

City of  
**PIQUA**

**Annual Comprehensive Financial Report  
for the year ended December 31, 2022**





OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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City Council  
City of Piqua  
201 West Water St.  
Piqua, OH 45356

We have reviewed the *Independent Auditor's Report* of the City of Piqua, Miami County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2022 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

October 31, 2023

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# **CITY OF PIQUA, OHIO**

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**Year Ended December 31, 2022**

**Prepared by:  
Department of Finance  
Jennifer M. Kahle, Director**

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# Introductory Section



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## City of Piqua

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201 West Water Street Piqua, Ohio 45356  
Phone: (937) 778-2000

July 12, 2023

Honorable Mayor Cindy Pearson, City Commission Members  
and Citizens of the City of Piqua, Ohio:

This Annual Comprehensive Financial Report is for the year ended December 31, 2022. We believe this report, prepared by the Department of Finance, presents financial and operating information about the City's activities during the year that should be useful to citizens, taxpayers and investors. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief the enclosed data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

### **Reporting Entity**

This report includes all funds of the City. The City provides a full range of services including police and fire protection, parks, recreation and cultural facilities, street maintenance, health programs, planning, zoning and general governmental services. In addition, the City owns and operates business-type activities, with the major ones consisting of a power system, a sewer system, a water system, a stormwater system and a waste disposal system.

Piqua, founded in 1807, celebrated its Bicentennial in 2007. Piqua operates and is governed by the laws of the State of Ohio and its own charter which was adopted by the electorate in 1929. The Charter provides for a commission-manager form of government. Legislative authority is vested in a five-member commission. All members are elected from wards for four-year terms and serve in a part-time capacity. The Commission determines compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriations and borrowings, licensing and regulating of businesses and trades, and other municipal purposes. The City's Chief Executive and Administrative Officer is the City Manager who is appointed by the City Commission.

### **Local Economic Conditions and Outlook**

The City of Piqua is a community (2020 Census 20,354) in Miami County, located in the west central part of the state, twenty-five miles north of Dayton. Inter and intra state highways I-75, Route 36 and Route 66 serve as the City's major transportation arteries. Edison Community College, with over 3,400 students, is located on the east side of the city.

The City does not depend on one firm for local employment; as many as ten companies employ in excess of 200 people each, lending to the City's diversification. The City has four industrial parks with plenty of room for expansion. The City's emphasis on economic retention and development are significant factors affecting the future economic strength of the community. Promoting Piqua as a good place for all types of businesses, new and existing, will continue to be one of our highest priorities.

Development activity remained steady throughout the calendar year despite rising interest rates and increasing economic uncertainties. Construction projects in 2022 included the start of construction on a new community recreation facility representing an investment of approximately \$22 million along with the expansion of existing industrial buildings and the revitalization of numerous downtown commercial buildings. Less the community recreation facility project, the \$48.6 million total investment in industrial and commercial construction activity was down slightly from the prior year coming in at \$2.6 million for the calendar year.

## Major Initiatives

**Current Year Projects:** During 2022, the City continued efforts to enhance and expand services provided to local residents. The City continued supporting the Future Piqua Strategic Plan recommendations; including public access television and a quarterly community newsletter (financial support is shared between the City and the Chamber of Commerce).

The following significant events took place in 2022:

- Improved signage, sidewalks, and traffic signals in the City's downtown and surrounding areas
- Implemented Downtown redevelopment grant to continue façade improvements to downtown structures
- Continued the Riverfront Redevelopment Project marketing and land acquisitions
- Continued beautification project on East Ash Street and US 36
- Continued implementation of the Parks Master Plan
- Completed construction on Wastewater treatment plant expansion
- Completed implementation of new Utility Automated Meter Infrastructure System
- Began IT assessment and strategic plan

**Future Projects:** The city anticipates the following significant events to take place in 2023:

- Continue the redevelopment of the City's downtown and surrounding areas. The redevelopment includes improved signage, sidewalks, brick pavers, traffic signals, streetlights and parking
- Begin construction of Phase II of Lock 9 Park Improvements
- Encourage tourism and recreational trail events
- Continue efforts to improve the Regional Public Safety Training facility with area educational facility
- Complete the city wide GIS Database
- Private and public development of the Great Miami River Corridor
- Hosting the sixth annual Piqua 4<sup>th</sup> Fest in the downtown district
- Continue IT improvement strategic plan
- Begin ERP system replacement project

## Financial Information

Management of the City is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("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 a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Budgetary System:** Detailed provisions regulating the City's budget, tax levies and appropriations are set forth in the City Charter and in the Ohio Revised Code. The City Manager is required to submit to the City Commission annually, an appropriation measure, which must be adopted by the first Commission meeting in January. The Miami County Auditor must certify that the City's appropriation measure does not exceed the amounts set forth in the County Budget Commission's Certificate of Estimated Resources.

