596,885	940,379	(221,607)	12,315,657
Infrastructure	33,820,077	-	-	33,820,077
Depreciable capital assets:	<u>57,533,777</u>	<u>940,379</u>	<u>(221,607)</u>	<u>58,252,549</u>
Less: accumulated depreciation				
Buildings and improvements	(9,100,166)	(180,439)	-	(9,280,605)
Equipment	(8,940,095)	(569,495)	221,607	(9,287,983)
Infrastructure	(25,834,805)	(816,637)	-	(26,651,442)
Accumulated depreciation	<u>(43,875,066)</u>	<u>(1,566,571) *</u>	<u>221,607</u>	<u>(45,220,030)</u>
Depreciable capital assets, net	<u>13,658,711</u>	<u>(626,192)</u>	<u>-</u>	<u>13,032,519</u>
Governmental activities capital assets, net	<u>\$ 31,527,141</u>	<u>\$ 655,051</u>	<u>\$ (210,403)</u>	<u>\$ 31,971,789</u>

\* - Depreciation expense was charged to governmental functions as follows:

General Government	\$ 107,343
Public Safety	317,103
Highways and Streets	995,709
Culture and Recreation	142,960
Total depreciation expense - general capital assets	1,563,115
Internal service fund depreciation	3,456
Total depreciation expense - governmental activities	<u>\$ 1,566,571</u>

Capital assets of the Internal Service City Garage Fund include machinery and equipment with a cost of \$150,154 and accumulated depreciation of \$147,609 (\$3,456 of current year depreciation).

In the prior year, the City performed a complete reevaluation of the useful lives of its capital assets. As a result, the useful lives used to calculate depreciation on numerous capital items were extended to properly reflect the anticipated period of use for those items as well as consistency with the City's capital asset policy. The remaining book balance of these items will be depreciated over the new useful life established prospectively.

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**NOTE 7 – DEFINED BENEFIT PENSION PLANS:**

**Net Pension Liability**

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

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

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

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

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

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

City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-share, 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 plan with defined contribution features. Effective January 1, 2022, members may no longer select the combined plan. While members (e.g., City employees) may elect the member-directed plan and the combined plan, the majority of employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the ORC. OPERS issues a stand-alone financial report that includes financial statements, required supplementary



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information and detailed information about OPERS's fiduciary net position that may be obtained by visiting [www.opers.org/financial/reports.shtml](http://www.opers.org/financial/reports.shtml), by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

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

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3% 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%.

**Funding Policy**—The ORC provides statutory authority for member and employer contributions. For 2022, member contribution rates were 10% of salary and employer contribution rates were 14%, which were equal to the statutory maximum amounts. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$580,756 for 2022. Of this amount, \$60,414 is reported as salaries and benefits payable.

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

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

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

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

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30<sup>th</sup> of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3% of their base pension or disability benefit.

Funding Policy—The ORC provides statutory authority for member and employer contributions as follows:

	<b><u>Police</u></b>	<b><u>Firefighters</u></b>
<b>2022 Statutory Maximum Contribution Rates</b>		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
<b>2022 Actual Contribution Rates</b>		
Employer		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	<u>0.50%</u>	<u>0.50%</u>
Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee	<u>12.25%</u>	<u>12.25%</u>



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Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution was \$1,111,904 for 2022. Of this amount, \$101,589 is reported as salaries and benefits payable.

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

The net pension liability for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2021, and was determined by rolling forward the total pension liability as of January 1, 2021, to December 31, 2021. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 2,289,758	\$ 12,024,824	\$ 14,314,582
Proportion of the net pension liability			
Current measurement date	0.026318%	0.192477%	
Prior measurement date	<u>0.026745%</u>	<u>0.184012%</u>	
Change in proportionate share	<u>-0.000427%</u>	<u>0.008465%</u>	
Pension expense	\$ (651,229)	\$ 656,455	\$ 5,226

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 116,729	\$ 346,725	\$ 463,454
Change in assumptions	286,332	2,197,623	2,483,955
Change in City's proportionate share and difference in employer contributions	-	463,022	463,022
City contributions subsequent to the measurement date	<u>580,756</u>	<u>1,111,904</u>	<u>1,692,660</u>
Total	<u>\$ 983,817</u>	<u>\$ 4,119,274</u>	<u>\$ 5,103,091</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 50,220	\$ 625,126	\$ 675,346
Net difference between projected and actual earnings on pension plan investments	2,723,585	3,152,723	5,876,308
Change in City's proportionate share and difference in employer contributions	<u>267,247</u>	<u>737,992</u>	<u>1,005,239</u>
Total	<u>\$ 3,041,052</u>	<u>\$ 4,515,841</u>	<u>\$ 7,556,893</u>

\$1,692,660 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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		OPERS	OP&F	Total
Fiscal Year Ending December 31:				
	2023	\$ (612,327)	\$ (233,788)	\$ (846,115)
	2024	(951,980)	(969,660)	(1,921,640)
	2025	(640,425)	(388,172)	(1,028,597)
	2026	(433,259)	(216,901)	(650,160)
	2027	-	300,050	300,050
		\$ (2,637,991)	\$ (1,508,471)	\$ (4,146,462)

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, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation:	
Current measurement period	2.75%
Prior measurement period	3.25%
Future salary increases, including inflation:	
Current measurement period	2.75% to 10.75%
Prior measurement period	3.25% to 10.75%
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees: 3% simple Post 1/7/2013 retirees: 0.5% simple through 2021, then 2.15% simple
Investment rate of return:	
Current measurement period	6.90%
Prior measurement period	7.20%
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previous described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

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During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets 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 annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 15.3% for 2021.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return 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 rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	24.00%	1.03%
Domestic Equities	21.00%	3.78%
Real Estate	11.00%	3.66%
Private Equity	12.00%	7.43%
International Equities	23.00%	4.88%
Risk Parity	5.00%	2.92%
Other Investments	<u>4.00%</u>	2.85%
Total	<u>100.00%</u>	4.21%

**Discount Rate.** The discount rate used to measure the total pension liability was 6.90% for the Traditional Pension Plan. 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 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.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.** The following chart represents the City's proportionate share of the net pension liability at the 6.90% discount rate, as well as the sensitivity to a 1% increase and 1% decrease in the current discount rate:

	1% Decrease (5.90%)	Current Discount Rate of 6.90%	1% Increase (7.90%)
City's proportionate share of the net pension liability/(asset)	\$ 6,037,329	\$ 2,289,758	\$ (828,524)

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Actuarial Assumptions - OP&F

OP&F's total pension liability as of December 31, 2021 is based on the results of an actuarial valuation date of January 1, 2021, and rolled forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2021, are presented below:

Valuation date	January 1, 2021 with actuarial liabilities rolled forward to December 31, 2021
Actuarial cost method	Entry age normal
Investment rate of return:	
Current measurement period	7.50%
Prior measurement period	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	2.75% plus productivity increase rate of 0.5%
Inflation assumptions	2.75%
Cost of living adjustments	2.2% simple per year

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

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

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

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

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

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

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Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2021 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and cash equivalents	0.00%	0.00%
Domestic equity	21.00%	3.60%
Non-U.S. equity	14.00%	4.40%
Private markets	8.00%	6.80%
Core fixed income*	23.00%	1.10%
High yield fixed income	7.00%	3.00%
Private credit	5.00%	4.50%
U.S. inflation linked bonds*	17.00%	0.80%
Midstream energy infrastructure	5.00%	5.00%
Real assets	8.00%	5.90%
Gold	5.00%	2.40%
Private real estate	<u>12.00%</u>	4.80%
Total	<u>125.00%</u>	

*Note: Assumptions are geometric. \* Levered 2x*

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate.** The total pension liability was calculated using the discount rate of 7.5%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using a discount rate of 6.5%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.5%), or one percentage point higher (8.5%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate of 7.50%	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$ 17,832,647	\$ 12,024,824	\$ 7,188,342

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**NOTE 8 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFITS:**

Net OPEB Liability/(Asset)

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

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

GASB Statement No. 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The ORC permits, but does not require, the retirement systems to provide health care to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability/(asset). 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 funded or unfunded benefits are presented as either a long-term *net OPEB asset* or *net OPEB liability* on the accrual basis of accounting. Any liability for contractually-required OPEB contributions outstanding at the end of the year is included in *salaries and benefits payable* on both the accrual and modified accrual bases of accounting.

Plan Description—Ohio Public Employees Retirement System (OPERS)

The 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.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an Health Reimbursement Arrangement allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.



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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' ACFR referenced below for additional information.

The ORC 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 ORC.

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14.0% of earnable salary. These are the maximum employer contribution rates permitted by the ORC. 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. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan was 0% during calendar year 2022. For the Combined Plan, the portion of the employer contributions allocated to health care was 0% from January 1, 2022 to June 30, 2022, and was 2% from July 1, 2022 to December 31, 2022.

As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2023 remains at 0% for the Traditional Pension Plan and 2% for the Combined Plan. 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 2022 was 4.0%.

The City's contractually required contribution to OPERS for OPEB was \$3,972 for 2022.

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

The City contributes to the OP&F stipend funded via the Health Care Stabilization Fund. This benefit is available to eligible members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses. The stipend model allows eligible members the option of choosing an appropriate health care plan on the exchange. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

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

**Funding Policy**—The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5% and 24.0% of covered payroll for police and fire employer units. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2022, the portion of the employer contributions allocated to health care was 0.5% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

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

The City's contractually required contribution to OP&F was \$26,066 for 2022.

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

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year.

OP&F's total OPEB liability was measured as of December 31, 2021, and was determined by rolling forward the total OPEB liability as of January 1, 2021, to December 31, 2021. The City's proportion of the net OPEB liability/(asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:



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	OPERS	OP&F	Total
Proportionate share of the net OPEB:			
Asset	\$ 784,717	\$ -	\$ 784,717
Liability	-	2,109,709	2,109,709
Proportion of the net OPEB asset/liability			
Current measurement date	0.025054%	0.192477%	
Prior measurement date	0.025481%	0.184012%	
Change in proportionate share	<u>-0.000427%</u>	<u>0.008465%</u>	
OPEB expense	\$ (771,195)	\$ 83,139	\$ (688,056)

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	OP&F	Total
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 95,972	\$ 95,972
Change in assumptions	-	933,822	933,822
Change in City's proportionate share and difference in employer contributions	-	62,983	62,983
City contributions subsequent to the measurement date	<u>3,972</u>	<u>26,066</u>	<u>30,038</u>
Total	<u>\$ 3,972</u>	<u>\$ 1,118,843</u>	<u>\$ 1,122,815</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 119,030	\$ 278,827	\$ 397,857
Net difference between projected and actual earnings on OPEB plan investments	374,097	190,576	564,673
Change in assumptions	317,645	245,030	562,675
Change in City's proportionate share and difference in employer contributions	<u>155,444</u>	<u>310,389</u>	<u>465,833</u>
Total	<u>\$ 966,216</u>	<u>\$ 1,024,822</u>	<u>\$ 1,991,038</u>

\$30,038 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase of the net OPEB asset in the year ending December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Fiscal Year Ending December 31:			
2023	\$ (653,997)	\$ (2,372)	\$ (656,369)
2024	(176,755)	(30,665)	(207,420)
2025	(81,738)	(11,048)	(92,786)
2026	(53,726)	13,496	(40,230)
2027	-	44,013	44,013
Thereafter	<u>-</u>	<u>54,531</u>	<u>54,531</u>
	<u>\$ (966,216)</u>	<u>\$ 67,955</u>	<u>\$ (898,261)</u>

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Actuarial Assumptions—OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverages provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OBEB asset was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74:

Wage inflation:	
Current measurement period	2.75%
Prior measurement period	3.25%
Projected salary increase:	
Current measurement period	2.75% to 10.75%, including wage inflation
Prior measurement period	3.25% to 10.75%, including wage inflation
Single discount rate	6.00%
Investment rate of return	6.00%
Municipal bond rate:	
Current measurement period	1.84%
Prior measurement period	2.00%
Health care cost trend rate:	
Current measurement period	5.5% initial, 3.50% ultimate in 2034
Prior measurement period	8.5% initial, 3.50% ultimate in 2035
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previous described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.3% for 2021.

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The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return 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 rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00%	0.91%
Domestic Equities	25.00%	3.78%
REITs	7.00%	3.71%
International Equities	25.00%	4.88%
Risk Parity	2.00%	2.92%
Other Investments	7.00%	1.93%
Total	<u>100.00%</u>	3.45%

**Discount Rate.** A single discount rate of 6.00% was used to measure the OPEB liability on the measurement date of December 31, 2021. 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 the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 1.84%. 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 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

**Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate.** The following table presents the City's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00%, as well as what the City's proportionate share of the net OPEB asset if it were calculated using a discount rate that is 1.0% point lower (5.00%) or 1.0% point higher (7.00%) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate of 6.00%	1% Increase (7.00%)
City's proportionate share of the net pension asset	\$ 461,510	\$ 784,717	\$ 1,053,054

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***Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate.*** Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset 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 2022 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net pension asset	\$ 793,236	\$ 784,717	\$ 774,695

**Actuarial Assumptions - OP&F**

OP&F's total OPEB liability as of December 31, 2021 is based on the results of an actuarial valuation date of January 1, 2021 and rolled forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

Actuarial valuation date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial cost method	Entry age normal
Investment rate of return:	
Current measurement rate	7.50%
Prior measurement rate	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	3.25%
Single discount rate:	
Current measurement rate	2.84%
Prior measurement rate	2.96%
Municipal bond rate:	
Current measurement rate	2.05%
Prior measurement rate	2.12%
Cost of living adjustments	2.2% simple per year

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

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

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

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

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

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2021 are summarized as follows:

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**FOR THE YEAR ENDED DECEMBER 31, 2022**

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and cash equivalents	0.00%	0.00%
Domestic equity	21.00%	3.60%
Non-U.S. equity	14.00%	4.40%
Private markets	8.00%	6.80%
Core fixed income*	23.00%	1.10%
High yield fixed income	7.00%	3.00%
Private credit	5.00%	4.50%
U.S. inflation linked bonds*	17.00%	0.80%
Master limited partnerships	5.00%	5.00%
Real assets	8.00%	5.90%
Gold	5.00%	2.40%
Private real estate	<u>12.00%</u>	4.80%
Total	<u>125.00%</u>	

*Note: Assumptions are geometric. \* Levered 2x*

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate.** Total OPEB liability was calculated using the discount rate of 2.84%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, a municipal bond rate of 2.05% at December 31, 2021 was blended with the long-term rate of 7.5%, which resulted in a blended discount rate of 2.84%.

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate.** Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net OPEB liability calculated using the discount rate of 2.84%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (1.84%) and 1% point higher (3.84%) than the current discount rate.

	1% Decrease (1.84%)	Current Discount Rate of 2.84%	1% Increase (3.84%)
City's proportionate share of the net OPEB liability	\$ 2,651,951	\$ 2,109,709	\$ 1,663,985



**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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**NOTE 9 – COMPENSATED ABSENCES:**

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 16, the City accrues a liability for sick leave and vacation when the obligation is attributable to services previously rendered, to rights that vest or accumulate, and where payment of the obligation is probable and can be reasonably determined.

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service. At termination or retirement, employees are paid at their full rate for 100% of their unused vacation. The obligation for accrued unpaid vacation time for the City as a whole amounted to \$859,824 at December 31, 2022.

Accumulated Unpaid Sick Leave

City employees earn sick leave at varying rates based upon length of service and when the employee was hired. Employees who have completed ten to twenty years of service and were hired prior to April 11, 1993 and have a sick leave balance are able to receive payment upon retirement of one hour for each two hours accumulated. For service beyond twenty years an employee would receive payment for each hour accumulated in that time. Employees hired after April 11, 1993 who have completed ten to twenty years of service are able to receive payment upon retirement of one hour for each three hours up to a maximum of 720 hours. For service beyond twenty years an employee would receive payment upon retirement of one hour for every three accumulated up to a maximum of 960 hours. Individuals leaving the employment of the City prior to retirement or at retirement with less than ten years of service lose their accumulated sick leave. The obligation for accrued unpaid sick leave for the City as a whole amounted to \$1,025,715 at December 31, 2022.

