

CITY OF OBETZ, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021



OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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Members of Council
City of Obetz
4175 Alum Creek Drive
Obetz, Ohio 43207

We have reviewed the *Independent Auditor's Report* of the City of Obetz, Franklin County, prepared by Julian & Grube, Inc., for the audit period January 1, 2021 through December 31, 2021. 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 Obetz is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

July 07, 2022

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CITY OF OBETZ, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

ISSUED BY:

DEPARTMENT OF FINANCE
M. MATTHEW CRAMBLIT, FINANCE DIRECTOR
MARK E. DAUBENMIER, ASSISTANT FINANCE DIRECTOR

*4175 ALUM CREEK DRIVE
OBETZ, OHIO 43207*

CITY OF OBETZ, OHIO

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021**

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INTRODUCTORY SECTION



CITY OF OBETZ

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E. ROD DAVISSON, ESQ.
CITY MANAGER

June 27, 2022

To Members of the Obetz City Council and the Citizens of Obetz, Ohio:

We are pleased to present our Annual Comprehensive Financial Report (Annual Report) of the City of Obetz finances (the “City”) for the year ended December 31, 2021. This Annual Report includes financial statements and other financial and statistical data conforming to generally accepted accounting principles (GAAP)—as applicable to government entities. We intend that this report will provide the City’s stakeholders comprehensive financial data in a format that enables a true understanding of the City’s financial affairs, while providing management information for making decisions.

Ohio law requires that every City file its unaudited financial statements with the Auditor of State and publish their availability. The City met this requirement by filing its Basic Financial Statements for 2021 with the Auditor of State. The law does not require Ohio Cities to create Annual Reports; however, Obetz chooses to do this for its citizens and staff.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls established for this purpose. Since sound fiscal management dictates that the cost of internal controls should not exceed the expected benefits from the controls, the objective of this report is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Julian & Grube, Inc. issued an unmodified (“clean”) opinion on the City of Obetz’ financial statements for the year ended December 31, 2021. The Independent Auditor’s Report is located at the front of the Financial Section of this report.

Management’s Discussion and Analysis immediately follows the Independent Auditor’s Report. This discussion provides a narrative introduction, overview, and analysis to accompany the Basic Financial Statements. Management’s Discussion and Analysis complements this Letter of Transmittal and should be read in conjunction with it.

FORM OF GOVERNMENT AND REPORTING ENTITY

The City operates under, and is governed by, its Charter which was adopted by the Obetz electorate. The Charter, by its own terms, is slated for review at least every ten years; and may be amended by the voters through the Charter review process. The City’s Charter provides for a Mayor-Council form of government.

The Charter vests the legislative authority in a six-member Council with overlapping four-year terms. The citizens elect all members of Council at-large in non-partisan races. The City Council fixes compensation of City officials and employees; enacts ordinances relating to City services; levies taxes; appropriates and borrows money; licenses and regulates businesses and trades; and attends to other

municipal needs. The presiding officer of Council is the Mayor, who is a member of City Council—only voting in the case of a tie—and is elected by the citizens of Obetz for a four-year term. The Mayor is charged with the ultimate responsibility for the administration of all municipal affairs as empowered by the Charter. The City Administrator is responsible for the day-to-day operations of the City and stands in the Mayor's stead as chief executive, administrative, and law enforcement officer of the City as authorized.

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 Board; 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; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provides financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the City and the organization is such that exclusion by the City would render the City's financial statements incomplete or misleading. Based upon the application of these criteria, the City has no component units.

Certain organizations, although sharing some degree of name similarity with the City, are separate and distinct entities from each other and from the City. The City is not financially accountable for these entities. Due to their independent nature, the financial activities of the Big Walnut Area Community Improvement Corporation and the Prairie-Obetz Joint Economic Development Zone are excluded from the City's Annual Report. We have disclosed these entities as jointly governed organizations in the City's Annual Report.

ECONOMIC CONDITION AND OUTLOOK

The City is entirely within Franklin County in central Ohio. The City experienced tremendous growth, both residential and nonresidential, over the past 15 to 20 years. The City's growth is attributable to several factors including a pro-business electorate, its business-friendly regulations, a strong economic development team, and an excellent location—with access to Interstate 270 and proximity to the Rickenbacker Inland Port. Obetz also enjoys easy access to downtown Columbus and the John Glenn Columbus International Airport; high quality logistics and e-commerce centers; affordable, quality housing; award winning public education; and a reputation as a regional leader in attracting and retaining jobs.

The City's positive economic condition reflects its strong and diversified nonresidential tax base. The City is home to more than three hundred companies. City Council recognizes the need to maintain a highly diversified tax base. Considering the City's reliance on income tax revenues, nonresidential development is critical to funding the services and facilities required by its citizens and visitors; and is an integral part of the City's quality of life for all residents—both residential and nonresidential alike.

The City maintains a sensible mix of residential and nonresidential development. This is essential because of the positive fiscal impact nonresidential development has on the City. The assessed valuation of real estate in the City for tax year 2020 (collection year 2021), including the value of property located in Tax Increment Financing (TIF) districts is \$220,128,060. Residential property comprises 43.98% of the total and nonresidential property comprises the remaining 56.02%.

The City's income tax collections, its most significant revenue source, are a good barometer of the strength of the local economy. In 2021, the City levied a 2.5% tax on income earned by individuals working within the City, and on the net income of for-profit organizations conducting business within the City. The 2012 net tax receipts were \$4,478,887 and the 2021 net tax receipts were \$13,411,437 for an aggregate

growth of 199.44% over the 10 year period.

The financial health of the City is linked to the success of the City's corporate residents as the employee withholding taxes represented 70.35% of the total income tax receipts for 2021. That tax base continues to grow and in 2021, withholding taxes increased \$494,136 or 5.4% more than 2020. Corporate net profit income tax receipts were 28.5% of the total, a marked increase versus historical average.

The City's current economic development strategy is multi-faceted. The City developed a strong economic development department comprising a multidisciplinary team focused on attracting and retaining quality companies. The economic development team engages in a formal Business Retention and Expansion Program. The City recognizes it has an excellent economic development resource in its existing employment base. Existing businesses are a critical aspect of Obetz' continued economic development success. Major public and private companies such as Amazon (AMZN), Zulily, Inc. (ZU), Tech Data (TECD), Cardinal Health, Inc. (CAH), Shiseido (SSDOF), United Parcel Service, Inc. (UPS), Art.com, Inc., and Luxottica Retail North America, Inc. (LUX) continue to be a sound foundation of the City's tax base.

The City uses a full complement of Ohio's most advanced economic development tools to attract new business and to assist existing business expansions. The City has employed Community Reinvestment Areas, Tax Increment Financing, Income Tax Rebates, Public Private Partnerships, and various and sundry state economic programs to create a competitive business environment. The City's continued economic vitality is the result of quality development, planning, and the City's ongoing efforts to attract and retain innovative logistic and e-commerce nonresidential development. The City remains competitive in attracting new businesses while retaining current business customers. The City's economic base is diverse, and no single company dominates its tax base resulting in a strong, well-balanced, corporate climate.

The City also benefits from its location in central Ohio. The City is approximately six miles southeast of the central business district of the City of Columbus, the State's capital, and largest city. The unemployment rate in Franklin County has been consistently lower than the unemployment rates for the State of Ohio and is recently trending better than the nation. This trend continued in 2021 with unemployment rates of 2.9% for Franklin County, 3.4% for the State of Ohio, and 3.7% for the United States.

Adding to the attractiveness of the City, part of Obetz lies within the boundaries of the Rickenbacker Inland Port. The Port is a global, multi-modal, logistics hub with an unmatched location for distribution to U.S. and Canadian consumers. Serving as the gateway for the Ohio Valley, Rickenbacker Inland Port is home to a base of air, road, and rail transport companies supported by a mix of freight forwarders, consolidators, customs brokers, and third-party logistics providers. The Columbus Regional Airport Authority oversees the operation of Port Columbus International Airport (Passenger Focused); Bolton Field (General Aviation); and manages the Cargo-dedicated Rickenbacker International Airport and the Rickenbacker Global Logistics Park.

The Mayor, City Council, and management continue to closely monitor the regional and local economy for opportunities to further improve Obetz' financial position. The existing tax base, along with continued initiative-taking development efforts, should continue to strengthen the City's future financial position.

MAJOR INITIATIVES

Current Year

The City works to maintain and enhance the community's character, providing excellent City services and maintaining strong financial standing. Under the leadership of the City Mayor and Council, the City develops innovative programs to meet these goals, leading the way in local government and forging a reputation as a pioneering community. In 2021, Obetz acquired and continued developing several properties that are critical to the long-term development of the City. Some of those projects are summarized below:

Williams Road Re-development

The City has purchased approximately 20 acres of distressed properties on its northern border with the City of Columbus. The City has invested in cleanup and remediation of the properties to prepare them for new development that will dramatically improve the neighborhood; create a capital infusion upon the sale or lease of the properties; and create additional tax income as the properties become occupied by viable companies. Considering the dramatic increases in property values in the City, these investments it has made should produce returns of 300 to 500%.

Walnut Creek

The City continues developing 53 acres abutting Alum Creek Drive—its busiest road. The City continues to attract a mix of medical users and retail operators for the development. In addition to the Ohio Health Emergency Center, in 2021 the City welcomed its first kidney dialysis center to the development. Additionally, the City completed the essential terms and conditions to reach an agreement in principle for the construction of a new Sheetz gas station in Walnut Creek. The construction of Sheetz includes the demolition of an old car wash, and the completion of an access road benefitting the entire development.

The Alum Creek 3P (Unnamed)

The City has partnered with CBRE and Casto to develop a mixed-use retail/office development on eighteen acres at the corner of I-270 and Alum Creek Drive. In 2021, the partnership focused on infrastructure evaluation and planning for the yet to be named development. The City expects that infrastructure improvements will begin in earnest in 2023 with the first tenants arriving in 2024/2025.

The Gold Triangle

This year, the City began planning discussions for its 415-acre Gold Triangle just south of interstate 270 and covering both sides of Alum Creek Drive. The properties are mostly a mix of vacant land and quarries. The Gold Triangle is bisected by and contains more than 1.6 miles of the Big Walnut Creek—one of Ohio's beautiful scenic rivers and a popular spot for fishing and kayaking. The City will focus on enhancing the natural beauty of this corridor and has partnered with county and state entities for the planning and development of it. Upon buildout, the Golden Triangle will be a mix of commercial, residential, and recreational development. In 2021, the City began permitting for new residential construction on the eastern banks of the Big Walnut and made road and intersection improvements for the development. Additionally, the City began planning for the addition of a 13-acre park to serve the development. Finally, the City began negotiating development agreements with the owners of large tracts of the development—those agreements should be completed in 2022.

Buckstone

The City launched its Buckstone development this year. Phase One includes 400 acres of mixed use and residential development with capital investment expected to eclipse one billion dollars. Phase One includes single family houses by Lennar and Pulte and apartments by JBM/Daimler. The City is also working towards a public private partnership with Daimler, Casto, and CBRE for the development of the 140-acre commercial development at Buckstone. The City also collaborated with the Mid-Ohio Regional Planning Commission and its RAPID 5 planning exercise for the initial feasibility study and planning for a new 22-acre riverside park at Buckstone. Construction of the single and multifamily residential area is expected to commence in the summer of 2022. The regional housing market remains strong and Obetz houses are highly desirable leading the City to constantly be among the regional leaders in residential sales and construction.

CAPITAL IMPROVEMENTS

In the City, much effort is directed toward planning and managing the growth and development of the community. Building and maintaining public infrastructure is a critical component in providing a high quality of life to the residents and providing for the long-term fiscal health of the City. In 2021, the City continued revising a five-year Capital Improvements Program (CIP) that is revised and adopted annually. The CIP is the blueprint for City investments in its capital infrastructure and defines the financial guidelines for completing as many capital projects as possible while maintaining the ability to adapt to change as it occurs.

In 2021, the City continued to invest heavily in safety, technology, and communications infrastructure because of the global pandemic. The City continued to improve its communication systems, Graphical Information Systems, and building safety systems.

UTILITY INFRASTRUCTURE

Obetz is unique among Ohio Cities in that it operates its own Water, Gas, Sewer (both Storm and Sanitary Sewer), and Electric utilities. The City employs these resources to make it competitive in attracting and retaining quality businesses. The City will incentivize these utilities occasionally and conservatively to attract large businesses. Even in the absence of an incentive, the City's utility rates are still highly competitive and attract business—most of the time with no price break. It is important to note that the gas and electric utilities are limited to a specific geographic area with only commercial customers.

The City spent a considerable amount of time and resources improving utility services to account for the dramatic growth. In 2015, Obetz replaced all its water meters and installed a new network web between the meters. The completed project allows for real time monitoring of the water flow at each metered location. The meters “talk” to one another in a chain from place to place until they reach the central office. The upgraded capability allows the City to notify a resident immediately if there is a serious leak; or, even something as innocuous as leaving a hose running. Additionally, with the advanced technology, the City can now accurately—and in real time—track consumption throughout the City allowing for the identification and conservation of precious resources.

As an analogue to the new Meter Network, Obetz continued implementing a program to completely rebuild its computer software and add a new server. In 2019, the City continued to invest heavily in its Graphical Information System interface, visual mapping, and surveying technology. Obetz employs drones and 3D mapping to inspect, maintain, and plan for critical infrastructure. The City also continues adding and implementing the latest management and statistical analysis software striving to achieve paperless management of City operations.

PROSPECTS FOR THE FUTURE

The City developed substantially in the last two decades. It added millions of square feet of e-commerce and logistics space, manufacturing, and various other industries. The City has launched several developments that will increase the amenities, housing, and commercial offerings in Obetz.

The continued success of the City is not without risk. Obetz' tremendous e-commerce growth will begin to level off as the City only has a few developable parcels of that nature remaining. Our future lies in maximizing the density of employees in the millions of square feet currently under roof and developing the annexable land available to it. Obetz is confident that its strategy for attracting and retaining the right kind of companies will allow for continued growth in the same space. Obetz' commercial development opportunities continue to grow, and our successful economy is attracting many commercial and institutional investors.

The City continues to closely monitor the activities of state and federal governments and their potential for both positive and negative influences on Obetz' local economy. The federal government is failing to control inflation and the end of stimulus money from the pandemic will likely cause an economic correction. Obetz is well positioned to manage the likely downturn in that it has a substantial carryover and a strong economy. That said, the depth and breadth of a potential recession will affect Obetz particularly in the consumer spending space. Moreover, increasing wage pressure will result in Obetz continuing to seek efficiencies in operations to minimize service degradation.

The City is mindful of the fiscal impact of projected future growth of the City over the next several years. If the City is successful in its efforts to increase its presence as a regional employment center, its existing revenue structure will be sufficient to provide current levels of service to both existing and new development and, unlike most communities, the projected new growth will generate net revenue surpluses in the City's operating budget. This is the result of land-use planning which maintains a balance between residential and nonresidential development and considers its effect on the City's 2.5% income tax. Income tax revenues comprise approximately 57.44% of the City's total annual governmental activities revenues, and future growth is expected to be heavily weighted towards nonresidential, rather than residential, development. The future development of the remaining nonresidential acreage will have a positive impact on the City's income tax base, and on its financial ability to provide services to citizens.

This diverse and healthy economic base provides the foundation for the future of the Obetz community. The employment tax base allows the City to provide quality services and funding for an aggressive capital improvements program; however, that program is facile and may be slowed or stopped temporarily depending on the larger economic outlook. Continuing to attract new nonresidential development while retaining our current business customers will provide for a strong financial future. City Council and management closely monitor the City's revenues and expenditures as we move forward.

The continued planning provides the basis for well-managed growth and development. The planning serves as the primary basis for decision making in public policy areas such as land use, density of land uses, annexation, and capital programming for identified public infrastructure needs. The City is currently planning for the development to come and focusing on expanding business growth options for office-flex, research, lab and tech space, and clean manufacturing to help diversify the City's economic base.

The City continues to make tremendous strides in establishing a thriving community for residents and corporate citizens. As we set our priorities for the coming years, the City Mayor, Council, and management strive toward achieving superior results in our services, residential and nonresidential

development, fiscal health, and corporate community. As the City flourishes as a community, we believe our best years are yet to come.

FISCAL POLICIES AND PROCEDURES

Internal Control Structure

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

We believe the City's internal control structure safeguards assets and provides reasonable assurance of proper recording of financial transactions. Because of inherent limitations in any internal control structure, errors or irregularities nevertheless may occur and not be detected. Projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or the degree of compliance with the procedures may deteriorate.

Budgetary Controls

In addition to internal accounting controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation ordinance approved by City Council. Activities of all funds, except for advances, are included in the annual appropriations ordinance. All funds, except Custodial Funds, are legally required to be budgeted. Upon adoption of the annual appropriations ordinance by City Council, it becomes the formal budget for City operations. The appropriations ordinance is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by City Council at the object level within each department within each fund for all funds. Appropriations may be amended or supplemented by Council during the year as required. Appropriations within a department may be transferred within the same object level with approval of the City Administrator so long as the transfer is within the same fund.

Debt Administration

As of December 31, 2021, the City had \$42,566,237 in long-term obligations outstanding, excluding net pension liability, net OPEB liability, and compensated absences. Of the total, \$3,760,000 will be retired using service payments received in lieu of property taxes and developer contributions. The remaining \$38,806,237 will be retired with income tax revenue.

Under current state statutes, the City's general obligation debt issuances are subject to a legal limitation based on the total assessed value of real and personal property. Total general obligation debt of the City, exclusive of certain exempt debt, shall never exceed 10.5% of the total assessed valuation. The unvoted general obligation debt of the City cannot exceed 5.5% of the total assessed valuation. As of December 31, 2021, the City had a legal debt margin for total debt of \$23,113,446 and a legal debt margin for unvoted debt of \$12,107,043.

When the City issued bonds in 2020, it received an A+ rating from Standard & Poor's. The rating is excellent for an Ohio City and is better than many large cities, enabling the City's debt to be issued at

lower interest rates, resulting in substantial reductions in future debt service payments. The City's diverse and growing economic base, strong regional and local economies, history of operating surpluses and the continued use of that surplus to fund capital projects; and, continued long-term planning efforts will help maintain high credit ratings.

OTHER INFORMATION

Independent Audit

The financial records of the City were audited by Julian & Grube Inc. The auditor's report on the Basic Financial Statements is included on pages 17-19 in the Financial Section of this report.

Use of This Report

This Annual Report is published to provide to City Council, as well as to our residents and other interested persons, detailed information concerning the financial condition of the City. We believe the information, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial activity of our funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included. Copies of this Annual Report are available on the Obetz website at www.obetz.oh.us for use by the public.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Obetz for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

To be awarded a Certificate of Achievement a government must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

This Annual Report was made possible by the dedicated efforts of the entire Department of Finance staff. Our sincere appreciation is extended to each of them, and others throughout the City, whose efforts have made this report possible.

Sincerely,



E. Rod Davisson, Esq. (LEED-AP)
City Administrator



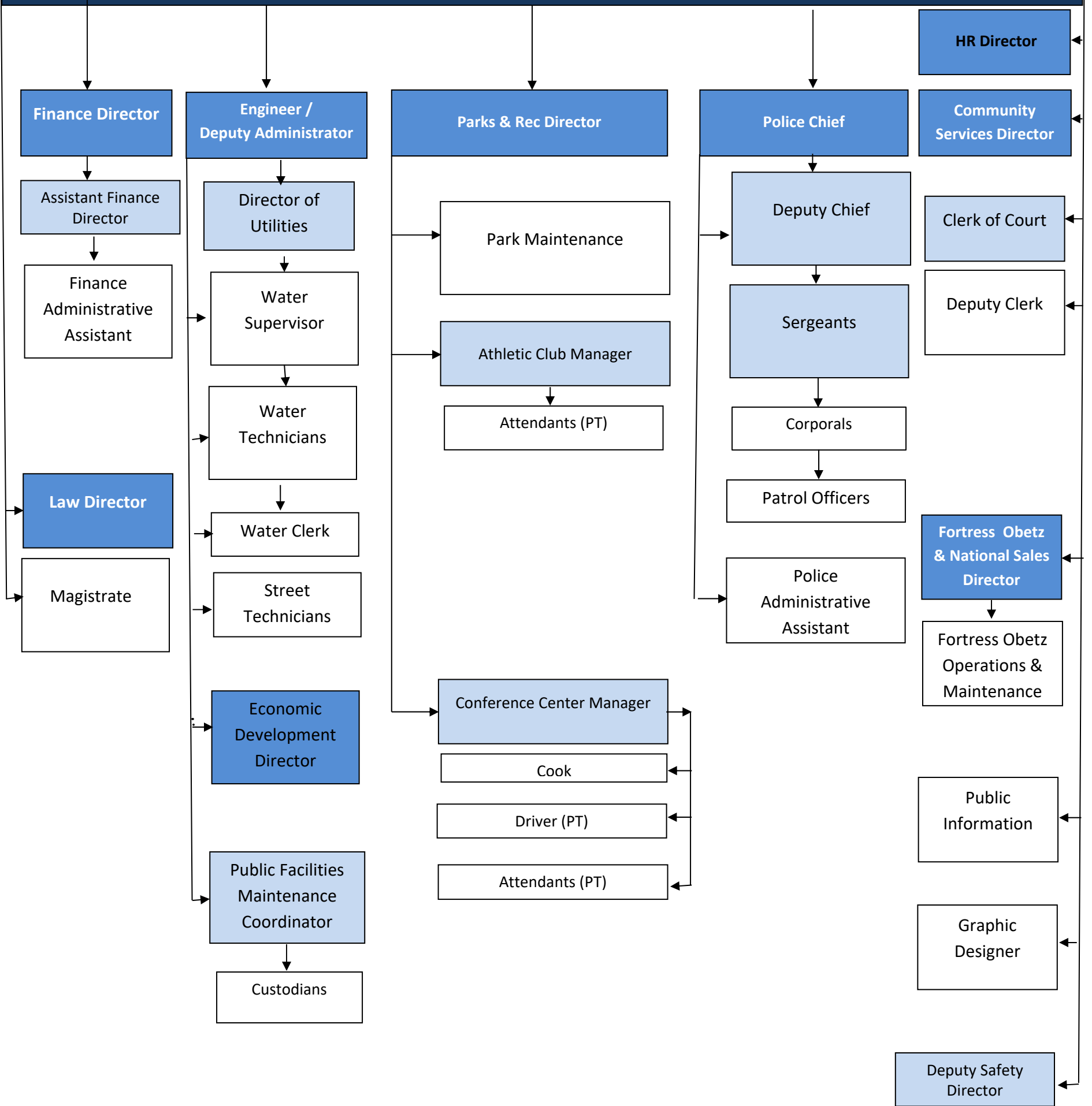
M. Matthew Cramblit
Finance Director

CITY OF OBETZ CITIZENS

MAYOR

CITY COUNCIL

City Administrator



PT = Part-time Employee

CITY OF OBETZ, OHIO

CITY OFFICIALS

FOR THE YEAR ENDED DECEMBER 31, 2021

Mayor

Angela M. Kirk

Council Members

Derek Varney, Pro Tempore

Michael Flaherty

Todd Gibbs

Mike Kimbler

Robert Kramer

Guiles Richardson

Administrator

E. Rod Davisson, Esq.

Police Chief

Chief J. Michael Confer

Deputy Police Chief

Brian K. Jeffers

Community Services Director

Stacey E. Boumis, AICP

City Engineer

Michael F. Corbitt, P.E.

Director of Utilities

Todd A. Garwick

Parks and Recreation Director

Kerri A. Duffy

Athletic Operations and Facilities Promotion Director

Steven L. Adams

Facilities Manager

Timothy H. Ross

Director of Development

Stacie L. Garvine

Law Director

Eugene L. Hollins

Human Resources Director

Derek A. Duncan

Finance Director

M. Matthew Cramblit

Assistant Finance Director

Mark E. Daubenmier



Government Finance Officers Association

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**Village of Obetz
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

Independent Auditor's Report

City of Obetz
Franklin County
4175 Alum Creek Drive
Obetz, Ohio 43207

To the Members of the City Council and Mayor:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Obetz, Franklin County, Ohio, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Obetz' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Obetz, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City of Obetz 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.

Emphasis of Matter

As described in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City of Obetz. Our opinions are not modified with respect to this matter.

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 of Obetz' 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.

Auditor's 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 auditor's 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 generally accepted auditing standards 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 generally accepted auditing standards 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 of Obetz' 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 of Obetz' 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, and schedules of net pension and other post-employment benefit assets and liabilities and pension and other post-employment benefit contributions, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Obetz' basic financial statements. The accompanying combining and individual nonmajor fund financial statements and 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are 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 auditor's 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 27, 2022 on our consideration of the City of Obetz' 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 of Obetz' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Obetz' internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
June 27, 2022

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CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

The management's discussion and analysis of the City of Obetz' (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2021. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic 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 2021 are as follows:

- The total net position of the City increased \$4,105,372. Net position of governmental activities increased \$466,674 or 0.68% from 2020's net position and net position of business-type activities increased \$3,638,698 or 10.15% from 2020's net position.
- General revenues accounted for \$16,270,635 or 79.21% of total governmental activities revenue. Program specific revenues accounted for \$4,270,516 or 20.79% of total governmental activities revenue.
- The City had \$20,074,477 in expenses related to governmental activities; \$4,270,516 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues were adequate to offset the remaining expenses of \$15,803,961.
- The General Fund had revenues of \$14,853,393 in 2021. This represents an increase of \$1,925,350 from 2020 due primarily to an increase in municipal income taxes collected in 2021. The expenditures of the General Fund, which totaled \$15,686,100 in 2021, increased \$5,231,251 from 2020 expenditures primarily due to increased general government, community environment, and capital outlay expenditures. During 2021, fund balance decreased \$832,707 from \$9,158,976 at December 31, 2020 to \$8,326,269 at December 31, 2021.
- The General Obligation Debt Service Fund had revenues of \$1,080,000 in 2021. The expenditures of the General Obligation Debt Service Fund totaled \$1,092,774 in 2021. During 2021, fund balance decreased \$12,774 from \$1,011,665 at December 31, 2020 to \$998,891 at December 31, 2021.
- The Toy Road TIF Fund had revenues of \$348,364 and expenditures of \$348,206. Fund balance at December 31, 2021 increased \$158 from a balance of \$0 to \$158 as the City did not make improvements to the area during 2021.
- Net position for the business-type activities, which are made up of the Water, Sewer, Electric, Gas, and Refuse operations, increased in 2021 by \$3,638,698. During 2021, charges for services and sales supporting these operations totaled \$13,242,283 while expenses of these operations totaled \$12,259,210. In addition, these operations received \$2,655,625 in capital grants and contributions.
- In the General Fund, the actual revenues came in \$1,394,741 higher than they were in the final budget and actual expenditures were \$5,107,363 less than the amount in the final budget. Budgeted expenditures increased \$2,704,716 from the original to the final budget. Budgeted revenues increased \$3,253,457 from the original to the final budget.

Using this Annual Financial Report

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

The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains 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.

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

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 2021?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows, liabilities and deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in net position. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

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

Governmental activities - Most of the City's programs and services are reported here including police, street maintenance, capital improvements and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, sewer, electric, gas, and refuse operations are reported here.

The City's Statement of Net Position and Statement of Activities can be found on pages 39-41 of this report.

Reporting the City's Most Significant Funds

Fund Financial Statements

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 31.

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

Governmental Funds

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

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the General Fund, the General Obligation Debt Service Fund and the Toy Road TIF Fund. Information for major funds is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 42-49 of this report.

Enterprise Funds

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, electric, gas, and refuse management functions. Each of the enterprise funds are considered major funds. The basic proprietary fund financial statements can be found on pages 50-57 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Custodial funds are the City's only fiduciary fund type. The fiduciary fund statements can be found on pages 58-59 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 61-114 of this report.

Required Supplementary Information (RSI)

The RSI contains information regarding the City's proportionate share of the Ohio Public Employees Retirement System's (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund's net pension liability/asset and the City's schedule of contributions to OPERS and OP&F. The RSI can be found on pages 116-131 of this report.

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Government-Wide Financial Analysis

The table below provides a summary of the City's net position at December 31, 2021 and 2020.

	Net Position					
	Governmental	Business-type	Governmental	Business-type	2021	2020
	Activities	Activities	Activities	Activities	Total	Total
	2021	2021	2020	2020		
<u>Assets</u>						
Current and other assets	\$ 25,580,252	\$ 17,098,905	\$ 23,233,652	\$ 15,718,231	\$ 42,679,157	\$ 38,951,883
Capital assets, net	<u>100,688,910</u>	<u>24,876,646</u>	<u>100,712,513</u>	<u>22,735,044</u>	<u>125,565,556</u>	<u>123,447,557</u>
Total assets	<u>126,269,162</u>	<u>41,975,551</u>	<u>123,946,165</u>	<u>38,453,275</u>	<u>168,244,713</u>	<u>162,399,440</u>
<u>Deferred outflows of resources</u>						
Deferred charge on refundings	22,691	-	25,213	-	22,691	25,213
Pension	1,191,623	170,175	1,561,497	208,337	1,361,798	1,769,834
OPEB	<u>515,722</u>	<u>61,079</u>	<u>835,958</u>	<u>127,211</u>	<u>576,801</u>	<u>963,169</u>
Total deferred outflows of resources	<u>1,730,036</u>	<u>231,254</u>	<u>2,422,668</u>	<u>335,548</u>	<u>1,961,290</u>	<u>2,758,216</u>
<u>Liabilities</u>						
Current and other liabilities	4,688,975	1,680,734	696,432	1,449,398	6,369,709	2,145,830
Long-term liabilities	<u>49,129,067</u>	<u>581,129</u>	<u>54,597,350</u>	<u>1,247,355</u>	<u>49,710,196</u>	<u>55,844,705</u>
Total liabilities	<u>53,818,042</u>	<u>2,261,863</u>	<u>55,293,782</u>	<u>2,696,753</u>	<u>56,079,905</u>	<u>57,990,535</u>
<u>Deferred inflows of resources</u>						
Property taxes levied for the next fiscal year	350,947	-	280,636	-	350,947	280,636
Payments in lieu of taxes levied for the next fiscal year	2,170,790	-	670,004	-	2,170,790	670,004
Pension	1,510,841	236,527	1,028,002	153,300	1,747,368	1,181,302
OPEB	<u>1,088,629</u>	<u>203,156</u>	<u>503,134</u>	<u>72,209</u>	<u>1,291,785</u>	<u>575,343</u>
Total deferred inflows of resources	<u>5,121,207</u>	<u>439,683</u>	<u>2,481,776</u>	<u>225,509</u>	<u>5,560,890</u>	<u>2,707,285</u>
<u>Net Position</u>						
Net investment in capital assets	60,927,488	24,876,646	60,793,570	22,735,044	85,804,134	83,528,614
Restricted	5,854,263	-	5,885,128	-	5,854,263	5,885,128
Unrestricted	<u>2,278,198</u>	<u>14,628,613</u>	<u>1,914,577</u>	<u>13,131,517</u>	<u>16,906,811</u>	<u>15,046,094</u>
Total net position	<u>\$ 69,059,949</u>	<u>\$ 39,505,259</u>	<u>\$ 68,593,275</u>	<u>\$ 35,866,561</u>	<u>\$ 108,565,208</u>	<u>\$ 104,459,836</u>

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27." The net other postemployment benefits (OPEB) liability is reported pursuant to GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB, the net pension asset, and the net OPEB asset.