The City maintains legal budgetary control utilizing GAAP at an object level (personnel/administrative support, operation and maintenance, capital expenditures and transfers) for all funds. Lower levels within each object level are accounted for and reported internally. Such lower levels are referred to as the suffix level. All purchases are properly approved through the legislative process or issuance of a purchase order.

Expenditures are controlled at the suffix level throughout the year and any budgetary adjustments (at the object level), if necessary, are with the approval of the City Commission.

**Accounting System:** The City's accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds to be used are in accordance with GAAP and the number of individual funds established is determined by legal requirements and sound financial administration.

The City's records are maintained on modified accrual basis for all governmental and similar fiduciary fund types. Accordingly, revenues are recognized when susceptible to accrual (i.e. both measurable and available). Expenditures, other than interest on long-term debt, are recorded as liabilities when incurred. Proprietary funds utilize the accrual basis of accounting and the electric system employs the Federal Energy Commission's system of accounts. A more detailed explanation of the basis of accounting for the various funds is included in the Notes to the Basic Financial Statements, located in the Financial Section of this report.

**Financial Reporting:** Beginning in 2002, the City has prepared financial statements following GASB Statement 34, "Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments." As part of this new reporting model, management is responsible for preparing a Management's Discussion and Analysis of the City. This discussion follows the Independent Auditor's Report, providing an assessment of the City's finances for 2022.

## **Government Funds**

**General Governmental Revenues:** The 2022 municipal income tax revenue of \$14,773,823 increased 13.0%. Property tax revenues decreased in 2022. Interest revenue increased in 2022 by 4.9% and is expected to be similar in 2023. Municipal income tax revenue is up through March 2023 but is expected to be similar to 2022 levels. Grants revenue increased in 2022.

**General Governmental Expenditures:** The 2022 General Governmental expenditures and other financing uses increased 44.3% compared with 2021.

**General Fund Balances:** Current year activity contributed to a \$1,904,166 decrease in the unassigned fund balance from 2021 as assigned funds were increased for the 2023 budget levels adopted.

## **Business-Type Funds**

The City's utility operations, consisting of a power system, a water system, a wastewater system, a stormwater system, and a solid refuse system, account for over half of the total City revenues. The City also operates smaller enterprises such as a golf course and a swimming pool.

**Power System:** Total customer revenues were \$30.5 million with an increase in usage from 2021 levels. Revenues increased based on businesses slowly returning to normal operations in the past year. No operating grants were received in 2022. Expenses exceeded program revenue by \$1,557,465 in 2022.

The system supplies electricity to more than 10,850 residential, commercial and industrial customers within its service area. The power system, established in the 1930's, purchases the vast majority of its power via contracts with American Municipal Power (AMP), while supplementing power needs with city-owned fuel oil generation. The system is responsible for purchasing and generating power, transmitting and distributing electricity, and providing all related services.

The City of Piqua obtains its power supply through AMP from various sources. 19.9 MegaWatts (MWs) of Power are available from the Prairie State Energy Campus. 9.9 MWs are available from the AMP Fremont Energy Campus. 6.4 MWs are available from the AMP Phase II Solar Project. 8 MWs are available from the AMP Phase I and Phase II Hydrogeneration Projects. Approximately 2 MWs are available from the New York Power Authority (NYPA). Piqua Power System participates in the American Public Power Association's Reliable Public Power Provider (RP3) program. In 2021 Piqua achieved Diamond status, one of only fifty-four municipal electric systems in the country, representing less than 3% of all eligible electric systems for its superior reliability, safety, workforce development and system improvement programs.