**NOTE 10 – RISK MANAGEMENT:**

Casualty & Property Coverage

The City is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. In 1995 the City joined the Public Entities Pool of Ohio (PEP) for coverage of these risks. The risk of loss is transferred to the Pool. PEP financial data as of December 31, 2021 and 2020 follows (2022 information not available as of yet):

	<u>2021</u>	<u>2020</u>
Assets	\$ 59,340,305	\$ 57,336,499
Liabilities	<u>(17,071,953)</u>	<u>(16,156,805)</u>
Net Position - Unrestricted	<u>\$ 42,268,352</u>	<u>\$ 41,179,694</u>

The Pool's membership increased from 571 members in 2020 to 589 members in 2021.

The Pool uses reinsurance and excess risk-sharing arrangements to reduce its exposure to large specific and aggregate losses. These agreements permit recovery of a portion of its claims from reinsurers and a risk-sharing pool; however, they do not discharge the Pool's primary liability for such payments. The Pool is a member of American Public Entity Excess Pool (APEEP), which is also administered by Sedgwick. APEEP provides the Pool, and all member pools, with reinsurance and excess risk-sharing programs. The Pool does not report reinsured risks as liabilities unless it is probable those risks will not be covered by reinsurers or excess risk sharing agreements.

Unpaid claims of the Pool that will be billed in the future were approximately \$15.0 million and \$14.1 million at December 31, 2021 and 2020, respectively. Coverage has not changed and losses have not exceeded that coverage over the last three years.

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**Health Insurance Coverage**

The City provides health insurance coverage for its employees. This program is accounted for in the Internal Service Health Insurance Program Fund. This coverage is provided by the City self-funding a portion of the program with the balance of coverage provided by stop loss coverage through Anthem Insurance Company. The stop loss carrier provides coverage as follows: the City paid all claims up to \$1,000,000 in aggregate during the contract year, which runs from January 1 through December 31 of each year. The City expects that all claims will be settled within one year.

Individual specific stop loss coverage is set at \$100,000 in the aggregate. During calendar year 2022 specific stop loss insurance coverage covered \$165,863 of claims incurred.

Below is a claims history for the past three years:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Claims liability at January 1	\$ 206,095	\$ 96,621	\$ 91,604
Claims incurred	2,369,228	2,051,090	1,532,749
Claims paid	<u>(2,301,984)</u>	<u>(1,941,616)</u>	<u>(1,527,732)</u>
Claims liability at December 31	<u>\$ 273,339</u>	<u>\$ 206,095</u>	<u>\$ 96,621</u>

**NOTE 11 - LONG-TERM OBLIGATIONS:**

Long-term obligations activity for the year ended December 31, 2022, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
<i><u>Governmental Activities:</u></i>					
<b>General Obligation Bonds</b>	\$ 4,170,000	\$ -	\$ 255,000	\$ 3,915,000	\$ 265,000
Premium on Bonds	<u>375,686</u>	<u>-</u>	<u>28,899</u>	<u>346,787</u>	<u>-</u>
Total General Obligation Bonds	4,545,686	-	283,899	4,261,787	265,000
<b>Direct Borrowings:</b>					
Loans Payable - OPWC	852,467	-	68,240	784,227	68,242
<b>Direct Placement:</b>					
2021 Infrastructure Improvement Bonds	7,700,000	-	25,000	7,675,000	35,000
Premium on Bonds	<u>555,803</u>	<u>-</u>	<u>28,503</u>	<u>527,300</u>	<u>-</u>
Total Direct Placement Bonds	8,255,803	-	53,503	8,202,300	35,000
<b>Other Long-Term Obligations:</b>					
Compensated Absences	2,169,763	218,364	658,933	1,729,194	247,944
Net Pension Liability:					
OPERS	3,960,292	-	1,670,534	2,289,758	-
OP&F	<u>12,544,241</u>	<u>-</u>	<u>519,417</u>	<u>12,024,824</u>	<u>-</u>
Total Net Pension Liability	<u>16,504,533</u>	<u>-</u>	<u>2,189,951</u>	<u>14,314,582</u>	<u>-</u>
Net OPEB Liability:					
OP&F	<u>1,949,633</u>	<u>160,076</u>	<u>-</u>	<u>2,109,709</u>	<u>-</u>
Total Net OPEB Liability	<u>1,949,633</u>	<u>160,076</u>	<u>-</u>	<u>2,109,709</u>	<u>-</u>
Total Governmental Activities	<u>\$ 34,277,885</u>	<u>\$ 378,440</u>	<u>\$ 3,254,526</u>	<u>\$ 31,401,799</u>	<u>\$ 616,186</u>



**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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General Obligation Bonds

During 2017, the City issued \$4,425,000 of general obligation various purpose infrastructure and improvement refunding bonds, series 2017. The proceeds were used to refund \$4,420,000 of the 2010 various infrastructure and improvement general obligation bonds. Interest rates on the series 2017 bonds range from 2.00% to 4.00% and the bonds mature on December 1, 2034.

Principal and interest requirement to retire the City's long-term general obligation bonds are as follows:

Year	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2023	\$ 265,000	\$ 151,000
2024	275,000	140,400
2025	285,000	129,400
2026	295,000	118,000
2027	310,000	106,200
2028-2032	1,710,000	359,800
2033-2034	775,000	46,600
Total	<u>\$ 3,915,000</u>	<u>\$ 1,051,400</u>

A portion of the debt service on the general obligation bonds will be paid from service payments in lieu of taxes made by certain property owners in the area benefited by the project. In the event TIF payments are insufficient to cover debt service, the City is responsible for the debt service payments.

Loans Payable

At December 31, 2022, the City has six outstanding loans, all of which are direct borrowings, from the Ohio Public Works Commission (OPWC) to finance various projects; \$450,000 for improvements to Springboro Pike West during 2009; \$402,492 for improvements to the traffic signals throughout the City during 2015; \$266,579 for roadway improvements to Stroop Road during 2016; \$86,891 for resurfacing of Northlawn Avenue during 2017; \$62,407 for improvements to East River Road in 2018; and \$96,441 for improvements to Dorothy Lane in 2020. All six of these loans carried interest rates of zero percent and have maturities of 20 years. At December 31, 2022 the outstanding balance on these loans totaled \$784,227. Principal and interest requirement to retire the City's long-term loans payable are as follows:

Year	Governmental Activities	
	OPWC Loans	
	Principal	
2023	\$ 68,242	
2024	68,240	
2025	68,240	
2026	68,240	
2027	68,241	
2028-2032	284,949	
2033-2037	142,898	
2038-2040	15,177	
Total	<u>\$ 784,227</u>	

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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**Infrastructure Improvement Bonds**

During 2021, the City issued \$7,700,000 of infrastructure improvement bonds, series 2021 through a negotiated direct placement. The bond proceeds, along with the associated premium, were used to retire the \$8,150,000 2020 bond anticipate note when it became due. Interest rates on the series 2021 bonds range from 2.00% to 3.00% and the bonds mature on December 1, 2041. Principal and interest requirement to retire the City's 2021 bonds are as follows:

Year	Governmental Activities	
	Direct Placement Bonds	
	Principal	Interest
2023	\$ 35,000	\$ 226,600
2024	330,000	225,900
2025	335,000	219,300
2026	345,000	209,250
2027	355,000	198,900
2028-2032	1,950,000	827,850
2033-2037	2,260,000	517,200
2038-2041	2,065,000	157,200
Total	<u>\$ 7,675,000</u>	<u>\$ 2,582,200</u>

2021 Bonds maturing on or after December 1, 2026 are subject to prior redemption, by and at the sole option of the City, in whole or in part as selected by the City (in whole multiples of \$5,000), on any date on or after June 1, 2026, at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date.

A portion of the debt service on the general obligation bonds will be paid from service payments in lieu of taxes made by certain property owners in the area benefited by the project. In the event the new community development charges are insufficient to cover debt service, the City is responsible for the debt service payments.

**Other Long-Term Obligations**

The City pays obligations related to employee compensation (compensated absences payable and the employer contributions to pension and OPEB plans) from the funds benefitting from their employment, including the General, Parks and Recreation, Street Construction and Maintenance, and City Garage Funds.

**NOTE 12 – OTHER LONG-TERM OBLIGATION:**

The City has agreed to make the Bond payments less all hook-up fees for a sewer trunk line that Montgomery County installed to benefit a new industrial park in the City limits. The bond payments are billed to the City each year less all hook-up fees. The 2022 payment was \$75,336 and included \$58,000 in principal and \$17,336 in interest. These payments are recorded as expenses in the year paid and no asset or long-term liability is being carried on the City's books. The sewer belongs to, and is maintained by, Montgomery County.

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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**NOTE 13 – INTERFUND ACTIVITY:**

Interfund transfers for the year ended December 31, 2022, consisted of the following:

<u>Transfer to Fund</u>	<u>Transfer from Fund</u>	<u>Amount</u>
Street Construction and Maintenance	General	\$ 1,500,000
Capital Improvement	General	3,045,000
Nonmajor - General Debt Service	VD New Community Authority	16,588
Nonmajor - Economic Development	General	160,000
Nonmajor - Police Pension	General	410,000
Nonmajor - Fire Pension	General	570,000
		<u>\$ 5,701,588</u>

Transfers are used to move unrestricted general fund revenues to finance various programs and projects that the City must account for in other funds in accordance with budgetary authorization. The transfer from the Vance Darroch New Community Authority enterprise fund to the nonmajor general debt service fund represents remittance of new community charges collected by the Authority as required by the Cooperative Agreement signed by both parties.

**NOTE 14 – COMMITMENTS:**

Encumbrances

Outstanding encumbrances at year-end include:

<u>Fund</u>	<u>Encumbrance Outstanding</u>
General	\$ 445,636
Capital Improvement	800,575
Street Construction & Maintenance	6,951
Other Governmental Funds	105,778
	<u>\$ 1,358,940</u>

**CITY OF MORaine, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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**NOTE 15 – CONTINGENT LIABILITIES:**

Litigation

The City is a defendant in various lawsuits and subject to various claims over which litigation has not yet commenced. Although the outcomes of these matters cannot currently be determined, in the opinion of management and the law director, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

Federal and State Grants

For the period January 1, 2022 to December 31, 2022, the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**CITY OF MORAIN, OHIO**  
**GENERAL FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Income	\$ 21,282,274	\$ 21,282,274	\$ 21,197,733	\$ (84,541)
Property	501,666	501,666	520,031	18,365
Other	40,000	40,000	50,916	10,916
Shared Revenues	127,468	127,468	142,000	14,532
Intergovernmental	8,000	8,000	3,254	(4,746)
License and Permits	93,700	93,700	156,389	62,689
Charges for Services	417,200	417,200	472,701	55,501
Fines	242,200	242,200	227,388	(14,812)
Investment Earnings	125,191	125,191	213,005	87,814
Rents and Royalties	48,000	48,000	28,650	(19,350)
Miscellaneous	103,500	103,500	180,679	77,179
<b>Total Revenues</b>	<u>22,989,199</u>	<u>22,989,199</u>	<u>23,192,746</u>	<u>203,547</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
<b>Council</b>				
Personnel services	15,607	21,307	13,781	7,526
General operating expenses	38,300	14,800	7,047	7,753
<b>Total Council</b>	<u>53,907</u>	<u>36,107</u>	<u>20,828</u>	<u>15,279</u>
<b>Clerk of Council</b>				
Personnel services	84,759	84,759	70,058	14,701
General operating expenses	20,362	20,362	12,617	7,745
<b>Total Clerk of Council</b>	<u>105,121</u>	<u>105,121</u>	<u>82,675</u>	<u>22,446</u>
<b>City Manager</b>				
Personnel services	363,003	337,338	319,907	17,431
General operating expenses	53,985	47,750	19,280	28,470
<b>Total City Manager</b>	<u>416,988</u>	<u>385,088</u>	<u>339,187</u>	<u>45,901</u>
<b>Clerk of Courts</b>				
Personnel services	182,439	189,019	173,724	15,295
General operating expenses	21,640	21,640	11,458	10,182
<b>Total Clerk of Courts</b>	<u>204,079</u>	<u>210,659</u>	<u>185,182</u>	<u>25,477</u>
<b>Law Director</b>				
General operating expenses	163,885	163,885	115,848	48,037
<b>Total Law Director</b>	<u>163,885</u>	<u>163,885</u>	<u>115,848</u>	<u>48,037</u>
				(continued)

**CITY OF MORAIN, OHIO**  
**GENERAL FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022  
(continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Merit Service</b>				
General operating expenses	12,000	12,000	2,728	9,272
<b>Total Merit Service</b>	12,000	12,000	2,728	9,272
<b>Mayor</b>				
Personnel services	6,916	6,916	5,020	1,896
General operating expenses	1,150	1,150	400	750
<b>Total Mayor</b>	8,066	8,066	5,420	2,646
<b>Finance</b>				
Personnel services	678,884	702,512	669,340	33,172
General operating expenses	99,436	99,436	79,277	20,159
<b>Total Finance</b>	778,320	801,948	748,617	53,331
<b>Public Buildings</b>				
Personnel services	670,985	667,168	578,342	88,826
General operating expenses	768,778	769,043	589,178	179,865
<b>Total Public Buildings</b>	1,439,763	1,436,211	1,167,520	268,691
<b>General Miscellaneous</b>				
Personnel services	794,935	800,075	463,417	336,658
General operating expenses	588,576	578,576	533,963	44,613
<b>Total General Miscellaneous</b>	1,383,511	1,378,651	997,380	381,271
<b>Information Technology</b>				
Personnel services	341,534	353,249	321,858	31,391
General operating expenses	427,250	427,270	322,540	104,730
<b>Total Information Technology</b>	768,784	780,519	644,398	136,121
<b>Human Resources</b>				
General operating expenses	83,956	83,956	61,266	22,690
<b>Total Human Resources</b>	83,956	83,956	61,266	22,690
<b>TOTAL GENERAL GOVERNMENT</b>	5,418,380	5,402,211	4,371,049	1,031,162

(continued)

**CITY OF MORAIN, OHIO**  
**GENERAL FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022  
(continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>PUBLIC SAFETY</b>				
<b>Police</b>				
Personnel services	4,487,593	4,613,170	4,151,414	461,756
General operating expenses	862,176	871,416	672,685	198,731
<b>Total Police</b>	5,349,769	5,484,586	4,824,099	660,487
<b>Fire</b>				
Personnel services	3,874,233	4,071,065	3,839,686	231,379
General operating expenses	373,021	383,821	246,344	137,477
<b>Total Fire</b>	4,247,254	4,454,886	4,086,030	368,856
<b>TOTAL PUBLIC SAFETY</b>	9,597,023	9,939,472	8,910,129	1,029,343
<b>HIGHWAYS AND STREETS</b>				
<b>Street Lighting</b>				
General operating expenses	250,000	250,000	227,000	23,000
<b>Total Street Lighting</b>	250,000	250,000	227,000	23,000
<b>TOTAL HIGHWAYS AND STREETS</b>	250,000	250,000	227,000	23,000
<b>SANITATION</b>				
<b>Waste Collection</b>				
General operating expenses	391,400	391,400	364,151	27,249
<b>Total Waste Collection</b>	391,400	391,400	364,151	27,249
<b>TOTAL SANITATION</b>	391,400	391,400	364,151	27,249
<b>HEALTH AND WELFARE</b>				
<b>Health &amp; Alcoholism</b>				
General operating expenses	2,000	2,000	2,000	-
<b>Total Health &amp; Alcoholism</b>	2,000	2,000	2,000	-
<b>TOTAL HEALTH AND WELFARE</b>	2,000	2,000	2,000	-
<b>ECONOMIC DEVELOPMENT AND ASSISTANCE</b>				
<b>Community Development</b>				
Personnel services	628,394	581,367	489,290	92,077
General operating expenses	247,027	247,642	171,437	76,205
<b>Total Community Development</b>	875,421	829,009	660,727	168,282
<b>TOTAL ECONOMIC DEVELOPMENT AND ASSISTANCE</b>	875,421	829,009	660,727	168,282
<b>TOTAL EXPENDITURES</b>	16,534,224	16,814,092	14,535,056	2,279,036

(continued)



**CITY OF MORaine, OHIO**  
**GENERAL FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022  
(continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>6,454,975</u>	<u>6,175,107</u>	<u>8,657,690</u>	<u>2,482,583</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(7,350,000)	(8,265,710)	(6,510,000)	1,755,710
Proceeds from the sale of capital assets	<u>774,000</u>	<u>774,000</u>	<u>1,040,898</u>	<u>266,898</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(6,576,000)</u>	<u>(7,491,710)</u>	<u>(5,469,102)</u>	<u>2,022,608</u>
<b>Net Change in Fund Balance</b>	(121,025)	(1,316,603)	3,188,588	4,505,191
Fund Balance - Beginning	31,929,620	31,929,620	31,929,620	-
Prior Year Encumbrances Appropriated	<u>296,301</u>	<u>296,301</u>	<u>296,301</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 32,104,896</u>	<u>\$ 30,909,318</u>	<u>\$ 35,414,509</u>	<u>\$ 4,505,191</u>

See accompanying notes to the required supplementary information.