GASB 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/asset or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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

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

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

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

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

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

CITY OF OBETZ, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2021, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$108,565,208. At year-end, net position was \$69,059,949 and \$39,505,259 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's assets. At year-end, capital assets represented 74.63 percent of total assets. Capital assets include land, rights of way, construction in progress, buildings, improvements other than buildings, infrastructure, equipment, and vehicles. Net investment in capital assets at December 31, 2021, was \$60,927,488 and \$24,876,646 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. The City's investment in capital assets is reported net of related debt; however, the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

Current assets increased due to current year operations and an increase in payments in lieu of taxes receivable. Current liabilities increased primarily due to the City having increases in accounts payable and due to other governments due to a local business requesting a substantial income tax refund and the City losing a property tax valuation lawsuit. Long-term liabilities decreased due to a decrease in the City's net OPEB liability.

A portion of the City's net position, \$5,854,263, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is \$16,906,811 (\$2,278,198 in the governmental activities and \$14,628,613 in the business-type activities).

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CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

The table below shows the changes in net position for 2021 and 2020.

	Changes in Net Position					
	Governmental	Business-type	Governmental	Business-type	2021	2020
	Activities	Activities	Activities	Activities	Total	Total
	2021	2021	2020	2020		
Revenues						
Program revenues:						
Charges for services and sales	\$ 1,697,083	\$ 13,242,283	\$ 1,143,305	\$ 12,341,784	\$ 14,939,366	\$ 13,485,089
Operating grants and contributions	690,612	-	1,033,689	-	690,612	1,033,689
Capital grants and contributions	<u>1,882,821</u>	<u>2,655,625</u>	<u>233,156</u>	<u>666,007</u>	<u>4,538,446</u>	<u>899,163</u>
Total program revenues	<u>4,270,516</u>	<u>15,897,908</u>	<u>2,410,150</u>	<u>13,007,791</u>	<u>20,168,424</u>	<u>15,417,941</u>
General revenues:						
Property taxes	336,793	-	269,687	-	336,793	269,687
Municipal income taxes	11,798,832	-	12,253,751	-	11,798,832	12,253,751
Other local taxes	389,358	-	381,423	-	389,358	381,423
Payments in lieu of taxes	407,086	-	340,539	-	407,086	340,539
Unrestricted grants and entitlements	2,990,658	-	2,915,029	-	2,990,658	2,915,029
Investment earnings	30,108	-	193,372	-	30,108	193,372
Increase in fair value of investments	-	-	240	-	-	240
Miscellaneous	<u>317,800</u>	<u>-</u>	<u>120,128</u>	<u>-</u>	<u>317,800</u>	<u>120,128</u>
Total general revenues	<u>16,270,635</u>	<u>-</u>	<u>16,474,169</u>	<u>-</u>	<u>16,270,635</u>	<u>16,474,169</u>
Total revenues	<u>20,541,151</u>	<u>15,897,908</u>	<u>18,884,319</u>	<u>13,007,791</u>	<u>36,439,059</u>	<u>31,892,110</u>
Expenses:						
General government	3,345,822	-	2,267,873	-	3,345,822	2,267,873
Security of persons and property	3,068,263	-	3,100,319	-	3,068,263	3,100,319
Public health	122,197	-	93,492	-	122,197	93,492
Transportation	4,502,271	-	4,465,216	-	4,502,271	4,465,216
Community environment	4,342,274	-	3,543,572	-	4,342,274	3,543,572
Leisure time activity	3,305,493	-	2,057,755	-	3,305,493	2,057,755
Interest and fiscal charges	1,388,157	-	1,688,331	-	1,388,157	1,688,331
Water	-	1,613,670	-	1,727,077	1,613,670	1,727,077
Sewer	-	2,566,597	-	2,522,800	2,566,597	2,522,800
Electric	-	6,268,816	-	5,132,091	6,268,816	5,132,091
Gas	-	1,474,830	-	846,159	1,474,830	846,159
Refuse	<u>-</u>	<u>335,297</u>	<u>-</u>	<u>299,204</u>	<u>335,297</u>	<u>299,204</u>
Total expenses	<u>20,074,477</u>	<u>12,259,210</u>	<u>17,216,558</u>	<u>10,527,331</u>	<u>32,333,687</u>	<u>27,743,889</u>
Change in net position	466,674	3,638,698	1,667,761	2,480,460	4,105,372	4,148,221
Net position at beginning of year	<u>68,593,275</u>	<u>35,866,561</u>	<u>66,925,514</u>	<u>33,386,101</u>	<u>104,459,836</u>	<u>100,311,615</u>
Net position at end of year	<u>\$ 69,059,949</u>	<u>\$ 39,505,259</u>	<u>\$ 68,593,275</u>	<u>\$ 35,866,561</u>	<u>\$ 108,565,208</u>	<u>\$ 104,459,836</u>

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

Governmental Activities

Governmental activities net position increased \$466,674 in 2021.

Charges for services and sales increased \$553,778, or 48.44%, primarily in the area supporting leisure time activity. The state and federal government contributed to the City a total of \$690,612 in operating grants and contributions and \$1,882,821 in capital grants and contributions. Capital grants and contributions increased \$1,649,665 from 2020 due to an increase in contributed capital. These revenues are restricted to a particular program or purpose. Operating grants and contributions decreased \$343,077, or 33.19%, from the prior year, primarily due to the City receiving Coronavirus Relief Fund money in 2020.

General revenues totaled \$16,270,635 and amounted to 79.21% of total governmental revenues. These revenues primarily consist of income tax revenues of \$11,798,832. The other primary sources of general revenues are grants and entitlements not restricted to specific programs, including local government and local government revenue assistance, making up \$2,990,658 and other local taxes of \$389,358. Municipal income tax revenue decreased due to a local business requesting a substantial tax refund.

General government expenses totaled \$3,345,822. General government expenses were partially funded by \$1,119,918 in direct charges to users of the services and \$134 in operating grants and contributions. General government expenses increased primarily due to the City losing a property tax valuation lawsuit and owing the money back.

Security of persons and property, which primarily supports the operation of police services, accounted for \$3,068,263 or 15.28% of the total expenses of the City. Security of persons and property expenses were partially funded by \$16,115 in direct charges to users of the services and \$1,234 in operating grants and contributions.

Transportation expenses increased \$37,055, due to increased maintenance expenses. Transportation expenses were offset by \$498,148 in operating grants and contributions and \$1,882,821 in capital grants and contributions.

Community environment expenses increased \$798,702 due to increased tax distribution amounts paid to Prairie Township from the JEDZ.

Leisure time activity expenses increased \$1,247,738 due to the City opening parks and various activities that were closed due to the COVID-19 pandemic. Leisure time activity expenses were partially offset by \$561,050 in direct charges to users of the services.

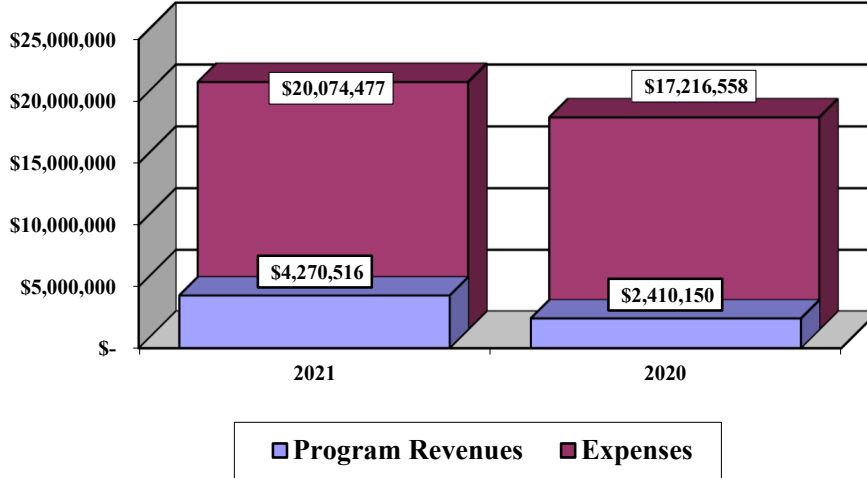
Interest and fiscal charges decreased \$300,174 from 2021 primarily due to no new bonds being issued and the City paying down its debt obligations. Interest and fiscal charges were partially offset by \$191,096 in operating grants and contributions.

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

The graph below shows program revenues and total expenses for 2021 and 2020:

Governmental Activities - Program Revenues vs. Total Expenses



The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As can be seen in the graph below, the City is highly dependent upon general revenues (primarily property and income taxes as well as unrestricted grants and entitlements) to support its governmental activities as program revenues are not sufficient to cover total governmental expenses for 2021.

Governmental Activities

	Total Cost of Services 2021	Net Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2020
Program expenses:				
General government	\$ 3,345,822	\$ 2,225,770	\$ 2,267,873	\$ 1,170,791
Security of persons and property	3,068,263	3,050,914	3,100,319	2,995,390
Public health	122,197	122,197	93,492	93,492
Transportation	4,502,271	2,121,302	4,465,216	3,790,241
Community environment	4,342,274	4,342,274	3,543,572	3,507,642
Leisure time activity	3,305,493	2,744,443	2,057,755	1,756,870
Interest and fiscal charges	1,388,157	1,197,061	1,688,331	1,491,982
Total	<u>\$ 20,074,477</u>	<u>\$ 15,803,961</u>	<u>\$ 17,216,558</u>	<u>\$ 14,806,408</u>

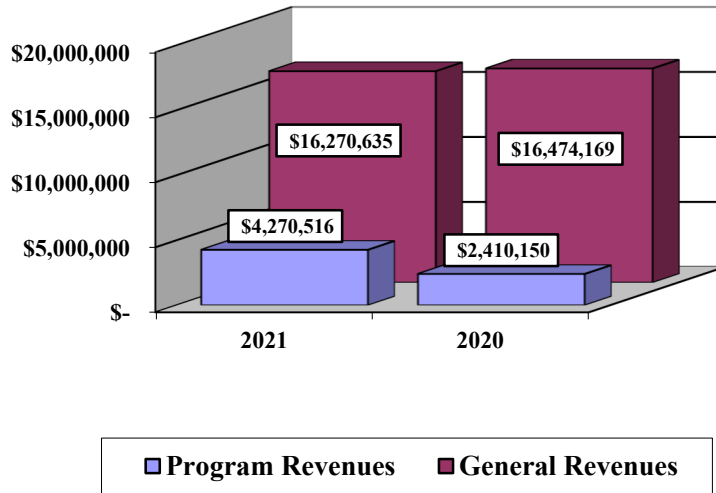
The dependence upon general revenues for governmental activities is apparent, with 81.05% of expenses supported through taxes and other general revenues, a slight decrease from 87.24% for 2020.

CITY OF OBETZ, OHIO

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021**

The graph below illustrates the City’s program revenues versus general revenues for 2021 and 2020.

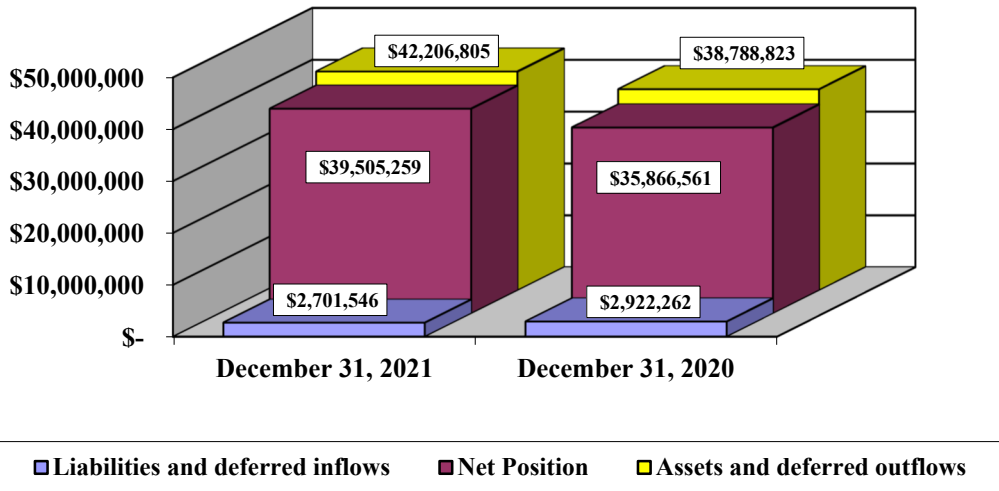
Governmental Activities - General and Program Revenues



Business-Type Activities

Business-type activities include the water, sewer, electric, gas, and refuse operations. These programs had program revenues of \$15,897,908 and expenses of \$12,259,210 in 2021. The graph below shows the business-type activities assets, liabilities and net position at year-end.

Net Position in Business – Type Activities



Charges for services and sales for the business-type activities increased \$900,499 or 7.30%, from the prior year. Charges for services and sales for water, sewer, electric, gas, and refuse operations were sufficient to cover expenses of those operations. Capital grants and contributions increased from the prior year primarily due to capital contributions received by water, sewer, electric, and gas operations. Overall expenses of the business-type activities increased \$1,731,879, or 16.45%, primarily due to water and sewer operations.

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Financial Analysis of the Government's Funds

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

Governmental Funds

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

The City's governmental funds (as presented on the Balance Sheet on pages 42-43) reported a combined fund balance of \$16,614,499, which is \$2,906,078 less than last year's balance of \$19,520,577.

The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2021 and 2020 for all major and nonmajor governmental funds.

	Fund Balances <u>12/31/21</u>	Fund Balances <u>12/31/20</u>	Increase (Decrease) <u></u>
Major Funds:			
General	\$ 8,326,269	\$ 9,158,976	\$ (832,707)
General Obligation Debt Service	998,891	1,011,665	(12,774)
Toy Road TIF	158	-	158
Nonmajor Governmental Funds	<u>7,289,181</u>	<u>9,349,936</u>	<u>(2,060,755)</u>
Total	<u>\$ 16,614,499</u>	<u>\$ 19,520,577</u>	<u>\$ (2,906,078)</u>

General Fund

The City's General Fund balance decreased \$832,707. The table that follows assists in illustrating the revenues of the General Fund.

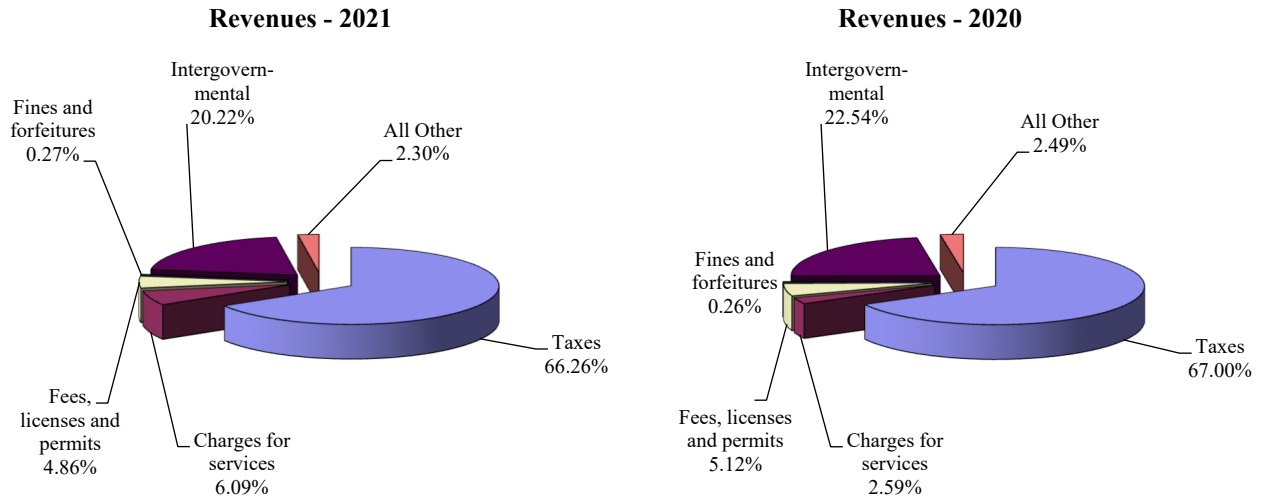
	2021 <u>Amount</u>	2020 <u>Amount</u>	Percentage <u>Change</u>
<u>Revenues</u>			
Taxes	\$ 9,842,169	\$ 8,662,239	13.62 %
Charges for services	903,996	334,307	170.41 %
Fees, licenses and permits	721,841	661,655	9.10 %
Fines and forfeitures	39,441	33,123	19.07 %
Intergovernmental	3,004,815	2,914,534	3.10 %
Investment income	30,108	193,403	(84.43) %
Increase in fair value of investments	-	240	(100.00) %
Other	<u>311,023</u>	<u>128,542</u>	141.96 %
Total	<u>\$ 14,853,393</u>	<u>\$ 12,928,043</u>	14.89 %

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Tax revenue represents 66.26% of all General Fund revenue. Tax revenue includes income taxes, property taxes and other local taxes. Income tax revenue increased due to increased collections during 2021. Charges for services increased due to the City hosting more events resulting in more rental income and concession sales at Fortress Obetz. Fees, licenses and permits revenue increased primarily due to an increase in building permit revenue. Fines and forfeitures revenue increased due to higher court costs and fines. Intergovernmental revenue increased due to more local government funds distributed. Investment income decreased as there were declining interest rates due to the COVID-19 Pandemic. Other revenues increased due to an increase in refunds and reimbursements.

The following graphs show the breakdown of General Fund revenues by category for 2021 and 2020.



The table that follows assists in illustrating the expenditures of the General Fund.

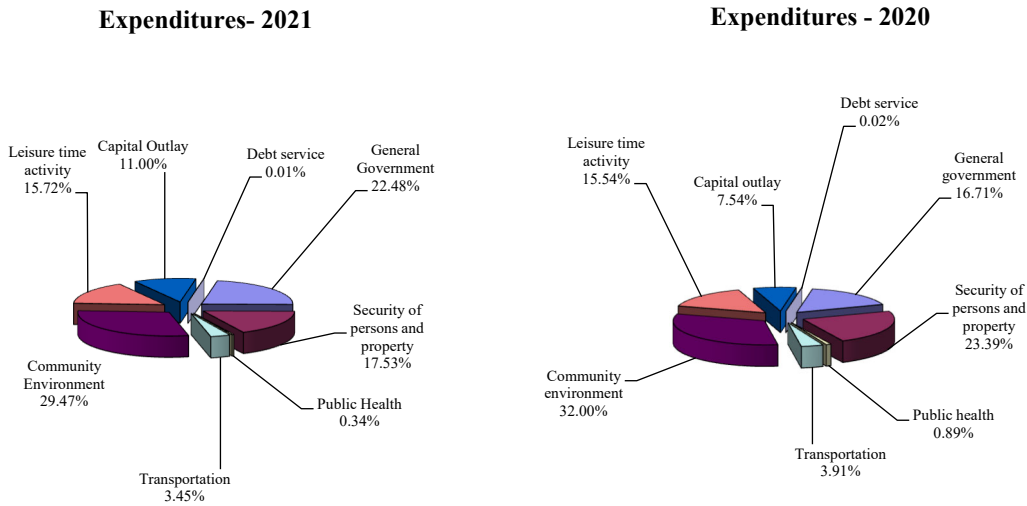
	2021	2020	Percentage
	<u>Amount</u>	<u>Amount</u>	<u>Change</u>
<u>Expenditures</u>			
General government	\$ 3,525,243	\$ 1,747,433	101.74 %
Security of persons and property	2,750,497	2,444,982	12.50 %
Public health	53,553	93,492	(42.72) %
Transportation	541,094	408,468	32.47 %
Community environment	4,622,542	3,345,393	38.18 %
Leisure time activity	2,466,163	1,625,091	51.76 %
Capital outlay	1,725,050	788,032	118.91 %
Debt service	<u>1,958</u>	<u>1,958</u>	-
Total	<u>\$ 15,686,100</u>	<u>\$ 10,454,849</u>	50.04 %

CITY OF OBETZ, OHIO

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021**

The City increased total expenditures by 50.04%. The most significant changes from the prior year were in the areas of general government, leisure time activity, and capital outlay. General government expenditures increased due to the City losing a property tax valuation lawsuit and owing the money back. Leisure time activity expenditures increased due to the City hosting more events and activities compared to the prior year. Capital outlay increased as the many capital outlay expenditures that were halted and/or decreased due to the COVID-19 Pandemic were started again. Security of persons and property increased due to increased wages of police officers. Community environment expenditures increased due to more costs associated with other contractual agreements. Transportation increased primarily due to increased expenditures related to street maintenance and repair.

The following graphs show the breakdown of General Fund expenditures by function for 2021 and 2020.



General Obligation Debt Service Fund

The General Obligation Debt Service Fund had revenues of \$1,080,000 in 2021. The expenditures of the General Obligation Debt Service Fund totaled \$1,092,774 in 2021. During 2021, fund balance decreased \$12,774 from \$1,011,665 at December 31, 2020 to \$988,891 at December 31, 2021.

Toy Road TIF Fund

The Toy Road TIF Fund had revenues of \$348,364 and expenditures of \$348,206. Fund balance at December 31, 2021 increased \$158 from a balance of \$0 to \$158 as the City did not make improvements to the Toy Road area during 2021.

Proprietary Funds

The City’s enterprise funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The City has five major enterprise funds: the Water Fund, Sewer Fund, Electric Fund, Gas Fund, and Refuse Fund.

Water Fund

The Water Fund had operating revenues of \$2,319,315 in 2021. Operating revenues increased primarily due to an increase in tap fees received in 2021. The operating expenses of the Water Fund totaled \$1,613,670 in 2021 which represents a decrease of \$113,407, primarily in the purchase of water. The Water Fund received \$789,011 in capital contributions related to waterline installations. These factors led to an increase in the net position for the Water Fund of \$1,494,656 or 13.44%.

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

Sewer Fund

The Sewer Fund had operating revenues of \$2,482,529 in 2021. Operating revenues increased primarily due to an increase in tap in fees received in 2021 for the sewer lines. The operating expenses of the Sewer Fund totaled \$2,566,597 in 2021 which is an increase of \$43,797 from 2020, primarily due to more contract services expenses related to services provided by Columbus. The Sewer Fund received \$1,085,081 in capital contributions related to donated sewer lines. These factors led to an increase in the net position for the Sewer Fund of \$1,001,013 or 8.38%.

Electric Fund

The Electric Fund had operating revenues of \$6,782,970 in 2021 which was \$314,759 more than 2020 due to increased electricity usage in the City. The operating expenses of the Electric Fund totaled \$6,268,816 in 2021 which is an increase of \$1,136,725 from 2020. The increase in operating expenses was primarily in the area of contract services due to the increased purchase of electricity. The Electric Fund received \$539,643 in capital contributions in 2021. These factors led to an increase in net position for the Electric Fund of \$1,053,797 or 10.55%.

Gas Fund

The Gas Fund had operating revenues of \$1,302,594 in 2021, which was an increase of \$304,148 from the prior year. This increase was caused by increased usage during the winter months. The operating expenses of the Gas Fund totaled \$1,474,830 in 2021. The operating expenses of the Gas Fund increased \$628,671, primarily in the area of contract services caused by the increased purchase of natural gas. The Gas Fund received \$241,890 in capital contributions in 2021. These factors led to an increase in the net position for the Gas Fund of \$69,654 or 2.66%.

Refuse Fund

The Refuse Fund had operating revenues of \$354,875 in 2021, which was an increase of \$67,350. Operating revenues increased due to no rebate being offered for the month of November as it was in the prior year. The operating expenses of the Refuse Fund totaled \$335,297 in 2021. Operating expenses increased \$36,093 in the area of contract services due to an increase in the service contract with Waste Management. These factors led to an increase in the net position for the Refuse Fund of \$19,578 or 10.15%.

General Fund Budgeting Highlights

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

Budgetary information is presented for the General Fund. In the General Fund, the actual revenues and other financing sources came in \$1,394,741 higher than they were in the final budget, primarily due to increased revenues received from fees, licenses, and permits caused by increased building permits. Budgeted revenues increased slightly from the original budget to the final budget.

In the General Fund, actual expenditures were \$5,107,363 less than the amount in the final budget due to conservative budgeting practices. Actual expenditures for capital outlay saw the largest variance coming in \$2,454,833 less than the final budget due to less capital projects ongoing during 2021. Leisure time activity expenditures were \$925,853 less than the final budget due to the City cancelling many events and activities due to the COVID-19 Pandemic. Budgeted expenditures were increased \$2,704,716 from the original to the final budget. The increase in the budget was in most functional areas of the City and resulted from the City's conservative budgeting practices. The largest increase from the original budget to final budget was in municipal income taxes. The City had higher income tax collections during 2021.

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Capital Assets and Debt Administration

Capital Assets

At the end of 2021, the City had \$125,565,556 (net of accumulated depreciation) invested in land, rights of way, construction in progress, buildings, improvements other than buildings, infrastructure, equipment, and vehicles. Of this total, \$100,688,910 was reported in governmental activities and \$24,876,646 was reported in business-type activities. See Note 9 for further description of capital assets. The following table shows December 31, 2021 balances compared to December 31, 2020:

**Capital Assets at December 31, 2021
(Net of Depreciation)**

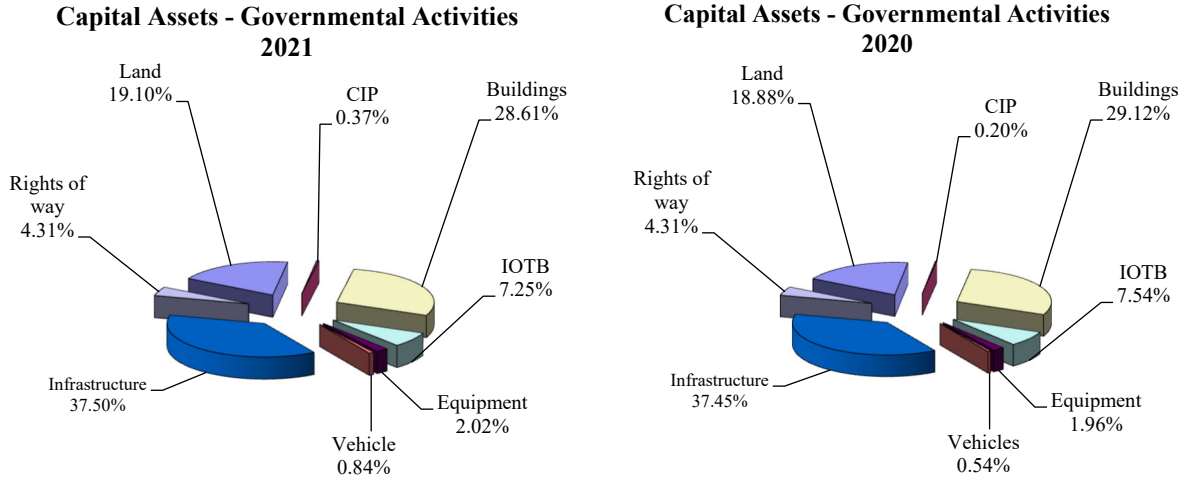
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2021	2020	2021	2020	2021	2020
Land	\$ 19,227,635	\$ 19,009,525	\$ 18,090	\$ 18,090	\$ 19,245,725	\$ 19,027,615
Rights of way	4,339,994	4,339,994	-	-	4,339,994	4,339,994
Construction in progress	377,560	205,894	-	-	377,560	205,894
Buildings	28,820,848	29,332,567	156,948	148,096	28,977,796	29,480,663
Improvements other than buildings	7,297,175	7,594,730	-	-	7,297,175	7,594,730
Infrastructure	37,754,177	37,719,121	22,513,552	20,448,654	60,267,729	58,167,775
Equipment	2,030,732	1,970,090	2,104,955	2,021,515	4,135,687	3,991,605
Vehicles	840,789	540,592	83,101	98,689	923,890	639,281
Totals	<u>\$ 100,688,910</u>	<u>\$ 100,712,513</u>	<u>\$ 24,876,646</u>	<u>\$ 22,735,044</u>	<u>\$ 125,565,556</u>	<u>\$ 123,447,557</u>

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CITY OF OBETZ, OHIO

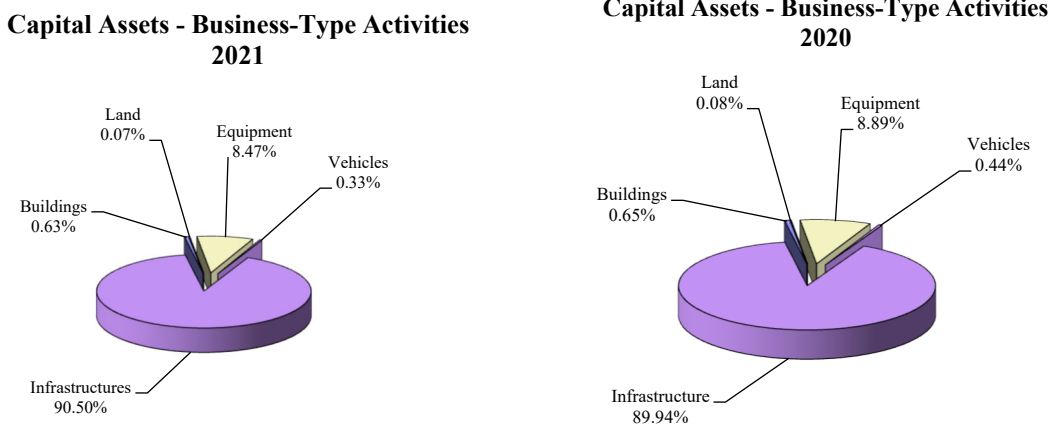
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021**

The following graphs show the breakdown of governmental capital assets by category for 2020 and 2021.



The City’s infrastructure is the largest capital assets category. The net book value of the City’s infrastructure represents approximately 37.50% of the City’s total governmental capital assets.

The following graphs show the breakdown of business-type capital assets by category for 2020 and 2021.



The City’s largest business-type capital assets category is infrastructure, which includes water, sewer, electric and gas lines. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City’s infrastructure (cost less accumulated depreciation) represents approximately 90.50% of the City’s total business-type capital assets.

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2021 and 2020.

	Governmental Activities	
	2021	2020
General obligation bonds	\$ 9,280,000	\$ 10,040,000
TIF revenue bonds	3,760,000	3,960,000
Income tax revenue bonds	26,640,000	27,790,000
Unamortized premium	2,664,808	2,839,034
OPWC loans	216,124	239,233
Net pension liability	5,653,286	6,759,062
Net OPEB liability	555,301	2,665,372
Capital lease	5,305	6,953
Compensated absences	354,243	297,696
Total long-term obligations	\$ 49,129,067	\$ 54,597,350
	Business-type Activities	
	2021	2020
Net pension liability	\$ 520,895	\$ 697,540
Net OPEB liability	-	491,675
Compensated absences	60,234	58,140
Total long-term obligations	\$ 581,129	\$ 1,247,355

Further detail on the City's long-term obligations can be found in Note 14 to the financial statements.