**Water System:** Customer revenues of \$7.3 million were very similar to 2021 levels due to consistent usage. Small operating and capital grants were received in 2021. Operating expenses of \$5.9 million were up due GASB 68 and 75 expenses. Net revenue from operations was \$1,379,760 in 2022. More than 8,800 accounts are serviced by Piqua's municipal water system.

**Wastewater System:** Customer revenues of \$6.6 million were similar to 2021. Capital grants and contributions of \$270,971 were received in 2022. Operating expenses of \$5.5 million were up due to GASB 68 and 75 expenses. Net revenue from operations was \$1,406,885 in 2022.

**Refuse System:** System revenues of \$2.3 million were similar to 2021 levels. Operating expenses of \$1.8 million were up from 2021. Net revenues from operations were \$490,559. Refuse service is provided to more than 8,200 customers.

**Stormwater System:** Customer revenues of \$1.2 million and were similar to 2021 levels. Capital grants of \$50,000 were received in 2022. Operating expenses of \$795,213 were up due to GASB 68 and 75 expenses. Net revenues from operations were \$448,006 in 2022. Stormwater service is provided to approximately 7,900 customers.

## **The Independent Audit**

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Clark Schaefer Hackett has completed an audit of the 2022 financial statements. The 2021 audit was also completed by Clark Schaefer Hackett. All State of Ohio compliance and federal grant audit requirements are included as part of the independent annual engagement. See page 9 of the Financial Section of this report for their unmodified opinions.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded for the thirty-second consecutive year a Certificate of Achievement for Excellence in Financial Reporting to the City of Piqua, Ohio, for its annual comprehensive financial report for the fiscal year ended December 31, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such a 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. The City of Piqua, Ohio has received a Certificate of Achievement for thirty-two consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

## Acknowledgments

To the many conscientious people who have contributed so much of their time and effort to the preparation of this report our sincere appreciation is extended. The Finance Department staff is commended for their commitment to professional excellence once again, exemplified by the contents of this report. Timely preparation of this report was accomplished by the diligent efforts and contributions of the entire Finance Department and a special appreciation to Stacy Burton for her extraordinary commitment and going above and beyond in her contributions to the completion of this report. Finally, contributions to the financial condition of the City of Piqua by the Mayor, members of the City Commission, and Department Directors and Managers cannot be overlooked. Their support and guidance are invaluable factors necessary for the City to continue to successfully manage the financial affairs and reporting requirements of municipal government within the Piqua Community.

Respectfully submitted,

Paul Oberdorfer  
City Manager



Jennifer Kahle,  
Director of Finance



**Department of Finance Staff:** Stacy Burton-Finance/Tax Manager, Kayla White, Financial Analyst II, Jamie Richard, Kelley McGlinch, and Denise Donnelly

# **CITY OF PIQUA, OHIO**

## **2022 CITY OFFICIALS**

Cindy J. Pearson, Mayor  
Kris E. Lee, Commissioner  
James D. Vetter, Commissioner  
James C. Grissom, Commissioner  
Kathryn B. Hinds, Commissioner