**CITY OF MORaine, OHIO**  
**STREET CONSTRUCTION AND MAINTENANCE FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Shared Revenues	\$ 591,750	\$ 591,750	\$ 615,168	\$ 23,418
Investment Earnings	797	797	1,203	406
Miscellaneous	1,000	1,000	8,468	7,468
<b>Total Revenues</b>	<u>593,547</u>	<u>593,547</u>	<u>624,839</u>	<u>31,292</u>
<b>EXPENDITURES</b>				
<b>HIGHWAY AND STREETS</b>				
<b>Streets Department</b>				
Personnel Services	1,890,669	1,949,724	1,678,265	271,459
General Operating Expenses	574,690	592,390	446,398	145,992
<b>Total Expenditures</b>	<u>2,465,359</u>	<u>2,542,114</u>	<u>2,124,663</u>	<u>417,451</u>
<b>Excess (deficiency) of revenues over (under)</b>	<u>(1,871,812)</u>	<u>(1,948,567)</u>	<u>(1,499,824)</u>	<u>448,743</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,865,000	1,933,235	1,500,000	(433,235)
<b>Total Other Financing Sources (Uses)</b>	<u>1,865,000</u>	<u>1,933,235</u>	<u>1,500,000</u>	<u>(433,235)</u>
<b>Net Change in Fund Balance</b>	(6,812)	(15,332)	176	15,508
Fund Balance - Beginning	200,240	200,240	200,240	-
Prior Year Encumbrances Appropriated	8,520	8,520	8,520	-
Fund Balance - Ending	<u>\$ 201,948</u>	<u>\$ 193,428</u>	<u>\$ 208,936</u>	<u>\$ 15,508</u>

See accompanying notes to the required supplementary information.

**CITY OF MORaine, OHIO**  
**LOCAL FISCAL RECOVERY COVID FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 338,870	\$ 338,870	\$ 341,575	\$ 2,705
<b>Total Revenues</b>	<u>338,870</u>	<u>338,870</u>	<u>341,575</u>	<u>2,705</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
<b>General Miscellaneous</b>				
General operating expense	333,870	333,870	157,911	175,959
<b>Total Expenditures</b>	<u>333,870</u>	<u>333,870</u>	<u>157,911</u>	<u>175,959</u>
<b>Net Change in Fund Balance</b>	5,000	5,000	183,664	178,664
Fund Balance - Beginning	338,870	338,870	338,870	-
Fund Balance - Ending	<u>\$ 343,870</u>	<u>\$ 343,870</u>	<u>\$ 522,534</u>	<u>\$ 178,664</u>

See accompanying notes to the required supplementary information.

**CITY OF MORIANE, OHIO**  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
AND CITY PENSION CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Measurement Year (1) (2)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.026116%	\$ 3,078,736	\$ 2,932,369	104.99%	86.36%
2015	0.026116%	3,151,149	3,201,850	98.42%	86.45%
2016	0.028964%	5,016,862	3,610,042	138.97%	81.08%
2017	0.031272%	7,101,268	4,038,675	175.83%	77.25%
2018	0.030042%	4,712,950	3,976,331	118.53%	84.66%
2019	0.026983%	7,390,147	4,093,286	180.54%	74.70%
2020	0.031370%	6,200,508	3,965,007	156.38%	82.17%
2021	0.026745%	3,960,292	3,766,829	105.14%	86.88%
2022	0.026318%	2,289,758	3,819,521	59.95%	92.62%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 381,208	\$ (381,208)	\$ -	\$ 2,932,369	13.00%
2014	384,222	(384,222)	-	3,201,850	12.00%
2015	433,205	(433,205)	-	3,610,042	12.00%
2016	484,641	(484,641)	-	4,038,675	12.00%
2017	516,923	(516,923)	-	3,976,331	13.00%
2018	573,060	(573,060)	-	4,093,286	14.00%
2019	555,101	(555,101)	-	3,965,007	14.00%
2020	527,356	(527,356)	-	3,766,829	14.00%
2021	534,733	(534,733)	-	3,819,521	14.00%
2022	580,756	(580,756)	-	4,148,257	14.00%

(1) Information prior to 2014 is not available. The City will continue to present information for years available until a full ten-year trend is compiled.

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

**Notes to Schedule:**

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

In 2019, a reduction of the discount rate was made from 7.5% to 7.2%.

In 2022, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2020. Significant changes included a reduction of the discount rate from 7.2% to 6.9%, a reduction in wage inflation from 3.25% to 2.75%, and transition from RP-2014 mortality tables to Pub-2010 mortality tables.

**CITY OF MORIANE, OHIO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**AND CITY PENSION CONTRIBUTIONS**  
**OHIO POLICE AND FIRE PENSION FUND**

Measurement Year (1) (2)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.205342%	\$ 10,000,780	\$ 4,471,557	223.65%	73.00%
2015	0.205342%	10,637,551	4,220,732	252.03%	71.71%
2016	0.205708%	13,233,339	4,538,940	291.55%	66.77%
2017	0.211297%	13,383,401	4,721,005	283.49%	68.36%
2018	0.202243%	12,412,541	4,662,051	266.25%	70.91%
2019	0.198997%	16,243,444	4,464,941	363.80%	63.07%
2020	0.192988%	13,000,718	4,986,735	260.71%	69.89%
2021	0.184012%	12,544,241	4,755,635	263.78%	70.65%
2022	0.192477%	12,024,824	5,110,493	235.30%	75.03%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 763,742	\$ (763,742)	\$ -	\$ 4,471,557	17.08%
2014	859,341	(859,341)	-	4,220,732	20.36%
2015	911,873	(911,873)	-	4,538,940	20.09%
2016	948,450	(948,450)	-	4,721,005	20.09%
2017	936,606	(936,606)	-	4,662,051	20.09%
2018	944,982	(944,982)	-	4,464,941	20.09%
2019	1,001,835	(1,001,835)	-	4,986,735	20.09%
2020	955,407	(955,407)	-	4,755,635	20.09%
2021	1,026,698	(1,026,698)	-	5,110,493	20.09%
2022	1,111,904	(1,111,904)	-	5,534,614	20.09%

(1) Information prior to 2014 is not available. The City will continue to present information for years available until a full ten-year trend is compiled.

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

**Notes to Schedule:**

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

In 2022, the single discount rate changed from 8.0% to 7.5%.

**CITY OF MORIANE, OHIO**  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)  
AND CITY OPEB CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Measurement Year (1) (2)	City's Proportion of the Net OPEB Liability/(Asset)	City's Proportionate Share of the Net OPEB Liability/(Asset)	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2017	0.029640%	\$ 2,993,762	\$ 4,038,675	74.13%	54.05%
2018	0.028416%	3,085,782	3,976,331	77.60%	54.14%
2019	0.025501%	3,324,662	4,093,286	81.22%	46.33%
2020	0.030004%	4,144,259	3,965,007	104.52%	47.80%
2021	0.025481%	(453,958)	3,766,829	(12.05%)	115.57%
2022	0.025054%	(784,717)	3,819,521	(20.54%)	128.23%

Calendar Year (3)	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 73,158	\$ (73,158)	\$ -	\$ 3,610,042	2.00%
2016	81,881	(81,881)	-	4,038,675	2.00%
2017	40,250	(40,250)	-	3,976,331	1.00%
2018	-	-	-	4,093,286	0.00%
2019	400	(400)	-	3,965,007	0.01%
2020	3,392	(3,392)	-	3,766,829	0.09%
2021	3,486	(3,486)	-	3,819,521	0.09%
2022	3,972	(3,972)	-	4,148,257	0.10%

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

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

(1) Information prior to 2015 is not available. The City will continue to present information for years available until a full ten-year trend is compiled.

**Notes to Schedule:**

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

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

In 2020, the single discount rate changed from 3.96% to 3.16% and the health care cost trend rate changed from 10.0% initial, 3.25% ultimate in 2028 to 10.5% initial, 3.50% ultimate in 2030.

In 2021, the single discount rate changed from 3.16% to 6.00% and the health care cost trend rate changed from 10.5% initial, 3.50% ultimate in 2030 to 8.5% initial, 3.50% ultimate in 2035.

In 2022, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2020. Significant changes included a reduction in wage inflation from 3.25% to 2.75%, and transition from RP-2014 mortality tables to Pub-2010 mortality tables.

**CITY OF MORIANE, OHIO**  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
AND CITY OPEB CONTRIBUTIONS  
OHIO POLICE AND FIRE PENSION FUND

Measurement Year (1) (2)	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2017	0.211298%	\$ 10,029,839	\$ 5,407,719	185.47%	15.96%
2018	0.202243%	11,458,781	5,479,757	209.11%	14.13%
2019	0.198997%	1,812,177	5,554,909	32.62%	46.57%
2020	0.192988%	1,906,286	5,810,174	32.81%	47.08%
2021	0.184012%	1,949,633	5,864,172	33.25%	45.42%
2022	0.192477%	2,109,709	6,005,415	35.13%	46.90%

Calendar Year (3)	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 21,060	\$ (21,060)	\$ -	\$ 5,297,966	0.46%
2016	35,887	(35,887)	-	5,407,719	0.76%
2017	22,036	(22,036)	-	5,479,757	0.47%
2018	22,325	(22,325)	-	5,554,909	0.50%
2019	23,571	(23,571)	-	5,810,174	0.47%
2020	22,471	(22,471)	-	5,864,172	0.47%
2021	24,108	(24,108)	-	6,005,415	0.47%
2022	26,066	(26,066)	-	5,534,614	0.47%

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

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

(3) Information prior to 2015 is not available. The City will continue to present information for years available until a full ten-year trend is compiled.

**Notes to Schedule:**

*Change in assumptions.* In 2018, the single discount rate changed from 3.79% to 3.24%.

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

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

In 2021, the single discount rate changed from 3.56% to 2.96%.

In 2022, the single discount rate changed from 2.96% to 2.84%.

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

**CITY OF MORaine, OHIO**  
Notes to Required Supplementary Information  
For the Year Ended December 31, 2022

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**NOTE A-BUDGETARY BASIS OF ACCOUNTING**

While the City is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budgetary basis and GAAP basis are as follows:

Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP Basis).

Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the liability is incurred (GAAP basis).

Encumbrances are treated as expenditures for all funds (budgetary basis) rather than as restricted, committed or assigned fund balance (GAAP basis).

Some funds are included in the General fund (GAAP basis), but have separate legally adopted budgets (budgetary basis).

The following summarizes the adjustments necessary to reconcile the GAAP statements and the budgetary basis schedule for the City's General Fund and major special revenue funds.

	Net Change in Fund Balance		
	General	Street Construction and Maintenance	Local Fiscal Recovery COVID
GAAP Basis	\$ 3,150,591	\$ (8,408)	\$ -
Revenue Accruals	206,157	(244)	183,664
Expenditure Accruals	237,785	15,779	-
Encumbrances	(400,876)	(6,951)	-
Funds Budgeted Elsewhere	(5,069)	-	-
Budget Basis	<u>\$ 3,188,588</u>	<u>\$ 176</u>	<u>\$ 183,664</u>

Note: For reporting purposes, the Parks and Recreation fund and the City Deposits fund are combined with the General fund; however, those funds are legally budgeted separately from the General fund. As such, separate budgetary comparison schedules are presented along with those of the non-major special revenue funds within the combining financial statements and individual fund schedules section of this report.



**COMBINING FINANCIAL STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

**CITY OF MORaine, OHIO**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2022

	Nonmajor Special Revenue Funds	General Debt Service - Nonmajor Debt Service Fund	Vance Darroch Capital - Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Equity in Pooled Cash and Investments	\$ 1,557,461	\$ 169,855	\$ 124,746	\$ 1,852,062
Cash in Segregated Accounts	483	-	-	483
Receivables:				
Property Tax	172,891	-	-	172,891
Payment in Lieu of Taxes	352,364	-	-	352,364
Intergovernmental	54,888	-	-	54,888
Loans	115,000	-	-	115,000
<b>Total Assets</b>	<u>\$ 2,253,087</u>	<u>\$ 169,855</u>	<u>\$ 124,746</u>	<u>\$ 2,547,688</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 10,359	\$ -	\$ 2,000	\$ 12,359
Salaries and Benefits Payable	101,589	-	-	101,589
<b>Total Liabilities</b>	<u>111,948</u>	<u>-</u>	<u>2,000</u>	<u>113,948</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Property Taxes	166,976	-	-	166,976
Payment in Lieu of Taxes	347,247	-	-	347,247
Unavailable for:				
Delinquent Property Taxes	5,915	-	-	5,915
Delinquent Payments in Lieu of Taxes	5,117	-	-	5,117
Intergovernmental	49,423	-	-	49,423
<b>Total Deferred Inflows of Resources</b>	<u>574,678</u>	<u>-</u>	<u>-</u>	<u>574,678</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Long-term Receivables	92,000	-	-	92,000
Restricted for:				
Law Enforcement	223,573	-	-	223,573
Judiciary Programs	159,091	-	-	159,091
Cemetery Services	128,199	-	-	128,199
Debt Service	-	169,855	-	169,855
Capital Projects	-	-	122,746	122,746
Street Repair and Maintenance	665,018	-	-	665,018
Economic Development	212,196	-	-	212,196
Committed for:				
Economic Development	86,384	-	-	86,384
<b>Total Fund Balances</b>	<u>1,566,461</u>	<u>169,855</u>	<u>122,746</u>	<u>1,859,062</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 2,253,087</u>	<u>\$ 169,855</u>	<u>\$ 124,746</u>	<u>\$ 2,547,688</u>

**CITY OF MORaine, OHIO**  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2022

	State Highway Improvement	Cemetery	Motor Vehicle License Tax	Enforcement and Education
<b>ASSETS</b>				
Equity in Pooled Cash and Investments	\$ 604,559	\$ 128,199	\$ 65,425	\$ 65,739
Cash in Segregated Accounts	-	-	-	-
Receivables:				
Property Tax	-	-	-	-
Payment in Lieu of Taxes	-	-	-	-
Intergovernmental	23,678	-	10,046	72
Loans	-	-	-	-
<b>Total Assets</b>	<u>\$ 628,237</u>	<u>\$ 128,199</u>	<u>\$ 75,471</u>	<u>\$ 65,811</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 8,287	\$ -	\$ 2,072	\$ -
Salaries and Benefits Payable	-	-	-	-
<b>Total Liabilities</b>	<u>8,287</u>	<u>-</u>	<u>2,072</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Unavailable for:				
Delinquent Property Taxes	-	-	-	-
Delinquent Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	19,840	-	8,491	-
<b>Total Deferred Inflows of Resources</b>	<u>19,840</u>	<u>-</u>	<u>8,491</u>	<u>-</u>
<b>FUND BALANCE</b>				
Nonspendable				
Long-term Receivable	-	-	-	-
Restricted for:				
Law Enforcement	-	-	-	65,811
Judiciary Programs	-	-	-	-
Cemetery Services	-	128,199	-	-
Street Repair and Maintenance	600,110	-	64,908	-
Economic Development	-	-	-	-
Committed for:				
Economic Development	-	-	-	-
<b>Total Fund Balance</b>	<u>600,110</u>	<u>128,199</u>	<u>64,908</u>	<u>65,811</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 628,237</u>	<u>\$ 128,199</u>	<u>\$ 75,471</u>	<u>\$ 65,811</u>

(continued)