Economic Conditions and Outlook

One cannot reflect upon 2021 without discussing the COVID-19 Pandemic. The Pandemic continued to ravage the world and its effect on the income of most local governments in the U.S. was markedly negative. For Obetz, the Pandemic pressure created an opportunity in that Obetz is a leader in E-commerce products. With the number of folks working from home and a flood of federal COVID relief money, e-commerce operations were the most robust in history. Because of this unique set of facts, Obetz increased its income tax revenues by 13.82% compared to 2020.

Obetz continues to carefully evaluate its stable of private employers to attract and retain those with strong foundations. Its concentration of seemingly COVID-proof industries proved to be a decisive advantage to Obetz vis-à-vis most other local governments who are primarily income tax funded in 2021. The economy of Obetz remains strong; but, the reduction in e-commerce orders, elimination of COVID relief funds to the public, uncontrolled inflation, and dubious federal monetary policy will likely cause the Obetz economy to contract over the next three to five years. The City of roughly 5,600 people has an estimated 12,800 resident employees and over 300 employers. Because income taxes are the engine that drives the City's General Fund, Obetz' diverse and growing workforce has significantly enhanced its financial position over the past 20 years. However, competition from abatement-rich greenfield sites in the region will have a deleterious effect on Obetz' ability to attract and retain such income tax drivers.

The Obetz team continues to work on increasing employment opportunities and improving the economic welfare of the residents of the City. The City, when practical for the attraction or retention of appropriate employers, offers economic incentives based on the employer's effect on the community. The City is developing several major corridors including, but not limited to, its well-known E-commerce parks, Alum Creek Retail Corridor, and the Downtown Expansion project. The Alum Creek Retail Corridor with diverse anchors of Vance Outdoors and OhioHealth's stand-alone emergency medical facility has piqued increased interest in this retail area.

CITY OF OBETZ, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

Obetz continues to broaden its economic development strategy with the anticipated additions of nearly 1,000 new living units including single-family homes by Pulte and Lennar; market rate apartments by JBM/Daimler; the Buckstone mixed-use development; and, the expansion of the Bixby Grove residential development.

The economic outlook for Obetz appears to be stable but subject to the larger federal policy decisions and problems. Obetz expects that its expanding economic offerings will modestly offset losses in the near-term and replace those losses in the long-term. The overall U.S. economic environment in 2022 necessitates conservative estimates of anticipated revenues and expenditures.

Contacting the City's Financial Management

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: M. Matthew Cramblit, Finance Director, 4175 Alum Creek Drive, Obetz, Ohio 43207 or email at mcramblit@obetz.oh.us.

CITY OF OBETZ, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and investments	\$ 17,448,748	\$ 14,265,526	\$ 31,714,274
Cash with fiscal agent	86,705	-	86,705
Cash with bond trustee	1,328,900	-	1,328,900
Receivables:			
Municipal income taxes	2,382,000	-	2,382,000
Property taxes	359,264	-	359,264
Payments in lieu of taxes	2,170,790	-	2,170,790
Other local taxes	5,320	-	5,320
Accounts	88,565	2,755,825	2,844,390
Due from other governments	1,377,741	-	1,377,741
Prepayments	40,515	4,515	45,030
Net pension asset	38,783	9,711	48,494
Net OPEB asset	252,921	63,328	316,249
Capital assets:			
Nondepreciable capital assets	23,945,189	18,090	23,963,279
Depreciable capital assets, net	76,743,721	24,858,556	101,602,277
Total assets	<u>126,269,162</u>	<u>41,975,551</u>	<u>168,244,713</u>
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	22,691	-	22,691
Pension	1,191,623	170,175	1,361,798
OPEB	515,722	61,079	576,801
Total deferred outflows of resources	<u>1,730,036</u>	<u>231,254</u>	<u>1,961,290</u>
Liabilities:			
Accounts payable	1,945,817	840,828	2,786,645
Accrued wages and benefits payable	68,274	10,317	78,591
Due to other governments	2,278,968	829,589	3,108,557
Accrued interest payable	123,690	-	123,690
Unearned revenue	272,226	-	272,226
Long-term liabilities:			
Due within one year	2,364,064	16,125	2,380,189
Due in more than one year:			
Net pension liability	5,653,286	520,895	6,174,181
Net OPEB liability	555,301	-	555,301
Other amounts due in more than one year	40,556,416	44,109	40,600,525
Total liabilities	<u>53,818,042</u>	<u>2,261,863</u>	<u>56,079,905</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	350,947	-	350,947
Payments in lieu of taxes levied for the next fiscal year	2,170,790	-	2,170,790
Pension	1,510,841	236,527	1,747,368
OPEB	1,088,629	203,156	1,291,785
Total deferred inflows of resources	<u>5,121,207</u>	<u>439,683</u>	<u>5,560,890</u>
Net position:			
Net investment in capital assets	60,927,488	24,876,646	85,804,134
Restricted for:			
Debt service	2,058,530	-	2,058,530
Capital projects	1,966,000	-	1,966,000
Street construction, maintenance and repair	1,628,230	-	1,628,230
Police operations	36,156	-	36,156
Economic development programs	10,005	-	10,005
Court operations	107,544	-	107,544
Park improvements	6,994	-	6,994
Other purposes	40,804	-	40,804
Unrestricted	2,278,198	14,628,613	16,906,811
Total net position	<u>\$ 69,059,949</u>	<u>\$ 39,505,259</u>	<u>\$ 108,565,208</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF OBETZ, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 3,345,822	\$ 1,119,918	\$ 134	\$ -
Security of persons and property	3,068,263	16,115	1,234	-
Public health	122,197	-	-	-
Transportation	4,502,271	-	498,148	1,882,821
Community environment	4,342,274	-	-	-
Leisure time activity	3,305,493	561,050	-	-
Interest and fiscal charges	1,388,157	-	191,096	-
Total governmental activities	<u>20,074,477</u>	<u>1,697,083</u>	<u>690,612</u>	<u>1,882,821</u>
Business-type activities:				
Water	1,613,670	2,319,315	-	789,011
Sewer	2,566,597	2,482,529	-	1,085,081
Electric	6,268,816	6,782,970	-	539,643
Gas	1,474,830	1,302,594	-	241,890
Refuse	335,297	354,875	-	-
Total business-type activities	<u>12,259,210</u>	<u>13,242,283</u>	<u>-</u>	<u>2,655,625</u>
Total primary government	<u>\$ 32,333,687</u>	<u>\$ 14,939,366</u>	<u>\$ 690,612</u>	<u>\$ 4,538,446</u>

General revenues:

- Property taxes levied for:
 - General purposes
- Municipal income taxes levied for:
 - General purposes
 - Police enforcement
 - Debt service
- Other local taxes
- Payments in lieu of taxes
- Grants and entitlements not restricted to specific programs
- Investment earnings
- Miscellaneous

Total general revenues

Change in net position

Net position at beginning of year

Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue
and Changes in Net Position**

Governmental Activities	Business-type Activities	Total
\$ (2,225,770)	\$ -	\$ (2,225,770)
(3,050,914)	-	(3,050,914)
(122,197)	-	(122,197)
(2,121,302)	-	(2,121,302)
(4,342,274)	-	(4,342,274)
(2,744,443)	-	(2,744,443)
(1,197,061)	-	(1,197,061)
(15,803,961)	-	(15,803,961)
-	1,494,656	1,494,656
-	1,001,013	1,001,013
-	1,053,797	1,053,797
-	69,654	69,654
-	19,578	19,578
-	3,638,698	3,638,698
(15,803,961)	3,638,698	(12,165,263)
336,793	-	336,793
5,858,034	-	5,858,034
2,760,798	-	2,760,798
3,180,000	-	3,180,000
389,358	-	389,358
407,086	-	407,086
2,990,658	-	2,990,658
30,108	-	30,108
317,800	-	317,800
16,270,635	-	16,270,635
466,674	3,638,698	4,105,372
68,593,275	35,866,561	104,459,836
<u>\$ 69,059,949</u>	<u>\$ 39,505,259</u>	<u>\$ 108,565,208</u>

CITY OF OBETZ, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	<u>General</u>	<u>General Obligation Debt Service</u>	<u>Toy Road TIF</u>	<u>Nonmajor Governmental Funds</u>
Assets:				
Equity in pooled cash and investments	\$ 10,453,337	\$ 908,891	\$ 158	\$ 6,083,340
Cash with fiscal agent	-	-	-	86,705
Receivables:				
Municipal income taxes	2,117,000	90,000	-	175,000
Property taxes	359,264	-	-	-
Payments in lieu of taxes	-	-	1,720,282	450,508
Other local taxes	5,320	-	-	-
Accounts	87,954	-	-	611
Due from other governments	1,145,464	-	-	232,277
Prepayments	39,940	-	-	575
Restricted assets:				
Equity in pooled cash and cash equivalents	3,022	-	-	-
Cash with bond trustee	-	-	-	1,328,900
Total assets	<u>\$ 14,211,301</u>	<u>\$ 998,891</u>	<u>\$ 1,720,440</u>	<u>\$ 8,357,916</u>
Liabilities:				
Accounts payable	\$ 1,802,093	\$ -	\$ -	\$ 143,724
Accrued wages and benefits payable	67,248	-	-	1,026
Due to other governments	2,277,644	-	-	1,324
Unearned revenue	-	-	-	272,226
Total liabilities	<u>4,146,985</u>	<u>-</u>	<u>-</u>	<u>418,300</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	350,947	-	-	-
Payments in lieu of taxes levied for the next fiscal year	-	-	1,720,282	450,508
Delinquent property tax revenue not available	8,317	-	-	-
Miscellaneous revenue not available	39,593	-	-	-
Income tax revenue not available	515,328	-	-	-
Fees, licenses and permits revenue not available	7,362	-	-	-
Intergovernmental revenue not available	816,500	-	-	199,927
Total deferred inflows of resources	<u>1,738,047</u>	<u>-</u>	<u>1,720,282</u>	<u>650,435</u>
Fund balances:				
Nonspendable	39,940	-	-	575
Restricted	-	-	158	6,988,555
Committed	-	998,891	-	300,051
Assigned	4,719,313	-	-	-
Unassigned	3,567,016	-	-	-
Total fund balances	<u>8,326,269</u>	<u>998,891</u>	<u>158</u>	<u>7,289,181</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 14,211,301</u>	<u>\$ 998,891</u>	<u>\$ 1,720,440</u>	<u>\$ 8,357,916</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Total
Governmental
Funds**

\$ 17,445,726
86,705

2,382,000
359,264
2,170,790
5,320
88,565
1,377,741
40,515

3,022
1,328,900

\$ 25,288,548

\$ 1,945,817
68,274
2,278,968
272,226

4,565,285

350,947

2,170,790
8,317
39,593
515,328
7,362
1,016,427

4,108,764

40,515
6,988,713
1,298,942
4,719,313
3,567,016

16,614,499

\$ 25,288,548

CITY OF OBETZ, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2021

Total governmental fund balances		\$ 16,614,499
<i>Amounts reported for governmental activities on 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.		100,688,910
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Municipal income taxes receivable	\$ 515,328	
Delinquent property taxes receivable	8,317	
Accounts receivable	46,955	
Intergovernmental receivable	1,016,427	
Total		1,587,027
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(123,690)
Unamortized deferred amounts on refundings are not recognized in the governmental funds.		22,691
Unamortized premiums on bond issuances are not recognized in the funds.		(2,664,808)
The net pension liability and net pension asset are not due in the current period; therefore, the liability, asset and related deferred inflows/outflows are not reported in the governmental funds:		
Deferred outflows of resources - pension	1,191,623	
Deferred inflows of resources - pension	(1,510,841)	
Net pension asset	38,783	
Net pension liability	(5,653,286)	
Total		(5,933,721)
The net OPEB liability and net OPEB asset are not due in the current period; therefore, the liability, asset and related deferred inflows/outflows are not reported in the governmental funds:		
Deferred outflows of resources	515,722	
Deferred inflows of resources	(1,088,629)	
Net OPEB asset	252,921	
Net OPEB liability	(555,301)	
Total		(875,287)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(354,243)	
OPWC loans payable	(216,124)	
Capital lease obligation	(5,305)	
General obligation bonds payable	(9,280,000)	
Revenue bonds payable	(30,400,000)	
Total		(40,255,672)
Net position of governmental activities		\$ 69,059,949

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF OBETZ, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>General</u>	<u>General Obligation Debt Service</u>	<u>Toy Road TIF</u>	<u>Nonmajor Governmental Funds</u>
Revenues:				
Municipal income taxes	\$ 9,164,013	\$ 1,080,000	\$ -	\$ 2,100,000
Property taxes	335,461	-	-	-
Payments in lieu of taxes	-	-	157,268	249,818
Other local taxes	342,695	-	-	46,663
Charges for services	903,996	-	-	-
Fees, licenses and permits	721,841	-	-	70,755
Fines and forfeitures	39,441	-	-	4,834
Intergovernmental	3,004,815	-	-	467,776
Investment income	30,108	-	-	1,219
Contributions and donations	-	-	191,096	-
Other	311,023	-	-	272
Total revenues	<u>14,853,393</u>	<u>1,080,000</u>	<u>348,364</u>	<u>2,941,337</u>
Expenditures:				
Current:				
General government	3,525,243	-	1,621	321,614
Security of persons and property	2,750,497	-	-	-
Public health	53,553	-	-	68,644
Transportation	541,094	-	-	293,270
Community environment	4,622,542	-	-	-
Leisure time activity	2,466,163	-	-	-
Capital outlay	1,725,050	-	-	2,058,476
Debt service:				
Principal retirement	1,648	783,109	200,000	1,150,000
Interest and fiscal charges	310	309,665	146,585	1,110,088
Total expenditures	<u>15,686,100</u>	<u>1,092,774</u>	<u>348,206</u>	<u>5,002,092</u>
Net change in fund balances	(832,707)	(12,774)	158	(2,060,755)
Fund balances at beginning of year	<u>9,158,976</u>	<u>1,011,665</u>	<u>-</u>	<u>9,349,936</u>
Fund balances at end of year	<u>\$ 8,326,269</u>	<u>\$ 998,891</u>	<u>\$ 158</u>	<u>\$ 7,289,181</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Total Governmental Funds	
\$	12,344,013
	335,461
	407,086
	389,358
	903,996
	792,596
	44,275
	3,472,591
	31,327
	191,096
	311,295
	<hr/>
	19,223,094
	<hr/>
	3,848,478
	2,750,497
	122,197
	834,364
	4,622,542
	2,466,163
	3,783,526
	2,134,757
	1,566,648
	<hr/>
	22,129,172
	<hr/>
	(2,906,078)
	19,520,577
	<hr/>
\$	<u><u>16,614,499</u></u>

CITY OF OBETZ, 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, 2021

Net change in fund balances - total governmental funds	\$	(2,906,078)
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation expense in the current period.		
Capital assets additions	\$ 5,632,546	
Current year depreciation	<u>(5,627,035)</u>	
Total		5,511
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(29,114)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds:		
Municipal income tax revenue	(545,181)	
Delinquent property tax revenue	1,332	
Intergovernmental revenues	(49,079)	
Fees, licenses and permits revenue	(4,889)	
Charges for services	33,053	
Total		<u>(564,764)</u>
Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the Statement of Net Position.		
General obligation bonds payable	760,000	
TIF revenue bonds payable	200,000	
Income tax revenue bonds payable	1,150,000	
Capital lease obligation	1,648	
OPWC loans payable	23,109	
Total		<u>2,134,757</u>
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
Accrued interest payable	6,787	
Amortization of deferred amounts on refunding	(2,522)	
Amortization of bond premiums	174,226	
Total		<u>178,491</u>
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.		
Pension		784,983
OPEB		12,744
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB asset/liability are reported as pension/OPEB expense in the Statement of Activities.		
Pension		(537,826)
OPEB		1,444,517
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		<u>(56,547)</u>
Change in net position of governmental activities	\$	<u>466,674</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF OBETZ, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Municipal income taxes	\$ 8,248,438	\$ 10,518,612	\$ 10,623,990	\$ 105,378
Property taxes	258,333	329,433	335,461	6,028
Other local taxes	215,648	275,000	348,546	73,546
Charges for services	276,814	353,000	841,226	488,226
Fees, licenses and permits	358,760	457,500	750,827	293,327
Fines and forfeitures	27,446	35,000	38,388	3,388
Intergovernmental	2,239,605	2,856,000	3,016,898	160,898
Investment income	117,626	150,000	30,108	(119,892)
Other	78,418	100,000	483,842	383,842
Total revenues	<u>11,821,088</u>	<u>15,074,545</u>	<u>16,469,286</u>	<u>1,394,741</u>
Expenditures:				
Current:				
General government	2,697,047	2,818,946	2,294,335	524,611
Security of persons and property	3,120,426	3,129,426	2,835,549	293,877
Public health	50,400	54,153	53,553	600
Transportation	789,470	874,406	544,009	330,397
Community environment	4,708,297	4,931,047	4,353,855	577,192
Leisure time activity	3,224,069	3,486,447	2,560,594	925,853
Capital outlay	2,346,010	4,346,010	1,891,177	2,454,833
Total expenditures	<u>16,935,719</u>	<u>19,640,435</u>	<u>14,533,072</u>	<u>5,107,363</u>
Net change in fund balance	(5,114,631)	(4,565,890)	1,936,214	6,502,104
Fund balance at beginning of year	5,539,374	5,539,374	5,539,374	-
Prior year encumbrances appropriated	<u>1,362,088</u>	<u>1,362,088</u>	<u>1,362,088</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,786,831</u>	<u>\$ 2,335,572</u>	<u>\$ 8,837,676</u>	<u>\$ 6,502,104</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF OBETZ, OHIO

STATEMENT OF FUND NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2021

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>
Assets:			
Current assets:			
Equity in pooled cash and investments	\$ 5,444,196	\$ 2,071,721	\$ 5,710,386
Receivables:			
Accounts	351,150	362,657	1,276,995
Prepayments	3,856	219	217
Total current assets	<u>5,799,202</u>	<u>2,434,597</u>	<u>6,987,598</u>
Noncurrent assets:			
Net pension asset	2,906	1,811	2,770
Net OPEB asset	18,950	11,812	18,065
Capital assets:			
Land	18,090	-	-
Depreciable capital assets, net	<u>7,300,405</u>	<u>11,266,518</u>	<u>4,681,644</u>
Total noncurrent assets	<u>7,340,351</u>	<u>11,280,141</u>	<u>4,702,479</u>
Total assets	<u>13,139,553</u>	<u>13,714,738</u>	<u>11,690,077</u>
Deferred outflows of resources:			
Pension	44,351	27,592	49,951
OPEB	<u>15,577</u>	<u>9,669</u>	<u>17,063</u>
Total deferred outflows of resources	<u>59,928</u>	<u>37,261</u>	<u>67,014</u>
Liabilities:			
Current liabilities:			
Accounts payable	24,149	2,785	435,836
Accrued wages and benefits payable	3,664	2,311	2,403
Due to other governments	227,610	596,292	3,091
Compensated absences payable - current	<u>9,377</u>	<u>6,748</u>	<u>-</u>
Total current liabilities	<u>264,800</u>	<u>608,136</u>	<u>441,330</u>
Long-term liabilities:			
Compensated absences payable	26,502	17,607	-
Net pension liability	<u>155,871</u>	<u>97,158</u>	<u>148,591</u>
Total long-term liabilities	<u>182,373</u>	<u>114,765</u>	<u>148,591</u>
Total liabilities	<u>447,173</u>	<u>722,901</u>	<u>589,921</u>
Deferred inflows of resources:			
Pension	73,549	45,784	65,010
OPEB	<u>63,838</u>	<u>39,754</u>	<u>55,219</u>
Total deferred inflows of resources	<u>137,387</u>	<u>85,538</u>	<u>120,229</u>
Net position:			
Net investment in capital assets	7,318,495	11,266,518	4,681,644
Unrestricted	<u>5,296,426</u>	<u>1,677,042</u>	<u>6,365,297</u>
Total net position	<u>\$ 12,614,921</u>	<u>\$ 12,943,560</u>	<u>\$ 11,046,941</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Gas	Refuse	Total
\$ 864,432	\$ 174,791	\$ 14,265,526
698,713	66,310	2,755,825
223	-	4,515
<u>1,563,368</u>	<u>241,101</u>	<u>17,025,866</u>
2,224	-	9,711
14,501	-	63,328
-	-	18,090
<u>1,609,989</u>	<u>-</u>	<u>24,858,556</u>
<u>1,626,714</u>	<u>-</u>	<u>24,949,685</u>
<u>3,190,082</u>	<u>241,101</u>	<u>41,975,551</u>
48,281	-	170,175
18,770	-	61,079
<u>67,051</u>	<u>-</u>	<u>231,254</u>
349,366	28,692	840,828
1,939	-	10,317
2,596	-	829,589
-	-	16,125
<u>353,901</u>	<u>28,692</u>	<u>1,696,859</u>
-	-	44,109
<u>119,275</u>	<u>-</u>	<u>520,895</u>
<u>119,275</u>	<u>-</u>	<u>565,004</u>
<u>473,176</u>	<u>28,692</u>	<u>2,261,863</u>
52,184	-	236,527
44,345	-	203,156
<u>96,529</u>	<u>-</u>	<u>439,683</u>
1,609,989	-	24,876,646
<u>1,077,439</u>	<u>212,409</u>	<u>14,628,613</u>
<u>\$ 2,687,428</u>	<u>\$ 212,409</u>	<u>\$ 39,505,259</u>

CITY OF OBETZ, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Electric
Operating revenues:			
Charges for services	\$ 2,319,315	\$ 2,482,529	\$ 6,782,970
Operating expenses:			
Personal services	208,621	129,341	98,359
Contract services	1,111,657	1,496,951	6,062,956
Materials and supplies	81,208	3,866	495
Depreciation	195,084	280,955	107,006
Other	17,100	655,484	-
Total operating expenses	1,613,670	2,566,597	6,268,816
Operating income (loss)	705,645	(84,068)	514,154
Capital contributions	789,011	1,085,081	539,643
Change in net position	1,494,656	1,001,013	1,053,797
Net position at beginning of year	11,120,265	11,942,547	9,993,144
Net position at end of year	<u>\$ 12,614,921</u>	<u>\$ 12,943,560</u>	<u>\$ 11,046,941</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Gas	Refuse	Total
\$ 1,302,594	\$ 354,875	\$ 13,242,283
87,482	-	523,803
1,357,416	335,297	10,364,277
-	-	85,569
29,932	-	612,977
-	-	672,584
<u>1,474,830</u>	<u>335,297</u>	<u>12,259,210</u>
(172,236)	19,578	983,073
<u>241,890</u>	<u>-</u>	<u>2,655,625</u>
69,654	19,578	3,638,698
<u>2,617,774</u>	<u>192,831</u>	<u>35,866,561</u>
<u>\$ 2,687,428</u>	<u>\$ 212,409</u>	<u>\$ 39,505,259</u>

CITY OF OBETZ, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Electric
Cash flows from operating activities:			
Cash received from customers	\$ 2,267,264	\$ 2,449,637	\$ 6,777,397
Cash payments for personal services	(335,325)	(206,199)	(210,334)
Cash payments for contract services	(1,155,575)	(1,669,780)	(6,034,567)
Cash payments for materials and supplies	(81,208)	(3,866)	(495)
Cash payments for other expenses	-	(497,190)	-
Net cash provided by (used in) operating activities	<u>695,156</u>	<u>72,602</u>	<u>532,001</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(163,017)	(27,400)	(224,142)
Capital contributions	-	-	305,330
Net cash provided by (used in) capital and related financing activities	<u>(163,017)</u>	<u>(27,400)</u>	<u>81,188</u>
Net increase (decrease) in cash and cash equivalents	532,139	45,202	613,189
Cash and cash equivalents at beginning of year	<u>4,912,057</u>	<u>2,026,519</u>	<u>5,097,197</u>
Cash and cash equivalents at end of year	<u>\$ 5,444,196</u>	<u>\$ 2,071,721</u>	<u>\$ 5,710,386</u>

Gas	Refuse	Total
\$ 1,141,970	\$ 345,565	\$ 12,981,833
(171,640)	-	(923,498)
(1,124,697)	(331,976)	(10,316,595)
-	-	(85,569)
-	-	(497,190)
(154,367)	13,589	1,158,981
(118,615)	-	(533,174)
137,240	-	442,570
18,625	-	(90,604)
(135,742)	13,589	1,068,377
1,000,174	161,202	13,197,149
<u>\$ 864,432</u>	<u>\$ 174,791</u>	<u>\$ 14,265,526</u>

(Continued)

CITY OF OBETZ, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 705,645	\$ (84,068)	\$ 514,154
Adjustments:			
Depreciation	195,084	280,955	107,006
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
(Increase) in accounts receivable	(52,051)	(32,892)	(5,573)
(Increase) decrease in prepayments	(1,378)	1,340	1,421
(Increase) decrease in deferred outflows - pension	21,734	13,181	7,057
Decrease in deferred outflows - OPEB	24,575	15,074	18,011
(Increase) decreased in net pension asset	407	253	107
(Increase) in net OPEB asset	(18,950)	(11,812)	(18,065)
Increase (decrease) in accounts payable	(6,516)	(220,090)	28,389
Increase in accrued wages and benefits payable	1,068	599	645
Increase (decrease) in intergovernmental payable	(19,454)	206,947	1,699
Increase in compensated absences payable	1,503	591	-
(Decrease) in net pension liability	(66,482)	(41,351)	(44,510)
(Decrease) in net OPEB liability	(156,730)	(97,631)	(136,111)
Increase in deferred inflows - pension	25,178	15,652	22,744
Increase in deferred inflows - OPEB	41,523	25,854	35,027
Net cash provided by (used in) operating activities	<u>\$ 695,156</u>	<u>\$ 72,602</u>	<u>\$ 532,001</u>

Non-Cash Transactions:

During 2021, the Water Fund received \$789,011 in contributed capital assets.
 During 2021, the Sewer Fund received \$1,085,081 in contributed capital assets.
 During 2021, the Electric Fund received \$234,313 in contributed capital assets.
 During 2021, the Gas Fund received \$113,000 in contributed capital assets.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Gas</u>	<u>Refuse</u>	<u>Total</u>
\$ (172,236)	\$ 19,578	\$ 983,073
29,932	-	612,977
(160,624)	(9,310)	(260,450)
1,066	-	2,449
(3,810)	-	38,162
8,472	-	66,132
(85)	-	682
(14,501)	-	(63,328)
232,719	28,692	63,194
529	-	2,841
1,480	(25,371)	165,301
-	-	2,094
(24,302)	-	(176,645)
(101,203)	-	(491,675)
19,653	-	83,227
28,543	-	130,947
<u>\$ (154,367)</u>	<u>\$ 13,589</u>	<u>\$ 1,158,981</u>

CITY OF OBETZ, OHIO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2021

	<u>Custodial</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 512,739
Receivables (net of allowances for uncollectibles):	
Income taxes	458,517
Accounts	<u>1,831</u>
Total assets	<u>973,087</u>
Liabilities:	
Due to other governments	<u>1,573,407</u>
Net position:	
Restricted for individuals, organizations and other governments	<u>\$ (600,320)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF OBETZ, OHIO

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Custodial</u>
Additions:	
From local sources:	
Licenses, permits and fees for other governments	\$ 9,747
Fines and forfeitures for other governments	21,185
Income tax collections for other governments	6,148,136
Other custodial fund collections	<u>30,814</u>
Total additions	<u>6,209,882</u>
Deductions:	
Distributions to the State of Ohio	10,450
Fines and forfeitures distributions to other governments	19,142
Income tax distributions to other governments	<u>6,132,966</u>
Total deductions	<u>6,162,558</u>
Net change in fiduciary net position	47,324
Net position beginning of year	<u>(647,644)</u>
Net position end of year	<u><u>\$ (600,320)</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 - DESCRIPTION OF THE REPORTING ENTITY

A. The City

The City of Obetz (the “City”) is a charter municipal corporation founded in 1928, with the charter adopted by the electors on November 3, 2009. The City may exercise all powers of home rule granted under Article XVIII, Section 3, of the Ohio Constitution not in conflict with applicable general laws in Ohio.

The City operates under a mayor-council form of government. Legislative power is vested in a six-member council, each elected to four-year terms. The Mayor is elected to a four-year term, serves as the President of the Council, and votes only to break a tie. The City has a full-time Administrator appointed by the Mayor to assist the mayor in the day-to-day operations of the City.

The City is divided into various departments and financial management and control systems. Services provided include police protection, street maintenance and repair, parks and recreation, water, sewer, refuse, gas, and electric utilities, as well as staff support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operation and control of these activities is provided by the City Council through the budgetary process and by the Mayor and City Administrator through administrative and managerial requirements and procedures.

B. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading.

The primary government of the City consists of all funds, departments, boards, and agencies that are not legally separate from the City. For the City, this includes all departments and activities that are directly operated by the elected City officials.

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 Board 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; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the City has no component units.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City participates in two jointly governed organizations and two public entity shared risk pools. These organizations are the Big Walnut Area Community Improvement Corporation, the Prairie-Obetz Joint Economic Development Zone, the Public Entities Pool of Ohio, and the Central Ohio Health Care Consortium. These organizations are presented in Notes 18 and 19 to the basic financial statements.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

A. Basis of Presentation

The City's basic financial statements consist of government-wide financial statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

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 in nature and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the 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, and interest earned that is required to be used to support a particular program. Revenues which are 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 program or business 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. Fiduciary funds are reported by type.

B. Fund Accounting

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

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Governmental Funds

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

General Fund - This fund accounts 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.

General Obligation Debt Service Fund - This fund accounts for resources that are committed for the payment of principal, interest, and fiscal charges on general obligation debt.

Toy Road TIF Fund - This fund accounts for monies restricted for public infrastructure improvements in the Toy Road area.

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

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City's reported proprietary funds are enterprise funds.

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 following are the City's major enterprise funds:

Water Fund - This fund accounts for the provision of water treatment and distribution to residential and commercial users within the City.

Sewer Fund - This fund accounts for the provision of sanitary sewer service to residential and commercial users within the City.

Electric Fund - This fund accounts for the provision of electric service to commercial users within the City.

Gas Fund - This fund accounts for the provision of natural gas service to commercial users within the City.

Refuse Fund - This fund accounts for the provision of refuse services to residential users within the City.

CITY OF OBETZ, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The City did not have any trust funds in 2021. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's custodial funds account for income tax revenues from the Prairie-Obetz Joint Economic Development Zone, building permit fees, transient fees collected for use by a convention and visitor's bureau, donations for the Community Improvement Corporation, and the activity of the Mayor's Court.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., 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 current liabilities and deferred inflows of resources are generally included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reflects 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 a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and deferred outflows and all liabilities and deferred inflows associated with the operation of these funds are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The Statement of Cash Flows reflects how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds. Fiduciary funds are accounted for on a flow of economic resources measurement focus.