## **CITY MANAGER**

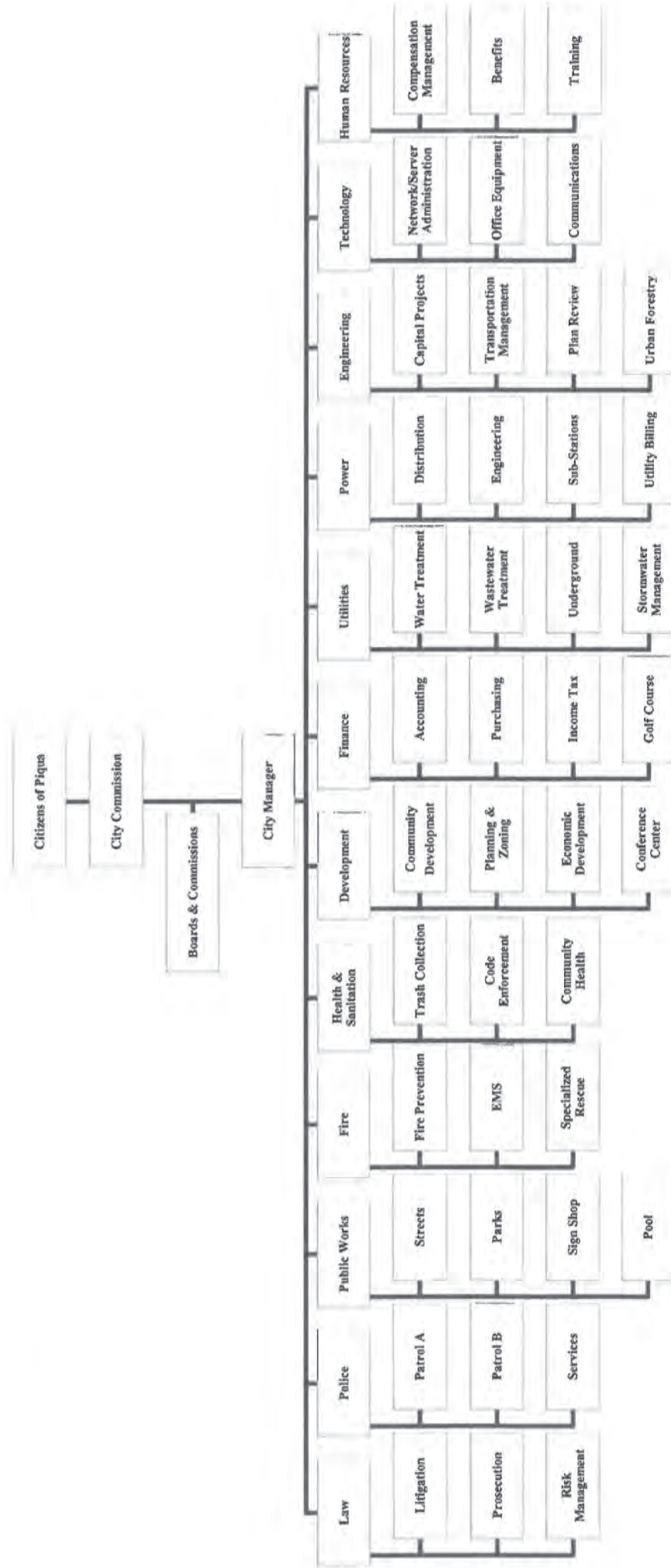
L. Paul Oberdorfer

## **INDEPENDENT AUDITORS**

Clark Schaefer Hackett & Co



# City of Piqua 2022 Organization Chart





Government Finance Officers Association

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

Presented to

**City of Piqua  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

Executive Director/CEO

# Financial Section



## INDEPENDENT AUDITORS' REPORT

City Commission  
City of Piqua, Ohio

### Report on the Audit of the Financial Statements

#### *Opinions*

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

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

#### *Basis for Opinions*

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules and the required pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual 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 GAAS. In our opinion, the combining and individual 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 auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 10, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Clark, Schaefer, Hackett & Co.*

Springfield, Ohio  
July 10, 2023

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2022*  
*(Unaudited)*

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

### **Financial Highlights**

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at December 31, 2022 by \$149.1 million (net position).
- The City's total net position increased by \$6.6 million or 4.65 percent in 2022. Net position of the governmental activities increased \$4.2 million, which represents a 6.99 percent increase from 2022. Net position of the business-type activities increased \$2.4 million which represents a 2.93 percent increase from 2022.
- The total cost of the City's programs increased \$9.3 million or 16.58 percent. The cost of governmental activities increased \$1.9 million or 11.26 percent, while the cost of business-type activities increased \$7.4 million or 18.84 percent.
- At the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$27.3 million. The combined governmental funds fund balance increased \$2.5 million from the prior year's ending fund balance. Approximately \$5.8 million of the \$27.3 million fund balance is considered unassigned at December 31, 2022.
- The general fund reported a fund balance of \$13.8 million at the end of the current fiscal year. The unassigned fund balance for the general fund was \$5.9 million or 36.58 percent of total general fund expenditures (including transfers out). There was a \$0.3 million increase in the total general fund balance for the year ended December 31, 2022.
- The City had \$3.2 million less in debt outstanding at December 31, 2022 than at December 31, 2021.
- Total costs of governmental services increased by \$1.0 million, while net costs of services for governmental activities decreased slightly with the effects of net pension and OPEB assets and liabilities removed (see Table 4).