**CITY OF MORaine, OHIO**  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2022  
(continued)

	Mayor's Court Computer	Clerk of Court Computer	Economic Development	T.I.F.
<b>ASSETS</b>				
Equity in Pooled Cash and Investments	\$ 95,163	\$ 63,445	\$ 63,384	\$ 212,196
Cash in Segregated Accounts	290	193	-	-
Receivables:				
Property Tax	-	-	-	-
Payment in Lieu of Taxes	-	-	-	352,364
Intergovernmental	-	-	-	18,292
Loans	-	-	115,000	-
<b>Total Assets</b>	<u>\$ 95,453</u>	<u>\$ 63,638</u>	<u>\$ 178,384</u>	<u>\$ 582,852</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Salaries and Benefits Payable	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	347,247
Unavailable for:				
Delinquent Property Taxes	-	-	-	-
Delinquent Payments in Lieu of Taxes	-	-	-	5,117
Intergovernmental	-	-	-	18,292
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>370,656</u>
<b>FUND BALANCE</b>				
Nonspendable				
Long-term Receivable	-	-	92,000	-
Restricted for:				
Law Enforcement	-	-	-	-
Judiciary Programs	95,453	63,638	-	-
Cemetery Services	-	-	-	-
Street Repair and Maintenance	-	-	-	-
Economic Development	-	-	-	212,196
Committed for:				
Economic Development	-	-	86,384	-
<b>Total Fund Balance</b>	<u>95,453</u>	<u>63,638</u>	<u>178,384</u>	<u>212,196</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 95,453</u>	<u>\$ 63,638</u>	<u>\$ 178,384</u>	<u>\$ 582,852</u>

(continued)

**CITY OF MORaine, OHIO**  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2022  
(continued)

	Police Pension	Fire Pension	Federal Law Enforcement	State Law Enforcement
<b>ASSETS</b>				
Equity in Pooled Cash and Investments	\$ 51,519	\$ 60,454	\$ 41,974	\$ 57,132
Cash in Segregated Accounts	-	-	-	-
Receivables:				
Property Tax	86,445	86,446	-	-
Payment in Lieu of Taxes	-	-	-	-
Intergovernmental	1,400	1,400	-	-
Loans	-	-	-	-
<b>Total Assets</b>	<u>\$ 139,364</u>	<u>\$ 148,300</u>	<u>\$ 41,974</u>	<u>\$ 57,132</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Salaries and Benefits Payable	41,945	59,644	-	-
<b>Total Liabilities</b>	<u>41,945</u>	<u>59,644</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	83,488	83,488	-	-
Payments in Lieu of Taxes	-	-	-	-
Unavailable for:				
Delinquent Property Taxes	2,957	2,958	-	-
Delinquent Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	1,400	1,400	-	-
<b>Total Deferred Inflows of Resources</b>	<u>87,845</u>	<u>87,846</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>				
Nonspendable				
Long-term Receivable	-	-	-	-
Restricted for:				
Law Enforcement	9,574	810	41,974	57,132
Judiciary Programs	-	-	-	-
Cemetery Services	-	-	-	-
Street Repair and Maintenance	-	-	-	-
Economic Development	-	-	-	-
Committed for:				
Economic Development	-	-	-	-
<b>Total Fund Balance</b>	<u>9,574</u>	<u>810</u>	<u>41,974</u>	<u>57,132</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 139,364</u>	<u>\$ 148,300</u>	<u>\$ 41,974</u>	<u>\$ 57,132</u>

(continued)

**CITY OF MORAIN, OHIO**  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2022  
(continued)

	Drug Law Enforcement	Special Energy Improvement Projects	OneOhio Opioid Settlement	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>				
Equity in Pooled Cash and Investments	\$ 40,575	\$ -	\$ 7,697	\$ 1,557,461
Cash in Segregated Accounts	-	-	-	483
Receivables:				
Property Tax	-	-	-	172,891
Payment in Lieu of Taxes	-	-	-	352,364
Intergovernmental	-	-	-	54,888
Loans	-	-	-	115,000
<b>Total Assets</b>	<u>\$ 40,575</u>	<u>\$ -</u>	<u>\$ 7,697</u>	<u>\$ 2,253,087</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ 10,359
Salaries and Benefits Payable	-	-	-	101,589
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,948</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	-	-	-	166,976
Payments in Lieu of Taxes	-	-	-	347,247
Unavailable for:				
Delinquent Property Taxes	-	-	-	5,915
Delinquent Payments in Lieu of Taxes	-	-	-	5,117
Intergovernmental	-	-	-	49,423
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>574,678</u>
<b>FUND BALANCE</b>				
Nonspendable				
Long-term Receivable	-	-	-	92,000
Restricted for:				
Law Enforcement	40,575	-	7,697	223,573
Judiciary Programs	-	-	-	159,091
Cemetery Services	-	-	-	128,199
Street Repair and Maintenance	-	-	-	665,018
Economic Development	-	-	-	212,196
Committed for:				
Economic Development	-	-	-	86,384
<b>Total Fund Balance</b>	<u>40,575</u>	<u>-</u>	<u>7,697</u>	<u>1,566,461</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 40,575</u>	<u>\$ -</u>	<u>\$ 7,697</u>	<u>\$ 2,253,087</u>

(concluded)

**CITY OF MORaine, OHIO**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2022

	Nonmajor Special Revenue Funds	General Debt Service - Nonmajor Debt Service Fund	Vance Darroch Capital - Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Taxes:				
Property	\$ 166,972	\$ -	\$ -	\$ 166,972
Payment in Lieu of Taxes	358,001	-	-	358,001
Shared Revenues	127,387	-	-	127,387
Intergovernmental Grants	7,697	-	-	7,697
Charges for Services	22,343	-	-	22,343
Fines	49,813	-	-	49,813
Investment Earnings	1,839	2,511	-	4,350
Miscellaneous	1,879	-	-	1,879
<b>Total Revenues</b>	<u>735,931</u>	<u>2,511</u>	<u>-</u>	<u>738,442</u>
<b>EXPENDITURES</b>				
Current:				
General government	16,377	-	-	16,377
Public Safety	1,174,375	-	-	1,174,375
Highways and streets	150,769	-	2,000	152,769
Economic development	181,802	-	-	181,802
Debt service:				
Principal	255,000	25,000	-	280,000
Interest	156,100	227,100	-	383,200
<b>Total Expenditures</b>	<u>1,934,423</u>	<u>252,100</u>	<u>2,000</u>	<u>2,188,523</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,198,492)</u>	<u>(249,589)</u>	<u>(2,000)</u>	<u>(1,450,081)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	1,140,000	16,588	-	1,156,588
<b>Total Other Financing Sources</b>	<u>1,140,000</u>	<u>16,588</u>	<u>-</u>	<u>1,156,588</u>
<b>Net Change in Fund Balance</b>	(58,492)	(233,001)	(2,000)	(293,493)
Fund Balance - Beginning	1,624,953	402,856	124,746	2,152,555
Fund Balance - Ending	<u>\$ 1,566,461</u>	<u>\$ 169,855</u>	<u>\$ 122,746</u>	<u>\$ 1,859,062</u>

**CITY OF MORAIN, OHIO**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2022

	<u>State Highway Improvement</u>	<u>Cemetery</u>	<u>Motor Vehicle License Tax</u>	<u>Enforcement and Education</u>
<b>REVENUES</b>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Payment in Lieu of Taxes	-	-	-	-
Shared Revenues	50,016	-	24,554	-
Intergovernmental Grants	-	-	-	-
Charges for Services	-	3,075	-	-
Fines	-	-	-	956
Investment Earnings	250	(78)	7	(61)
Miscellaneous	-	1,879	-	-
<b>Total Revenues</b>	<u>50,266</u>	<u>4,876</u>	<u>24,561</u>	<u>895</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	6,783	-	-
Public Safety	-	-	-	-
Highways and Streets	120,615	-	30,154	-
Economic Development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total Expenditures</b>	<u>120,615</u>	<u>6,783</u>	<u>30,154</u>	<u>-</u>
<b>Excess (deficiency) of Revenues</b>				
<b>Over (under) Expenditures</b>	<u>(70,349)</u>	<u>(1,907)</u>	<u>(5,593)</u>	<u>895</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(70,349)	(1,907)	(5,593)	895
Fund Balance - Beginning	670,459	130,106	70,501	64,916
Fund Balance - Ending	<u>\$ 600,110</u>	<u>\$ 128,199</u>	<u>\$ 64,908</u>	<u>\$ 65,811</u>

(continued)



**CITY OF MORaine, OHIO**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2022  
(Continued)

	Mayors' Court Computer	Clerk of Court Computer	Economic Development	T.I.F.
<b>REVENUES</b>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Payment in Lieu of Taxes	-	-	961	357,040
Shared Revenues	-	-	-	47,095
Intergovernmental Grants	-	-	-	-
Charges for Services	-	-	-	-
Fines	5,093	3,395	-	-
Investment Earnings	-	-	-	2,284
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>5,093</u>	<u>3,395</u>	<u>961</u>	<u>406,419</u>
<b>EXPENDITURES</b>				
Current:				
General Government	5,756	3,838	-	-
Public Safety	-	-	-	-
Highways and Streets	-	-	-	-
Economic Development	-	-	23,805	138,729
Debt service				
Principal	-	-	-	255,000
Interest	-	-	-	156,100
<b>Total Expenditures</b>	<u>5,756</u>	<u>3,838</u>	<u>23,805</u>	<u>549,829</u>
<b>Excess (deficiency) of Revenues Over (under) Expenditures</b>	<u>(663)</u>	<u>(443)</u>	<u>(22,844)</u>	<u>(143,410)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>160,000</u>	<u>-</u>
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>160,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(663)	(443)	137,156	(143,410)
Fund Balance - Beginning	96,116	64,081	41,228	355,606
Fund Balance - Ending	<u>\$ 95,453</u>	<u>\$ 63,638</u>	<u>\$ 178,384</u>	<u>\$ 212,196</u>

(continued)

**CITY OF MORaine, OHIO**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2022  
(Continued)

	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Federal Law Enforcement</u>	<u>State Law Enforcement</u>
<b>REVENUES</b>				
Taxes:				
Property	\$ 83,486	\$ 83,486	\$ -	\$ -
Payment in Lieu of Taxes	-	-	-	-
Shared Revenues	2,861	2,861	-	-
Intergovernmental Grants	-	-	-	-
Charges for Services	-	-	-	-
Fines	-	-	-	40,369
Investment Earnings	(111)	(159)	2	(263)
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>86,236</u>	<u>86,188</u>	<u>2</u>	<u>40,106</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	497,528	655,363	-	21,484
Highways and Streets	-	-	-	-
Economic Development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total Expenditures</b>	<u>497,528</u>	<u>655,363</u>	<u>-</u>	<u>21,484</u>
<b>Excess (deficiency) of Revenues Over (under) Expenditures</b>	<u>(411,292)</u>	<u>(569,175)</u>	<u>2</u>	<u>18,622</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>410,000</u>	<u>570,000</u>	<u>-</u>	<u>-</u>
<b>Total Other Financing Sources</b>	<u>410,000</u>	<u>570,000</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(1,292)	825	2	18,622
Fund Balance - Beginning	10,866	(15)	41,972	38,510
Fund Balance - Ending	<u>\$ 9,574</u>	<u>\$ 810</u>	<u>\$ 41,974</u>	<u>\$ 57,132</u>

(continued)

**CITY OF MORaine, OHIO**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2022  
(Continued)

	Drug Law Enforcement	Special Energy Improvement Projects	OneOhio Opioid Settlement	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ 166,972
Payment in Lieu of Taxes	-	-	-	358,001
Shared Revenues	-	-	-	127,387
Intergovernmental Grants	-	-	7,697	7,697
Charges for Services	-	19,268	-	22,343
Fines	-	-	-	49,813
Investment Earnings	(32)	-	-	1,839
Miscellaneous	-	-	-	1,879
<b>Total Revenues</b>	<u>(32)</u>	<u>19,268</u>	<u>7,697</u>	<u>735,931</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	16,377
Public Safety	-	-	-	1,174,375
Highways and Streets	-	-	-	150,769
Economic Development	-	19,268	-	181,802
Debt service				
Principal	-	-	-	255,000
Interest	-	-	-	156,100
<b>Total Expenditures</b>	<u>-</u>	<u>19,268</u>	<u>-</u>	<u>1,934,423</u>
<b>Excess (deficiency) of Revenues Over (under) Expenditures</b>	<u>(32)</u>	<u>-</u>	<u>7,697</u>	<u>(1,198,492)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,140,000</u>
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,140,000</u>
<b>Net Change in Fund Balance</b>	(32)	-	7,697	(58,492)
Fund Balance - Beginning	40,607	-	-	1,624,953
Fund Balance - Ending	<u>\$ 40,575</u>	<u>\$ -</u>	<u>\$ 7,697</u>	<u>\$ 1,566,461</u>
				(concluded)

**CITY OF MORAIN, OHIO**  
**CAPITAL IMPROVEMENT FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Shared Revenues	\$ 35,000	\$ 35,000	\$ 37,926	\$ 2,926
Grants	2,243,950	2,211,950	1,389,616	(822,334)
Miscellaneous	-	-	972	972
<b>Total Revenues</b>	<u>2,278,950</u>	<u>2,246,950</u>	<u>1,428,514</u>	<u>(818,436)</u>
<b>EXPENDITURES</b>				
<b>CAPITAL OUTLAY</b>				
General Government	759,635	806,635	247,737	558,898
Public Safety	1,125,125	1,185,125	982,475	202,650
Highways and Streets	3,732,325	4,032,325	3,379,947	652,378
Culture-Recreation	109,670	109,670	96,736	12,934
Economic Development	99,000	99,000	90,000	9,000
<b>DEBT SERVICE</b>				
Principal	126,240	126,240	126,240	-
Interest	17,350	17,350	17,336	14
<b>Total Expenditures</b>	<u>5,969,345</u>	<u>6,376,345</u>	<u>4,940,471</u>	<u>1,435,874</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(3,690,395)</u>	<u>(4,129,395)</u>	<u>(3,511,957)</u>	<u>617,438</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	3,473,000	3,865,000	3,045,000	(820,000)
<b>Total Other Financing Sources</b>	<u>3,473,000</u>	<u>3,865,000</u>	<u>3,045,000</u>	<u>(820,000)</u>
<b>Net Change in Fund Balance</b>	<u>(217,395)</u>	<u>(264,395)</u>	<u>(466,957)</u>	<u>(202,562)</u>
Fund Balance - Beginning	529,553	529,553	529,553	-
Prior Year Encumbrances Appropriated	261,789	261,789	261,789	-
Fund Balance - Ending	<u>\$ 573,947</u>	<u>\$ 526,947</u>	<u>\$ 324,385</u>	<u>\$ (202,562)</u>

**CITY OF MORAIN, OHIO**  
**STATE HIGHWAY IMPROVEMENT FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Shared Revenues	\$ 46,250	\$ 46,250	\$ 49,878	\$ 3,628
Investment Earnings	2,647	2,647	3,730	1,083
<b>Total Revenues</b>	<u>48,897</u>	<u>48,897</u>	<u>53,608</u>	<u>4,711</u>
<b>EXPENDITURES</b>				
<b>HIGHWAY AND STREETS</b>				
<b>Street Department</b>				
General Operating Expenses	199,853	199,853	141,873	57,980
<b>Total Expenditures</b>	<u>199,853</u>	<u>199,853</u>	<u>141,873</u>	<u>57,980</u>
<b>Net Change in Fund Balance</b>	(150,956)	(150,956)	(88,265)	62,691
Fund Balance - Beginning	664,059	664,059	664,059	-
Prior Year Encumbrances Appropriated	8,653	8,653	8,653	-
Fund Balance - Ending	<u>\$ 521,756</u>	<u>\$ 521,756</u>	<u>\$ 584,447</u>	<u>\$ 62,691</u>

**CITY OF MORAIN, OHIO**  
**CEMETERY FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Charges for Services	\$ 5,000	\$ 5,000	\$ 3,075	\$ (1,925)
Investment Earnings	512	512	750	238
Miscellaneous	-	-	1,879	1,879
<b>Total Revenues</b>	<u>5,512</u>	<u>5,512</u>	<u>5,704</u>	<u>192</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
<b>Building and Park Maintenance</b>				
General Operating Expenses	<u>24,700</u>	<u>24,700</u>	<u>8,283</u>	<u>16,417</u>
<b>Total Expenditures</b>	<u>24,700</u>	<u>24,700</u>	<u>8,283</u>	<u>16,417</u>
<b>Net Change in Fund Balance</b>	(19,188)	(19,188)	(2,579)	16,609
Fund Balance - Beginning	130,048	130,048	130,048	-
Prior Year Encumbrances Appropriated	1,300	1,300	1,300	-
Fund Balance - Ending	<u>\$ 112,160</u>	<u>\$ 112,160</u>	<u>\$ 128,769</u>	<u>\$ 16,609</u>