D. 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. Governmental funds use the modified accrual basis of accounting; proprietary funds and fiduciary funds use the 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 and inflows of resources, and in the presentation of expenses versus expenditures.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Revenues - Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Measurable means the amount of the transaction can be determined and available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 31 days after year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, payments in lieu of taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes and payments in lieu of taxes are recognized in the year for which the taxes are levied. Revenue from income taxes is recognized in the year in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year-end: income taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), grants, and interest.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the government-wide Statement of Net Position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 11 and 12 for deferred outflows of resources related to the City's net pension liability and net OPEB liability, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide Statement of Net Position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance 2022 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide Statement of Net Position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds Balance Sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

See Notes 11 and 12 for deferred inflows of resources related to the City's net pension liability and net OPEB liability, respectively. This deferred inflow of resources is only reported on the government-wide Statement of Net Position.

Expenses/Expenditures

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

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

E. Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations ordinance is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by City Council at the object level within each department within each fund for all funds.

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 of estimated resources in effect at the time final appropriations were passed by City Council.

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

F. Cash and Investments

To improve cash management, cash received by the City, except cash held by fiscal agents and bond trustees, is pooled and invested. Individual fund integrity is maintained through City records. Interest in the pool is presented as "Equity in Pooled Cash and Investments".

Cash resources for use on street construction/improvement projects held for the City by the Franklin County Engineer are included on the financial statements as "Cash with Fiscal Agent". At December 31, 2021, the amount held by the Franklin County Engineer was a balance of \$86,705.

Cash resources held by Trustee for repayment of the Series 2016A and 2018 income tax revenue bonds are included on the financial statements as "Cash with Bond Trustee".

During 2021, the City invested in U.S. government money market mutual funds. These investments are reported at fair value which is based on quoted market prices.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

During 2021, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio 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 participant will be combined for these purposes.

Interest earnings are allocated to City funds according to State statutes, City charter, grant requirements, or debt-related restrictions. Interest revenue credited to the General Fund during 2021 was \$30,108 which includes \$21,451 assigned from other City funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Unclaimed monies that have a legal restriction on their use are reported as restricted. The City also has funds held by Huntington National Bank as Trustee for the 2016A and 2018 income tax revenue bonds which are restricted for debt service payments and a debt service reserve.

H. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide Statement of Net Position but are not reported on the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column on the government-wide Statement of Net Position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the replacement cost back to the year of acquisition) and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

All capital assets are depreciated, except for land, rights of way, 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 historical records of necessary improvements and replacement. The City reports all infrastructure, including that acquired prior to 1980. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings	50 years	50 years
Improvements Other Than Buildings	20 years	N/A
Streets	20 years	N/A
Water, Sewer, Electric and Gas Lines	N/A	50-75 years
Equipment	10-50 years	10-20 years
Vehicles	3-15 years	10 years

I. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in City policies. The City records a liability for accumulated unused sick leave for all employees with 10 or more years of governmental service (including service with the City and prior service years with another governmental organization).

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements.

J. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the 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 judgements, and compensated absences, that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long-term notes, bonds, and loans are recognized as liabilities on the fund financial statements when due. Net pension/OPEB liability and net pension asset should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan’s fiduciary net position is not sufficient for payment of those benefits.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

K. Net Position

Net position represents the difference between all other elements on the Statement of Net Position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance 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 constitutional provisions or 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 other purposes includes unclaimed monies which have legal restrictions on their use. The City's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

L. Fund Balance

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

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

Restricted - The restricted classification includes amounts restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances). Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

Committed - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council. The committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. Assigned amounts represent intended uses established by City Council. The City Council has authorized the City Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. Fund balance is also assigned for any 2021 appropriations in excess of estimated receipts for the General Fund.

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

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

M. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the City, these revenues are charges for services for water, sewer, electric, refuse, and natural gas services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

N. Contributions of Capital

Capital contributions on the proprietary fund financial statements arise from outside contributions of capital assets, grants, or outside contributions of resources restricted to capital acquisition and construction. For the governmental activities, capital contributions are reported as a capital grant and contribution on the Statement of Activities.

O. Estimates

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

P. Pensions/Other Postemployment Benefits (OPEB)

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

Q. Prepayments

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

R. Accounting Gain or Loss on Refunding, Bond Issuance Costs, and Bond Premiums

For bond refunds resulting in the defeasance of the debt reported in the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources or deferred inflow of resources.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

S. Bond Issuance Costs and Bond Premiums

On both the government-wide financial statements and the fund financial statements, bond issuance costs are recognized in the period in which these items are incurred.

On the government-wide financial statements, bond premiums are amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds. On the governmental fund financial statements, bond premiums are recognized in the period in which these items are incurred. The reconciliation between the face value of bonds and the amount reported on the statement of net position is presented in Note 14.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2021, the City has implemented GASB Statement No. 89, “Accounting for Interest Cost Incurred before the End of a Construction Period.”

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. GASB Statement No. 89 requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. GASB Statement No. 89 also reiterates that financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The implementation of GASB Statement No. 89 did not have an effect on the financial statements of the City.

For 2021, the City has applied GASB Statement No. 95, “Postponement of the Effective Dates of Certain Authoritative Guidance” to GASB Statement Nos. 91, 92 and 93, which were originally due to be implemented in 2021 and to GASB Statement No. 87, which was originally due to be implemented in 2020. GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The following pronouncements are postponed by one year and the City has elected delaying implementation until the fiscal year ended December 31, 2022:

- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

The following pronouncements are postponed by eighteen months and the City has elected delaying implementation until the fiscal year ended December 31, 2022:

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

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE – (Continued)

B. Deficit Fund Balances

Fund balances at December 31, 2021 included the following individual fund deficit:

<u>Custodial Fund</u>	<u>Deficit</u>
JEDZ Income Tax Fund	\$ 778,488

The General Fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balance resulted from adjustments for accrued liabilities.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations and changes in fund balances on the basis of GAAP, the budgetary basis as provided by law and described above is based upon accounting for certain transactions on a basis of cash receipts, disbursements, appropriations, and encumbrances (budget basis).

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget and to demonstrate compliance with State statute. The major differences between the budget basis and the GAAP basis are revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis) are:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrued (GAAP basis);
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis); and
3. In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement for the General Fund (as reported in the fund financial statements) to the budgetary basis statement.

Net Changes in Fund Balance	
	<u>General Fund</u>
Budget basis	\$ 1,936,214
Net adjustment for revenue accruals	(1,615,893)
Net adjustment for expenditure accruals	(2,265,310)
Encumbrances	<u>1,112,282</u>
GAAP basis	<u>\$ (832,707)</u>

**Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the Unclaimed Monies Fund.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 5 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that City Council has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts, including passbook accounts.

Interim monies held by the City may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio; and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and
8. Certain bankers' acceptances (for a period not to exceed 180 days) and commercial paper notes (for a period not to exceed 270 days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash on Hand

At year-end, the City had \$1,700 in cash on hand which is included on the financial statements as part of “Equity in Pooled Cash and Investments”.

B. Cash with Fiscal Agent

At year-end, the City had \$86,705 on deposit with the Franklin County Treasurer. The data regarding insurance and collateralization can be obtained from the Franklin County Annual Comprehensive Financial Report for the year ended December 31, 2021. This amount is not included in the City’s depository balance below.

C. Cash with Bond Trustee

At year-end, the City had \$1,328,900 on deposit with a financial institution for monies set aside for debt service payments and a debt service reserve related to the Series 2016A and 2018 income tax revenue bonds. The amount held by the Trustee is included in the City’s depository balance below.

D. Deposits with Financial Institutions

At December 31, 2021, the carrying amount of all City deposits was \$7,581,551 and the bank balance of all City deposits was \$7,725,442. Of the bank balance, \$250,000 was covered by the FDIC, \$3,737,721 was covered by the Ohio Pooled Collateral System (OPCS), and \$3,737,721 was exposed to custodial credit risk.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City’s and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2021, the City’s financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

E. Investments

As of December 31, 2021, the City had the following investments:

Measurement/ Investment Type	Measurement Value	Investment Maturities 6 months or less
<i>Fair Value:</i>		
U.S. Government Money		
Market Mutual Fund	\$ 1,150,619	\$ 1,150,619
<i>Amortized Cost:</i>		
STAR Ohio	<u>24,822,043</u>	<u>24,822,043</u>
Total	<u>\$ 25,972,662</u>	<u>\$ 25,972,662</u>

The weighted average of maturity of investments is one day.

Fair Value Measurements: The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City’s investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs).

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the City from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the City.

Credit Risk: Standard & Poor’s has assigned STAR Ohio and U.S. government money market mutual funds an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy dealing with credit risk beyond the requirements of State statute.

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 investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the City Finance Director or qualified trustee.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The City places no limit on the amount that may be invested in any single issuer. The following table includes the percentage of each investment type held by the City at December 31, 2021:

Measurement/ Investment Type	Measurement Value	% of Total
<i>Fair Value:</i>		
U.S. Government Money		
Market Mutual Fund	\$ 1,150,619	4.43
<i>Amortized Cost:</i>		
STAR Ohio	24,822,043	95.57
Total	\$ 25,972,662	100.00

F. Reconciliation of Cash and Investments to Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the Statement of Net Position as of December 31, 2021:

<u>Cash and Investments per Note</u>	
Carrying amount of deposits	\$ 7,581,551
Cash on hand	1,700
Cash with fiscal agent	86,705
Investments	25,972,662
Total	\$ 33,642,618

<u>Cash and Investments per Statement of Net Position</u>	
Governmental activities	\$ 18,864,353
Business-type activities	14,265,526
Custodial funds	512,739
Total	\$ 33,642,618

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 6 - RECEIVABLES

Receivables at December 31, 2021 consisted of municipal income taxes; property taxes; payments in lieu of taxes; other local taxes; accounts (billings for user charged services, including unbilled utility services); and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are considered collectible in full and will be received within one year, except for municipal income taxes and property taxes. Municipal income taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of amounts Due from Other Governments follows:

	Amount
Governmental Activities:	
General Fund	
Local government	\$ 65,065
Homestead and rollback	10,542
Prairie-Obetz JEDZ	1,039,544
Other	30,313
Total General Fund	1,145,464
Nonmajor Fund	
Street Construction, Maintenance and Repair Fund	
Gasoline tax	177,629
Motor vehicle license tax	54,648
Total Nonmajor Fund	232,277
Total Governmental Activities	\$ 1,377,741

NOTE 7 - TAXES

A. Municipal Income Taxes

The City levies a two and one-half percent income tax whose proceeds are placed into the General Fund, the General Obligation Debt Service Fund, the Park Improvement Debt Service Fund (a nonmajor governmental fund), and the Infrastructure Debt Service Fund (a nonmajor governmental fund). Of the two and one-half percent income tax, one-half percent is restricted to support police enforcement operations. The City levies and collects the tax on all income earned within the City as well as on incomes of residents earned outside the City. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Individual taxpayers, whose only income is subject to withholding by employers and the employers file a final return annually, are not required to file a final annual return. Corporations and other individual taxpayers are required to pay their estimated tax at least quarterly and file a final return annually.

B. Property Taxes

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

CITY OF OBETZ, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 7 - TAXES - (Continued)

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The Franklin County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City. The Franklin County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2021 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2021 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is considered a deferred inflow of resources.

The full tax rate for all City operations for the year ended December 31, 2021 was \$1.70 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2021 property tax receipts were based are as follows:

Real property	\$ 213,949,940
Public utility personal property	<u>6,178,120</u>
Total assessed value	<u>\$ 220,128,060</u>

C. Tax Abatements

As of December 31, 2021, the City provides tax abatements through the Community Reinvestment Area (CRA) program. This program relates to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRAs are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

CITY OF OBETZ, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 7 - TAXES - (Continued)

The City has entered into agreements to abate property taxes through this program. During 2021, the City's property tax revenues were reduced as a result of these agreements as follows:

<u>Tax Abatement Program</u>	<u>City Taxes Abated</u>
CRA	<u>\$ 264,525</u>

During 2021, the City did not incur a reduction in taxes by agreements entered into by other governments that reduced the City's taxes.

NOTE 8 - PAYMENTS IN LIEU OF TAXES (PILOT)

According to State law, the City has entered into agreements with a number of property owners under which the City has granted property tax exemptions to those property owners. The property owners have agreed to make payments to the City which reflect all or a portion of the property taxes which the property owners would have paid if the taxes had not been exempted. The property owners contractually promise to make these payments in lieu of taxes until the agreement expires. The City reports PILOT revenue in the Toy Road TIF Fund and nonmajor governmental funds.

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CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities

Capital assets activity for the year ended December 31, 2021, was as follows:

<u>Governmental Activities:</u>	<u>Balance</u> 12/31/20	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> 12/31/21
<i>Capital assets, not being depreciated:</i>				
Land	\$ 19,009,525	\$ 218,110	\$ -	\$ 19,227,635
Rights of way	4,339,994	-	-	4,339,994
Construction in progress	<u>205,894</u>	<u>171,666</u>	<u>-</u>	<u>377,560</u>
Total capital assets, not being depreciated	<u>23,555,413</u>	<u>389,776</u>	<u>-</u>	<u>23,945,189</u>
<i>Capital assets, being depreciated:</i>				
Buildings	33,634,715	162,603	-	33,797,318
Improvements Other Than Buildings	9,818,495	197,826	-	10,016,321
Streets	91,912,256	3,828,701	-	95,740,957
Equipment	4,149,129	494,815	(65,395)	4,578,549
Vehicles	<u>1,939,664</u>	<u>558,825</u>	<u>(41,593)</u>	<u>2,456,896</u>
Total capital assets, being depreciated	<u>141,454,259</u>	<u>5,242,770</u>	<u>(106,988)</u>	<u>146,590,041</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(4,302,148)	(674,322)	-	(4,976,470)
Improvements Other Than Buildings	(2,223,765)	(495,381)	-	(2,719,146)
Streets	(54,193,135)	(3,793,645)	-	(57,986,780)
Equipment	(2,179,039)	(434,173)	65,395	(2,547,817)
Vehicles	<u>(1,399,072)</u>	<u>(229,514)</u>	<u>12,479</u>	<u>(1,616,107)</u>
Total accumulated depreciation	<u>(64,297,159)</u>	<u>(5,627,035)</u>	<u>77,874</u>	<u>(69,846,320)</u>
Total capital assets, being depreciated, net	<u>77,157,100</u>	<u>(384,265)</u>	<u>(29,114)</u>	<u>76,743,721</u>
Governmental activities capital assets, net	<u>\$ 100,712,513</u>	<u>\$ 5,511</u>	<u>\$ (29,114)</u>	<u>\$ 100,688,910</u>

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions/programs of the City as follows:

Governmental Activities:

General government	\$ 194,899
Security of persons and property	168,140
Transportation	3,880,699
Community environment	7,318
Leisure time activity	<u>1,375,979</u>
Total depreciation expense	<u><u>\$ 5,627,035</u></u>

B. Business-Type Activities

Capital assets activity for the year ended December 31, 2021, was as follows:

	Balance		Balance
<u>Business-type Activities:</u>	12/31/20	Additions	Disposals
			12/31/21
<i>Capital assets, not being depreciated:</i>			
Land	\$ 18,090	\$ -	\$ -
	<u>18,090</u>	<u>-</u>	<u>-</u>
<i>Capital assets, being depreciated:</i>			
Buildings	181,623	13,949	-
Water, Sewer, Electric and Gas Lines	29,207,786	2,545,789	-
Equipment	2,549,544	194,841	-
Vehicles	170,084	-	-
	<u>32,109,037</u>	<u>2,754,579</u>	<u>-</u>
Total capital assets, being depreciated	<u>32,109,037</u>	<u>2,754,579</u>	<u>-</u>
<i>Less: accumulated depreciation:</i>			
Buildings	(33,527)	(5,097)	-
Water, Sewer, Electric and Gas Lines	(8,759,132)	(480,891)	-
Equipment	(528,029)	(111,401)	-
Vehicles	(71,395)	(15,588)	-
	<u>(9,392,083)</u>	<u>(612,977)</u>	<u>-</u>
Total accumulated depreciation	<u>(9,392,083)</u>	<u>(612,977)</u>	<u>-</u>
Total capital assets, being depreciated, net	<u>22,716,954</u>	<u>2,141,602</u>	<u>-</u>
Business-type capital assets, net	<u>\$ 22,735,044</u>	<u>\$ 2,141,602</u>	<u>\$ -</u>
	<u><u>\$ 22,735,044</u></u>	<u><u>\$ 2,141,602</u></u>	<u><u>\$ -</u></u>

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to enterprise funds of the City as follows:

Business-type Activities:

Water	\$ 195,084
Sewer	280,955
Electric	107,006
Gas	<u>29,932</u>
Total depreciation expense	<u>\$ 612,977</u>

NOTE 10 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There has been no significant reduction in insurance coverage from the previous year and no insurance settlement has exceeded insurance coverage during the last three years.

A. General Liability

The City participates in the Public Entities Pool of Ohio, a public entity shared risk pool. The City pays an annual premium to the pool for various types of insurance coverage. Members agree to share in the coverage of losses and pay all premiums necessary for the specified insurance coverage. Upon withdrawal from the Pool, a participant is responsible for the payment of all liabilities accruing as a result of withdrawal. See Note 19.A for more information on the Public Entities Pool of Ohio.

B. Workers' Compensation

The City participates in the Ohio Municipal League (OML) public entity insurance purchasing pool for workers' compensation. The Group Rating Plan is administered by CareWorksComp. The OML Group Rating Plan is intended to achieve lower workers' compensation premium rates for the participants, and result in the establishment of a safer working environment. There are no additional contributions required by a participant other than their annual fee based on a percentage of the savings.

C. Employee Health, Vision, Dental, and Accident Insurance

The City provides employee health, vision, and dental benefits through the Central Ohio Health Care Consortium (the "Consortium"). The Consortium is a public entity shared risk pool and the risk of loss transfers to the Consortium upon payment of the premium by the City. Employees share the cost of the monthly premium with the City. See Note 19.B for more information on the Consortium. The City provides accident insurance for the City's full-time employees through AFLAC.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Asset and Net OPEB Liability/Asset

Pensions and OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period.

The net pension liability/asset and the net OPEB liability/asset represent the City’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability/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 this estimate annually.

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

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

The proportionate share of each plan’s unfunded benefits is presented as a long-term net pension/OPEB liability/asset on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in due to other governments on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 12 for the OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan and the Combined Plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Plan.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

	State and Local
2021 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2021 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post employment Health Care Benefits ****	0.0 %
Total Employer	14.0 %
Employee	10.0 %

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

**** This employer health care rate is for the Traditional and Combined Plans. The employer contribution for the Member-Directed Plan is 4.00%.

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

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$598,291 for 2021. Of this amount, \$55,339 is reported as due to other governments.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan [DROP] provisions and reduced and unreduced benefits).

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.00% of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.00% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	<u>Police</u>
2021 Statutory Maximum Contribution Rates	
Employer	19.50 %
Employee	12.25 %
2021 Actual Contribution Rates	
Employer:	
Pension	19.00 %
Post employment Health Care Benefits	<u>0.50 %</u>
Total Employer	<u>19.50 %</u>
Employee	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$306,497 for 2021. Of this amount, \$39,067 is reported as due to other governments.

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

The net pension liability and net pension asset for OPERS were measured as of December 31, 2020, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension liability or asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OPERS - Member- Directed</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.01870300%	0.02610300%	0.01722800%	0.05581250%	
Proportion of the net pension liability/asset current measurement date	<u>0.01756700%</u>	<u>0.01529600%</u>	<u>0.02380100%</u>	<u>0.05241080%</u>	
Change in proportionate share	<u>-0.00113600%</u>	<u>-0.01080700%</u>	<u>0.00657300%</u>	<u>-0.00340170%</u>	
Proportionate share of the net pension liability	\$ 2,601,290	\$ -	\$ -	\$ 3,572,891	\$ 6,174,181
Proportionate share of the net pension asset	-	(44,155)	(4,339)	-	(48,494)
Pension expense	199,898	1,041	(3,112)	405,231	603,058

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ -	\$ -	\$ 2,981	\$ 149,359	\$ 152,340
Changes of assumptions	-	2,759	124	59,918	62,801
Changes in employer's proportionate percentage/difference between employer contributions	93,018	-	-	148,851	241,869
Contributions subsequent to the measurement date	573,050	10,617	14,624	306,497	904,788
Total deferred outflows of resources	<u>\$ 666,068</u>	<u>\$ 13,376</u>	<u>\$ 17,729</u>	<u>\$ 664,625</u>	<u>\$ 1,361,798</u>
Deferred inflows of resources					
Differences between expected and actual experience	\$ 108,815	\$ 8,327	\$ -	\$ 139,190	\$ 256,332
Net difference between projected and actual earnings on pension plan investments	1,013,907	6,564	474	173,309	1,194,254
Changes in employer's proportionate percentage/difference between employer contributions	101,567	-	-	195,215	296,782
Total deferred inflows of resources	<u>\$ 1,224,289</u>	<u>\$ 14,891</u>	<u>\$ 474</u>	<u>\$ 507,714</u>	<u>\$ 1,747,368</u>

\$904,788 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/asset in the year ending December 31, 2022.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
2022	\$ (409,837)	\$ (3,160)	\$ 332	\$ 40,346	\$ (372,319)
2023	(169,849)	(2,008)	401	59,494	(111,962)
2024	(413,303)	(3,519)	291	(179,948)	(596,479)
2025	(138,282)	(1,635)	361	(53,942)	(193,498)
2026	-	(695)	371	(15,536)	(15,860)
Thereafter	-	(1,115)	875	-	(240)
Total	<u>\$ (1,131,271)</u>	<u>\$ (12,132)</u>	<u>\$ 2,631</u>	<u>\$ (149,586)</u>	<u>\$ (1,290,358)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2020, are presented below.

Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75% including wage inflation
COLA or ad hoc COLA	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 0.50%, simple through 2021, then 2.15% simple
Investment rate of return	
Current measurement date	7.20%
Prior measurement date	7.20%
Actuarial cost method	Individual entry age

In October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.40% simple through 2020 then 2.15% simple to 0.50% simple through 2021 then 2.15% simple.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

During 2020, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 11.70% for 2020.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board’s investment consultant.

For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	25.00 %	1.32 %
Domestic equities	21.00	5.64
Real estate	10.00	5.39
Private equity	12.00	10.42
International equities	23.00	7.36
Other investments	9.00	4.75
Total	100.00 %	5.43 %

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate - The discount rate used to measure the total pension liability/asset was 7.20%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2020 was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 4,961,975	\$ 2,601,290	\$ 638,385
Combined Plan	(30,745)	(44,155)	(54,148)
Member-Directed Plan	(3,808)	(4,339)	(4,760)

Actuarial Assumptions - OP&F

OP&F's total pension liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

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	1/1/20 with actuarial liabilities rolled forward to 12/31/20
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	8.00%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost-of-living adjustments	2.20% per year simple

CITY OF OBETZ, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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>
67 or less	77%
68-77	105%
78 and up	115%

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>
59 or less	35%
60-69	60%
70-79	75%
80 and up	100%

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

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

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CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return **</u>
Cash and Cash Equivalents	- %	0.00 %
Domestic Equity	21.00	4.10
Non-US Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income *	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation		
Linked Bonds *	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	<u>125.00 %</u>	

Note: assumptions are geometric.

* levered 2x

** numbers include inflation

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 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 8.00%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00%), or one percentage point higher (9.00%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net pension liability	\$ 4,973,922	\$ 3,572,891	\$ 2,400,370

NOTE 12 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 11 for a description of the net OPEB liability/asset.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment 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. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

The health care 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 separation, Member-Directed Plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Effective January 1, 2022, OPERS will discontinue 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 HRA 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.

In order to qualify for postemployment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have 20 or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. 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' Annual Comprehensive Financial Report referenced below for additional information.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and 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 2021 was 4.00%.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$5,849 for 2021. Of this amount, \$541 is reported as due to other governments.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

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

OP&F maintains funds for health care in two separate accounts: 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. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2021, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$8,066 for 2021. Of this amount, \$1,028 is reported as due to other governments.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Net OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability/asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, 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, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities.

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability prior measurement date	0.01886500%	0.05581250%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.01775100%</u>	<u>0.05241080%</u>	
Change in proportionate share	<u>-0.00111400%</u>	<u>-0.00340170%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 555,301	\$ 555,301
Proportionate share of the net OPEB asset	(316,249)	-	(316,249)
OPEB expense	(1,856,937)	55,666	(1,801,271)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Changes of assumptions	\$ 155,471	\$ 306,774	\$ 462,245
Changes in employer's proportionate percentage/difference between employer contributions	67,009	33,632	100,641
Contributions subsequent to the measurement date	<u>5,849</u>	<u>8,066</u>	<u>13,915</u>
Total deferred outflows of resources	<u>\$ 228,329</u>	<u>\$ 348,472</u>	<u>\$ 576,801</u>

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

	OPERS	OP&F	Total
Deferred inflows of resources			
Differences between expected and actual experience	\$ 285,410	\$ 91,594	\$ 377,004
Net difference between projected and actual earnings on OPEB plan investments	168,439	20,634	189,073
Changes of assumptions	512,417	88,526	600,943
Changes in employer's proportionate percentage/ difference between employer contributions	102,503	22,262	124,765
Total deferred inflows of resources	<u>\$ 1,068,769</u>	<u>\$ 223,016</u>	<u>\$ 1,291,785</u>

\$13,915 reported as deferred outflows of resources related to OPEB resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2022.

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

	OPERS	OP&F	Total
Year Ending December 31:			
2022	\$ (422,667)	\$ 26,377	\$ (396,290)
2023	(330,577)	31,262	(299,315)
2024	(73,196)	23,559	(49,637)
2025	(19,849)	25,472	5,623
2026	-	7,237	7,237
Thereafter	-	3,483	3,483
Total	<u>\$ (846,289)</u>	<u>\$ 117,390</u>	<u>\$ (728,899)</u>

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Wage Inflation	3.25%
Projected Salary Increases, including inflation	3.25 to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	6.00%
Prior measurement date	3.16%
Investment Rate of Return	
Current measurement date	6.00%
Prior measurement date	6.00%
Municipal Bond Rate	
Current measurement date	2.00%
Prior measurement date	2.75%
Health Care Cost Trend Rate	
Current measurement date	8.50% initial, 3.50% ultimate in 2035
Prior measurement date	10.50%, initial 3.50%, ultimate in 2030
Actuarial Cost Method	Individual Entry Age Normal

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

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

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

During 2020, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 10.50% for 2020.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2020, 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 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	4.02
Total	100.00 %	4.43 %

Discount Rate - A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2020. 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) a 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 2.00%. 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 the year 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

Change in Benefit Terms - On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation which are reported by the City at December 31, 2021. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB asset	\$ 78,637	\$ 316,249	\$ 511,584

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 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50%. 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 Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$ 323,956	\$ 316,249	\$ 307,625

Actuarial Assumptions - OP&F

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.00%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	2.96%
Prior measurement date	3.56%
Cost-of-Living Adjustments	2.20% 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 Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

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

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

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

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

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

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020, are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and Cash Equivalents	- %	0.00 %
Domestic Equity	21.00	4.10
Non-US Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income *	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation		
Linked Bonds *	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	125.00 %	

Note: assumptions are geometric.

* levered 2.5x

** numbers include inflation

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

Discount Rate - For 2020, the total OPEB liability was calculated using the discount rate of 2.96%. For 2019, the total OPEB liability was calculated using the discount rate of 3.56%. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8.00%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12% at December 31, 2020 and 2.75% at December 31, 2019, was blended with the long-term rate of 8.00%, which resulted in a blended discount rate of 2.96% for 2020 and 3.56% for 2019. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2034, and the municipal bond rate was applied to all health care costs after that date.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.96%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.96%), or one percentage point higher (3.96%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 692,429	\$ 555,301	\$ 442,187

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

NOTE 13 - OTHER EMPLOYEE BENEFITS

A. Health Care Benefits

The City offers employee health, vision, and dental benefits through the Central Ohio Health Care Consortium. The City offers life and disability insurance benefits through the Standard Life Insurance Company. The City offers accident insurance benefits through AFLAC. The employees share the cost of the monthly health care premium with the City, while the City fully pays for vision, dental, life, disability, and accident premiums.

B. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from City policies and State laws.

City employees earn and accumulate vacation at varying rates depending on length of service. Vacation accrual rates change on the employees' anniversary date, when applicable. Employees are paid for up to two years of earned unused vacation leave upon termination.

Sick leave is earned at 4.6 hours per pay period. All employees with 10 or more years of full-time service with the City (including prior service years with another governmental organization), who elect to retire, are entitled to receive one-fourth of the value of their accumulated unused sick leave up to a maximum of 60 days.

C. Deferred Compensation

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death, or an unforeseen emergency.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS

A. Governmental Activities

The City's governmental activities long-term obligations activity for 2021 follows.

	Interest Rate	Balance 12/31/20	Additions	Reductions	Balance 12/31/21	Amounts Due in One Year
<u>Governmental Activities:</u>						
Series 2020A Refunding bonds (original amount \$2,320,000)	1.75-2.75%	\$ 2,320,000	\$ -	\$ (475,000)	\$ 1,845,000	\$ 495,000
Series 2020B various purpose bonds (original amount \$2,855,000)	1.50-4.00%	2,855,000	-	(105,000)	2,750,000	110,000
Series 2020C various purpose bonds (original amount \$4,865,000)	3.00-3.30%	4,865,000	-	(180,000)	4,685,000	185,000
Revenue bonds:						
Series 2007 TIF bonds (original amount \$5,735,000)	3.75%	3,960,000	-	(200,000)	3,760,000	210,000
Series 2016A income tax bonds (original amount \$16,000,000)	2.00-4.00%	13,740,000	-	(640,000)	13,100,000	665,000
Series 2018 income tax bonds (original amount \$15,000,000)	3.625-5.00%	14,050,000	-	(510,000)	13,540,000	535,000
OPWC loans (direct borrowing):						
#CC06R (original amount \$242,794)	0.00%	205,442	-	(9,338)	196,104	9,338
#CC909 (original amount \$250,410)	0.00%	25,041	-	(12,521)	12,520	12,520
#CT10H (original amount \$25,000)	0.00%	8,750	-	(1,250)	7,500	1,250
Total OPWC loans		239,233	-	(23,109)	216,124	23,108
Net pension liability		6,759,062	-	(1,105,776)	5,653,286	-
Net OPEB liability		2,665,372	4,000	(2,114,071)	555,301	-
Compensated absences		297,696	173,655	(117,108)	354,243	139,223
Capital lease obligation		6,953	-	(1,648)	5,305	1,733
Unamortized premium		2,839,034	-	(174,226)	2,664,808	-
Total governmental activities		\$ 54,597,350	\$ 177,655	\$ (5,645,938)	\$ 49,129,067	\$ 2,364,064

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Series 2020A Various Purpose Refunding and Improvement Bonds

On October 22, 2020, the City issued \$2,320,000 of Series 2020A Various Purpose Refunding and Improvement Bonds for the purpose of advance refunding the callable portion of the Series 2012 Various Purpose Refunding and Improvement Bonds (\$2,455,000). The City deposited bond proceeds in the amount of \$2,480,633 with an escrow agent to refund the bonds. The refunded bonds are not included in the City's outstanding debt since the City has satisfied its obligations through the refunding. The assets held in trust as a result of the refunding are not included in the financial statements. At December 31, 2021, the balance of the refunded Series 2012 Various Purpose Refunding and Improvement Bonds was \$1,945,000. The Series 2020A Various Purpose Refunding and Improvement Bonds bear annual interest ranging from 1.75-2.75% and mature December 1, 2030. Proceeds of the refunding bonds are reported in the General Obligation Debt Service Fund with principal payments due December 1 of each year and interest payments due June 1 and December 1 of each year.