**CITY OF MORaine, OHIO**  
**MOTOR VEHICLE LICENSE TAX FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Shared Revenues	\$ 21,000	\$ 21,000	\$ 24,536	\$ 3,536
Investment Earnings	259	259	409	150
<b>Total Revenues</b>	<u>21,259</u>	<u>21,259</u>	<u>24,945</u>	<u>3,686</u>
<b>EXPENDITURES</b>				
<b>HIGHWAY AND STREETS</b>				
<b>Street Department</b>				
General Operating Expenses	49,988	49,988	35,668	14,320
<b>Total Expenditures</b>	<u>49,988</u>	<u>49,988</u>	<u>35,668</u>	<u>14,320</u>
<b>Net Change in Fund Balance</b>	(28,729)	(28,729)	(10,723)	18,006
Fund Balance - Beginning	67,482	67,482	67,482	-
Prior Year Encumbrances Appropriated	2,188	2,188	2,188	
Fund Balance - Ending	<u>\$ 40,941</u>	<u>\$ 40,941</u>	<u>\$ 58,947</u>	<u>\$ 18,006</u>

**CITY OF MORaine, OHIO**  
**ENFORCEMENT AND EDUCATION FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Fines	\$ 500	\$ 500	\$ 979	\$ 479
Investment Earnings	248	248	380	132
<b>Total Revenues</b>	<u>748</u>	<u>748</u>	<u>1,359</u>	<u>611</u>
<b>EXPENDITURES</b>				
<b>PUBLIC SAFETY</b>				
<b>Police</b>				
General Operating Expenses	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>
<b>Total Expenditures</b>	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>
<b>Net Change in Fund Balance</b>	(3,252)	(3,252)	1,359	4,611
Fund Balance - Beginning	<u>65,340</u>	<u>65,340</u>	<u>65,340</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 62,088</u>	<u>\$ 62,088</u>	<u>\$ 66,699</u>	<u>\$ 4,611</u>



**CITY OF MORaine, OHIO**  
**MAYOR'S COURT COMPUTER FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Fines	\$ 6,000	\$ 6,000	\$ 5,284	\$ (716)
<b>Total Revenues</b>	<u>6,000</u>	<u>6,000</u>	<u>5,284</u>	<u>(716)</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
<b>Mayor's Court</b>				
General Operating Expenses	14,010	14,010	5,756	8,254
<b>Total Expenditures</b>	<u>14,010</u>	<u>14,010</u>	<u>5,756</u>	<u>8,254</u>
<b>Net Change in Fund Balance</b>	(8,010)	(8,010)	(472)	7,538
Fund Balance - Beginning	94,375	94,375	94,375	-
Encumbrances	1,260	1,260	1,260	
Fund Balance - Ending	<u>\$ 87,625</u>	<u>\$ 87,625</u>	<u>\$ 95,163</u>	<u>\$ 7,538</u>

**CITY OF MORaine, OHIO**  
**CLERK OF COURT COMPUTER FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Fines	\$ 4,000	\$ 4,000	\$ 3,523	\$ (477)
<b>Total Revenues</b>	<u>4,000</u>	<u>4,000</u>	<u>3,523</u>	<u>(477)</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
<b>Clerk of Courts</b>				
General Operating Expenses	9,340	9,340	3,838	5,502
<b>Total Expenditures</b>	<u>9,340</u>	<u>9,340</u>	<u>3,838</u>	<u>5,502</u>
<b>Net Change in Fund Balance</b>	(5,340)	(5,340)	(315)	5,025
Fund Balance - Beginning	62,919	62,919	62,919	-
Encumbrances	840	840	840	
Fund Balance - Ending	<u>\$ 58,419</u>	<u>\$ 58,419</u>	<u>\$ 63,444</u>	<u>\$ 5,025</u>

**CITY OF MORAIN, OHIO**  
**ECONOMIC DEVELOPMENT FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Payment in lieu of taxes	\$ 1,250	\$ 1,250	\$ 961	\$ (289)
Loan repayment	-	-	7,000	7,000
Intergovernmental	250,000	250,000	-	(250,000)
<b>Total Revenues</b>	<u>251,250</u>	<u>251,250</u>	<u>7,961</u>	<u>(243,289)</u>
<b>EXPENDITURES</b>				
<b>ECONOMIC DEVELOPMENT</b>				
<b>Economic Development</b>				
General operating expenses	<u>484,000</u>	<u>484,000</u>	<u>201,805</u>	<u>282,195</u>
<b>Total Expenditures</b>	<u>484,000</u>	<u>484,000</u>	<u>201,805</u>	<u>282,195</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(232,750)</u>	<u>(232,750)</u>	<u>(193,844)</u>	<u>38,906</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>235,000</u>	<u>235,000</u>	<u>160,000</u>	<u>(75,000)</u>
<b>Total Other Financing Sources</b>	<u>235,000</u>	<u>235,000</u>	<u>160,000</u>	<u>(75,000)</u>
<b>Net Change in Fund Balance</b>	2,250	2,250	(33,844)	(36,094)
Fund Balance - Beginning	<u>37,230</u>	<u>37,230</u>	<u>37,230</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 39,480</u>	<u>\$ 39,480</u>	<u>\$ 3,386</u>	<u>\$ (36,094)</u>

**CITY OF MORaine, OHIO**  
**T. I. F. FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Payments in lieu of taxes	\$ 362,845	\$ 362,845	\$ 357,040	\$ (5,805)
Shared Revenues	58,860	58,860	47,095	(11,765)
Investment Earnings	2,228	2,228	2,537	309
<b>Total Revenues</b>	<u>423,933</u>	<u>423,933</u>	<u>406,672</u>	<u>(17,261)</u>
<b>EXPENDITURES</b>				
<b>ECONOMIC DEVELOPMENT</b>				
<b>Engineer</b>				
General operating expenses	145,125	145,125	138,729	6,396
<b>DEBT SERVICE</b>				
Principal Retirement	255,000	255,000	255,000	-
Interest	156,100	156,100	156,100	-
<b>Total Expenditures</b>	<u>556,225</u>	<u>556,225</u>	<u>549,829</u>	<u>6,396</u>
<b>Net Change in Fund Balance</b>	(132,292)	(132,292)	(143,157)	(10,865)
Fund Balance - Beginning	358,448	358,448	358,448	-
Fund Balance - Ending	<u>\$ 226,156</u>	<u>\$ 226,156</u>	<u>\$ 215,291</u>	<u>\$ (10,865)</u>

**CITY OF MORaine, OHIO**  
**POLICE PENSION FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Property	\$ 80,667	\$ 80,667	\$ 83,486	\$ 2,819
Intergovernmental	2,635	2,635	2,861	226
Investment Earnings	163	163	262	99
<b>Total Revenues</b>	<u>83,465</u>	<u>83,465</u>	<u>86,609</u>	<u>3,144</u>
<b>EXPENDITURES</b>				
<b>PUBLIC SAFETY</b>				
<b>Police</b>				
Personnel	515,183	515,183	490,718	24,465
General operating expense	2,000	2,000	1,249	751
<b>Total Expenditures</b>	<u>517,183</u>	<u>517,183</u>	<u>491,967</u>	<u>25,216</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(433,718)</u>	<u>(433,718)</u>	<u>(405,358)</u>	<u>28,360</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	440,000	440,000	410,000	(30,000)
<b>Total Other Financing Sources</b>	<u>440,000</u>	<u>440,000</u>	<u>410,000</u>	<u>(30,000)</u>
<b>Net Change in Fund Balance</b>	6,282	6,282	4,642	(1,640)
Fund Balance - Beginning	47,628	47,628	47,628	-
Fund Balance - Ending	<u>\$ 53,910</u>	<u>\$ 53,910</u>	<u>\$ 52,270</u>	<u>\$ (1,640)</u>

**CITY OF MORaine, OHIO**  
**FIRE PENSION FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Property	\$ 80,667	\$ 80,667	\$ 83,486	\$ 2,819
Intergovernmental	2,635	2,635	2,861	226
Investment Earnings	208	208	299	91
<b>Total Revenues</b>	<u>83,510</u>	<u>83,510</u>	<u>86,646</u>	<u>3,136</u>
<b>EXPENDITURES</b>				
<b>PUBLIC SAFETY</b>				
<b>Fire</b>				
Personnel	590,004	652,404	647,452	4,952
General operating expense	2,000	2,000	1,249	751
<b>Total Expenditures</b>	<u>592,004</u>	<u>654,404</u>	<u>648,701</u>	<u>5,703</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(508,494)</u>	<u>(570,894)</u>	<u>(562,055)</u>	<u>8,839</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	515,000	582,400	570,000	(12,400)
<b>Total Other Financing Sources</b>	<u>515,000</u>	<u>582,400</u>	<u>570,000</u>	<u>(12,400)</u>
<b>Net Change in Fund Balance</b>	6,506	11,506	7,945	(3,561)
Fund Balance - Beginning	53,392	53,392	53,392	-
Fund Balance - Ending	<u>\$ 59,898</u>	<u>\$ 64,898</u>	<u>\$ 61,337</u>	<u>\$ (3,561)</u>

**CITY OF MORaine, OHIO**  
**FEDERAL LAW ENFORCEMENT FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Fines	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Investment Earnings	200	200	245	45
<b>Total Revenues</b>	<u>5,200</u>	<u>5,200</u>	<u>245</u>	<u>(4,955)</u>
<b>EXPENDITURES</b>				
<b>PUBLIC SAFETY</b>				
<b>Police</b>				
General operating expense	10,332	10,332	7,132	3,200
<b>Total Expenditures</b>	<u>10,332</u>	<u>10,332</u>	<u>7,132</u>	<u>3,200</u>
<b>Net Change in Fund Balance</b>	(5,132)	(5,132)	(6,887)	(1,755)
Fund Balance - Beginning	39,332	39,332	39,332	-
Prior Year Encumbrances Appropriated	7,132	7,132	7,132	-
Fund Balance - Ending	<u>\$ 41,332</u>	<u>\$ 41,332</u>	<u>\$ 39,577</u>	<u>\$ (1,755)</u>

**CITY OF MORaine, OHIO**  
**STATE LAW ENFORCEMENT FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Fines	\$ 5,000	\$ 5,000	\$ 40,593	\$ 35,593
Investment Earnings	147	147	264	117
<b>Total Revenues</b>	<u>5,147</u>	<u>5,147</u>	<u>40,857</u>	<u>35,710</u>
<b>EXPENDITURES</b>				
<b>PUBLIC SAFETY</b>				
<b>Police</b>				
General operating expense	<u>33,500</u>	<u>33,500</u>	<u>21,597</u>	<u>11,903</u>
<b>Total Expenditures</b>	<u>33,500</u>	<u>33,500</u>	<u>21,597</u>	<u>11,903</u>
<b>Net Change in Fund Balance</b>	(28,353)	(28,353)	19,260	47,613
Fund Balance - Beginning	38,591	38,591	38,591	-
Fund Balance - Ending	<u>\$ 10,238</u>	<u>\$ 10,238</u>	<u>\$ 57,851</u>	<u>\$ 47,613</u>



**CITY OF MORaine, OHIO**  
**DRUG LAW ENFORCEMENT FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Investment Earnings	\$ 156	\$ 156	\$ 236	\$ 80
<b>Total Revenues</b>	<u>156</u>	<u>156</u>	<u>236</u>	<u>80</u>
<b>EXPENDITURES</b>				
<b>PUBLIC SAFETY</b>				
<b>Police</b>				
General operating expense	8,000	8,000	-	8,000
<b>Total Expenditures</b>	<u>8,000</u>	<u>8,000</u>	<u>-</u>	<u>8,000</u>
<b>Net Change in Fund Balance</b>	(7,844)	(7,844)	236	8,080
Fund Balance - Beginning	40,929	40,929	40,929	-
Fund Balance - Ending	<u>\$ 33,085</u>	<u>\$ 33,085</u>	<u>\$ 41,165</u>	<u>\$ 8,080</u>

**CITY OF MORaine, OHIO**  
**SPECIAL ENERGY IMPROVEMENT PROJECTS FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Special Assessments	\$ 21,000	\$ 21,000	\$ 19,268	\$ (1,732)
<b>Total Revenues</b>	<u>21,000</u>	<u>21,000</u>	<u>19,268</u>	<u>(1,732)</u>
<b>EXPENDITURES</b>				
<b>ECONOMIC DEVELOPMENT</b>				
<b>Economic Development</b>				
General operating expenses	21,000	21,000	19,268	1,732
<b>Total Expenditures</b>	<u>21,000</u>	<u>21,000</u>	<u>19,268</u>	<u>1,732</u>
<b>Net Change in Fund Balance</b>	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF MORaine, OHIO**  
**ONEOHIO OPIOID SETTLEMENT FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 7,697	\$ 7,697
<b>Total Revenues</b>	-	-	7,697	7,697
<b>EXPENDITURES</b>				
<b>Total Expenditures</b>	-	-	-	-
<b>Net Change in Fund Balance</b>	-	-	7,697	7,697
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ 7,697	\$ 7,697

**CITY OF MORAIN, OHIO**  
**GENERAL DEBT SERVICE FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
New Community Charges	\$ 17,000	\$ 17,000	\$ 16,588	\$ (412)
Interest	1,968	1,968	1,768	(200)
<b>Total Revenues</b>	<u>18,968</u>	<u>18,968</u>	<u>18,356</u>	<u>(612)</u>
<b>EXPENDITURES</b>				
<b>DEBT SERVICE</b>				
Principal	25,000	25,000	25,000	-
Interest	<u>227,100</u>	<u>227,100</u>	<u>227,100</u>	-
<b>Total Expenditures</b>	<u>252,100</u>	<u>252,100</u>	<u>252,100</u>	-
<b>Net Change in Fund Balance</b>	(233,132)	(233,132)	(233,744)	(612)
Fund Balance - Beginning	406,076	406,076	406,076	-
Fund Balance - Ending	<u>\$ 172,944</u>	<u>\$ 172,944</u>	<u>\$ 172,332</u>	<u>\$ (612)</u>

**CITY OF MORaine, OHIO**  
**VANCE DARROCH CAPITAL PROJECTS FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
<b>Total Revenues</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>EXPENDITURES</b>				
<b>CAPITAL OUTLAY</b>				
Highways and Streets	<u>116,300</u>	<u>116,300</u>	<u>5,000</u>	<u>111,300</u>
<b>Total Expenditures</b>	<u>116,300</u>	<u>116,300</u>	<u>5,000</u>	<u>111,300</u>
<b>Net Change in Fund Balance</b>	(116,300)	(116,300)	(5,000)	111,300
Fund Balance - Beginning	83,446	83,446	83,446	-
Prior Year Encumbrances Appropriated	41,300	41,300	41,300	-
Fund Balance - Ending	<u>\$ 8,446</u>	<u>\$ 8,446</u>	<u>\$ 119,746</u>	<u>\$ 111,300</u>