The reacquisition price exceeded the net carrying value of the old debt by \$25,633. This amount is being amortized against interest expense over the life of the refunding bonds. The unamortized balance of the deferred charge on debt refunding is reported as a deferred outflow of resources on the government-wide financial statements. The refunding reduced future debt service payments by \$73,958 resulting in an economic gain of \$68,844.

Series 2020B Various Purpose Bonds

On October 22, 2020, the City issued \$2,855,000 in Series 2020B Various Purpose Bonds. The bonds were issued to retire the Series 2020 Infrastructure Notes. The Series 2020B Various Purpose Bonds mature on December 1, 2040. Principal payments are due December 1 of each year and interest payments are due June 1 and December 1 of each year. Payments will be made from the General Obligation Debt Service Fund.

Series 2020C Land Acquisition and Improvement Bonds

On October 22, 2020, the City issued \$4,865,000 in Series 2020C Land Acquisition and Improvement Bonds. The bonds were issued to retire the Series 2019B Land Acquisition and Improvement Notes. The Series 2020C Land Acquisition and Improvement Bonds mature on December 1, 2040. Principal payments are due December 1 of each year and interest payments are due June 1 and December 1 of each year. Payments will be made from the General Obligation Debt Service Fund.

Series 2007 TIF Revenue Bonds

On October 2, 2007, the City issued tax increment financing (TIF) revenue bonds, in the amount of \$5,735,000, to construct and widen Toy Road. The joint project was completed by a developer and the City. The City's responsibility for the debt is limited to the amount of payments in lieu of taxes collected on the abated property. Any shortage between the amount collected and the amount due to be paid on the debt is paid by the developer. The developer was required to post a letter of credit upon which the developer may draw to satisfy the debt obligation. The letter of credit was issued by Huntington Bank. For the year ended December 31, 2021, the City collected and remitted to Huntington Bank \$155,489. The amount required to service this debt (both principal and interest) for the year ended December 31, 2021, was \$346,585. The developer paid the difference (\$191,096) from the letter of credit issued by Huntington Bank for 2021. The bonds will be retired through the Toy Road TIF Fund. The bonds mature on December 1, 2034.

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Series 2016A Income Tax Revenue Bonds

On August 30, 2016, the City issued Series 2016A income tax revenue bonds in the amount of \$16,000,000 for the purpose of: (a) financing the costs of expanding and improving the municipal parks located within the City (the "Parks") and to finance the costs of acquiring, constructing, designing, equipping, improving, and installing capital improvements outside of the Parks, within the boundaries of the City, including, but not limited to land acquisition, land site work, design, construction and improvements, roads, sidewalks, and paths, water, sewer, stormwater drainage, and all appurtenances and improvements related thereto. The Series 2016A bonds are unvoted special obligations of the City secured by income tax monies as pledged funds. The Series 2016A bonds are guaranteed by a municipal bond insurance policy provided by AGM to secure the payment, when due, of the principal and interest on the Series 2016A bonds. Huntington National Bank acts as Trustee for the Series 2016A bonds. The City makes payments to the Trustee and the Trustee makes scheduled payments on the bonds. The Series 2016A bonds bear interest rates ranging from 2.0 percent to 4.0 percent and mature on December 1, 2036. The Series 2016A bonds will be retired through the Park Improvement Debt Service Fund (a nonmajor governmental fund).

Series 2018 Income Tax Revenue Bonds

On August 14, 2018, the City issued Series 2018 income tax revenue bonds in the amount of \$15,000,000 for the purpose of financing the (a) acquisition, construction, designing, equipping, improving, and installation of certain road improvements and related City facilities, all located within the boundaries of the City, (b) acquisition, construction, designing, equipping, improving, and installation of the City's municipal park system and related facilities, all located within the boundaries of the City. The Series 2018 bonds are unvoted special obligations of the City secured by income tax monies as pledged funds. The Series 2018 bonds are guaranteed by a municipal bond insurance policy provided by AGM to secure the payment, when due, of the principal and interest on the Series 2018 bonds. Huntington National Bank acts as Trustee for the Series 2018 bonds. The City makes payments to the Trustee and the Trustee makes scheduled payments on the bonds. The Series 2018 bonds bear interest rates ranging from 3.625 percent to 5.0 percent and mature on December 1, 2038. The Series 2018 bonds will be retired through the Infrastructure Debt Service Fund (a nonmajor governmental fund). At December 31, 2021, the bonds had \$1,270,572 in unspent proceeds.

OPWC Loans

OPWC loans consist of money owed to the Ohio Public Works Commission (OPWC) for engineering costs for the widening of Alum Creek Drive and for Frusta/McGaw Road reconstruction. OPWC loans will be paid from the General Obligation Debt Service Fund. The CC06R loan had an authorized loan amount of \$501,876, however, the project came in under budget and only received borrowings of \$242,794. Loan CC06R matures on July 1, 2042, loan CC909 matures on July 1, 2022, and loan CT10H matures on July 1, 2027.

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

CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Capital Lease Obligation

See Note 20 for further detail on the City’s capital lease obligations.

Net Pension Liability and Net OPEB Liability

The City pays obligations related to employee compensation for governmental activities from the General Fund and the Street Maintenance and Repair Fund (a nonmajor governmental fund). See Notes 11 and 12 for further information.

Compensated Absences

The compensated absences liability will be paid from the funds from which the employees’ salaries are paid. For governmental activities, compensated absences are paid primarily from the General Fund.

Legal Debt Margin

At December 31, 2021, the City’s overall legal debt margin was \$23,113,446 and the unvoted debt margin was \$12,107,043.

Future Debt Service Requirements

The City’s future annual debt service requirements payable from the governmental activities follows:

Year Ending December 31,	Governmental Activities					
	General Obligation Bonds			TIF Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 790,000	\$ 286,865	\$ 1,076,865	\$ 210,000	\$ 139,026	\$ 349,026
2023	455,000	263,165	718,165	220,000	131,057	351,057
2024	465,000	249,515	714,515	235,000	123,101	358,101
2025	480,000	235,565	715,565	245,000	113,475	358,475
2026	500,000	218,415	718,415	255,000	104,525	359,525
2027 - 2031	2,545,000	838,025	3,383,025	1,500,000	365,786	1,865,786
2032 - 2036	2,115,000	489,675	2,604,675	1,095,000	73,484	1,168,484
2037 - 2040	1,930,000	147,090	2,077,090	-	-	-
Total	<u>\$ 9,280,000</u>	<u>\$ 2,728,315</u>	<u>\$ 12,008,315</u>	<u>\$ 3,760,000</u>	<u>\$ 1,050,454</u>	<u>\$ 4,810,454</u>

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CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Year Ending December 31,	Governmental Activities					
	Income Tax Revenue Bonds			OPWC Loans		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 1,200,000	\$ 1,058,988	\$ 2,258,988	\$ 23,108	\$ -	\$ 23,108
2023	1,255,000	1,005,638	2,260,638	10,588	-	10,588
2024	1,310,000	949,787	2,259,787	10,588	-	10,588
2025	1,370,000	891,487	2,261,487	10,589	-	10,589
2026	1,435,000	830,487	2,265,487	10,588	-	10,588
2027 - 2031	8,110,000	3,204,036	11,314,036	47,943	-	47,943
2032 - 2036	9,840,000	1,460,244	11,300,244	46,692	-	46,692
2037 - 2041	2,120,000	128,000	2,248,000	46,690	-	46,690
2042	-	-	-	9,338	-	9,338
Total	<u>\$ 26,640,000</u>	<u>\$ 9,528,667</u>	<u>\$ 36,168,667</u>	<u>\$ 216,124</u>	<u>\$ -</u>	<u>\$ 216,124</u>

B. Business-Type Activities

The City's business-type activities long-term obligations activity for 2021 follows.

	Balance 12/31/2020	Additions	Reductions	Balance 12/31/2021	Amounts Due in One Year
<u>Business-type Activities:</u>					
Net pension liability	\$ 697,540	\$ -	\$ (176,645)	\$ 520,895	\$ -
Net OPEB liability	491,675	-	(491,675)	-	-
Compensated absences	<u>58,140</u>	<u>17,921</u>	<u>(15,827)</u>	<u>60,234</u>	<u>16,125</u>
Total business-type activities	<u>\$ 1,247,355</u>	<u>\$ 17,921</u>	<u>\$ (684,147)</u>	<u>\$ 581,129</u>	<u>\$ 16,125</u>

Net Pension Liability and Net OPEB Liability

The City pays obligations related to employee compensation for business-type activities from the Water Fund, Sewer Fund, Electric Fund, and Gas Fund. See Notes 11 and 12 for further information.

Compensated Absences

The compensated absences liability will be paid from the funds from which the employees' salaries are paid. For the business-type activities, the compensated absences will be paid from the Water, Sewer, Electric, and Gas Funds.

CITY OF OBETZ, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 15 - CONTINGENT LIABILITIES

A. Litigation

There are currently no matters in litigation with the City as defendant.

B. Federal and State Grants

For the period January 1, 2021, to December 31, 2021, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. 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 disallowances, if any, would be immaterial.

NOTE 16 - OTHER COMMITMENTS

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year-end, the City's commitments for encumbrances (not already included in payables) in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General Fund	\$ 653,608
Nonmajor Governmental Funds	<u>557,554</u>
Total	<u>\$ 1,211,162</u>

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CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 17 - FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balance	General	General Obligation Debt Service	Toy Road TIF	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepayments	\$ 39,940	\$ -	\$ -	\$ 575	\$ 40,515
Restricted:					
Court operations	-	-	-	107,544	107,544
Debt retirement	-	-	158	2,058,530	2,058,688
Drug enforcement	-	-	-	5,325	5,325
Economic development	-	-	-	10,005	10,005
Park improvements	-	-	-	6,994	6,994
Infrastructure improvements	-	-	-	3,285,547	3,285,547
Police operations	-	-	-	30,831	30,831
Other purposes	-	-	-	176,645	176,645
Street construction and maintenance	-	-	-	1,307,134	1,307,134
Total restricted	-	-	158	6,988,555	6,988,713
Committed:					
Debt retirement	-	998,891	-	-	998,891
Park operations	-	-	-	256,780	256,780
Permanent improvements	-	-	-	43,212	43,212
Police operations	-	-	-	59	59
Total committed	-	998,891	-	300,051	1,298,942
Assigned:					
General government	166,710	-	-	-	166,710
Security of persons & property	48,948	-	-	-	48,948
Community environment	195,378	-	-	-	195,378
Leisure time activity	72,636	-	-	-	72,636
Transportation	7,154	-	-	-	7,154
Capital improvements	210,587	-	-	-	210,587
Subsequent year appropriations	4,017,900	-	-	-	4,017,900
Total assigned	4,719,313	-	-	-	4,719,313
Unassigned	3,567,016	-	-	-	3,567,016
Total fund balances	\$ 8,326,269	\$ 998,891	\$ 158	\$ 7,289,181	\$ 16,614,499

CITY OF OBETZ, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS

A. Big Walnut Area Community Improvement Corporation

The Big Walnut Area Community Improvement Corporation (the “CIC”) is a not-for-profit corporation formed to promote economic development within the City. The CIC is governed by a seven-member board which includes the Mayor, President Pro Tempore of City Council, and the City Administrator. The primary asset of the CIC is a building. The CIC’s primary revenue is rent from a lease of the building to the Columbus Crew Soccer Team. Financial information can be obtained from the City of Obetz, 4175 Alum Creek Drive, Obetz, Ohio 43207.

B. Prairie-Obetz Joint Economic Development Zone

The City participates in the Prairie-Obetz Joint Economic Development Zone (the “JEDZ”), a jointly governed organization created according to the provisions of Ohio Revised Code Section 715.691. The JEDZ is to facilitate new or expanded growth for commercial and economic development within the JEDZ and the State for the benefit of the City, the Township, the State, and its residents. The board consists of three members representing the City of Obetz and appointed by the City Council and three members representing Prairie Township and appointed by the Township Trustees. Financial information can be obtained from the City of Obetz, 4175 Alum Creek Drive, Obetz, Ohio 43207.

NOTE 19 - PUBLIC ENTITY SHARED RISK POOLS

A. Public Entities Pool of Ohio

The Public Entities Pool of Ohio (the “Pool”) is a public entity shared risk pool which provides various risk management services to its members. The Pool is governed by a seven-member board of directors; six are member representatives or elected officials and one is a representative of the Pool administrator, American Risk Pooling Consultants, Inc. Each member has one vote on all issues addressed by the Board of Directors. Participation in the Pool is by written application subject to the terms of the Pool agreement. Members must continue membership for a full year and may withdraw from the Pool by giving a 60-day written notice prior to their annual anniversary. Financial information can be obtained from the Public Entities Pool of Ohio, 6797 North High Street, Suite 131, Worthington, Ohio 43085.

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CITY OF OBETZ, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 19 - PUBLIC ENTITY SHARED RISK POOLS - (Continued)

B. Central Ohio Health Care Consortium

The Central Ohio Health Care Consortium (the “Consortium”) was established in 1992, as a joint self-insurance program formed by several political subdivisions throughout Central Ohio. The Consortium is a legally separate entity organized under Ohio Revised Code Section 9.833. The purpose of the Consortium is to maximize benefits and reduce the costs of medical and prescription drug coverages for Consortium member employees and eligible dependents. Each Consortium member appoints one individual to be its representative on the Board of Directors. The Board of Directors sets all premiums and other amounts to be paid by the Consortium members.

All Consortium members are required to remit monthly contributions to the Consortium’s administrator, which are used to pay claims and related claim settlement expenses, to purchase excess loss insurance for the plan and to establish and maintain sufficient loss reserves. The monthly contribution is determined for each Consortium member in accordance with the number of covered employees and dependents and the prior loss experience of the respective member group.

Consortium members may withdraw from the Consortium as of the end of the three year trust term by giving written notice no later than September 1 of that year. Non-founding members must remain in the Consortium for a minimum of three years, regardless of the trust term. At and after the effective time of withdrawal, the withdrawing member is wholly and solely responsible for providing health care benefits that had been previously provided by the Consortium, including, but not limited to, any and all incurred, but not reported claims related to its prior participation.

NOTE 20 - CAPITAL LEASES

In 2019, the City entered into a new capital lease agreement for the acquisition of a mail machine. This lease meets the criteria of a capital lease which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital assets acquired by the lease have been capitalized in the amount of \$8,657 in the governmental activities, which represents the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation as of December 31, 2021 was \$4,328, leaving a current book value of \$4,329 in the governmental activities.

A corresponding liability was recorded on the Statement of Net Position. In 2021, principal payments of \$1,648 are reflected as debt service principal retirement in the General Fund. The principal payments are reported as a reduction to the long-term liabilities reported on the Statement of Net Position. The following is a schedule of the future minimum lease payments for the City’s capital lease and the present value of the minimum lease payments as of December 31, 2021.

<u>Year Ending</u>	<u>Governmental Activities</u>
2022	\$ 1,959
2023	1,958
2024	1,795
Total minimum lease payments	<u>5,712</u>
Less: amount representing interest	<u>(407)</u>
Present value of minimum lease payments	<u><u>\$ 5,305</u></u>

CITY OF OBETZ, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 21 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 Pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST EIGHT YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.017567%	0.018703%	0.017600%	0.016937%
City's proportionate share of the net pension liability	\$ 2,601,290	\$ 3,696,774	\$ 4,820,283	\$ 2,657,087
City's covered payroll	\$ 3,286,400	\$ 3,327,479	\$ 2,918,293	\$ 2,884,654
City's proportionate share of the net pension liability as a percentage of its covered payroll	79.15%	111.10%	165.17%	92.11%
Plan fiduciary net position as a percentage of the total pension liability	86.88%	82.17%	74.70%	84.66%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.015296%	0.026103%	0.019945%	0.013450%
City's proportionate share of the net pension asset	\$ 44,155	\$ 54,431	\$ 22,303	\$ 18,311
City's covered payroll	\$ 67,407	\$ 116,200	\$ 85,300	\$ 55,085
City's proportionate share of the net pension asset as a percentage of its covered payroll	65.51%	46.84%	26.15%	33.24%
Plan fiduciary net position as a percentage of the total pension asset	157.67%	145.28%	126.64%	137.28%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.023801%	0.017228%	0.001134%	0.001095%
City's proportionate share of the net pension asset	\$ 4,339	\$ 651	\$ 26	\$ 38
City's covered payroll	\$ 142,940	\$ 102,410	\$ 6,480	\$ 6,000
City's proportionate share of the net pension asset as a percentage of its covered payroll	3.04%	0.64%	0.40%	0.63%
Plan fiduciary net position as a percentage of the total pension asset	188.21%	118.84%	113.42%	124.46%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	2017	2016	2015	2014
	0.015701%	0.014305%	0.012638%	0.012638%
\$	3,565,430	\$ 2,477,806	\$ 1,524,285	\$ 1,489,856
\$	2,454,108	\$ 2,330,683	\$ 2,018,733	\$ 1,816,054
	145.28%	106.31%	75.51%	82.04%
	77.25%	81.08%	86.45%	86.36%
	0.000288%			
\$	160			
\$	1,125			
	14.22%			
	116.55%			
	0.005120%	0.033391%		
\$	21	\$ 129		
\$	21,042	\$ 185,958		
	0.10%	0.07%		
	103.40%	103.91%		

CITY OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY/NET PENSION ASSET
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST EIGHT YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's proportion of the net pension liability	0.05241080%	0.05581250%	0.05445900%	0.05435400%
City's proportionate share of the net pension liability	\$ 3,572,891	\$ 3,759,828	\$ 4,445,293	\$ 3,335,953
City's covered payroll	\$ 1,426,100	\$ 1,471,953	\$ 1,376,800	\$ 1,328,532
City's proportionate share of the net pension liability as a percentage of its covered payroll	250.54%	255.43%	322.87%	251.10%
Plan fiduciary net position as a percentage of the total pension liability	70.65%	69.89%	63.07%	70.91%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.05329700%	0.04809800%	0.03705820%	0.03705820%
\$ 3,375,802	\$ 3,094,172	\$ 1,919,769	\$ 1,804,851
\$ 1,277,505	\$ 1,054,153	\$ 821,726	\$ 1,116,266
264.25%	293.52%	233.63%	161.69%
68.36%	66.77%	72.20%	73.00%

CITY OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 573,050	\$ 460,096	\$ 465,847	\$ 408,561
Contributions in relation to the contractually required contribution	<u>(573,050)</u>	<u>(460,096)</u>	<u>(465,847)</u>	<u>(408,561)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,093,214	\$ 3,286,400	\$ 3,327,479	\$ 2,918,293
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 10,617	\$ 9,437	\$ 16,268	\$ 11,942
Contributions in relation to the contractually required contribution	<u>(10,617)</u>	<u>(9,437)</u>	<u>(16,268)</u>	<u>(11,942)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 75,836	\$ 67,407	\$ 116,200	\$ 85,300
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 14,624	\$ 14,294	\$ 10,241	\$ 648
Contributions in relation to the contractually required contribution	<u>(14,624)</u>	<u>(14,294)</u>	<u>(10,241)</u>	<u>(648)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 146,240	\$ 142,940	\$ 102,410	\$ 6,480
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 375,005	\$ 294,493	\$ 279,682	\$ 242,248	\$ 236,087	\$ 160,440
<u>(375,005)</u>	<u>(294,493)</u>	<u>(279,682)</u>	<u>(242,248)</u>	<u>(236,087)</u>	<u>(160,440)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,884,654	\$ 2,454,108	\$ 2,330,683	\$ 2,018,733	\$ 1,816,054	\$ 1,604,400
13.00%	12.00%	12.00%	12.00%	13.00%	10.00%
\$ 7,161	\$ 135				
<u>(7,161)</u>	<u>(135)</u>				
<u>\$ -</u>	<u>\$ -</u>				
\$ 55,085	\$ 1,125				
13.00%	12.00%				
\$ 600	\$ 2,525	\$ 22,315			
<u>(600)</u>	<u>(2,525)</u>	<u>(22,315)</u>			
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			
\$ 6,000	\$ 21,042	\$ 185,958			
10.00%	12.00%	12.00%			

CITY OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY PENSION CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Police:</i>				
Contractually required contribution	\$ 306,497	\$ 270,959	\$ 279,671	\$ 261,592
Contributions in relation to the contractually required contribution	<u>(306,497)</u>	<u>(270,959)</u>	<u>(279,671)</u>	<u>(261,592)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,613,142	\$ 1,426,100	\$ 1,471,953	\$ 1,376,800
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 252,421	\$ 242,726	\$ 200,289	\$ 156,128	\$ 177,263	\$ 119,920
<u>(252,421)</u>	<u>(242,726)</u>	<u>(200,289)</u>	<u>(156,128)</u>	<u>(177,263)</u>	<u>(119,920)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,328,532	\$ 1,277,505	\$ 1,054,153	\$ 821,726	\$ 1,116,031	\$ 940,549
19.00%	19.00%	19.00%	19.00%	15.88%	12.75%

CITY OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST FIVE YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability/asset	0.017751%	0.018865%	0.017021%	0.016230%	0.014835%
City's proportionate share of the net OPEB liability/(asset)	\$ (316,249)	\$ 2,605,746	\$ 2,219,137	\$ 1,762,458	\$ 1,498,347
City's covered payroll	\$ 3,496,747	\$ 3,546,089	\$ 3,010,073	\$ 2,945,739	\$ 2,476,275
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	9.04%	73.48%	73.72%	59.83%	60.51%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	115.57%	47.80%	46.33%	54.14%	54.05%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/NET OPEB ASSET
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST FIVE YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.05241080%	0.05581250%	0.05445900%	0.05435400%	0.05329700%
City's proportionate share of the net OPEB liability	\$ 555,301	\$ 551,301	\$ 495,933	\$ 3,079,627	\$ 2,529,889
City's covered payroll	\$ 1,426,100	\$ 1,471,953	\$ 1,376,800	\$ 1,328,532	\$ 1,277,505
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	38.94%	37.45%	36.02%	231.81%	198.03%
Plan fiduciary net position as a percentage of the total OPEB liability	45.42%	47.08%	46.57%	14.13%	15.96%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 5,849	\$ 5,718	\$ 4,097	\$ 259	\$ 29,637
Contributions in relation to the contractually required contribution	<u>(5,849)</u>	<u>(5,718)</u>	<u>(4,097)</u>	<u>(259)</u>	<u>(29,637)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,315,290	\$ 3,496,747	\$ 3,546,089	\$ 3,010,073	\$ 2,945,739
Contributions as a percentage of covered payroll	0.14%	0.16%	0.12%	0.01%	1.01%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 50,300	\$ 46,614	\$ 48,799	\$ 18,161	\$ 54,991
<u>(50,300)</u>	<u>(46,614)</u>	<u>(48,799)</u>	<u>(18,161)</u>	<u>(54,991)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,476,275	\$ 2,516,641	\$ 2,018,733	\$ 1,816,054	\$ 1,604,400
2.03%	1.85%	2.42%	1.00%	3.43%

CITY OF OBETZ, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY OPEB CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Police:</i>					
Contractually required contribution	\$ 8,066	\$ 7,131	\$ 7,360	\$ 6,884	\$ 6,643
Contributions in relation to the contractually required contribution	<u>(8,066)</u>	<u>(7,131)</u>	<u>(7,360)</u>	<u>(6,884)</u>	<u>(6,643)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,613,142	\$ 1,426,100	\$ 1,471,953	\$ 1,376,800	\$ 1,328,532
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 6,288	\$ 5,413	\$ 4,071	\$ 40,363	\$ 63,487
<u>(6,288)</u>	<u>(5,413)</u>	<u>(4,071)</u>	<u>(40,363)</u>	<u>(63,487)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,277,505	\$ 1,054,153	\$ 821,726	\$ 1,116,031	\$ 940,549
0.50%	0.50%	0.50%	3.62%	6.75%

CITY OF OBETZ, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2014-2021.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2014-2021.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.50% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.

(Continued)

CITY OF OBETZ, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2017-2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% to 2.00% and (c) the health care cost trend rate was decreased from 10.00%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

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

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2017-2018.
- For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%. For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96%.

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

CITY OF OBETZ, OHIO

FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

The special revenue funds are used to account for specific revenue sources that are restricted or committed to expenditure for specified expenditure purposes, other than debt service or capital projects. The following are the nonmajor special revenue funds which the City operates:

Street Construction, Maintenance and Repair Fund

This fund accounts for state gasoline tax and motor vehicle registration fees which are restricted for maintenance of streets within the City.

Parks and Recreation Fund

This fund accounts for a fee charged to developers in accordance with City planning and zoning codes.

Drug Law Enforcement Fund

This fund accounts for fines resulting from drug-related arrests which are restricted for the benefit of the Police Department.

Permissive Motor Vehicle License Tax Fund

This fund accounts for permissive motor vehicle registration fees levied by the City which are restricted for maintenance of streets within the City.

DUI Education Fund

This fund accounts for monies generated from DUI fines which are restricted to DUI education.

Mayor's Court Computer "A" Fund

This fund accounts for the collection of Mayor's Court fees that are restricted to subsidize computers operated by the court.

Keith Evans Memorial Fields Fund

This fund accounts for donations to purchase playground equipment at Memorial Park.

Police Improvement Fund

This fund accounts for fines collected from traffic tickets and other Mayor's Court costs which are restricted for purchasing uniforms or other equipment for the Police Department.

Mayor's Court Computer "B" Fund

This fund accounts for the collection of Mayor's Court fees that are restricted to subsidize computers operated by the Clerk of the Mayor's Court.

Continuing Education for Police Fund

This fund accounts for funds received from the Ohio Attorney General's office which are restricted for mandatory police training.

Goodyear TIF Fund

This fund accounts for the distributions to the City of tax increment financing service payments made from properties in the TIF area and expenditures for school compensation payments to the Hamilton Local School District and for the cost of public infrastructure improvements directly benefitting the TIF area.

CRA Fund

This fund accounts for fees charged in accordance with Ohio Revised Code 3735 which are restricted for the City to comply with 3735.672 of the ORC.

Law Enforcement Trust Fund

This fund accounts for forfeited properties from police investigations that are restricted for the benefit of the Police Department.

Stambaugh TIF Fund

This fund accounts for the distributions to the City of tax increment financing service payments made from properties in the TIF area and expenditures for the cost of public infrastructure improvements directly benefitting the TIF area.

CITY OF OBETZ, OHIO

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS - (Continued)

Coronavirus Relief Fund

This fund accounts for revenues and disbursements related to monies received from the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Local Fiscal Recovery Fund

This fund accounts for and reports federal grants received to help offset the financial effects of the COVID-19 Pandemic.

Unclaimed Monies Fund

This fund accounts for monies which have yet to be claimed by their rightful owners. After five years, any money still within the fund is credited to the General Fund. Even though this fund is restricted by ORC, the fund balance will be shown as nonspendable. This fund is included in the General Fund (GAAP basis), but has a legally separate adopted budget (budget basis). This fund is not included in the combining statements for the nonmajor special revenue funds since it is reported in the General Fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

NONMAJOR DEBT SERVICE FUNDS

To account for the resources that are restricted, committed, or assigned to expenditure for debt principal, interest, and related costs. Following is a description of the City's nonmajor debt service funds:

Park Improvement Debt Service Fund

This fund accounts for income tax monies restricted for the payment of principal and interest related to the Series 2016A income tax revenue bonds issued for park improvements.

Park Improvement Debt Service Reserve Fund

This fund accounts for a debt service reserve required by a Trust Agreement related to the Series 2016A income tax revenue bonds issued for park improvements.

Infrastructure Debt Service Reserve Fund

This fund accounts for a debt service reserve required by a Trust Agreement related to the Series 2018 income tax revenue bonds issued for infrastructure improvements.

NONMAJOR CAPITAL PROJECTS FUNDS

To account for resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities and other capital assets. Following are descriptions of the City's nonmajor capital projects funds:

Permanent Improvement Fund

This fund accounts for resources received to purchase permanent improvements.

Williams Road Capital Improvement Fund

This fund accounts for the resources that are received for improvements in the Williams Road area.

Walnut Creek Improvement Fund

This fund accounts for the resources that are received for improvements in the Walnut Creek area.

Parks Capital Improvements Project Fund

This fund accounts for resources that are restricted for improvements to the City's parks.

Streets Capital Improvements Fund

This fund accounts for the resources that are restricted for improvements to the City's streets.

Parks Improvements Fund

This fund accounts for resources for improvements for the City's parks and to purchase capital assets.

Creekside South TIF Fund

This fund accounts for monies restricted for public infrastructure improvements in the Creekside South area.

2019 Capital Improvements Fund

This fund accounts for 2019 note proceeds that are restricted for capital improvements to the City's capital assets.

2020 Capital Projects Fund

This fund accounts for the resources from the 2020 bond issuance that are restricted for capital improvements to the City's capital assets.