**CITY OF MORaine, OHIO**  
**PARKS AND RECREATION FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Charges for Services	\$ 100,000	\$ 100,000	\$ 93,478	\$ (6,522)
Investment Earnings	409	409	647	238
Grants	10,000	30,000	26,846	(3,154)
Miscellaneous	925	1,000	4,080	3,080
<b>Total Revenues</b>	<u>111,334</u>	<u>131,409</u>	<u>125,051</u>	<u>(6,358)</u>
<b>EXPENDITURES</b>				
<b>CULTURE AND RECREATION</b>				
<b>Civic Center</b>				
Personnel services	294,508	301,088	187,971	113,117
General operating expenses	67,975	67,975	39,196	28,779
<b>Total Civic Center</b>	<u>362,483</u>	<u>369,063</u>	<u>227,167</u>	<u>141,896</u>
<b>Recreational Center</b>				
Personnel services	555,760	569,080	484,477	84,603
General operating expenses	208,330	208,505	137,381	71,124
<b>Total Recreational Center</b>	<u>764,090</u>	<u>777,585</u>	<u>621,858</u>	<u>155,727</u>
<b>Parks &amp; Recreation Programs</b>				
General operating expenses	223,750	223,750	137,099	86,651
<b>Total Parks &amp; Recreation Programs</b>	<u>223,750</u>	<u>223,750</u>	<u>137,099</u>	<u>86,651</u>
<b>Total Expenditures</b>	<u>1,350,323</u>	<u>1,370,398</u>	<u>986,124</u>	<u>384,274</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,238,989)</u>	<u>(1,238,989)</u>	<u>(861,073)</u>	<u>377,916</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,210,075	1,210,075	825,000	(385,075)
<b>Total Other Financing Sources (Uses)</b>	<u>1,210,075</u>	<u>1,210,075</u>	<u>825,000</u>	<u>(385,075)</u>
<b>Net Change in Fund Balance</b>	<u>(28,914)</u>	<u>(28,914)</u>	<u>(36,073)</u>	<u>(7,159)</u>
Fund Balance - Beginning	78,374	78,374	78,374	-
Prior Year Encumbrances Appropriated	29,166	29,166	29,166	-
<b>Fund Balance - Ending</b>	<u>\$ 78,626</u>	<u>\$ 78,626</u>	<u>\$ 71,467</u>	<u>\$ (7,159)</u>

**CITY OF MORaine, OHIO**  
**CITY DEPOSITS FUND**  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)  
For Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Miscellaneous	\$ 11,500	\$ 11,500	\$ 11,033	\$ (467)
<b>Total Revenues</b>	<u>11,500</u>	<u>11,500</u>	<u>11,033</u>	<u>(467)</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
General operating expenses	500	500	-	500
<b>Total General Government</b>	<u>500</u>	<u>500</u>	<u>-</u>	<u>500</u>
<b>CULTURE AND RECREATION</b>				
General operating expenses	25,000	25,000	11,276	13,724
<b>Total Culture and Recreation</b>	<u>25,000</u>	<u>25,000</u>	<u>11,276</u>	<u>13,724</u>
<b>Total Expenditures</b>	<u>25,500</u>	<u>25,500</u>	<u>11,276</u>	<u>14,224</u>
<b>Net Change in Fund Balance</b>	(14,000)	(14,000)	(243)	13,757
Fund Balance - Beginning	38,362	38,362	38,362	-
Fund Balance - Ending	<u>\$ 24,362</u>	<u>\$ 24,362</u>	<u>\$ 38,119</u>	<u>\$ 13,757</u>

**CITY OF MORaine, OHIO**  
Combining Statement of Fund Net Position  
Internal Service Funds  
December 31, 2022

	<u>City Garage</u>	<u>Insurance Reserve</u>	<u>Health Insurance</u>	<u>Total Internal Service Funds</u>
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Equity in Pooled Cash and Investments	\$ 359,947	\$ 1,390,405	\$ 555,510	\$ 2,305,862
Receivables:				
Accounts	-	-	29,622	29,622
Inventories	104,608	-	-	104,608
<b>Total Current Assets</b>	<u>464,555</u>	<u>1,390,405</u>	<u>585,132</u>	<u>2,440,092</u>
<b>NON-CURRENT ASSETS</b>				
Net OPEB Asset	34,503	-	-	34,503
Capital Assets, Net	2,545	-	-	2,545
<b>Total Non-Current Assets</b>	<u>37,048</u>	<u>-</u>	<u>-</u>	<u>37,048</u>
<b>Total Assets</b>	<u>501,603</u>	<u>1,390,405</u>	<u>585,132</u>	<u>2,477,140</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Pensions and OPEB	74,706	-	-	74,706
<b>Total Deferred Outflows of Resources</b>	<u>74,706</u>	<u>-</u>	<u>-</u>	<u>74,706</u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Salaries and Benefits Payable	7,247	-	-	7,247
Compensated Absences Payable	8,801	-	-	8,801
Insurance Claims Payable	-	2,235	273,339	275,574
<b>Total Current Liabilities</b>	<u>16,048</u>	<u>2,235</u>	<u>273,339</u>	<u>291,622</u>
<b>LONG-TERM LIABILITIES</b>				
Compensated Absences Payable	52,576	-	-	52,576
Net Pension Liability	146,559	-	-	146,559
<b>Total Long-Term Liabilities</b>	<u>199,135</u>	<u>-</u>	<u>-</u>	<u>199,135</u>
<b>Total Liabilities</b>	<u>215,183</u>	<u>2,235</u>	<u>273,339</u>	<u>490,757</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Pensions and OPEB	181,007	-	-	181,007
<b>Total Deferred Inflows of Resources</b>	<u>181,007</u>	<u>-</u>	<u>-</u>	<u>181,007</u>
<b>NET POSITION</b>				
Investment in Capital Assets	2,545	-	-	2,545
Unrestricted	177,574	1,388,170	311,793	1,877,537
<b>Total Net Position</b>	<u>\$ 180,119</u>	<u>\$ 1,388,170</u>	<u>\$ 311,793</u>	<u>\$ 1,880,082</u>



**CITY OF MORaine, OHIO**

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Internal Service Funds

For the Year Ended December 31, 2022

	City Garage	Insurance Reserve	Health Insurance	Total Internal Service Funds
<b>Operating Revenues</b>				
Charges for Services	\$ 605,967	\$ -	\$ 2,635,785	\$ 3,241,752
Miscellaneous	1,389	103	-	1,492
<b>Total Operating Revenues</b>	<b>607,356</b>	<b>103</b>	<b>2,635,785</b>	<b>3,243,244</b>
<b>Operating Expenses</b>				
Personal Services	202,926	-	-	202,926
Contractual Services	25,707	5,670	400,174	431,551
Supplies and Materials	273,597	-	-	273,597
Claims and Judgements	-	7,321	2,369,228	2,376,549
Depreciation Expense	3,456	-	-	3,456
<b>Total Operating Expenses</b>	<b>505,686</b>	<b>12,991</b>	<b>2,769,402</b>	<b>3,288,079</b>
<b>Operating Income (Loss)</b>	<b>101,670</b>	<b>(12,888)</b>	<b>(133,617)</b>	<b>(44,835)</b>
<b>Non-operating Revenues</b>				
Investment Earnings	-	(951)	4,989	4,038
<b>Total Non-operating Revenues</b>	<b>-</b>	<b>(951)</b>	<b>4,989</b>	<b>4,038</b>
<b>Change in Net Position</b>	<b>101,670</b>	<b>(13,839)</b>	<b>(128,628)</b>	<b>(40,797)</b>
Total Net Position - Beginning	78,449	1,402,009	440,421	1,920,879
Total Net Position - Ending	<u>\$ 180,119</u>	<u>\$ 1,388,170</u>	<u>\$ 311,793</u>	<u>\$ 1,880,082</u>

**CITY OF MORAIN, OHIO**  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2022

	City Garage	Insurance Reserve	Health Insurance	Total Internal Service Funds
<b>Cash Flows From Operating Activities</b>				
Cash received for interfund services	\$ 605,967	\$ -	\$ 2,606,163	\$ 3,212,130
Miscellaneous receipts & reimbursements	1,389	103	-	1,492
Cash paid to employees for services	(285,157)	-	-	(285,157)
Cash paid to suppliers for goods or services	(320,949)	(5,110)	(400,174)	(726,233)
Cash paid for insurance claims	-	(6,806)	(2,301,984)	(2,308,790)
Net cash provided (used) by operating activities	<u>1,250</u>	<u>(11,813)</u>	<u>(95,995)</u>	<u>(106,558)</u>
<b>Cash Flows From Investing Activities</b>				
Investment earnings	-	(951)	4,989	4,038
Net cash provided by investing activities	<u>-</u>	<u>(951)</u>	<u>4,989</u>	<u>4,038</u>
<b>Net Change</b>	1,250	(12,764)	(91,006)	(102,520)
<b>Equity in Pooled Cash and Investments Beginning of Year</b>	358,697	1,403,169	646,516	2,408,382
<b>Equity in Pooled Cash and Investments End of Year</b>	<u>\$ 359,947</u>	<u>\$ 1,390,405</u>	<u>\$ 555,510</u>	<u>\$ 2,305,862</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating income (loss)	\$ 101,670	\$ (12,888)	\$ (133,617)	\$ (44,835)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	3,456	-	-	3,456
Increase in accounts receivables	-	-	(29,622)	(29,622)
Decrease in inventories	650	-	-	650
Increase in net OPEB Asset	(15,744)	-	-	(15,744)
Decrease in deferred outflows of resources	8,362	-	-	8,362
Decrease in accounts payable	(22,295)	-	-	(22,295)
Increase in salaries and benefits payable	1,893	-	-	1,893
Increase in insurance claims payable	-	1,075	67,244	68,319
Increase in compensated absences payable	8,037	-	-	8,037
Decrease in net pension liabilities	(79,518)	-	-	(79,518)
Decrease in deferred inflows of resources	(5,261)	-	-	(5,261)
Net cash provided (used) by operating activities	<u>\$ 1,250</u>	<u>\$ (11,813)</u>	<u>\$ (95,995)</u>	<u>\$ (106,558)</u>

## **STATISTICAL SECTION**

## STATISTICAL SECTION

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

### **Contents:**

#### **Financial Trends (Tables 1-4)**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. These schedules can be found on pages 108 to 112.

#### **Revenue Capacity (Tables 5-10)**

These schedules contain information to help the reader assess the factors affecting the City's most significant local revenue source, income and property taxes. These schedules can be found on pages 113 to 118.

#### **Debt Capacity (Tables 11-13)**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt as well as the City's ability to issue additional debt in the future. These schedules can be found on pages 119 to 121.

#### **Demographic and Economic Information (Tables 14-15)**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. These schedules can be found on pages 122 and 123.

#### **Operating Information (Tables 16-18)**

These schedules contain information about the City's operation and resources to help the reader understand how the City's financial information relates to the services provided and activities performed. These schedules can be found on pages 124 to 126.

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

**CITY OF MORAIN, OHIO**  
**Net Position by Component**  
**Last Ten Years**  
**(accrual basis of accounting)**  
**(reported in thousands)**

TABLE 1

	<u>2013</u>	<u>2014</u> <sup>(1)</sup>	<u>2015</u>	<u>2016</u>	<u>2017</u> <sup>(2)</sup>	<u>2018</u> <sup>(3)</sup>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Governmental activities										
Net Investment in Capital Assets	\$ 26,822	\$ 25,033	\$ 24,836	\$ 24,221	\$ 23,229	\$ 23,477	\$ 24,170	\$ 22,659	\$ 20,525	\$ 20,882
Restricted for:										
Debt service	136	137	133	136	144	145	199	208	370	142
Special revenue	1,580	1,581	1,927	2,146	2,363	1,543	1,507	1,566	1,487	1,466
Capital projects	4,240	3,913	2,753	2,109	2,140	-	112	-	-	-
Unrestricted	2,866	(8,219)	(6,073)	(4,096)	(16,813)	(14,538)	(3,073)	2,313	13,738	20,417
Total government activities net position	35,644	22,445	23,576	24,516	11,063	10,627	22,915	26,746	36,120	42,907
Business-type activities										
Unrestricted	605	609	614	619	623	627	638	769	954	1,525
Total business-type activities net position	605	609	614	619	623	627	638	769	954	1,525
Primary government										
Net Investment in Capital Assets	26,822	25,033	24,836	24,221	23,229	23,477	24,170	22,659	20,525	20,882
Restricted	5,956	5,631	4,813	4,391	4,647	1,688	1,818	1,774	1,857	1,608
Unrestricted	3,471	(7,610)	(5,459)	(3,477)	(16,190)	(13,911)	(2,435)	3,082	14,692	21,942
Total primary government net position	\$ 36,249	\$ 23,054	\$ 24,190	\$ 25,135	\$ 11,686	\$ 11,254	\$ 23,553	\$ 27,515	\$ 37,074	\$ 44,432

**Note:**

- (1) - restated for implementation of GASB 68 and certain other corrections.
- (2) - restated for implementation of GASB 75.
- (3) - restated for implementation of GASB 84 and correction of misclassification.

**CITY OF MORaine, OHIO**  
**Changes in Net Position**  
**Last Ten Years**  
**(accrual basis of accounting)**  
**(reported in thousands)**

TABLE 2

	<u>2013</u>	<u>2014</u> <sup>(1)</sup>	<u>2015</u> <sup>(2)</sup>	<u>2016</u>	<u>2017</u> <sup>(3)</sup>	<u>2018</u> <sup>(4)</sup>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Expenses</b>										
Governmental activities:										
General government	\$ 3,356	\$ 3,634	\$ 3,735	\$ 4,248	\$ 4,443	\$ 4,696	\$ 4,948	\$ 4,513	\$ 3,010	\$ 4,171
Public safety	8,426	8,014	8,901	9,601	9,586	10,536	1,800	9,945	8,777	9,704
Highways and streets	3,233	3,612	4,644	5,599	5,018	5,233	3,978	5,039	3,262	4,266
Sanitation	326	303	288	287	549	306	380	315	355	356
Culture and recreation	1,093	991	1,387	1,171	1,426	1,256	1,362	1,197	533	1,001
Economic development	252	730	343	1,534	553	629	2,193	851	699	608
Health and welfare	36	116	161	152	179	178	-	-	-	2
Interest and fiscal charges	250	248	251	250	384	285	327	267	334	343
Total governmental activities expenses	16,972	17,648	19,710	22,842	22,138	23,119	14,988	22,127	16,970	20,451
Business-type activities:										
New community authority	-	-	-	-	-	-	-	-	14	8
Total business-type activities expenses	-	-	-	-	-	-	-	-	-	-
Total primary government expenses	16,972	17,648	19,710	22,842	22,138	23,119	14,988	22,127	16,984	20,459
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	444	408	421	498	438	301	505	344	532	456
Public safety	354	295	488	529	392	387	350	321	459	455
Sanitation	3	14	-	-	1	-	-	-	-	-
Culture and recreation	215	195	259	188	187	177	231	33	60	96
Economic development	-	-	-	-	-	-	-	-	-	19
Operating grants and contributions	600	764	823	1,399	785	660	1,016	1,302	811	1,004
Capital grants and contributions	757	128	1,810	1,374	-	853	1,669	576	300	1,271
Total governmental activities program revenues	2,373	1,804	3,801	3,988	1,803	2,378	3,771	2,576	2,162	3,301
Business-type activities:										
Charges for services:										
New community authority	-	-	-	-	-	-	-	122	199	471
Total business-type activities program revenues	-	-	-	-	-	-	-	122	199	471
Total primary government program revenues	2,373	1,804	3,801	3,988	1,803	2,378	3,771	2,698	2,361	3,772

**Note:**

- (1) - restated for correction of errors. Information necessary to restate the 2014 beginning balance and 2014 pension expense amounts for the effects of the initial implementation of GASB 68 was not available.
- (2) - implementation of GASB 68.
- (3) - information necessary to restate the 2017 beginning balance and 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 was not available.
- (4) - implementation of GASB 75.

CITY OF MORaine, OHIO

Changes in Net Position  
Last Ten Years

(accrual basis of accounting)  
(reported in thousands)

TABLE 2 (continued)

	<u>2013</u>	<u>2014</u> <sup>(1)</sup>	<u>2015</u> <sup>(2)</sup>	<u>2016</u>	<u>2017</u> <sup>(3)</sup>	<u>2018</u> <sup>(4)</sup>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Net (Expense)/Revenue</b>										
Governmental activities	(14,599)	(15,844)	(15,909)	(18,854)	(20,335)	(20,741)	(11,217)	(19,551)	(14,808)	(17,150)
Business-type activities	-	-	-	-	-	-	-	122	185	463
Total net expense	<u>(14,599)</u>	<u>(15,844)</u>	<u>(15,909)</u>	<u>(18,854)</u>	<u>(20,335)</u>	<u>(20,741)</u>	<u>(11,217)</u>	<u>(19,429)</u>	<u>(14,623)</u>	<u>(16,687)</u>
<b>General Revenues</b>										
Governmental activities:										
Taxes										
Income tax	12,786	13,137	15,768	18,314	18,308	18,523	20,833	18,845	21,060	21,657
Property taxes, levied for										
Property taxes, levied for										
General purposes	380	415	404	419	406	473	445	480	494	508
Police pensions	61	66	65	66	65	76	72	77	80	81
Fire pensions	61	66	65	67	65	76	72	77	80	81
Other taxes	18	20	16	23	21	32	23	40	53	56
Payments in lieu of taxes	95	185	247	292	345	362	366	385	331	363
Shared revenues (unrestricted)	279	261	178	130	98	113	141	134	203	192
Miscellaneous	429	259	216	384	448	498	1,243	3,044	1,896	1,054
Investment earnings	133	73	81	99	87	145	310	301	(15)	(55)
Total governmental activities general revenues	<u>14,242</u>	<u>14,482</u>	<u>17,040</u>	<u>19,794</u>	<u>19,843</u>	<u>20,298</u>	<u>23,505</u>	<u>23,383</u>	<u>24,182</u>	<u>23,937</u>
Business-type activities:										
Investment earnings	8	4	5	5	5	4	11	9	-	(1)
Miscellaneous	-	-	-	-	-	-	-	-	-	(16)
Total business-type activities general revenues	<u>8</u>	<u>4</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>4</u>	<u>11</u>	<u>9</u>	<u>-</u>	<u>(17)</u>
Total primary government general revenues	<u>14,250</u>	<u>14,486</u>	<u>17,045</u>	<u>19,799</u>	<u>19,848</u>	<u>20,302</u>	<u>23,516</u>	<u>23,392</u>	<u>24,182</u>	<u>23,920</u>
<b>Change in Net Position</b>										
Governmental activities	(357)	(1,362)	1,131	940	(492)	(443)	12,288	3,832	9,374	6,787
Business-type activities	8	4	5	5	5	4	11	131	185	446
Total primary government	<u>\$ (349)</u>	<u>\$ (1,358)</u>	<u>\$ 1,136</u>	<u>\$ 945</u>	<u>\$ (487)</u>	<u>\$ (439)</u>	<u>\$ 12,299</u>	<u>\$ 3,963</u>	<u>\$ 9,559</u>	<u>\$ 7,233</u>

**Note:**

- (1) - restated for correction of errors. Information necessary to restate the 2014 beginning balance and 2014 pension expense amounts for the effects of the initial implementation of GASB 68 was not available.
- (2) - implementation of GASB 68.
- (3) - information necessary to restate the 2017 beginning balance and 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 was not available.
- (4) - implementation of GASB 75.

**CITY OF MORaine, OHIO**  
**Governmental Fund Balances**  
**Last Ten Years**  
**(modified accrual basis of accounting)**  
**(reported in thousands)**

General Fund	<u>2013</u>	<u>2014</u> <sup>(1)</sup>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Nonspendable	\$ 935	\$ 933	\$ 92	\$ 91	\$ 90	\$ 90	\$ 103	\$ 110	\$ 112	\$ 132
Assigned	866	541	1,029	663	1,797	2,141	718	1,589	493	5,333
Unassigned	1,132	3,762	6,093	9,353	10,782	11,707	18,187	25,659	33,392	31,683
Total general fund	2,933	5,236	7,214	10,107	12,669	13,938	19,008	27,358	33,997	37,148
All Other Governmental Funds										
Nonspendable	44	245	534	791	954	134	143	103	113	200
Restricted	3,379	2,871	2,962	2,606	2,493	2,560	5,183	3,098	2,333	1,899
Committed	4,089	3,762	2,841	2,044	2,097	2,872	1,123	1,285	789	849
Unassigned	(241)	(603)	(9)	(40)	(492)	(2,415)	(27)	-	-	-
Total all other governmental funds	\$ 7,271	\$ 6,275	\$ 6,328	\$ 5,401	\$ 5,052	\$ 3,151	\$ 6,422	\$ 4,486	\$ 3,235	\$ 2,948

(1) - restated for correction of errors.



**CITY OF MORAINE, OHIO**  
**Changes in Governmental Fund Balances**  
**Last Ten Years**

TABLE 4

(modified accrual basis of accounting)  
(amounts expressed in thousands)

	<u>2013</u>	<u>2014(1)</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>REVENUES</b>										
Income Taxes	\$ 12,141	\$ 13,452	\$ 15,721	\$ 18,104	\$ 18,486	\$ 18,495	\$ 20,600	\$ 19,342	\$ 20,505	\$ 21,276
Property Taxes	514	544	529	540	561	628	594	616	654	687
Other Taxes	18	19	16	23	21	32	24	40	53	54
Payment in lieu of taxes	95	185	247	292	343	363	366	385	331	358
Shared Revenues	724	715	825	630	689	611	768	842	910	925
License and Permits	129	148	113	198	112	79	166	124	211	156
Charges for Services	627	516	646	621	606	527	617	450	510	587
Fines	227	275	326	232	264	245	304	203	266	268
Investment Earnings	133	72	81	99	86	146	310	301	(15)	(55)
Intergovernmental	751	592	1,601	2,087	177	1,127	1,070	2,023	365	1,463
Miscellaneous	340	306	271	474	501	423	549	1,710	444	307
Total Revenues	<u>15,699</u>	<u>16,824</u>	<u>20,376</u>	<u>23,300</u>	<u>21,846</u>	<u>22,676</u>	<u>25,368</u>	<u>26,036</u>	<u>24,234</u>	<u>26,026</u>
<b>EXPENDITURES</b>										
Current:										
General government	2,978	3,343	3,536	3,562	3,495	4,188	3,681	3,683	3,915	4,519
Public Safety	8,144	7,519	8,397	8,398	8,535	8,797	9,147	8,510	9,568	10,012
Highways & Streets	2,121	2,558	3,198	2,310	2,304	2,484	2,439	2,149	2,351	2,505
Sanitation	326	303	288	287	275	306	380	314	355	356
Economic Development	302	684	327	1,151	509	557	2,151	774	783	794
Health and Welfare	28	112	162	144	153	158	1	-	-	2
Culture and Recreation	906	760	1,176	1,097	1,097	1,034	1,016	811	853	1,029
Capital Improvements	1,542	66	1,292	3,858	2,849	5,357	6,529	4,418	2,011	4,271
Debt Service:										
Principal	269	110	269	318	315	329	357	8,324	8,473	348
Interest & Fiscal Charges	255	252	250	256	399	301	242	377	487	383
Total Expenditures	<u>16,871</u>	<u>15,707</u>	<u>18,895</u>	<u>21,381</u>	<u>19,931</u>	<u>23,511</u>	<u>25,943</u>	<u>29,360</u>	<u>28,796</u>	<u>24,219</u>
Excess (deficiency) of revenues over expenditures	(1,172)	1,117	1,481	1,919	1,915	(835)	(575)	(3,324)	(4,562)	1,807
<b>OTHER FINANCIAL SOURCES (USES)</b>										
Long-term bonds/notes issued	216	187	267	-	4,961	-	7,950	8,150	8,270	-
Loans issued	-	-	-	-	87	63	-	96	-	-
Payments to Refunding Escrow Agent	-	-	-	-	(4,782)	-	-	-	-	-
Transfers In	2,235	1,860	3,135	4,310	4,825	5,305	4,763	2,845	3,833	5,701
Transfers Out	(2,235)	(1,860)	(3,175)	(4,310)	(4,825)	(5,305)	(4,763)	(2,845)	(3,833)	(5,685)
Inception of capital leases	-	-	310	-	-	-	72	-	-	-
Other financing sources	308	2	14	47	32	140	886	1,492	1,680	1,041
Total Other Financing Sources (Uses)	<u>524</u>	<u>189</u>	<u>551</u>	<u>47</u>	<u>298</u>	<u>203</u>	<u>8,908</u>	<u>9,738</u>	<u>9,950</u>	<u>1,057</u>
Net Change in Fund Balance	<u>\$ (648)</u>	<u>\$ 1,306</u>	<u>\$ 2,032</u>	<u>\$ 1,966</u>	<u>\$ 2,213</u>	<u>\$ (632)</u>	<u>\$ 8,333</u>	<u>\$ 6,414</u>	<u>\$ 5,388</u>	<u>\$ 2,864</u>
Debt service as a percentage of noncapital expenditures (2)	3.35%	2.49%	2.78%	2.86%	3.77%	3.17%	2.91%	32.31%	31.24%	3.32%

(1) - restated for correction of errors.

(2) - high percentage in 2020 and 2021 due to retirement of short-term BANs bonded in 2021.

**CITY OF MORaine, OHIO**  
**General Governmental Tax Revenues by Source**  
**Last Ten Years**  
**(accrual basis of accounting)**

TABLE 5

Year	Municipal Income Taxes	Property and Other Local Taxes	State Shared Taxes and Permits	Total
2013	\$ 12,786,187	\$ 614,151	\$ 279,426	\$ 13,679,764
2014	13,136,740 (1)	752,342	261,322	14,150,404
2015	15,767,651	796,719	178,221	16,742,591
2016	18,313,736	867,766	129,356	19,310,858
2017	18,308,167	902,163	98,415	19,308,745
2018	18,523,503	1,018,300	112,795	19,654,598
2019	20,832,783	978,111	140,896	21,951,790
2020	18,845,105 (2)	1,059,335	133,629	20,038,069
2021	21,060,368	1,036,734	202,737	22,299,839
2022	21,656,654	1,089,385	191,680	22,937,719

Source: City of Moraine, Department of Finance

(1) Income tax rate increased 1/2% to 2.5% effective July 1, 2014, with 2015 being the first full year of collection using new rate.

(2) Decrease in income taxes due to COVID-19 pandemic.

**CITY OF MORAINE, OHIO**  
**Income Tax Revenues (1)**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

TABLE 6

<u>Fiscal Year</u>	<u>Amount</u>
2013	12,141,049
2014	13,244,913
2015	15,581,691
2016	18,415,382
2017	18,891,767
2018	18,863,425
2019	21,057,723
2020	19,259,384
2021	21,062,778
2022	21,275,939

Source: City of Moraine, Department of Finance

(1) Includes all governmental fund types.

(2) Income tax rate increased 1/2% to 2% in 2005

**Principal Income Tax Payers**  
**Current Year and Nine Years Ago**  
**(cash basis of accounting)**

<u>2013</u>		<u>2022</u>	
<u>Rank</u>	<u>Name</u>	<u>Rank</u>	<u>Name</u>
1	Dmax Ltd.	1	Fuyao Glass America
2	Dayton Power and Light	2	Dmax Ltd.
3	WinSupply Inc	3	WinSupply Inc
4	Vivial Media LLC	4	Dayton Power and Light
5	Lastar	5	Heidelberg Distributing
6	Compunet Clinical Laboratories	6	Fidelity Healthcare Inc
7	BWI North American Inc	7	Compunet Clinical Laboratories
8	Heidelberg Distributing	8	Tyler Technology
9	City of Moraine	9	Walmart Associates Inc
10	Berry Network Inc	10	South Community Inc

Source: City of Moraine, Department of Finance

Note: Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of the withholding by taxpayer. The City chose not to disclose percentages and number of filers.

**CITY OF MORaine, OHIO**  
**Assessed Value and Estimated Actual Value of Real Property**  
**Last Ten Years**

<u>Year</u>	<u>Agricultural</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Total Taxable Assessed</u>	<u>Total Direct Tax</u>	<u>Estimated Actual Taxable</u>	<u>Taxable Assessed Value as a Percentage of</u>
2013	\$ 1,440,480	\$ 49,394,930	\$ 53,135,260	\$ 32,607,220	\$ 136,577,890	2.50	\$ 390,222,543	35%
2014	1,451,150	49,545,830	53,776,430	33,006,830	137,780,240	2.50	393,657,829	35%
2015	1,915,020	43,571,810	51,698,110	32,169,850	129,354,790	2.50	369,585,114	35%
2016	1,915,580	44,220,900	51,301,380	38,018,300	135,456,160	2.50	387,017,600	35%
2017	1,915,580	43,492,750	56,009,460	35,779,990	137,197,780	2.50	391,993,657	35%
2018	1,794,650	47,964,760	57,288,890	36,338,140	143,386,440	2.50	409,675,543	35%
2019	1,794,650	48,008,700	58,636,580	37,473,170	145,913,100	2.50	416,894,571	35%
2020	1,794,650	48,604,170	57,286,800	38,062,750	145,748,370	2.50	416,423,914	35%
2021	1,686,510	55,047,990	59,001,910	40,027,590	155,764,000	2.50	445,040,000	35%
2022	1,727,250	57,542,930	60,006,320	39,043,270	158,319,770	2.50	452,342,200	35%

Source: Montgomery County Auditor's Office

**CITY OF MORaine, OHIO**  
**Property Tax Rates- Direct and Overlapping Governments (Per \$1,000 of Assessed Value)**  
**Last Ten Years**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>MUNICIPAL UNITS:</b>										
General Fund	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90
Police Pension Fund	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Fire Pension Fund	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Total Municipal Rates	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
<b>COUNTY UNITS:</b>										
General Fund	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Developmental Disabilities Conservancy Tax	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Human Services Levy A	7.21	8.21	8.21	8.21	8.21	8.21	8.21	8.21	8.21	8.21
Human Services Levy B	6.03	6.03	6.03	6.03	6.03	6.03	6.03	6.03	6.03	6.03
Total County Rates	15.94	16.94	16.94	16.94	16.94	16.94	16.94	16.94	16.94	16.94
<b>OTHER UNITS:</b>										
Montgomery County Community College	3.20	3.20	3.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20
Montgomery County Park District	1.80	1.80	1.80	1.80	1.80	1.80	2.00	2.00	2.00	2.00
Dayton - Montgomery Library	3.31	3.31	3.31	3.31	3.31	3.31	3.31	3.15	3.15	3.09
<b>SCHOOL DISTRICT:</b>										
Kettering / Moraine Community	78.00	82.99	82.99	82.99	85.39	85.26	91.03	91.03	90.50	90.18
West Carrollton Community	72.05	72.05	72.05	72.05	77.55	77.55	83.15	83.15	82.15	82.15
Jefferson Local School	66.90	61.40	61.40	61.40	61.40	61.40	61.40	61.40	61.40	61.40
Joint Vocational School	2.58	2.58	2.58	2.58	2.58	4.01	4.01	4.01	3.96	3.96

Source: Montgomery County Auditor's Office

**CITY OF MORaine, OHIO**  
**Principal Property Tax Payers**  
**Current Year and Nine Years Ago**

TABLE 9

		Calendar Year 2022		
<u><b>Taxpayer</b></u>	<u><b>Nature of Business</b></u>	<b>Total</b>	<b>Rank</b>	<b>Percentage</b>
		<b>Taxable</b>		<b>of Total City</b>
		<u><b>Valuation</b></u>		<u><b>Taxable</b></u>
				<u><b>Valuation</b></u>
Dayton Power & Light Company	Gas and Electric Utility	\$ 84,081,950	1	29.72%
Tait Electric Generation Station	Utility	25,371,090	2	8.97%
Vectren Energy	Utility	25,242,560	3	8.92%
Dovetree Apartments	Real Estate	10,508,750	4	3.71%
Heidelberg Distributing RE LLC	Beverage Wholesale	5,290,200	5	1.87%
General Motors Company	Manufacturing	3,289,280	6	1.16%
Premier Creekside Ohio LLC	Real Estate/Development	3,023,550	7	1.07%
Kroger Limited Partnership	Retail Sales	2,866,670	8	1.01%
WMSSMDOM LLC	Publisher/Marketing	2,467,070	9	0.87%
Moraine 3535 Kettering LLC	Real Estate	2,212,000	10	0.78%
	Subtotal	164,353,120		58.08%
	All Others	118,584,960		41.92%
	Total Taxable Assessed	<u><u>\$ 282,938,080</u></u>		<u><u>100.00%</u></u>