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CITY OF OBETZ, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS AND OTHER DEBITS				
Assets:				
Equity in pooled cash and investments	\$ 2,175,367	\$ 554,630	\$ 3,353,343	\$ 6,083,340
Cash with fiscal agent	86,705	-	-	86,705
Receivables:				
Municipal income taxes	-	175,000	-	175,000
Payments in lieu of taxes	58,882	-	391,626	450,508
Accounts	611	-	-	611
Due from other governments	232,277	-	-	232,277
Prepayments	575	-	-	575
Restricted assets:				
Cash with bond trustee	-	1,328,900	-	1,328,900
Total assets	<u>\$ 2,554,417</u>	<u>\$ 2,058,530</u>	<u>\$ 3,744,969</u>	<u>\$ 8,357,916</u>
Liabilities:				
Accounts payable	\$ 119,140	\$ -	\$ 24,584	\$ 143,724
Accrued wages and benefits payable	1,026	-	-	1,026
Due to other governments	1,324	-	-	1,324
Unearned revenue	272,226	-	-	272,226
Total liabilities	<u>393,716</u>	<u>-</u>	<u>24,584</u>	<u>418,300</u>
Deferred inflows of resources:				
Payments in lieu of taxes levied for the next fiscal year	58,882	-	391,626	450,508
Intergovernmental revenue not available	199,927	-	-	199,927
Total deferred inflows of resources	<u>258,809</u>	<u>-</u>	<u>391,626</u>	<u>650,435</u>
Fund balances:				
Nonspendable	575	-	-	575
Restricted	1,644,478	2,058,530	3,285,547	6,988,555
Committed	256,839	-	43,212	300,051
Total fund balances	<u>1,901,892</u>	<u>2,058,530</u>	<u>3,328,759</u>	<u>7,289,181</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,554,417</u>	<u>\$ 2,058,530</u>	<u>\$ 3,744,969</u>	<u>\$ 8,357,916</u>

CITY OF OBETZ, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021

	<u>Street Construction, Maintenance and Repair</u>	<u>Parks and Recreation</u>	<u>Drug Law Enforcement</u>	<u>Permissive Motor Vehicle License Tax</u>
Assets:				
Equity in pooled cash and investments	\$ 1,138,145	\$ 256,780	\$ 150	\$ 68,791
Cash with fiscal agent	-	-	-	86,705
Receivables:				
Payments in lieu of taxes	-	-	-	-
Accounts	-	-	-	-
Due from other governments	232,277	-	-	-
Prepayments	575	-	-	-
Total assets	<u>\$ 1,370,997</u>	<u>\$ 256,780</u>	<u>\$ 150</u>	<u>\$ 155,496</u>
Liabilities:				
Accounts payable	\$ 16,507	\$ -	\$ -	\$ -
Accrued wages and benefits payable	1,026	-	-	-
Due to other governments	1,324	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>18,857</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Payments in lieu of taxes levied for the next fiscal year	-	-	-	-
Intergovernmental revenue not available	199,927	-	-	-
Total deferred inflows of resources	<u>199,927</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	575	-	-	-
Restricted	1,151,638	-	150	155,496
Committed	-	256,780	-	-
Total fund balances	<u>1,152,213</u>	<u>256,780</u>	<u>150</u>	<u>155,496</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,370,997</u>	<u>\$ 256,780</u>	<u>\$ 150</u>	<u>\$ 155,496</u>

CITY OF OBETZ, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2021

	<u>CRA</u>	<u>Law Enforcement Trust</u>	<u>Stambaugh TIF</u>	<u>Coronavirus Relief</u>
Assets:				
Equity in pooled cash and investments	\$ 10,005	\$ 15,539	\$ 175,781	\$ 103,341
Cash with fiscal agent	-	-	-	-
Receivables:				
Payments in lieu of taxes	-	-	58,882	-
Accounts	-	-	-	-
Due from other governments	-	-	-	-
Prepayments	-	-	-	-
Total assets	<u>\$ 10,005</u>	<u>\$ 15,539</u>	<u>\$ 234,663</u>	<u>\$ 103,341</u>
Liabilities:				
Accounts payable	\$ -	\$ 156	\$ -	\$ 102,477
Accrued wages and benefits payable	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>156</u>	<u>-</u>	<u>102,477</u>
Deferred inflows of resources:				
Payments in lieu of taxes levied for the next fiscal year	-	-	58,882	-
Intergovernmental revenue not available	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>58,882</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	10,005	15,383	175,781	864
Committed	-	-	-	-
Total fund balances	<u>10,005</u>	<u>15,383</u>	<u>175,781</u>	<u>864</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,005</u>	<u>\$ 15,539</u>	<u>\$ 234,663</u>	<u>\$ 103,341</u>

<u>Local Fiscal Recovery</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 272,226	\$ 2,175,367
-	86,705
-	-
-	58,882
-	611
-	232,277
-	575
<u>\$ 272,226</u>	<u>\$ 2,554,417</u>
\$ -	\$ 119,140
-	1,026
-	1,324
<u>272,226</u>	<u>272,226</u>
<u>272,226</u>	<u>393,716</u>
-	58,882
-	<u>199,927</u>
-	<u>258,809</u>
-	575
-	1,644,478
-	<u>256,839</u>
-	<u>1,901,892</u>
<u>\$ 272,226</u>	<u>\$ 2,554,417</u>

CITY OF OBETZ, OHIO

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2021

	<u>Park Improvement Debt Service</u>	<u>Park Improvement Debt Service Reserve</u>	<u>Infrastructure Debt Service Reserve</u>	<u>Total Nonmajor Debt Service Funds</u>
Assets:				
Equity in pooled cash and investments	\$ 201,309	\$ -	\$ 353,321	\$ 554,630
Receivables:				
Municipal income taxes	95,000	-	80,000	175,000
Restricted assets:				
Cash with bond trustee	<u>96,221</u>	<u>1,139,164</u>	<u>93,515</u>	<u>1,328,900</u>
Total assets	<u>\$ 392,530</u>	<u>\$ 1,139,164</u>	<u>\$ 526,836</u>	<u>\$ 2,058,530</u>
Fund balances:				
Restricted	<u>\$ 392,530</u>	<u>\$ 1,139,164</u>	<u>\$ 526,836</u>	<u>\$ 2,058,530</u>
Total deferred inflows of resources and fund balances	<u>\$ 392,530</u>	<u>\$ 1,139,164</u>	<u>\$ 526,836</u>	<u>\$ 2,058,530</u>

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CITY OF OBETZ, OHIO

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2021

	Permanent Improvement	Williams Road Capital Improvement	Walnut Creek Improvement	Parks Capital Improvements Project
Assets:				
Equity in pooled cash and investments	\$ 43,212	\$ 2,846	\$ 237,364	\$ 244,034
Payments in lieu of taxes	-	-	-	-
Total assets	<u>\$ 43,212</u>	<u>\$ 2,846</u>	<u>\$ 237,364</u>	<u>\$ 244,034</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 25
Deferred inflows of resources:				
Payments in lieu of taxes levied for the next fiscal year	-	-	-	-
Fund balances:				
Restricted	-	2,846	237,364	244,009
Committed	43,212	-	-	-
Total fund balances	<u>43,212</u>	<u>2,846</u>	<u>237,364</u>	<u>244,009</u>
Total liabilities and fund balances	<u>\$ 43,212</u>	<u>\$ 2,846</u>	<u>\$ 237,364</u>	<u>\$ 244,034</u>

<u>Streets Capital Improvements</u>	<u>Parks Improvements</u>	<u>Creekside South TIF</u>	<u>2019 Capital Improvements</u>	<u>2020 Capital Projects</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$ 1,026,538	\$ 11,639	\$ 625,847	\$ 161,863	\$ 1,000,000	\$ 3,353,343
-	-	391,626	-	-	391,626
<u>\$ 1,026,538</u>	<u>\$ 11,639</u>	<u>\$ 1,017,473</u>	<u>\$ 161,863</u>	<u>\$ 1,000,000</u>	<u>\$ 3,744,969</u>
\$ 19,765	\$ 4,794	\$ -	\$ -	\$ -	\$ 24,584
-	-	391,626	-	-	391,626
1,006,773	6,845	625,847	161,863	1,000,000	3,285,547
-	-	-	-	-	43,212
<u>1,006,773</u>	<u>6,845</u>	<u>625,847</u>	<u>161,863</u>	<u>1,000,000</u>	<u>3,328,759</u>
<u>\$ 1,026,538</u>	<u>\$ 11,639</u>	<u>\$ 1,017,473</u>	<u>\$ 161,863</u>	<u>\$ 1,000,000</u>	<u>\$ 3,744,969</u>

CITY OF OBETZ, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Municipal income taxes	\$ -	\$ 2,100,000	\$ -	\$ 2,100,000
Payments in lieu of taxes	57,588	-	192,230	249,818
Other local taxes	46,663	-	-	46,663
Fees, licenses and permits	70,755	-	-	70,755
Fines and forfeitures	4,834	-	-	4,834
Intergovernmental	467,776	-	-	467,776
Investment income	1,219	-	-	1,219
Other	272	-	-	272
Total revenues	<u>649,107</u>	<u>2,100,000</u>	<u>192,230</u>	<u>2,941,337</u>
Expenditures:				
Current:				
General government	319,443	-	2,171	321,614
Public health	68,644	-	-	68,644
Transportation	293,270	-	-	293,270
Capital outlay	3,555	-	2,054,921	2,058,476
Debt service:				
Principal retirement	-	1,150,000	-	1,150,000
Interest and fiscal charges	-	1,110,088	-	1,110,088
Total expenditures	<u>684,912</u>	<u>2,260,088</u>	<u>2,057,092</u>	<u>5,002,092</u>
Net change in fund balances	(35,805)	(160,088)	(1,864,862)	(2,060,755)
Fund balances at beginning of year	<u>1,937,697</u>	<u>2,218,618</u>	<u>5,193,621</u>	<u>9,349,936</u>
Fund balances at end of year	<u>\$ 1,901,892</u>	<u>\$ 2,058,530</u>	<u>\$ 3,328,759</u>	<u>\$ 7,289,181</u>

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CITY OF OBETZ, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Street Construction, Maintenance and Repair	Parks and Recreation	Drug Law Enforcement	Permissive Motor Vehicle License Tax
Revenues:				
Payments in lieu of taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	46,663
Fees, licenses and permits	-	70,755	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	466,542	-	-	-
Investment income	1,025	-	-	60
Other	272	-	-	-
Total revenues	467,839	70,755	-	46,723
Expenditures:				
Current:				
General government	-	-	-	-
Public health	-	-	-	-
Transportation	293,270	-	-	-
Capital outlay	-	2,464	-	-
Total expenditures	293,270	2,464	-	-
Net change in fund balances	174,569	68,291	-	46,723
Fund balances at beginning of year	977,644	188,489	150	108,773
Fund balances at end of year	\$ 1,152,213	\$ 256,780	\$ 150	\$ 155,496

<u>DUI Education</u>	<u>Mayor's Court Computer "A"</u>	<u>Keith Evans Memorial Fields</u>	<u>Police Improvement</u>	<u>Mayor's Court Computer "B"</u>	<u>Continuing Education for Police</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
25	3,673	-	11	1,125	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
25	3,673	-	11	1,125	-
-	4,122	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	4,122	-	-	-	-
25	(449)	-	11	1,125	-
<u>5,150</u>	<u>77,096</u>	<u>6,994</u>	<u>48</u>	<u>29,772</u>	<u>15,448</u>
<u>\$ 5,175</u>	<u>\$ 76,647</u>	<u>\$ 6,994</u>	<u>\$ 59</u>	<u>\$ 30,897</u>	<u>\$ 15,448</u>

(Continued)

CITY OF OBETZ, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Goodyear TIF</u>	<u>CRA</u>	<u>Law Enforcement Trust</u>	<u>Stambaugh TIF</u>
Revenues:				
Payments in lieu of taxes	\$ -	\$ -	\$ -	\$ 57,588
Other local taxes	-	-	-	-
Fees, licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	1,234	-
Investment income	-	-	-	-
Other	-	-	-	-
	<hr/>			
Total revenues	-	-	1,234	57,588
	<hr/>			
Expenditures:				
Current:				
General government	212,963	-	-	220
Public health	-	-	-	-
Transportation	-	-	-	-
Capital outlay	-	-	1,091	-
	<hr/>			
Total expenditures	212,963	-	1,091	220
	<hr/>			
Net change in fund balances	(212,963)	-	143	57,368
	<hr/>			
Fund balances at beginning of year	212,963	10,005	15,240	118,413
	<hr/>			
Fund balances at end of year	<u>\$ -</u>	<u>\$ 10,005</u>	<u>\$ 15,383</u>	<u>\$ 175,781</u>

<u>Coronavirus Relief</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ 57,588
-	46,663
-	70,755
-	4,834
-	467,776
134	1,219
-	272
<hr/> 134	<hr/> 649,107
102,138	319,443
68,644	68,644
-	293,270
-	3,555
<hr/> 170,782	<hr/> 684,912
(170,648)	(35,805)
<hr/> 171,512	<hr/> 1,937,697
<u><u>\$ 864</u></u>	<u><u>\$ 1,901,892</u></u>

CITY OF OBETZ, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Park Improvement Debt Service	Park Improvement Debt Service Reserve	Infrastructure Debt Service Reserve	Total Nonmajor Debt Service Funds
Revenues:				
Municipal income taxes	\$ 1,140,000	\$ -	\$ 960,000	\$ 2,100,000
Expenditures:				
Debt service:				
Principal retirement	640,000	-	510,000	1,150,000
Interest and fiscal charges	496,650	-	613,438	1,110,088
Total expenditures	1,136,650	-	1,123,438	2,260,088
Net change in fund balances	3,350	-	(163,438)	(160,088)
Fund balances at beginning of year	389,180	1,139,164	690,274	2,218,618
Fund balances at end of year	\$ 392,530	\$ 1,139,164	\$ 526,836	\$ 2,058,530

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CITY OF OBETZ, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Permanent Improvement</u>	<u>Williams Road Capital Improvement</u>	<u>Walnut Creek Improvement</u>	<u>Parks Capital Improvements Project</u>
Revenues:				
Payments in lieu of taxes	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	131,376
Total expenditures	-	-	-	131,376
Net change in fund balances	-	-	-	(131,376)
Fund balances at beginning of year	<u>43,212</u>	<u>2,846</u>	<u>237,364</u>	<u>375,385</u>
Fund balances at end of year	<u>\$ 43,212</u>	<u>\$ 2,846</u>	<u>\$ 237,364</u>	<u>\$ 244,009</u>

Streets Capital Improvements	Parks Improvements Fund	Creekside South TIF	2019 Capital Improvements	2020 Capital Projects	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ 192,230	\$ -	\$ -	\$ 192,230
-	-	2,171	-	-	2,171
1,918,751	4,794	-	-	-	2,054,921
1,918,751	4,794	2,171	-	-	2,057,092
(1,918,751)	(4,794)	190,059	-	-	(1,864,862)
2,925,524	11,639	435,788	161,863	1,000,000	5,193,621
<u>\$ 1,006,773</u>	<u>\$ 6,845</u>	<u>\$ 625,847</u>	<u>\$ 161,863</u>	<u>\$ 1,000,000</u>	<u>\$ 3,328,759</u>

CITY OF OBETZ, OHIO

FUND DESCRIPTIONS - CUSTODIAL FUNDS

CUSTODIAL FUNDS

Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. These funds do not account for the City's own source revenue. The following is a description of the City's custodial funds.

JEDZ Income Tax Fund

This fund accounts for the proceeds of the JEDZ income tax which are distributed to the designated recipients.

State Building Permit Fund

This fund accounts for building standards fee assessments collected by the City which are remitted to the State.

Big Walnut CIC Fund

This fund accounts for the collections by the City to be distributed to the Big Walnut CIC.

Convention and Visitors Bureau Fund

This fund accounts for fees received from hotels/motels used to benefit visitors to the City of Obetz.

Mayor's Court Fund

This fund accounts for Mayor's Court activity.

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CITY OF OBETZ, OHIO

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021

	JEDZ Income Tax	State Building Permit	Big Walnut CIC	Convention and Visitors Bureau
Assets:				
Equity in pooled cash and cash equivalents	\$ 335,585	\$ 818	\$ 3,017	\$ 165,459
Receivables (net of allowances for uncollectibles):				
Income taxes	458,517	-	-	-
Accounts	-	58	-	1,773
	794,102	876	3,017	167,232
Total assets				
	794,102	876	3,017	167,232
Liabilities:				
Due to other governments	1,572,590	817	-	-
	1,572,590	817	-	-
Net position:				
Restricted for individuals, organizations and other governments	\$ (778,488)	\$ 59	\$ 3,017	\$ 167,232
	\$ (778,488)	\$ 59	\$ 3,017	\$ 167,232

<u>Mayor's Court</u>	<u>Total</u>
\$ 7,860	\$ 512,739
-	458,517
-	1,831
<u>7,860</u>	<u>973,087</u>
-	<u>1,573,407</u>
<u>\$ 7,860</u>	<u>\$ (600,320)</u>

CITY OF OBETZ, OHIO

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>JEDZ</u> <u>Income Tax</u>	<u>State Building</u> <u>Permit</u>	<u>Big Walnut</u> <u>CIC</u>	<u>Convention and</u> <u>Visitors Bureau</u>
Additions:				
From local sources:				
Licenses, permits and fees for other governments	\$ -	\$ 9,747	\$ -	\$ -
Fines and forfeitures for other governments	-	58	-	-
Income tax collections for other governments	6,148,136	-	-	-
Other custodial fund collections	-	-	-	30,814
Total additions	<u>6,148,136</u>	<u>9,805</u>	<u>-</u>	<u>30,814</u>
Deductions:				
Distributions to the State of Ohio	-	104	-	-
Fines and forfeitures distributions to other governments	-	-	-	-
Income tax distributions to other governments	1,297,480	-	-	-
Other custodial fund disbursements	4,835,486	10,346	-	-
Total deductions	<u>6,132,966</u>	<u>10,450</u>	<u>-</u>	<u>-</u>
Net change in fiduciary net position	15,170	(645)	-	30,814
Net position beginning of year	<u>(793,658)</u>	<u>704</u>	<u>3,017</u>	<u>136,418</u>
Net position end of year	<u>\$ (778,488)</u>	<u>\$ 59</u>	<u>\$ 3,017</u>	<u>\$ 167,232</u>

<u>Mayor's Court</u>	<u>Total</u>
\$ -	\$ 9,747
21,127	21,185
-	6,148,136
-	30,814
21,127	6,209,882
-	104
19,142	19,142
-	1,297,480
-	4,845,832
19,142	6,162,558
1,985	47,324
5,875	(647,644)
\$ 7,860	\$ (600,320)

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Municipal income taxes	\$ 8,248,438	\$ 10,518,612	\$ 10,623,990	\$ 105,378
Property taxes	258,333	329,433	335,461	6,028
Other local taxes	215,648	275,000	348,546	73,546
Charges for services	276,814	353,000	841,226	488,226
Fees, licenses and permits	358,760	457,500	750,827	293,327
Fines and forfeitures	27,446	35,000	38,388	3,388
Intergovernmental	2,239,605	2,856,000	3,016,898	160,898
Investment income	117,626	150,000	30,108	(119,892)
Other	78,418	100,000	483,842	383,842
Total revenues	<u>11,821,088</u>	<u>15,074,545</u>	<u>16,469,286</u>	<u>1,394,741</u>
Expenditures:				
Current:				
General government				
Mayor and administrator				
Personal services	473,834	499,879	423,672	76,207
Contract services	40,097	40,097	29,292	10,805
Materials and supplies	12,520	12,520	9,253	3,267
City council				
Personal services	110,122	110,122	80,531	29,591
Contract services	89,712	93,112	56,009	37,103
Materials and supplies	5,050	5,050	2,228	2,822
Mayor's court				
Personal services	51,040	51,040	47,294	3,746
Contract services	22,191	22,691	15,851	6,840
Finance department				
Personal services	413,707	427,748	375,231	52,517
Contract services	49,521	53,021	45,965	7,056
Materials and supplies	33,020	33,020	27,068	5,952
Land and Buildings				
Personal services	295,213	321,777	258,295	63,482
Contract services	86,704	121,704	101,494	20,210
Materials and supplies	54,389	54,389	44,483	9,906
Tax collection fees				
Contract services	10,000	10,000	4,375	5,625
Accounting/Legal				
Personal services	280,049	289,248	260,385	28,863
Contract services	317,889	318,539	276,704	41,835
Materials and supplies	5,000	5,000	2,278	2,722
Payment to another political subdivision				
Other	331,989	289,989	183,782	106,207
Compensation and damages				
Other	10,000	-	-	-
Other				
Contractual Services	5,000	60,000	50,145	9,855
Total general government	<u>\$ 2,697,047</u>	<u>\$ 2,818,946</u>	<u>\$ 2,294,335</u>	<u>\$ 524,611</u>

Continued

CITY OF OBETZ, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Security of persons and property				
Police				
Personal services	\$ 2,701,539	\$ 2,701,539	\$ 2,471,032	\$ 230,507
Contract services	153,300	161,560	140,491	21,069
Materials and supplies	131,063	131,063	97,146	33,917
Other	59,524	51,264	49,656	1,608
Street lighting				
Materials and supplies	75,000	75,000	68,698	6,302
Emergency management				
Contract services	-	9,000	8,526	474
Total security of persons and property	<u>3,120,426</u>	<u>3,129,426</u>	<u>2,835,549</u>	<u>293,877</u>
Public health				
Contract services	-	600	-	600
Materials and supplies	-	-	-	-
Other	50,400	53,553	53,553	-
Total public health	<u>50,400</u>	<u>54,153</u>	<u>53,553</u>	<u>600</u>
Transportation				
Street maintenance				
Personal services	750,057	829,993	510,713	319,280
Contract services	39,413	39,413	31,580	7,833
Materials and supplies	-	5,000	1,716	3,284
Total transportation	<u>789,470</u>	<u>874,406</u>	<u>544,009</u>	<u>330,397</u>
Community environment				
Community planning and zoning				
Personal services	448,470	448,470	433,952	14,518
Contract services	105,369	105,369	97,607	7,762
Materials and supplies	5,350	5,350	981	4,369
Other	35,000	35,000	32,430	2,570
Economic development				
Personal services	146,498	164,579	131,436	33,143
Contract services	592,174	594,174	401,994	192,180
Materials and supplies	13,395	13,395	11,832	1,563
Other	2,727,020	2,877,020	2,717,645	159,375
Building department				
Personal services	78,170	90,839	46,659	44,180
Contract services	514,312	554,312	439,539	114,773
Materials and supplies	2,142	2,142	1,590	552
Other	40,397	40,397	38,190	2,207
Total community environment	<u>\$ 4,708,297</u>	<u>\$ 4,931,047</u>	<u>\$ 4,353,855</u>	<u>\$ 577,192</u>

Continued

CITY OF OBETZ, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Leisure time activity				
Athletic				
Personal services	\$ 294,034	\$ 340,620	\$ 203,527	\$ 137,093
Contract services	84,775	84,775	69,961	14,814
Materials and supplies	97,852	99,352	80,995	18,357
Provide and maintain parks				
Personal services	567,819	650,491	526,729	123,762
Contract services	145,758	145,758	135,185	10,573
Materials and supplies	158,850	200,350	165,195	35,155
Cultural programs				
Personal services	391,334	431,654	234,442	197,212
Contract services	340,534	380,534	288,616	91,918
Materials and supplies	155,016	155,016	109,276	45,740
Other	10,000	10,000	600	9,400
Other Leisure Time Activities				
Personal services	268,965	263,765	254,421	9,344
Contract services	565,787	566,287	377,497	188,790
Materials and supplies	143,345	157,845	114,150	43,695
Total leisure time activity	<u>3,224,069</u>	<u>3,486,447</u>	<u>2,560,594</u>	<u>925,853</u>
Capital outlay:				
Capital outlay	<u>2,346,010</u>	<u>4,346,010</u>	<u>1,891,177</u>	<u>2,454,833</u>
Total expenditures	<u>16,935,719</u>	<u>19,640,435</u>	<u>14,533,072</u>	<u>5,107,363</u>
Net change in fund balance	(5,114,631)	(4,565,890)	1,936,214	6,502,104
Fund balance at beginning of year	5,539,374	5,539,374	5,539,374	-
Prior year encumbrances appropriated	<u>1,362,088</u>	<u>1,362,088</u>	<u>1,362,088</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,786,831</u>	<u>\$ 2,335,572</u>	<u>\$ 8,837,676</u>	<u>\$ 6,502,104</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OBLIGATION DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Municipal income taxes	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ -
Expenditures:				
Current:				
Debt service:				
Principal retirement	1,081,219	1,104,328	1,092,774	11,554
Net change in fund balance	(1,219)	(24,328)	(12,774)	11,554
Fund balance at beginning of year	921,665	921,665	921,665	-
Fund balance at end of year	<u>\$ 920,446</u>	<u>\$ 897,337</u>	<u>\$ 908,891</u>	<u>\$ 11,554</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TOY ROAD TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Payments in lieu of taxes	\$ 180,000	\$ 157,268	\$ 157,268	\$ -
Expenditures:				
Current:				
General government				
Contract services	1,563	1,779	1,621	158
Debt service:				
Principal retirement	165,000	155,489	155,489	-
Total expenditures	<u>166,563</u>	<u>157,268</u>	<u>157,110</u>	<u>158</u>
Net change in fund balance	13,437	-	158	158
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ 13,437</u>	<u>\$ -</u>	<u>\$ 158</u>	<u>\$ 158</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 245,000	\$ 245,000	\$ 464,293	\$ 219,293
Investment income	1,000	1,000	1,025	25
Licenses and permits	-	-	272	272
Total revenues	<u>246,000</u>	<u>246,000</u>	<u>465,590</u>	<u>219,590</u>
Expenditures:				
Current:				
Security of persons and property				
Traffic lights				
Contract services	1,500	1,500	-	1,500
Transportation				
Street construction				
Personal services	100,652	102,502	97,114	5,388
Contract services	33,787	43,787	37,956	5,831
Materials and supplies	219,618	209,618	182,788	26,830
Total expenditures	<u>355,557</u>	<u>357,407</u>	<u>317,858</u>	<u>39,549</u>
Net change in fund balance	(109,557)	(111,407)	147,732	259,139
Fund balance at beginning of year	940,648	940,648	940,648	-
Prior year encumbrances appropriated	<u>16,976</u>	<u>16,976</u>	<u>16,976</u>	<u>-</u>
Fund balance at end of year	<u>\$ 848,067</u>	<u>\$ 846,217</u>	<u>\$ 1,105,356</u>	<u>\$ 259,139</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS AND RECREATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees, licenses and permits	\$ 25,000	\$ 25,000	\$ 70,755	\$ 45,755
Expenditures:				
Current:				
Capital outlay:				
Capital outlay	180,489	180,489	2,464	178,025
Net change in fund balance	(155,489)	(155,489)	68,291	223,780
Fund balance at beginning of year	188,489	188,489	188,489	-
Fund balance at end of year	<u>\$ 33,000</u>	<u>\$ 33,000</u>	<u>\$ 256,780</u>	<u>\$ 223,780</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DRUG LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ -</u>
Fund balance at end of year	<u><u>\$ 150</u></u>	<u><u>\$ 150</u></u>	<u><u>\$ 150</u></u>	<u><u>\$ -</u></u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMISSIVE MOTOR VEHICLE LICENSE TAX FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Other local taxes	\$ 12,900	\$ 12,900	\$ 16,926	\$ 4,026
Investment income	-	-	60	60
Total revenues	<u>12,900</u>	<u>12,900</u>	<u>16,986</u>	<u>4,086</u>
Expenditures:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	12,900	12,900	16,986	4,086
Fund balance at beginning of year	<u>51,805</u>	<u>51,805</u>	<u>51,805</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 64,705</u></u>	<u><u>\$ 64,705</u></u>	<u><u>\$ 68,791</u></u>	<u><u>\$ 4,086</u></u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DUI EDUCATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 25	\$ 25
Expenditures:				
Current:				
Security of persons and property				
Personal services	4,775	4,775	-	4,775
Net change in fund balance	(4,775)	(4,775)	25	4,800
Fund balance at beginning of year	<u>5,150</u>	<u>5,150</u>	<u>5,150</u>	<u>-</u>
Fund balance at end of year	<u>\$ 375</u>	<u>\$ 375</u>	<u>\$ 5,175</u>	<u>\$ 4,800</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MAYOR'S COURT COMPUTER "A" FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 6,000	\$ 3,000	\$ 3,543	\$ 543
Expenditures:				
Current:				
General government				
Contract services	8,000	8,000	5,512	2,488
Materials and supplies	1,000	1,000	-	1,000
Total expenditures	<u>9,000</u>	<u>9,000</u>	<u>5,512</u>	<u>3,488</u>
Net change in fund balance	(3,000)	(6,000)	(1,969)	4,031
Fund balance at beginning of year	75,146	75,146	75,146	-
Prior year encumbrances appropriated	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	-
Fund balance at end of year	<u>\$ 75,146</u>	<u>\$ 72,146</u>	<u>\$ 76,177</u>	<u>\$ 4,031</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
KEITH EVANS MEMORIAL FIELDS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	6,994	6,994	-	6,994
Net change in fund balance	(6,994)	(6,994)	-	6,994
Fund balance at beginning of year	<u>\$ 6,994</u>	<u>\$ 6,994</u>	<u>\$ 6,994</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,994</u>	<u>\$ 6,994</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees, licenses and permits	\$ -	\$ -	\$ 11	\$ 11
Expenditures:	-	-	-	-
Net change in fund balance	-	-	11	11
Fund balance at beginning of year	<u>\$ 48</u>	<u>\$ 48</u>	<u>\$ 48</u>	<u>\$ -</u>
Fund balance at end of year	<u><u>\$ 48</u></u>	<u><u>\$ 48</u></u>	<u><u>\$ 59</u></u>	<u><u>\$ 11</u></u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MAYOR'S COURT COMPUTER "B" FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 1,500	\$ 1,000	\$ 1,088	\$ 88
Expenditures:				
Current:				
Capital outlay:				
Capital outlay	15,000	15,000	-	15,000
Net change in fund balance	(13,500)	(14,000)	1,088	15,088
Fund balance at beginning of year	<u>29,668</u>	<u>29,668</u>	<u>29,668</u>	<u>-</u>
Fund balance at end of year	<u>\$ 16,168</u>	<u>\$ 15,668</u>	<u>\$ 30,756</u>	<u>\$ 15,088</u>

CITY OF OBETZ, OBETZ

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CONTINUING EDUCATION FOR POLICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	\$ 15,448	\$ 15,448	\$ 15,448	\$ -
Fund balance at end of year	<u>\$ 15,448</u>	<u>\$ 15,448</u>	<u>\$ 15,448</u>	<u>\$ -</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

GOODYEAR TIF FUND

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
General government				
Contract services	2,500	-	-	-
Debt service:				
Other	2,500	212,963	212,963	-
Total expenditures	<u>5,000</u>	<u>212,963</u>	<u>212,963</u>	<u>-</u>
Net change in fund balance	(5,000)	(212,963)	(212,963)	-
Fund balance at beginning of year	<u>\$ 212,963</u>	<u>\$ 212,963</u>	<u>\$ 212,963</u>	<u>\$ -</u>
Fund balance at end of year	<u><u>\$ 207,963</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF OBETZ, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

CRA FUND

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	<u>\$ 10,005</u>	<u>\$ 10,005</u>	<u>\$ 10,005</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ 10,005</u>	<u>\$ 10,005</u>	<u>\$ 10,005</u>	<u>\$ -</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 1,234	\$ 1,234
Expenditures:				
Current:				
Security of Persons and Property				
Supplies and Materials	-	7,000	5,500	1,500
Net change in fund balance	-	(7,000)	(4,266)	2,734
Fund balance at beginning of year	<u>15,240</u>	<u>15,240</u>	<u>15,240</u>	<u>-</u>
Fund balance at end of year	<u>\$ 15,240</u>	<u>\$ 8,240</u>	<u>\$ 10,974</u>	<u>\$ 2,734</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STAMBAUGH TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Payments in lieu of taxes	\$ -	\$ 57,588	\$ 57,588	\$ -
Expenditures:				
Current:				
General government				
Contract services	-	326	220	
Debt service:				
Principal retirement	-	175,675	-	175,675
Total expenditures	-	176,001	220	175,675
Net change in fund balance	-	(118,413)	57,368	175,675
Fund balance at beginning of year	118,413	118,413	118,413	-
Fund balance at end of year	\$ 118,413	\$ -	\$ 175,781	\$ 175,675

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CORONAVIRUS RELIEF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Investment income	\$ -	\$ 125	\$ 134	\$ 9
Expenditures:				
Current:				
Public Health Services				
Materials and supplies	171,824	171,976	171,121	855
Net change in fund balance	(171,824)	(171,851)	(170,987)	864
Fund balance at beginning of year	<u>171,851</u>	<u>171,851</u>	<u>171,851</u>	<u>-</u>
Fund balance at end of year	<u>\$ 27</u>	<u>\$ -</u>	<u>\$ 864</u>	<u>\$ 864</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL FISCAL RECOVERY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ -	\$ 272,143	\$ 272,143	\$ -
Investment income	-	-	83	83
Total revenues	-	272,143	272,226	83
Expenditures:				
Current:				
Public Health Services				
Materials and supplies	-	272,143	-	272,143
Net change in fund balance	-	-	272,226	272,226
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,226</u>	<u>\$ 272,226</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNCLAIMED MONIES FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	\$ 3,022	\$ 3,022	\$ 3,022	\$ -
Fund balance at end of year	<u>\$ 3,022</u>	<u>\$ 3,022</u>	<u>\$ 3,022</u>	<u>\$ -</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK IMPROVEMENT DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Income taxes	\$ 1,140,000	\$ 1,140,000	\$ 1,140,000	\$ -
Expenditures:				
Debt service:				
Principal retirement	1,136,650	1,136,650	1,136,600	50
Net change in fund balance	3,350	3,350	3,400	50
Fund balance at beginning of year	<u>197,908</u>	<u>197,908</u>	<u>197,908</u>	<u>-</u>
Fund balance at end of year	<u>\$ 201,258</u>	<u>\$ 201,258</u>	<u>\$ 201,308</u>	<u>\$ 50</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK IMPROVEMENT DEBT SERVICE RESERVE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	\$ 1,139,164	\$ 1,139,164	\$ 1,139,164	\$ -
Fund balance at end of year	<u>\$ 1,139,164</u>	<u>\$ 1,139,164</u>	<u>\$ 1,139,164</u>	<u>\$ -</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INFRASTRUCTURE DEBT SERVICE RESERVE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Income taxes	\$ 1,140,000	\$ 960,000	\$ 960,000	\$ -
Expenditures:				
Debt service:				
Principal retirement	1,124,000	1,124,000	1,123,396	604
Net change in fund balance	16,000	(164,000)	(163,396)	604
Fund balance at beginning of year	516,716	516,716	516,716	-
Fund balance at end of year	<u>\$ 532,716</u>	<u>\$ 352,716</u>	<u>\$ 353,320</u>	<u>\$ 604</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay	<u>43,212</u>	<u>43,212</u>	<u>-</u>	<u>43,212</u>
Net change in fund balance	(43,212)	(43,212)	-	43,212
Fund balance at beginning of year	<u>43,212</u>	<u>43,212</u>	<u>43,212</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,212</u>	<u>\$ 43,212</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WILLIAMS ROAD CAPITAL IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	2,846	2,846	-	2,846
Net change in fund balance	(2,846)	(2,846)	-	2,846
Fund balance at beginning of year	2,846	2,846	2,846	-
Fund balance at end of year	\$ -	\$ -	\$ 2,846	\$ 2,846

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WALNUT CREEK IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	<u>237,364</u>	<u>237,364</u>	<u>-</u>	<u>237,364</u>
Net change in fund balance	(237,364)	(237,364)	-	237,364
Fund balance at beginning of year	<u>237,364</u>	<u>237,364</u>	<u>237,364</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237,364</u>	<u>\$ 237,364</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS CAPITAL IMPROVEMENTS PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:	\$ -	# \$ -	# \$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	379,185	379,185	236,876	142,309
Net change in fund balance	(379,185)	(379,185)	(236,876)	142,309
Fund balance at beginning of year	375,385	375,385	375,385	-
Prior year encumbrances appropriated	3,800	3,800	3,800	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,309</u>	<u>\$ 142,309</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREETS CAPITAL IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	<u>2,934,785</u>	<u>2,934,785</u>	<u>2,242,172</u>	<u>692,613</u>
Net change in fund balance	(2,934,785)	(2,934,785)	(2,242,172)	692,613
Fund balance at beginning of year	2,756,597	2,756,597	2,756,597	-
Prior year encumbrances appropriated	<u>186,387</u>	<u>186,387</u>	<u>186,387</u>	<u>-</u>
Fund balance at end of year	<u>\$ 8,199</u>	<u>\$ 8,199</u>	<u>\$ 700,812</u>	<u>\$ 692,613</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay				
Capital outlay	11,639	11,639	4,794	6,845
Net change in fund balance	(11,639)	(11,639)	(4,794)	6,845
Fund balance at beginning of year	11,639	11,639	11,639	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,845</u>	<u>\$ 6,845</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CREEKSIDE SOUTH TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Payments in lieu of taxes	\$ 112,000	\$ 112,000	\$ 192,230	\$ 80,230
Expenditures:				
Current:				
General government				
Contract services	2,750	2,750	2,171	579
Net change in fund balance	109,250	109,250	190,059	80,809
Fund balance at beginning of year	<u>435,788</u>	<u>435,788</u>	<u>435,788</u>	<u>-</u>
Fund balance at end of year	<u>\$ 545,038</u>	<u>\$ 545,038</u>	<u>\$ 625,847</u>	<u>\$ 80,809</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
2019 CAPITAL IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	161,863	161,863	-	161,863
Net change in fund balance	(161,863)	(161,863)	-	161,863
Fund balance at beginning of year	161,863	161,863	161,863	-
Fund balance at end of year	\$ -	\$ -	\$ 161,863	\$ 161,863

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
2020 CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Capital outlay	1,000,000	1,000,000	-	1,000,000
Net change in fund balance	(1,000,000)	(1,000,000)	-	1,000,000
Fund balance at beginning of year	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,400,000	\$ 1,600,000	\$ 2,267,264	\$ 667,264
Expenses:				
Personal services	353,988	362,870	337,111	25,759
Contractual services	1,631,266	1,631,266	1,597,582	33,684
Materials and supplies	129,567	129,567	91,406	38,161
Capital outlay	2,723,385	2,723,385	479,356	2,244,029
Total expenses	4,838,206	4,847,088	2,505,455	2,341,633
Net change in fund equity	(3,438,206)	(3,247,088)	(238,191)	3,008,897
Fund equity at beginning of year	4,549,329	4,549,329	4,549,329	-
Prior year encumbrances appropriated	362,728	362,728	362,728	-
Fund equity at end of year	\$ 1,473,851	\$ 1,664,969	\$ 4,673,866	\$ 3,008,897

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY- BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,606,000	\$ 2,188,000	\$ 2,449,637	\$ 261,637
Expenses:				
Personal services	220,002	220,252	207,189	13,063
Contractual services	2,375,438	2,375,438	2,352,967	22,471
Materials and supplies	7,333	7,333	4,533	2,800
Other	757,492	757,492	720,184	37,308
Capital outlay	127,400	127,400	48,524	78,876
Total expenses	<u>3,487,665</u>	<u>3,487,915</u>	<u>3,333,397</u>	<u>154,518</u>
Net change in fund equity	(1,881,665)	(1,299,915)	(883,760)	416,155
Fund equity at beginning of year	1,346,388	1,346,388	1,346,388	-
Prior year encumbrances appropriated	<u>680,131</u>	<u>680,131</u>	<u>680,131</u>	<u>-</u>
Fund equity at end of year	<u>\$ 144,854</u>	<u>\$ 726,604</u>	<u>\$ 1,142,759</u>	<u>\$ 416,155</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ELECTRIC FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 6,160,000	\$ 5,800,000	\$ 6,777,397	\$ 977,397
Expenses:				
Personal services	244,289	255,059	211,364	43,695
Contractual services	7,529,277	7,529,277	7,476,154	53,123
Materials and supplies	2,280	2,280	495	1,785
Capital outlay	1,008,322	1,380,619	905,993	474,626
Total expenses	8,784,168	9,167,235	8,594,006	573,229
Net loss before capital contributions	(2,624,168)	(3,367,235)	(1,816,609)	1,550,626
Capital contributions	-	360,000	305,330	(54,670)
Net change in fund equity	(2,624,168)	(3,007,235)	(1,511,279)	1,495,956
Fund equity at beginning of year	3,239,591	3,239,591	3,239,591	-
Prior year encumbrances appropriated	1,857,606	1,857,606	1,857,606	-
Fund equity at end of year	<u>\$ 2,473,029</u>	<u>\$ 2,089,962</u>	<u>\$ 3,585,918</u>	<u>\$ 1,495,956</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GAS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,320,000	\$ 1,000,000	\$ 1,141,970	\$ 141,970
Expenses:				
Personal services	203,148	214,198	172,472	41,726
Contractual services	1,504,876	1,504,876	1,421,947	82,929
Capital outlay	344,136	344,136	234,781	109,355
Total expenses	<u>2,052,160</u>	<u>2,063,210</u>	<u>1,829,200</u>	<u>234,010</u>
Net loss before capital contributions	(732,160)	(1,063,210)	(687,230)	375,980
Capital contributions	<u>235,636</u>	<u>240,000</u>	<u>137,240</u>	<u>(102,760)</u>
Net change in fund equity	(496,524)	(823,210)	(549,990)	273,220
Fund equity at beginning of year	667,879	667,879	667,879	-
Prior year encumbrances appropriated	<u>332,295</u>	<u>332,295</u>	<u>332,295</u>	<u>-</u>
Fund equity at end of year	<u>\$ 503,650</u>	<u>\$ 176,964</u>	<u>\$ 450,184</u>	<u>\$ 273,220</u>

CITY OF OBETZ, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

REFUSE FUND

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 294,000	\$ 294,000	\$ 345,565	\$ 51,565
Expenses:				
Contractual services	346,168	364,168	346,168	18,000
Net change in fund equity	(52,168)	(70,168)	(603)	69,565
Fund equity at beginning of year	125,034	125,034	125,034	-
Prior year encumbrances appropriated	36,168	36,168	36,168	-
Fund equity at end of year	<u>\$ 109,034</u>	<u>\$ 91,034</u>	<u>\$ 160,599</u>	<u>\$ 69,565</u>

STATISTICAL SECTION

CITY OF OBETZ, OHIO

STATISTICAL SECTION
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These schedules contain information to help the reader assess the City's most significant local revenue source, the municipal income tax.	214-216
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	218-226
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	227-228
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	230-235

CITY OF OBETZ, OHIO

NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Governmental Activities				
Net investment in capital assets	\$ 60,927,488	\$ 60,793,570	\$ 61,626,967	\$ 59,256,000
Restricted for:				
Debt service	2,058,530	2,218,618	2,196,554	2,360,892
Capital projects	1,966,000	1,777,141	469,219	205,047
Street construction, maintenance and repair	1,628,230	1,511,275	1,156,321	872,793
Police operations	36,156	35,988	30,236	27,797
Economic development programs	10,005	10,005	10,005	10,005
Court operations	107,544	106,868	105,557	99,683
Park improvements	6,994	6,994	6,994	6,994
Other purposes	40,804	218,239	36,312	34,933
Unrestricted	2,278,198	1,914,577	1,287,349	2,756,542
Total governmental activities net position	<u>\$ 69,059,949</u>	<u>\$ 68,593,275</u>	<u>\$ 66,925,514</u>	<u>\$ 65,630,686</u>
Business-type Activities				
Net investment in capital assets	\$ 24,876,646	\$ 22,735,044	\$ 22,698,722	\$ 22,380,547
Unrestricted	14,628,613	13,131,517	10,687,379	8,605,736
Total business-type activities net position	<u>\$ 39,505,259</u>	<u>\$ 35,866,561</u>	<u>\$ 33,386,101</u>	<u>\$ 30,986,283</u>
Total Primary Government				
Net investment in capital assets	\$ 85,804,134	\$ 83,528,614	\$ 84,325,689	\$ 81,636,547
Restricted	5,854,263	5,885,128	4,011,198	3,618,144
Unrestricted	16,906,811	15,046,094	11,974,728	11,362,278
Total primary government net position	<u>\$ 108,565,208</u>	<u>\$ 104,459,836</u>	<u>\$ 100,311,615</u>	<u>\$ 96,616,969</u>

Source: City Finance Department.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 56,265,624	\$ 50,757,006	\$ 49,768,028	\$ 50,395,488	\$ 51,573,697	\$ 48,312,169
1,911,016	1,419,938	-	-	-	-
845,940	43,806	94,134	89,292	64,348	458,364
581,220	720,538	598,799	810,091	897,377	-
745,545	15,103	8,417	13,110	13,336	-
10,005	10,005	10,005	10,005	10,005	-
93,491	95,758	89,598	84,894	73,364	-
6,994	6,994	6,994	6,994	6,994	-
36,703	60,879	1,367	2,879	2,879	899,697
9,762,613	9,094,584	6,442,925	5,654,909	6,021,728	4,172,585
<u>\$ 70,259,151</u>	<u>\$ 62,224,611</u>	<u>\$ 57,020,267</u>	<u>\$ 57,067,662</u>	<u>\$ 58,663,728</u>	<u>\$ 53,842,815</u>
\$ 20,886,999	\$ 19,680,703	\$ 16,374,423	\$ 15,691,591	\$ 15,164,188	\$ 14,936,950
8,835,403	8,213,460	5,982,855	4,835,611	5,263,989	3,914,868
<u>\$ 29,722,402</u>	<u>\$ 27,894,163</u>	<u>\$ 22,357,278</u>	<u>\$ 20,527,202</u>	<u>\$ 20,428,177</u>	<u>\$ 18,851,818</u>
\$ 77,152,623	\$ 70,437,709	\$ 66,142,451	\$ 66,087,079	\$ 66,737,885	\$ 63,249,119
4,230,914	2,373,021	809,314	1,017,265	1,068,303	1,358,061
18,598,016	17,308,044	12,425,780	10,490,520	11,285,717	8,087,453
<u>\$ 99,981,553</u>	<u>\$ 90,118,774</u>	<u>\$ 79,377,545</u>	<u>\$ 77,594,864</u>	<u>\$ 79,091,905</u>	<u>\$ 72,694,633</u>

CITY OF OBETZ, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Program Revenues:				
Governmental activities:				
Charges for services and sales:				
General government	\$ 1,119,918	\$ 980,842	\$ 778,154	\$ 550,657
Security of persons and property	16,115	13,415	12,778	11,209
Transportation	-	330	20,500	-
Leisure time activity	561,050	148,718	312,874	288,368
Subtotal - charges for services	<u>1,697,083</u>	<u>1,143,305</u>	<u>1,124,306</u>	<u>850,234</u>
Operating grants and contributions:				
General government	134	116,240	-	-
Security of persons and property	1,234	91,514	2,389	11,227
Transportation	498,148	441,489	459,899	282,697
Community environment	-	35,930	-	-
Leisure time activity	-	152,167	-	-
Interest and fiscal charges	191,096	196,349	195,513	197,982
Subtotal - operating grants and contributions	<u>690,612</u>	<u>1,033,689</u>	<u>657,801</u>	<u>491,906</u>
Capital grants and contributions:				
Transportation	1,882,821	233,156	625,569	1,339,531
Leisure time activity	-	-	-	-
Subtotal - capital grants and contributions	<u>1,882,821</u>	<u>233,156</u>	<u>625,569</u>	<u>1,339,531</u>
Total governmental activities program revenues	<u>4,270,516</u>	<u>2,410,150</u>	<u>2,407,676</u>	<u>2,681,671</u>
Business-type activities:				
Charges for services and sales:				
Water	2,319,315	2,296,153	1,873,012	1,603,789
Sewer	2,482,529	2,291,449	1,981,893	1,812,116
Electric	6,782,970	6,468,211	6,901,495	6,221,092
Gas	1,302,594	998,446	1,261,926	1,083,061
Refuse	354,875	287,525	292,295	289,343
Subtotal - charges for services	<u>13,242,283</u>	<u>12,341,784</u>	<u>12,310,621</u>	<u>11,009,401</u>
Capital grants and contributions:				
Water	789,011	94,089	199,670	400,834
Sewer	1,085,081	48,256	158,374	246,010
Electric	539,643	373,212	7,595	48,812
Gas	241,890	150,450	159,349	4,204
Subtotal - capital grants and contributions	<u>2,655,625</u>	<u>666,007</u>	<u>524,988</u>	<u>699,860</u>
Total business-type activities program revenues	<u>15,897,908</u>	<u>13,007,791</u>	<u>12,835,609</u>	<u>11,709,261</u>
Total primary government	<u>\$ 20,168,424</u>	<u>\$ 15,417,941</u>	<u>\$ 15,243,285</u>	<u>\$ 14,390,932</u>

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 802,580	\$ 712,243	\$ 607,768	\$ 527,264	\$ 579,965	\$ 319,419
11,922	12,028	6,543	3,604	5,687	5,606
-	-	26,138	5,155	7,692	12,088
217,874	163,479	194,598	161,926	257,990	188,271
<u>1,032,376</u>	<u>887,750</u>	<u>835,047</u>	<u>697,949</u>	<u>851,334</u>	<u>525,384</u>
-	-	-	-	-	80,000
10,498	6,546	-	-	-	-
628,070	252,995	236,340	235,213	266,560	284,444
-	-	-	-	-	-
-	7,450	-	-	-	-
184,583	200,192	226,193	141,118	18,629	-
<u>823,151</u>	<u>467,183</u>	<u>462,533</u>	<u>376,331</u>	<u>285,189</u>	<u>364,444</u>
1,021,642	3,994,053	328,531	1,120,078	3,777,111	7,102,187
-	-	-	-	1,017,150	16,460
<u>1,021,642</u>	<u>3,994,053</u>	<u>328,531</u>	<u>1,120,078</u>	<u>4,794,261</u>	<u>7,118,647</u>
2,877,169	5,348,986	1,626,111	2,194,358	5,930,784	8,008,475
2,017,617	1,634,004	1,745,510	1,341,881	1,796,456	1,239,286
1,900,908	1,872,809	1,680,017	1,570,741	1,500,315	1,218,599
5,842,778	5,927,664	5,485,518	3,762,431	3,986,694	3,942,728
1,068,001	987,841	814,159	1,224,385	1,047,483	843,257
295,946	334,031	296,094	280,543	277,920	242,988
<u>11,125,250</u>	<u>10,756,349</u>	<u>10,021,298</u>	<u>8,179,981</u>	<u>8,608,868</u>	<u>7,486,858</u>
-	531,821	301,747	93,597	91,415	-
-	1,682,998	5,600	16,550	175,640	-
280,396	607,406	39,708	485,168	-	-
293,119	146,554	90,100	58,530	46,555	-
<u>573,515</u>	<u>2,968,779</u>	<u>437,155</u>	<u>653,845</u>	<u>313,610</u>	<u>-</u>
11,698,765	13,725,128	10,458,453	8,833,826	8,922,478	7,486,858
<u>\$ 14,575,934</u>	<u>\$ 19,074,114</u>	<u>\$ 12,084,564</u>	<u>\$ 11,028,184</u>	<u>\$ 14,853,262</u>	<u>\$ 15,495,333</u>

(Continued)

CITY OF OBETZ, OHIO

CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenses:				
Governmental Activities:				
General government	\$ 3,345,822	\$ 2,267,873	\$ 2,335,172	\$ 2,216,755
Security of persons and property	3,068,263	3,100,319	862,338	3,137,206
Public health	122,197	93,492	44,738	42,156
Transportation	4,502,271	4,465,216	4,856,617	4,548,019
Community environment	4,342,274	3,543,572	3,894,505	4,250,033
Leisure time activity	3,305,493	2,057,755	4,215,513	3,321,300
Other	-	-	-	-
Interest and fiscal charges	1,388,157	1,688,331	1,388,754	1,326,028
Total governmental activities expenses	<u>20,074,477</u>	<u>17,216,558</u>	<u>17,597,637</u>	<u>18,841,497</u>
Business-type activities:				
Water	1,613,670	1,727,077	1,422,296	1,429,802
Sewer	2,566,597	2,522,800	2,164,733	1,801,480
Electric	6,268,816	5,132,091	5,382,167	5,519,377
Gas	1,474,830	846,159	1,192,389	1,134,212
Refuse	335,297	299,204	274,603	266,514
Total business-type activities expenses	<u>12,259,210</u>	<u>10,527,331</u>	<u>10,436,188</u>	<u>10,151,385</u>
Total primary government program expenses	<u>32,333,687</u>	<u>27,743,889</u>	<u>28,033,825</u>	<u>28,992,882</u>
Net (Expense) Revenue				
Governmental activities	(15,803,961)	(14,806,408)	(15,189,961)	(16,159,826)
Business-type activities	3,638,698	2,480,460	2,399,421	1,557,876
Total primary government net expense	<u>\$ (12,165,263)</u>	<u>\$ (12,325,948)</u>	<u>\$ (12,790,540)</u>	<u>\$ (14,601,950)</u>

2017	2016	2015	2014	2013	2012
\$ 1,660,347	\$ 1,551,273	\$ 1,540,466	\$ 1,355,977	\$ 1,410,120	\$ 1,564,295
2,731,880	2,539,515	1,976,222	1,643,779	1,680,829	1,594,516
36,840	31,395	28,245	23,373	23,200	22,121
4,105,569	4,040,003	5,152,756	4,184,179	3,514,602	3,010,245
3,478,107	3,225,397	2,791,350	1,833,880	1,744,525	1,427,328
2,179,499	1,697,055	1,489,719	1,478,732	1,272,339	1,068,583
-	-	1,512	-	-	-
874,920	647,561	295,593	311,035	326,341	536,225
15,067,162	13,732,199	13,275,863	10,830,955	9,971,956	9,223,313
1,160,231	1,029,056	1,143,253	1,190,149	923,159	981,650
2,059,694	1,482,944	1,661,148	1,361,163	1,627,769	1,212,641
5,256,793	4,612,841	4,715,324	4,263,768	3,587,150	3,427,118
1,013,960	820,682	824,879	1,351,598	955,546	717,357
258,148	251,775	289,234	309,851	255,296	311,499
9,748,826	8,197,298	8,633,838	8,476,529	7,348,920	6,650,265
24,815,988	21,929,497	21,909,701	19,307,484	17,320,876	15,873,578
(12,189,993)	(8,383,213)	(11,649,752)	(8,636,597)	(4,041,172)	(1,214,838)
1,949,939	5,527,830	1,824,615	357,297	1,573,558	836,593
\$ (10,240,054)	\$ (2,855,383)	\$ (9,825,137)	\$ (8,279,300)	\$ (2,467,614)	\$ (378,245)

(Continued)

CITY OF OBETZ, OHIO

CHANGES IN NET POSITION (CONTINUED)
 LAST TEN YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes levied for:				
General purposes	\$ 336,793	\$ 269,687	\$ 266,440	\$ 244,552
Municipal income taxes levied for:				
General purposes	5,858,034	6,452,717	5,990,709	5,919,658
Police enforcement ⁽¹⁾	2,760,798	2,441,032	2,479,252	2,258,890
Debt service	3,180,000	3,360,002	3,180,000	2,300,000
Other local taxes	389,358	381,423	411,362	418,096
Payments in lieu of taxes	407,086	340,539	287,653	279,221
Grants and entitlements not restricted to specific programs	2,990,658	2,915,029	2,818,681	3,180,035
Franchise taxes	-	-	-	-
Investment earnings	30,108	193,372	633,485	422,113
Increase (decrease) in fair value of investments	-	240	24,905	9,335
Gain on sale of capital assets	-	-	-	-
Miscellaneous	317,800	120,128	392,302	197,422
Transfers	-	-	-	-
Total governmental activities	<u>16,270,635</u>	<u>16,474,169</u>	<u>16,484,789</u>	<u>15,229,322</u>
Business-type activities:				
Investment earnings	-	-	-	-
Gain on sale of capital assets	-	-	-	-
Miscellaneous	-	-	397	-
Transfers	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>397</u>	<u>-</u>
Total primary government	<u>16,270,635</u>	<u>16,474,169</u>	<u>16,485,186</u>	<u>15,229,322</u>
Change in Net Position				
Governmental activities	466,674	1,667,761	1,294,828	(930,504)
Business-type activities	3,638,698	2,480,460	2,399,818	1,557,876
Total primary government	<u>\$ 4,105,372</u>	<u>\$ 4,148,221</u>	<u>\$ 3,694,646</u>	<u>\$ 627,372</u>

⁽¹⁾ Revenue collections for a voter approved 0.5% income tax increase for police enforcement services began in 2015.

Source: City Finance Department.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 199,013	\$ 179,584	\$ 159,783	\$ 168,938	\$ 153,982	\$ 167,396
10,748,462	6,545,464	5,388,225	5,190,459	4,851,419	4,429,012
2,939,447	1,763,568	1,455,575	-	-	-
1,910,000	730,000	540,000	540,000	585,000	-
338,230	354,113	332,966	423,323	185,686	36,300
958,367	925,111	945,217	431,106	355,330	545,085
2,557,155	2,762,892	2,749,231	2,227,625	2,366,558	1,588,440
-	-	-	-	-	29,744
234,977	67,185	26,400	44,102	31,218	27,208
5,571	(34,179)	(7,580)	44,257	(40,462)	-
1,100	-	-	7,171	-	-
210,511	293,819	12,540	94,287	205,692	592,401
121,700	-	-	-	-	-
<u>20,224,533</u>	<u>13,587,557</u>	<u>11,602,357</u>	<u>9,171,268</u>	<u>8,694,423</u>	<u>7,415,586</u>
-	5,652	5,461	2,863	-	-
-	-	-	841	-	-
-	3,403	-	1,742	2,801	350
(121,700)	-	-	-	-	-
<u>(121,700)</u>	<u>9,055</u>	<u>5,461</u>	<u>5,446</u>	<u>2,801</u>	<u>350</u>
<u>20,102,833</u>	<u>13,596,612</u>	<u>11,607,818</u>	<u>9,176,714</u>	<u>8,697,224</u>	<u>7,415,936</u>
8,034,540	5,204,344	(47,395)	534,671	4,653,251	6,200,748
1,828,239	5,536,885	1,830,076	362,743	1,576,359	836,943
<u>\$ 9,862,779</u>	<u>\$ 10,741,229</u>	<u>\$ 1,782,681</u>	<u>\$ 897,414</u>	<u>\$ 6,229,610</u>	<u>\$ 7,037,691</u>

CITY OF OBETZ, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund				
Nonspendable	\$ 39,940	\$ 46,727	\$ 36,312	\$ 34,933
Restricted	-	-	-	-
Assigned	4,719,313	3,886,822	2,281,815	4,083,437
Unassigned	<u>3,567,016</u>	<u>5,225,427</u>	<u>4,367,655</u>	<u>4,612,370</u>
Total General Fund	<u>8,326,269</u>	<u>9,158,976</u>	<u>6,685,782</u>	<u>8,730,740</u>
All Other Governmental Funds				
Nonspendable	575	591	556	434
Restricted	6,988,713	9,117,596	10,432,630	13,883,329
Committed	1,298,942	1,243,414	1,749,251	2,276,012
Assigned	-	-	-	-
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>(5,317,233)</u>	<u>(1,376,477)</u>
Total all other governmental funds	<u>8,288,230</u>	<u>10,361,601</u>	<u>6,865,204</u>	<u>14,783,298</u>
Total governmental funds	<u>\$ 16,614,499</u>	<u>\$ 19,520,577</u>	<u>\$ 13,550,986</u>	<u>\$ 23,514,038</u>

Source: City Finance Department.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 36,703	\$ 60,879	\$ 1,367	\$ 2,879	\$ 2,879	\$ 2,879
719,759	-	-	-	-	-
958,549	6,414,014	2,566,234	1,575,653	868,484	758,680
<u>8,269,622</u>	<u>3,352,056</u>	<u>4,851,097</u>	<u>5,341,562</u>	<u>4,398,079</u>	<u>3,213,291</u>
9,984,633	9,826,949	7,418,698	6,920,094	5,269,442	3,974,850
412	1,028	-	-	-	-
3,380,418	14,190,751	711,582	921,965	974,951	2,961,621
2,838,662	2,283,481	1,608,434	817,644	741,971	625,617
-	-	-	-	-	15,090
<u>(1,598,069)</u>	<u>-</u>	<u>-</u>	<u>(124,512)</u>	<u>-</u>	<u>(844,359)</u>
4,621,423	16,475,260	2,320,016	1,615,097	1,716,922	2,757,969
<u>\$ 14,606,056</u>	<u>\$ 26,302,209</u>	<u>\$ 9,738,714</u>	<u>\$ 8,535,191</u>	<u>\$ 6,986,364</u>	<u>\$ 6,732,819</u>

CITY OF OBETZ, OHIO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Revenues				
Municipal income taxes	\$ 12,344,013	\$ 11,411,501	\$ 11,587,982	\$ 10,467,729
Property taxes	335,461	270,309	268,348	241,915
Payments in lieu of taxes	407,086	321,398	287,653	279,221
Other local taxes	389,358	400,564	411,362	418,096
Charges for services	903,996	334,307	592,914	528,057
Fees, licenses and permits	792,596	732,617	397,150	242,635
Fines and forfeitures	44,275	38,631	89,513	79,072
Intergovernmental	3,472,591	3,777,526	3,217,552	2,622,987
Special assessments	-	-	-	-
Investment income	31,327	198,932	648,232	428,838
Contributions and donations	191,096	196,349	195,513	197,982
Increase (decrease) in fair value of investments	-	240	24,905	9,335
Other	311,295	128,542	407,378	182,627
Total revenues	<u>19,223,094</u>	<u>17,810,916</u>	<u>18,128,502</u>	<u>15,698,494</u>
Expenditures				
Current:				
General government	3,848,478	1,822,913	1,834,048	1,782,487
Security of persons and property	2,750,497	2,495,218	2,656,350	2,432,789
Public health	122,197	93,492	44,738	42,156
Transportation	834,364	606,767	805,568	751,604
Community environment	4,622,542	3,366,744	3,674,524	4,115,986
Leisure time activity	2,466,163	1,715,515	2,722,109	2,178,825
Other	-	-	-	-
Capital outlay	3,783,526	4,280,852	13,108,766	8,602,797
Debt service:				
Principal retirement	2,134,757	3,708,123	3,638,245	3,648,109
Interest and fiscal charges	1,566,648	1,565,674	1,530,583	1,067,020
Bond issuance costs	-	299,001	-	273,732
Note issuance costs	-	-	44,125	24,225
Total expenditures	<u>22,129,172</u>	<u>19,954,299</u>	<u>30,059,056</u>	<u>24,919,730</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,906,078)</u>	<u>(2,143,383)</u>	<u>(11,930,554)</u>	<u>(9,221,236)</u>
Other Financing Sources (Uses)				
Issuance of revenue bonds	-	10,040,000	-	15,000,000
Issuance of notes	-	-	1,900,000	1,900,000
Capital lease transaction	-	-	8,657	-
Premium on bonds issued	-	553,607	-	1,199,306
Payment to refunded bond escrow agent	-	(2,480,633)	-	-
Sale of capital assets	-	-	-	4,100
Transfers in	-	7,968,705	1,000,000	1,000,000
Transfers out	-	(7,968,705)	(1,000,000)	(1,000,000)
Premium on notes issued	-	-	58,845	25,812
Issuance of loans	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>8,112,974</u>	<u>1,967,502</u>	<u>18,129,218</u>
Net change in fund balances	<u>\$ (2,906,078)</u>	<u>\$ 5,969,591</u>	<u>\$ (9,963,052)</u>	<u>\$ 8,907,982</u>
Capital expenditures	<u>\$ 5,632,546</u>	<u>\$ 5,738,097</u>	<u>\$ 13,648,865</u>	<u>\$ 9,890,335</u>
Debt service as a percentage of noncapital expenditures	22.44%	37.10%	31.50%	31.37%

Source: City Finance Department.