		Calendar Year 2013		
<u><b>Taxpayer</b></u>	<u><b>Nature of Business</b></u>	<b>Total</b>	<b>Rank</b>	<b>Percentage</b>
		<b>Taxable</b>		<b>of Total City</b>
		<u><b>Valuation</b></u>		<u><b>Taxable</b></u>
				<u><b>Assessed</b></u>
				<u><b>Valuation</b></u>
Dayton Power & Light Company	Gas and Electric Utility	\$79,662,590	1	36.05%
Vectren Energy	Utility	6,819,950	2	3.09%
Dovetree Apartments	Real Estate	3,397,120	3	1.54%
Walmart Stores	Retail Sales	3,279,060	4	1.48%
3601 Dryden LLC	Retail Sales	2,485,220	5	1.12%
Berry LM Services Inc.	Publisher/Marketing	2,142,750	6	0.97%
IRG Moraine LLC	Real Estate/Development	2,107,640	7	0.95%
Dryden Service Center Dayton LLC	Real Estate	1,835,030	8	0.83%
PDQ Bell Plaza LLC	Retail Sales	1,603,710	9	0.73%
Woodbine Partners LTD	Retail Sales	1,748,930	10	0.79%
	Subtotal	105,082,000		47.55%
	All Others	115,925,480		52.45%
	Total	<u><u>\$ 221,007,480</u></u>		<u><u>100.00%</u></u>

Source: Montgomery County Auditor's Office

TABLE 10

**CITY OF MORAIN, OHIO**  
**Property Taxes Levied and Collected**  
**Last Ten Years**

TAX YEAR	YEAR	CURRENT PROPERTY TAXES			DELINQUENT COLLECTIONS	TOTAL COLLECTIONS	TOTAL COLLECTIONS	TOTAL COLLECTIONS AS PERCENTAGE LEVIED (1)	OUTSTANDING TAXES	OUTSTANDING DELINQUENT TAXES AS PERCENTAGE LEVIED
		TOTAL LEVIED	TOTAL COLLECTED	PERCENTAGE COLLECTED						
2012/2013	2013	\$ 546,775	\$ 531,633	97%	\$ 5,424	\$ 537,057		98%	\$ 26,503	5%
2013/2014	2014	570,034	549,675	96%	16,493	566,168		99%	30,368	5%
2014/2015	2015	550,881	528,894	96%	20,970	549,864		100%	34,676	6%
2015/2016	2016	572,820	534,548	93%	25,574	560,122		98%	47,511	8%
2016/2017	2017	574,992	558,261	97%	22,813	581,074		101%	23,067	4%
2017/2018	2018	608,664	593,664	98%	55,847	649,511		107%	20,606	3%
2018/2019	2019	614,324	600,067	98%	15,803	615,870		100%	15,126	2%
2019/2020	2020	646,757	630,792	98%	6,220	637,012		98%	33,961	5%
2020/2021	2021	680,786	662,251	97%	14,129	676,380		99%	32,880	5%
2021/2022	2022	697,080	693,871	100%	15,629	709,500		102%	22,956	3%

Source: Montgomery County Auditor's Office

(1) The County does not identify delinquent collections by the year for which the tax was levied. The City continues to work in conjunction with the County to resolve this issue, however, the information needed until a new computer system is implemented at the County. The cost of such a system currently makes this option impractical.

**City of Moraine, Ohio**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Years**

TABLE 11

<b>Year</b>	<b>BAN (3) and OPWC Note</b>	<b>Various Purpose Bonds (1)</b>	<b>Financed Purchase</b>	<b>Total Primary Government</b>	<b>Personal Income (2) (thousands of dollars)</b>	<b>Percentage Personal Income</b>	<b>Total Debt Per Capita (2)</b>
2013	\$ 644,905	\$ 5,764,593	\$ -	\$ 6,409,498	\$ 106,462,435	6.02%	\$ 1,016
2014	781,561	5,700,803	-	6,482,364	106,462,435	6.09%	1,027.80
2015	964,476	5,512,013	310,601	6,787,090	106,462,435	6.38%	1,076.12
2016	894,663	5,318,223	252,599	6,465,485	106,462,435	6.07%	1,025.13
2017	921,255	5,562,652	192,607	6,676,514	106,462,435	6.27%	1,058.59
2018	921,803	5,324,963	130,557	6,377,323	106,462,435	5.99%	1,011.15
2019	8,808,386	5,082,274	118,335	14,008,995	106,462,435	13.16%	2,221.18
2020	9,070,708	4,829,585	-	13,900,293	135,793,713	10.24%	2,174.30
2021	852,467	12,801,489	-	13,653,956	135,793,713	10.05%	2,135.77
2022	784,227	12,464,087	-	13,248,314	135,793,713	9.76%	2,072.32

(1) Bond amounts include unamortized premiums

(2) See Table 14 for demographic data

(3) Long-term notes only presented in amounts. 2019 and 2020 bond anticipation notes were classified as long-term due to subsequent refinancing.



**CITY OF MORaine, OHIO**  
**Computation of Direct and Overlapping Debt**  
**December 31, 2022**

<b>Jurisdiction</b>	<b>Total GO Debt Outstanding</b>	<b>Percentage Applicable to City (1)</b>	<b>Amount Applicable to City of Moraine, Ohio</b>
<b><i>DIRECT DEBT</i></b>			
CITY OF MORaine	\$ 13,248,314	100.00%	\$ 13,248,314
<b><i>OVERLAPPING</i></b>			
DAYTON METRO LIBRARY	124,489,986	3.45%	4,294,905
MIAMI TOWNSHIP	20,370,000	0.06%	12,222
WEST CARROLLTON CITY SCHOOL DISTRICT	40,275,000	18.29%	7,366,298
KETTERING CITY SCHOOL DISTRICT	41,235,000	12.91%	5,323,439
MIAMI VALLEY CAREER CENTER - JT. VOC. SCHOOL DISTRICT	119,886,095	1.17%	1,402,667
<b><i>TOTAL OVERLAPPING DEBT</i></b>	<b>346,256,081</b>		<b>18,399,531</b>
<b>TOTAL</b>	<b>\$ 359,504,395</b>		<b>\$ 31,647,845</b>

Source: City's records and Ohio Municipal Advisory Council (OMAC)

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

**CITY OF MORaine, OHIO**  
**Legal Debt Margin Information**  
**Last Ten Calendar Years**  
(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$14,341	\$13,582	\$14,467	\$13,582	\$14,223	\$15,056	\$15,321	\$15,304	\$16,355	\$16,624
Legal Debt Margin	<u>8,939</u>	<u>8,115</u>	<u>9,160</u>	<u>8,468</u>	<u>9,306</u>	<u>10,056</u>	<u>2,925</u>	<u>2,960</u>	<u>12,588</u>	<u>12,879</u>
Total net debt applicable to the limit as a percentage of debt limit	39.64%	41.42%	36.68%	37.65%	34.57%	33.21%	19.09%	19.11%	17.88%	22.53%
<b>Legal Debt Margin Calculation for Calendar Year 2022</b>										
Total Assessed Value (tax year 2021)	158,320									
Debt limit (10.5% of total assessed value)	16,624									
Debt applicable to limit:										
Total Bonded Obligations	11,590									
Less: Self-Supported Bonded Debt	7,675									
Less: Amount restricted for repayment of general obligation debt	<u>170</u>									
Total net debt applicable to limit	<u>3,745</u>									
Legal debt margin	<u><u>\$12,879</u></u>									

**CITY OF MORaine, OHIO**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

TABLE 14

<b>Calendar Year</b>	<b>(1) Population</b>	<b>(1) Personal Income</b> (thousands of dollars)	<b>(1) Per Capita Personal Income</b>	<b>(1) Median Age</b>	<b>(2) Unemployment Rate</b>
2013	6,307	\$ 106,462	\$ 16,880	37.0	7.1%
2014	6,307	106,462	16,880	37.0	4.8%
2015	6,307	106,462	16,880	37.0	4.7%
2016	6,307	106,462	16,880	37.0	4.6%
2017	6,307	106,462	16,880	37.0	4.4%
2018	6,307	106,462	16,880	37.0	4.7%
2019	6,307	106,462	16,880	37.0	3.8%
2020	6,393	135,794	21,241	35.7	5.4%
2021	6,393	135,794	21,241	35.7	3.6%
2022	6,393	135,794	21,241	35.7	3.7%

(3)

Sources:

(1) 2010 United States Census Bureau for 2019 and prior; 2020 United States Census Bureau of 2020 and later.

(2) Bureau of Labor Statistics - rates are not available for the City of Moraine. The rates shown are for Montgomery County

(3) Increase in 2020 unemployment rate due to COVID-19 pandemic.

**CITY OF MORaine, OHIO**  
Principal Employers  
Current Year and Nine Years Ago

2022		2013	
	<u>Number of Employees</u>		<u>Number of Employees</u>
Fuyao Glass America	2,932	Dmax Ltd.	522
Dmax Ltd.	1,362	Dayton Power and Light	470
Fidelity Healthcare Inc	780	Walmart	384
Walmart Associates Inc	685	Heidelberg	367
Compunet Clinical Laboratories	525	Berry 1 Company	341
Dayton Power and Light	521	Compunet Labs	336
WinSupply Inc	423	Provider Services	206
Heidelberg Distrbuting	409	Win Wholesale	201
South Community Inc	274	South Community	198
Tyler Technology	194	Lastar	194

Source: City of Moraine, Department of Finance

Note: Total employment within the City is not available.

**CITY OF MORaine, OHIO**  
**Full-time-Equivalent City Government Employees by Function/Program**  
**Last Ten Calendar Years**

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General government										
Clerk of Council	1	1	1	1	1	1	1	1	1	1
City Manager	6	6	6	6	7	7	6	6	6	6
Clerk of Courts	2	2	2	2	2	2	2	2	2	2
Law	0	0	0	0	0	0	0	0	0	0
Finance	6	6	6	6	7	7	7	7	7	7
Public Buildings	6	6	6	6	6	6	6	6	6	6
Public Safety										
Police	37	32	34	34	35	34	30	30	32	35
Fire	33	25	27	24	30	27	28	28	27	24
Other										
Highways and Streets	16	18	18	16	15	15	17	17	16	17
Community Development	3	3	3	3	3	4	4	4	4	5
Recreation and Culture	18	18	20	21	21	19	19	13	15	13
Garage	3	3	3	3	3	3	3	3	3	3
<b>Total</b>	<b>131</b>	<b>120</b>	<b>126</b>	<b>122</b>	<b>130</b>	<b>125</b>	<b>123</b>	<b>117</b>	<b>119</b>	<b>119</b>

Source: City of Moraine, Department of Finance

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation, holiday, sick leave and comp time). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

**CITY OF MORaine, OHIO**  
**Operating Indicators by Function**  
**Last Ten Calendar Years**

<b>Function</b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020 <sup>(1)</sup></u></b>	<b><u>2021 <sup>(1)</sup></u></b>	<b><u>2022</u></b>
<b>Police</b>										
Warrants served	822	899	1,041	872	977	628	724	675	933	1,058
Felony arrests	157	252	293	273	261	169	197	160	214	331
Arrests made	1,535	1,771	1,800	1,700	1,839	1,347	1,403	1,020	1,146	1,207
Traffic citations issued	1,944	2,537	2,523	2,799	3,329	2,581	2,981	1,615	3,635	2,580
Miles Patrolled	253,927	224,694	233,288	207,661	216,938	188,208	195,008	153,059	222,702	237,619
<b>Fire</b>										
Fire calls	637	80	722	801	797	815	826	889	497	499
EMS calls	1,565	1,705	2,069	2,152	2,188	2,008	2,307	2,034	2,300	2,339
Fire Inspections	1,032	920	749	799	663	833	759	747	764	796
Child Safety Seat Inspections	25	26	16	52	71	87	56	26	32	34
<b>Highways and Streets</b>										
Gallons of street paint used	1,045	1,050	1,115	1,040	1,540	1,435	1,300	1,145	685	293
Tons of snow melting salt used	332	854	657	578	322	700	757	392	900	785
<b>Community Development</b>										
Building Inspections	965	797	737	686	561	637	691	801	929	566
Residential Building Permits Issued	208	129	118	106	129	107	310	380	470	258
Commercial Building Permits Issued	199	190	206	308	192	216	198	112	232	166
<b>Culture and Recreation</b>										
Payne Recreation Center Attendance (estimated)	141,620	175,386	185,276	192,765	195,151	30,416	20,325	11,679	17,628	21,623
Civic Center Attendance (estimated)	106,260	112,868	108,215	110,013	107,144	25,289	15,656	4,505	7,667	7,020
Youth and Day Camps Attendance (estimated)	203	210	340	481	766	965	1,253	588	578	444

Source - Various City of Moraine departments

(1) 2020 and 2021 operations were affected by the COVID-19 pandemic and associated closures, especially those reported by the Recreation Department.

**CITY OF MORaine, OHIO**  
**Capital Assets by Function**  
**Last Ten Calendar Years**

<b>Function</b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>
Public Safety										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	21	21	19	18	18	18	19	19	21	20
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Emergency Response Vehicles	12	12	13	13	13	12	13	12	13	13
Highways and Streets										
Miles of Streets (Center Line Miles)	276.65	276.65	276.65	276.65	276.65	276.65	276.65	276.65	276.65	27.11 <sup>(1)</sup>
Number of Streetlights (Non-special assessment)	1,356	1,356	1,356	1,357	1,316	1,316	1,316	1,377	1,377	1,567
Culture and Recreation										
Parks <sup>(2)</sup>	13	12	12	12	12	12	12	12	12	12
Civic Centers	1	1	1	1	1	1	1	1	1	1
Recreation Centers	1	1	1	1	1	1	1	1	1	1
Swimming Pools <sup>(3)</sup>	1	1	1	1	1	-	-	-	-	-
Water Parks <sup>(3)</sup>	1	1	1	1	1	-	-	-	-	-

Source - Various City of Moraine Departments

(1) The City changed the method in which center lane miles were calculated in 2022 based on new technology.

(2) Represents the number of city owned and maintained parks.

(3) The former water park was demolished in 2017.



**CLARK SCHAEFER HACKETT**  
BUSINESS ADVISORS

**CITY OF MORaine  
MONTGOMERY COUNTY, OHIO**

SINGLE AUDIT

FOR YEAR ENDED DECEMBER 31, 2022



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**INDEPENDENT AUDITORS' 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**

City Council  
City of Moraine, Ohio  
4200 Dryden Road  
Moraine, Ohio 45439

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moraine, Ohio (the "City"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 28, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 entity'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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City'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 financial statements. 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*.

**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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Clark, Schaefer, Hackett & Co.*

Springfield, Ohio  
June 28, 2023

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

City Council  
City of Moraine, Ohio  
4200 Dryden Road  
Moraine, Ohio 45439

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited City of Moraine, Ohio's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2022. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on 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, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon, dated June 28, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Clark, Schaefer, Hackett & Co.*

Springfield, Ohio  
June 28, 2023

City of Moraine, Ohio  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2022

<b>Federal Grantor/Program Title</b>	<b>Assistance Listing Number</b>	<b>Pass Through Entity Number</b>	<b>Award Disbursements</b>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed Through Ohio Department of Education</i>			
Child Nutrition Cluster:			
Summer Food Service Program for Children	10.559	(1)	\$ 12,864
Total Child Nutrition Cluster			<u>12,864</u>
<b>Total U.S. Department of Agriculture</b>			<b><u>12,864</u></b>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
<i>Direct</i>			
Bulletproof Vest Partnership Program	16.607		<u>5,714</u>
<b>Total U.S. Department of Justice</b>			<b><u>5,714</u></b>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
<i>Passed through the Ohio Department of Transportation</i>			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	PID 105854	891,819
		PID 113143	<u>119,102</u>
Total Highway Planning and Construction Cluster			<u>1,010,921</u>
<b>Total U.S. Department of Transportation</b>			<b><u>1,010,921</u></b>
<b><u>U.S. DEPARTMENT OF THE TREASURY</u></b>			
<i>Direct</i>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		<u>157,911</u>
<b>Total U.S. Department of the Treasury</b>			<b><u>157,911</u></b>
<b>TOTAL FEDERAL AWARD EXPENDITURES</b>			<b><u>\$ 1,187,410</u></b>

(1) Pass Through Entity Number Unknown

See notes to the Schedule of Expenditures of Federal Awards.

**CITY OF MORaine  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Moraine (the “City”) under programs of the federal government for the year ended December 31, 2022. The information on this Schedule 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). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3 - MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



## **Section I – Summary of Auditors’ Results**

### Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	No

### Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
Highway Planning and Construction Cluster: ALN 20.205 – Highway Planning and Construction	
Dollar threshold to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

## **Section II – Financial Statement Findings**

None noted

## **Section III – Federal Awards Findings and Questioned Costs**

None noted



# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF MORaine**

**MONTGOMERY 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 9/5/2023**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)