	2017	2016	2015	2014	2013	2012
\$	15,557,199	\$ 9,073,901	\$ 7,520,090	\$ 5,748,322	\$ 5,230,061	\$ 4,679,392
	200,077	178,679	168,906	164,466	162,041	166,616
	564,545	925,111	945,217	383,386	355,330	545,085
	732,052	354,113	332,966	423,323	213,201	48,388
	427,703	389,487	338,858	291,071	332,337	347,925
	538,271	431,509	378,265	304,720	436,442	118,490
	66,319	67,291	93,977	96,057	74,988	72,051
	4,204,759	3,027,537	3,321,570	3,281,202	7,242,300	8,269,340
	-	-	26,138	5,155	7,692	-
	241,750	76,265	24,579	50,104	40,887	20,511
	184,583	200,192	226,193	188,838	186,291	-
	5,571	(34,179)	(7,580)	44,257	(40,462)	-
	209,151	290,918	12,540	94,287	205,692	670,501
	<u>22,931,980</u>	<u>14,980,824</u>	<u>13,381,719</u>	<u>11,075,188</u>	<u>14,446,800</u>	<u>14,938,299</u>
	1,638,819	1,410,880	1,413,109	1,251,071	1,203,277	1,213,600
	2,246,005	2,118,978	1,838,473	1,503,565	1,562,032	1,591,447
	36,840	31,395	28,245	23,373	23,200	22,121
	653,126	475,960	516,223	617,799	317,562	319,287
	3,366,363	3,168,324	2,796,684	1,816,161	1,736,831	1,416,840
	1,878,948	1,348,872	1,108,212	1,181,404	1,063,804	1,076,944
	-	-	1,512	-	-	-
	25,162,463	6,162,012	3,787,901	2,515,178	7,054,215	8,295,036
	1,088,108	658,439	643,770	820,394	903,919	7,401,658
	964,769	283,707	296,866	312,228	328,415	542,128
	-	333,364	-	-	-	-
	31,355	-	-	-	-	-
	<u>37,066,796</u>	<u>15,991,931</u>	<u>12,430,995</u>	<u>10,041,173</u>	<u>14,193,255</u>	<u>21,879,061</u>
	(14,134,816)	(1,011,107)	950,724	1,034,015	253,545	(6,940,762)
	-	16,000,000	-	-	-	-
	2,400,000	-	-	-	-	2,500,000
	-	-	-	-	-	-
	-	1,563,302	-	-	-	6,240,000
	-	-	-	-	-	-
	1,100	11,300	10,005	7,171	-	8,500
	-	11,000	-	11,000	184	-
	-	(11,000)	-	(11,000)	(184)	-
	37,563	-	-	-	-	-
	-	-	242,794	-	-	-
	<u>2,438,663</u>	<u>17,574,602</u>	<u>252,799</u>	<u>7,171</u>	<u>-</u>	<u>8,748,500</u>
\$	<u>(11,696,153)</u>	<u>\$ 16,563,495</u>	<u>\$ 1,203,523</u>	<u>\$ 1,041,186</u>	<u>\$ 253,545</u>	<u>\$ 1,807,738</u>
\$	<u>26,073,043</u>	<u>\$ 6,561,131</u>	<u>\$ 2,650,771</u>	<u>\$ 2,427,953</u>	<u>\$ 6,915,391</u>	<u>\$ 8,414,653</u>
	18.67%	9.99%	9.62%	14.88%	16.93%	59.00%

CITY OF OBETZ, OHIO

INCOME TAX REVENUE BASE AND COLLECTIONS (CASH BASIS)
LAST TEN YEARS

Tax Year	Tax Rate	Taxes from Withholding	Percentage of Taxes from Withholdings	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes from Individuals
2021	2.50%	\$ 9,569,724	70.35%	\$ 3,877,211	28.50%	\$ 155,997
2020	2.50%	9,075,588	86.02%	1,310,337	12.42%	164,343
2019	2.50%	8,999,122	80.46%	2,059,040	18.41%	125,759
2018	2.50%	8,916,690	87.96%	1,103,586	10.89%	116,764
2017 (1)	2.50%	8,349,640	54.11%	6,999,032	45.36%	81,938
2016	2.50%	7,639,436	82.92%	1,487,006	16.14%	86,177
2015	2.50%	6,645,853	89.14%	736,568	9.88%	73,211
2014	2.00%	4,991,756	88.31%	592,861	10.49%	68,151
2013	2.00%	4,258,343	85.21%	679,294	13.59%	60,087
2012	2.00%	3,848,301	85.04%	622,882	13.76%	53,989

(1) In 2017, the City received a one time tax receipt of \$4,500,000 from a local business

Source: City Finance Department.

Percentage of Taxes from Individuals	Total Gross Tax Collected	Refunds	Total Net Tax Collected
1.15%	\$ 13,602,932	\$ (191,495)	\$ 13,411,437
1.56%	10,550,268	(101,553)	10,448,715
1.12%	11,183,921	(60,240)	11,123,681
1.15%	10,137,040	(275,334)	9,861,706
0.53%	15,430,610	(282,700)	15,147,910
0.94%	9,212,619	(112,946)	9,099,673
0.98%	7,455,632	(110,485)	7,345,147
1.21%	5,652,768	(59,635)	5,593,133
1.20%	4,997,724	(216,624)	4,781,100
1.19%	4,525,172	(46,285)	4,478,887

CITY OF OBETZ, OHIO

PRINCIPAL INCOME TAXPAYERS - WITHHOLDING ACCOUNTS
CURRENT YEAR AND NINE YEARS AGO

Range of Withholding Amount	2021			2012		
	Number of Withholding Accounts	Income Tax Withheld	Percentage of Total Withholding Revenue	Number of Withholding Accounts	Income Tax Withheld	Percentage of Total Withholding Revenue
\$500,001 and higher	4	\$ 3,258,170	34.05%	-	\$ -	0.00%
\$400,001 - \$500,000	3	1,356,336	14.17%	1	429,784	11.17%
\$200,001 - \$300,000	2	549,459	5.74%	3	825,113	21.44%
\$100,001 - \$200,000	9	1,069,982	11.18%	5	702,965	18.27%
\$50,001 - \$100,000	13	880,679	9.20%	8	593,762	15.43%
\$50,000 and lower	<u>648</u>	<u>2,455,098</u>	<u>25.65%</u>	<u>198</u>	<u>1,296,677</u>	<u>33.69%</u>
Total	<u>679</u>	<u>\$9,569,724</u>	<u>100.00%</u>	<u>215</u>	<u>\$3,848,301</u>	<u>100.00%</u>

Note: Due to confidentiality issues, the names of the 10 largest income tax payers are not available. The categories presented are included to provide alternative information regarding the sources of the City's income tax revenues.

Sources: 2012 City of Columbus, Division of Income Tax.
2021 City of Cleveland, Central Collection Agency

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CITY OF OBETZ, OHIO

LEGAL DEBT MARGIN
LAST TEN YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Assessed Property Value	<u>\$ 220,128,060</u>	<u>\$ 208,135,100</u>	<u>\$ 169,732,280</u>	<u>\$ 163,508,520</u>
Overall Legal Debt Limit (10 1/2 % of assessed valuation)	23,113,446	21,854,186	17,821,889	17,168,395
Debt Subject to Limitation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin within 10 1/2 % limitation	<u>\$ 23,113,446</u>	<u>\$ 21,854,186</u>	<u>\$ 17,821,889</u>	<u>\$ 17,168,395</u>
Legal debt margin as a percentage of the debt limit	100.00%	100.00%	100.00%	100.00%
<hr/>				
Unvoted Debt Limitation (5 1/2 % of assessed valuation)	\$ 12,107,043	\$ 11,447,431	\$ 9,335,275	\$ 8,992,969
Debt Subject to Limitation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted legal debt margin within 5 1/2 % limitations	<u>\$ 12,107,043</u>	<u>\$ 11,447,431</u>	<u>\$ 9,335,275</u>	<u>\$ 8,992,969</u>
Unvoted legal debt margin as a percentage of the unvoted debt limitation	100.00%	100.00%	100.00%	100.00%

⁽¹⁾ Assessed value of property revised based upon new information available.

Notes: The City's bonds are supported by income taxes or tax increment financing (TIF) revenues.
None of the City's bonds are general obligations of the City.

Source: City Finance Department.

<u>2017</u>	<u>2016 ⁽¹⁾</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>\$ 133,878,410</u>	<u>\$ 114,783,710</u>	<u>\$ 110,860,440</u>	<u>\$ 106,124,200</u>	<u>\$ 108,594,260</u>	<u>\$ 108,352,290</u>
14,057,233	12,052,290	11,640,346	11,143,041	11,402,398	11,376,991
-	-	-	-	-	-
<u>\$ 14,057,233</u>	<u>\$ 12,052,290</u>	<u>\$ 11,640,346</u>	<u>\$ 11,143,041</u>	<u>\$ 11,402,398</u>	<u>\$ 11,376,991</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<hr/>					
\$ 7,363,313	\$ 6,313,104	\$ 6,097,324	\$ 5,836,831	\$ 5,972,684	\$ 5,959,376
-	-	-	-	-	-
<u>\$ 7,363,313</u>	<u>\$ 6,313,104</u>	<u>\$ 6,097,324</u>	<u>\$ 5,836,831</u>	<u>\$ 5,972,684</u>	<u>\$ 5,959,376</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CITY OF OBETZ, OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Year	Governmental Activities				Business-Type Activities	
	Notes Payable	Capital Leases	Bonds Payable	OPWC Loans	Total Governmental Activities	OWDA Loans
2021	\$ -	\$ 5,305	\$ 42,344,808	\$ 216,124	\$ 42,566,237	\$ -
2020	-	6,953	44,629,034	239,233	44,875,220	-
2019	1,900,000	8,521	38,427,686	250,788	40,586,995	-
2018	1,900,000	-	40,278,552	273,897	42,452,449	-
2017	2,400,000	-	25,400,790	297,006	28,097,796	-
2016	-	-	26,542,674	320,114	26,862,788	81,302
2015	-	-	9,645,000	338,553	9,983,553	239,272
2014	-	-	10,275,000	109,529	10,384,529	388,132
2013	-	-	10,890,000	123,299	11,013,299	528,407
2012	-	-	11,495,000	137,069	11,632,069	660,592

⁽¹⁾ See notes to the financial statements regarding the City's outstanding debt information. Includes unamortized bond premiums.

Note: Amounts from 2013 and prior have been restated to show only long-term debt instruments

Note: Population and personal income data are presented on the Demographic and Economic Statistics statistical table.

Source: City Finance Department.

	Total Primary Government ⁽¹⁾	Percentage of Personal Income	Per Capita
\$	42,566,237	26.74%	\$ 7,558
	44,875,220	31.44%	8,405
	40,586,995	31.53%	7,766
	42,452,449	38.87%	8,385
	28,097,796	32.11%	6,023
	26,944,090	29.23%	5,852
	10,222,825	10.88%	2,227
	10,772,661	11.64%	2,383
	11,541,706	12.44%	2,604
	12,292,661	12.75%	2,703

CITY OF OBETZ, OHIO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2021

<u>Jurisdiction</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Estimated Amount Applicable to City</u>
Direct - City of Obetz			
Bonds and Loans	\$ 42,566,237	100.00%	\$ 42,566,237
Overlapping Debt:			
Franklin County	131,415,916	0.60%	788,495
Groveport-Madison Local School District	35,742,613	5.78%	2,065,923
Hamilton Local School District	12,372,295	45.32%	5,607,124
Columbus State Community College	136,395,000	0.60%	818,370
Madison Township	1,355,000	4.83%	65,447
Solid Waste Authority of Central Ohio	62,455,000	0.57%	355,994
Total Overlapping Debt	<u>379,735,824</u>		<u>9,701,353</u>
Total Direct and Overlapping Debt	<u>\$ 422,302,061</u>		<u>\$ 52,267,590</u>

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

Source: Ohio Municipal Advisory Council (OMAC).

CITY OF OBETZ, OHIO

**PLEDGED REVENUE COVERAGE - TIF REVENUE BONDS
LAST TEN YEARS**

Year	Payments in Lieu of Taxes ⁽¹⁾	Contributions from Developer	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2021	\$ 155,489	\$ 191,096	\$ 346,585	\$ 200,000	\$ 146,585	1.00
2020	147,105	196,349	343,454	190,000	153,454	1.00
2019	146,389	195,513	341,902	180,000	160,247	1.00
2018	145,266	197,982	343,248	175,000	168,248	1.00
2017	153,997	184,583	338,580	165,000	173,580	1.00
2016	139,475	200,192	339,667	160,000	179,667	1.00
2015	109,147	226,193	335,340	150,000	185,340	1.00
2014	141,327	188,838	330,165	140,000	190,165	1.00
2013	143,973	186,291	330,264	135,000	195,264	1.00
2012	341,056	-	341,056	130,000	190,676	1.06

⁽¹⁾ Revenue bonds are supported by TIF revenues. To the extent the TIF revenues are not sufficient to support the debt service, the shortfall is supported by a line-of-credit maintained at Huntington National Bank by the developer.

Source: City Finance Department.

CITY OF OBETZ, OHIO

PLEDGED REVENUE COVERAGE - INCOME TAX REVENUE BONDS
LAST FIVE YEARS⁽¹⁾

Year	Income Taxes ⁽²⁾	Debt Service		Coverage
		Principal	Interest	
2021	\$ 9,038,034	\$ 1,150,000	\$ 1,110,088	4.00
2020	9,812,719	1,105,000	1,152,938	4.35
2019	9,170,709	1,070,000	1,194,338	4.05
2018	8,219,658	590,000	715,942	6.29
2017	12,658,462	445,000	694,164	11.11

⁽¹⁾ The income tax revenue bonds were issued in 2016 and 2018.

⁽²⁾ Revenue bonds are supported by municipal income tax revenues exclusive of the 0.5% income tax which is restricted to support police operations. Amount reflects municipal income tax revenues reported on the Statement of Activities.

Source: City Finance Department.

CITY OF OBETZ, OHIO

**PLEGGED REVENUE COVERAGE - WATER FUND OWDA LOANS
LAST TEN YEARS**

Year	Operating Revenues	Direct Operating Expenses ⁽¹⁾	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2021	\$ 2,319,315	\$ 1,418,586	\$ 900,729	\$ -	\$ -	-
2020	2,296,153	1,545,689	750,464	-	-	-
2019	1,873,012	1,248,628	624,384	-	-	-
2018	1,603,789	1,268,134	335,655	-	-	-
2017	2,017,617	1,008,712	1,008,905	29,516	1,191	32.86
2016	1,637,407	886,062	751,345	57,349	2,259	12.60
2015	1,745,510	985,977	759,533	54,042	8,624	12.12
2014	1,343,623	1,059,467	284,156	50,925	11,740	4.53
2013	1,799,257	811,993	987,264	47,988	14,677	15.75
2012	1,239,286	872,110	367,176	45,221	17,445	5.86

⁽¹⁾ Operating expenses do not include depreciation.

Source: City Finance Department.

CITY OF OBETZ, OHIO

**PLEGGED REVENUE COVERAGE - SEWER FUND OWDA LOANS
LAST TEN YEARS**

Year	Operating Revenues	Direct Operating Expenses ⁽¹⁾	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2021	\$ 2,482,529	\$ 2,285,642	\$ 196,887	\$ -	\$ -	-
2020	2,291,449	2,251,647	39,802	-	-	-
2019	1,981,893	1,899,317	82,576	-	-	-
2018	1,812,116	1,534,815	277,301	-	-	-
2017	1,900,908	1,797,038	103,870	51,786	2,090	1.93
2016	1,872,809	1,232,123	640,686	100,621	3,963	6.13
2015	1,680,017	1,409,107	270,910	94,818	15,130	2.46
2014	1,570,741	1,111,295	459,446	89,350	20,598	4.18
2013	1,500,315	1,374,115	126,200	84,197	25,751	1.15
2012	1,218,599	955,949	262,650	79,341	30,607	2.39

⁽¹⁾ Operating expenses do not include depreciation.

Source: City Finance Department.

CITY OF OBETZ, OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

<u>Year</u>	<u>Population</u> ⁽¹⁾	<u>Total Personal Income</u> ⁽²⁾	<u>Per Capita Income</u> ⁽¹⁾	<u>Unemployment Rate</u> ⁽³⁾		
				<u>Federal</u>	<u>State</u>	<u>Franklin County</u>
2021	5,632	\$ 159,171,584	\$ 28,262	3.7%	3.4%	2.9%
2020	5,339	142,722,148	26,732	6.5%	5.2%	4.9%
2019	5,226	128,711,154	24,629	3.4%	3.8%	3.1%
2018	5,063	109,219,036	21,572	3.7%	4.8%	3.9%
2017	4,665	87,496,740	18,756	4.4%	4.9%	3.7%
2016	4,604	92,176,684	20,021	4.9%	4.9%	4.0%
2015	4,591	93,950,224	20,464	5.3%	4.9%	4.1%
2014	4,521	92,517,744	20,464	6.2%	5.8%	4.8%
2013	4,432	92,761,760	20,930	7.4%	7.5%	6.4%
2012	4,548	96,403,956	21,197	8.3%	8.7%	6.7%

⁽¹⁾ **Source:** U.S. Census, American Community Survey.

Years 2012 - 2014 Federal Census Bureau and Years 2015 - 2021 Estimated by the Mid-Ohio Regional Planning Commission

⁽²⁾ Computation of per capita personal income multiplied by population.

⁽³⁾ **Source:** Ohio Job & Family Services, Office of Workforce Development.

CITY OF OBETZ, OHIO

PRINCIPAL EMPLOYERS
BY NUMBER OF EMPLOYEES
CURRENT YEAR AND NINE YEARS AGO

Employer	Nature of Business	2021		Rank
		Estimated Number of Employees	Percentage of Total City Employment	
Company A	Withheld	1,445	11.24%	1
Company B	Withheld	1,102	8.57%	2
Company C	Withheld	868	6.75%	3
Company D	Withheld	658	5.11%	4
Company E	Withheld	618	4.81%	5
Company F	Withheld	570	4.44%	6
Company G	Withheld	507	3.94%	7
Company H	Withheld	344	2.67%	8
Company I	Withheld	343	2.67%	9
Company J	Withheld	173	1.35%	10
Total		6,628	51.55%	
All Other Employers		6,230	48.45%	
Total		12,858	100.00%	

Employer	Nature of Business	2012		Rank
		Estimated Number of Employees	Percentage of Total City Employment	
Company A	Withheld	627	11.17%	1
Company B	Withheld	424	7.54%	2
Company C	Withheld	419	7.46%	3
Company D	Withheld	362	6.44%	4
Company E	Withheld	264	4.71%	5
Company F	Withheld	257	4.57%	6
Company G	Withheld	180	3.21%	7
Company H	Withheld	169	3.02%	8
Company I	Withheld	155	2.76%	9
Company J	Withheld	144	2.57%	10
Total		3,003	53.44%	
All Other Employers		2,615	46.56%	
Total		5,618	100.00%	

Note: Since many companies consider this data confidential, employee counts are estimated and are derived from income tax withholdings.

Source: City of Obetz Finance Department.

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CITY OF OBETZ, OHIO

EMPLOYEES BY FUNCTION/PROGRAM ⁽¹⁾
LAST TEN YEARS

Function/Program	2021		2020		2019		2018	
	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
General Government								
Council	-	6	-	6	-	5	-	6
Mayor's Office	-	1	-	1	-	1	-	1
Law	1	2	1	2	-	1	-	1
Finance	3	3	3	3	3	3	3	3
Administration	6	6	6	6	6	6	3	3
Lands and Buildings	3	3	3	4	4	5	2	3
Engineer	2	2	1	1	1	1	1	1
Building	-	-	1	1	1	1	2	2
Security of Persons and Property								
Police - Administration	3	3	3	3	3	3	2	2
Police - Officers	19	19	18	18	17	17	19	19
Leisure Time Activity								
Community Center	2	5	1	3	3	6	3	5
Recreation	4	23	5	16	6	22	7	27
Park Maintenance	8	8	6	6	7	7	1	1
Community Development								
Economic Development	1	1	1	1	1	1	1	1
Transportation								
Street Maintenance	8	8	6	6	8	8	10	10
Basic Utility Services								
Utilities Director	1	1	1	1	-	-	-	-
Utilities Office	2	2	2	2	2	2	2	2
Utilities Service Department	2	2	3	3	3	3	3	3
Total	65	95	61	83	65	92	59	90

⁽¹⁾ Employed as of December 31.

Source: City Finance Department.

2017		2016		2015		2014		2013		2012	
Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
-	6	-	6	-	6	-	6	-	6	-	6
-	1	-	1	-	1	-	1	1	2	1	2
-	1	-	-	1	2	1	2	1	2	-	1
3	3	3	3	2	2	2	3	2	3	2	2
4	4	5	6	3	3	3	3	3	3	3	4
3	6	1	2	1	2	1	1	1	1	2	2
1	1	2	2	1	1	1	1	1	1	1	1
2	2	1	1	1	1	2	2	-	-	-	-
2	2	2	2	2	2	2	2	2	2	2	2
18	18	18	18	16	16	14	14	14	14	14	14
1	6	2	6	2	6	2	6	2	5	2	6
5	21	2	15	1	10	1	14	1	10	1	6
1	2	1	2	1	2	2	3	2	4	3	4
1	1	1	1	1	1	1	1	-	-	-	-
8	8	5	5	4	4	4	4	3	3	3	3
-	-	-	-	-	-	-	-	-	-	-	-
2	2	2	2	1	1	2	2	2	2	1	1
3	3	3	3	3	3	3	3	3	3	3	3
<u>54</u>	<u>87</u>	<u>48</u>	<u>75</u>	<u>40</u>	<u>63</u>	<u>41</u>	<u>68</u>	<u>38</u>	<u>61</u>	<u>38</u>	<u>57</u>

CITY OF OBETZ, OHIO

**CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2021	2020	2019	2018
General Government				
General government centers	1	1	1	1
Vehicles	9	8	9	9
Security of Persons and Property				
Police stations	1	1	1	1
Vehicles	16	14	18	18
Motorcycles	1	1	1	2
Leisure Time Activity				
Number of parks	13	12	12	12
Parks area (acres)	432	432	384	371
Number of community centers	1	1	1	1
Number of athletic centers	1	1	1	1
Number of playground sites	4	4	4	4
Number of basketball courts	5	6	6	6
Number of football/soccer fields	11	11	11	11
Number of baseball fields	4	4	4	4
Number of tennis courts	1	1	1	1
Number of volleyball courts	2	1	1	-
Number of archery ranges	1	1	1	1
Number of bocce ball courts	2	2	2	2
Number of splash pads/ice rinks	1	1	1	1
Number of shelter houses	5	6	6	6
Number of concession stands	4	5	5	5
Vehicles	3	4	3	3
Public Service Department				
Streets (miles)	51.69	50.40	34.57	34.19
Number of buildings	15	15	15	15
Vehicles	16	16	16	13
Utilities Department				
Water lines (miles)	32.37	30.89	30.87	30.33
Sanitary sewers (miles)	35.42	33.80	26.22	25.70
Electric distribution lines (miles)	18.38	18.38	16.12	15.94
Natural gas lines (miles)	7.41	7.41	4.87	4.85
Number of buildings	3	3	3	3
Vehicles	3	4	3	3

Source: City of Obetz departments.

2017	2016	2015	2014	2013	2012
1	1	1	1	1	1
8	6	6	5	3	3
1	1	1	1	1	1
17	16	13	11	10	10
2	2	2	2	1	1
10	10	7	7	6	6
304	287	150	136	97	97
1	1	1	1	1	1
1	1	1	1	1	1
5	5	5	5	5	5
4	5	5	5	5	5
6	4	4	3	3	3
4	4	4	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	-	-
2	2	2	2	2	2
1	1	1	1	1	-
4	4	4	3	3	3
3	3	3	3	3	3
4	3	3	4	4	4
33.38	33.38	32.60	32.60	32.40	32.20
15	7	5	5	5	4
13	11	12	10	10	10
29.53	29.28	28.03	27.70	27.50	27.20
25.27	24.93	24.10	24.10	23.90	23.90
15.94	13.15	10.20	10.20	9.20	8.88
4.85	4.60	4.21	4.04	3.66	3.66
3	3	3	3	3	3
3	3	3	3	3	3

CITY OF OBETZ, OHIO

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

Function/Program	2021	2020	2019	2018
General Government				
Number of ordinances passed	48	59	56	62
Number of checks/vouchers issued	4,966	4,250	5,274	4,956
Building Department				
Construction permits issued	276	320	190	190
Estimated value of construction	\$ 76,844,692	\$ 53,189,538	\$ 36,572,939	\$ 39,817,303
Security of Persons & Property				
Police				
Total calls for services	5,732	5,515	5,493	6,531
Traffic violations	1,098	990	2,399	1,645
Motor vehicle accidents	200	143	52	175
Total criminal arrests	187	275	471	341
Leisure Time Activity				
Recreation				
Obetz Athletic Club Check-ins	23,588	13,247	37,206	39,766
Obetz Athletic Club Receipts	\$46,941	\$21,686	\$57,454	\$60,412
Baseball/Softball Program Participants	247	0	96	88
Baseball/Softball Program Receipts	\$0	\$0	\$5,675	\$4,520
Football Program Participants	96	70	105	101
Football Program Receipts	\$8,025	\$0	\$5,925	\$8,095
Cheerleading Program Participants	103	62	62	48
Cheerleading Program Receipts	\$8,800	\$0	\$3,825	\$4,325
Splash Pad/Ice Rink Receipts ⁽¹⁾	\$0	\$35	\$4,166	\$5,569
Dixon Quarry Rentals	\$23,950	\$0	\$16,500	\$18,550
Fortress Obetz Rentals	\$205,363	\$21,450	\$71,822	\$77,503
Community Center				
Meals Served in House	575	256	1,187	1,342
Meals Delivered to Shut-ins	638	661	300	172
Senior Meal Donations	\$1,184	\$592	\$2,199	\$2,149
Senior Transportation Trips - Doctor Appointments/Grocery Shopping	122	101	98	90
Senior Transportation Leisure Trips	6	5	11	10
Community Center Rentals	\$14,200	\$910	\$22,620	\$15,200
Utilities Department				
Water				
Average daily gallons sold per consumer	329	348	310	310
Number of customers (per year)	25,224	23,805	22,901	22,309
Average number of customers per month	2,102	1,984	1,908	1,859
Annual water collections	\$1,703,673	\$1,663,370	\$1,554,518	\$1,524,281
Gallons of water treated (thousands of gallons)	294,771	277,393	239,589	243,488
Sewer				
Residential sewer rate (flat monthly rate)	\$23.86	\$23.86	\$23.86	\$23.86
Average number of customers per month	1,997	1,881	1,807	1,759
Refuse				
Refuse collection rate (flat monthly rate)	\$16.00	\$14.77	\$14.77	\$14.77
Average number of customers per month	1,863	1,750	1,677	1,633
Electric				
Commercial electric billings (per year in millions)	\$7.03	\$6.73	\$6.64	\$6.77
Number of customers	104	100	96	94
Gas				
Commercial gas billings (per year in millions)	\$1.30	\$1.00	\$1.22	\$1.35
Number of customers	88	86	83	82

⁽¹⁾ Splash Pad/Ice Rink Receipts were not tracked separately until 2016

Source: City of Obetz departments.

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
	65	87	93	76	76	57
	5,093	4,438	4,075	4,048	3,944	2,700
	187	136	137	95	124	120
\$	\$ 59,840,622	\$ 14,876,540	\$ 70,756,018	\$ 37,392,735	\$ 37,457,000	\$ 6,155,059
	6,368	5,736	5,454	4,797	4,853	5,259
	1,347	1,137	2,945	1,776	1,154	1,112
	172	205	186	171	167	149
	282	283	320	219	195	247
	35,763	47,258	46,469	43,374	50,762	44,945
	\$58,877	\$94,138	\$82,758	\$97,951	\$122,204	\$99,901
	76	91	89	70	83	87
	\$3,686	\$4,690	\$5,190	\$6,285	\$14,559	\$16,785
	132	106	114	128	147	150
	\$10,235	\$7,950	\$10,980	\$9,080	\$12,950	\$11,260
	55	40	47	46	49	49
	\$3,785	\$3,000	\$2,650	\$3,125	\$3,675	\$5,935
	\$5,491	\$8,759	-	-	-	-
	\$18,100	\$10,000	-	-	-	-
	\$3,000	\$0	-	-	-	-
	1,214	1,070	1,826	1,650	1,872	2,100
	280	426	506	510	460	510
	\$3,045	\$3,451	\$3,959	\$4,220	\$5,084	\$5,343
	85	108	102	124	172	209
	13	12	14	15	15	14
	\$10,031	\$4,757	\$3,735	\$2,723	\$5,597	\$1,836
	277	339	310	261	246	271
	22,817	21,638	21,240	20,918	20,860	20,919
	1,901	1,803	1,770	1,743	1,738	1,743
	\$1,414,882	\$1,361,249	\$1,327,075	\$1,249,781	\$1,191,062	\$1,211,091
	215,349	222,823	231,758	166,257	156,332	172,263
	\$23.86	\$23.86	\$23.86	\$23.86	\$23.86	\$16.86
	1,808	1,670	1,766	1,738	1,734	1,740
	\$14.77	\$14.77	\$14.77	\$14.77	\$14.41	\$13.00
	1,663	1,670	1,638	1,614	1,607	1,612
	\$6.03	\$5.89	\$6.24	\$4.86	\$4.04	\$3.82
	94	80	71	66	58	56
	\$0.83	\$0.75	\$1.00	\$1.48	\$1.07	\$0.80
	82	73	68	70	60	55

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CITY OF OBETZ
FRANKLIN COUNTY, OHIO

REGULAR AUDIT

FOR THE YEAR ENDED
DECEMBER 31, 2021

**CITY OF OBETZ
FRANKLIN COUNTY, OHIO**

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**Independent Auditor's 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 of Obetz
Franklin County
4175 Alum Creek Drive
Obetz, Ohio 43207

To the Members of the City Council and Mayor:

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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Obetz, Franklin County, Ohio, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Obetz' basic financial statements, and have issued our report thereon dated June 27, 2022, wherein we noted as described in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Obetz' 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 of Obetz' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Obetz' 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 City of Obetz' 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 of Obetz' 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 of Obetz' 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 of Obetz' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
June 27, 2022

OHIO AUDITOR OF STATE KEITH FABER



CITY OF OBETZ

FRANKLIN 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 7/19/2022

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