### **Using This Annual Financial Report**

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City of Piqua's financial situation as a whole and also give a detailed view of the City's fiscal condition.

The Statement of Net Position and the Statement of Activities (on pages 24-25) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail and start on page 26. For governmental funds, these statements tell how services were financed in the short term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2022*  
*(Unaudited)*

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

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

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2022?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows, liabilities and deferred inflows using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the changes in net position. This change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

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

- **Governmental Activities** – Most of the City's programs and services are reported here, including general government, public safety, street and maintenance, parks and recreation, Fort Piqua Plaza, and community development. 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 fee basis to recover all of the expenses of the goods or services provided. The City's electric, water, refuse, wastewater, stormwater, golf and municipal pool activities are reported here.

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

### ***Fund Financial Statements***

The fund financial statements begin on page 26 and provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Funds are established to help control and manage money for particular purposes or to show that the City is meeting legal responsibilities for using certain taxes, grants, and other money. The City of Piqua's three kinds of funds – *governmental, proprietary, and fiduciary* – use different accounting approaches.

- **Governmental funds** – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. On the government-wide statements, these funds are reported using the accrual method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of timing of related cash flows. The governmental fund statements, using a modified accrual system of accounting, provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements or on an accompanying schedule.
- **Proprietary funds** – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Piqua uses enterprise funds to account for its electric, water, refuse, wastewater, stormwater services, golf and municipal pool. Internal service funds are an accounting method used to accumulate and allocate costs internally among the City's various functions. The City of Piqua uses an internal service fund to account for its information technology and insurance activities. As these



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activities predominantly benefit governmental rather than business-type functions, they are shown within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water, wastewater, refuse, and stormwater systems which are considered to be major funds of the city as well as non major enterprise funds consisting of golf and municipal pool.

- *Fiduciary funds* – Funds used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements as the resources of those funds are not available to support the City's own programs.

***Notes to the basic financial statements***

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 34 through 64 of this report.

***Other information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budget, proportionate share of net pension and OPEB assets and liabilities, and pension and OPEB contributions. The City adopts an annual appropriation budget for its general fund and other funds. A budgetary comparison schedule has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget. Also provided are the schedules of the City's proportionate share of the net pension and OPEB assets and liabilities for OPERS and Ohio Police and Fire and schedules of the City contributions for pension and OPEB plans to OPERS and Ohio Police and Fire. Required supplementary information can be found on pages 65 through 74 of this report.

The combining statements in connection with non-major governmental and enterprise funds and internal service funds are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages 77 through 90 of this report.

**The City of Piqua as a Whole**

Recall that the analysis of the Statement of Net Position looks at the City as a whole. One of the most important questions to consider is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information to help answer this question. The Net Position statement shows the difference between assets with deferred outflows and liabilities with deferred inflows, which is one way to measure the City's financial position. As reviewed over time, increases or decreases in the City's net position are an indicator of whether the City's financial health is improving or deteriorating. However, other non-financial factors must also be considered such as changes in the property tax base of the city, the condition of the City's roads and neighborhoods, and the reputation of the public schools in order to assess the overall health of the City. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities for both 2022 and 2021.

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

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2022	2021	2022	2021	2022	2021
<b>Assets</b>						
Current and other assets	\$ 39,435,674	\$ 33,703,939	\$ 42,117,934	\$ 40,561,525	\$ 81,553,608	\$ 74,265,464
Capital assets	53,313,434	53,118,986	150,084,960	153,696,256	203,398,394	206,815,242
<i>Total Assets</i>	92,749,108	86,822,925	192,202,894	194,257,781	284,952,002	281,080,706
<b>Deferred outflows of resources</b>						
Pension	5,117,423	2,905,583	1,373,105	824,692	6,490,528	3,730,275
OPEB	1,642,651	2,076,133	7,243	355,922	1,649,894	2,432,055
<i>Total Deferred outflows of resources</i>	6,760,074	4,981,716	1,380,348	1,180,614	8,140,422	6,162,330
<b>Liabilities</b>						
Long-term liabilities	20,333,014	22,641,886	99,760,218	105,569,266	120,093,232	128,211,152
Other liabilities	3,621,026	1,552,167	3,641,494	2,852,386	7,262,520	4,404,553
<i>Total Liabilities</i>	23,954,040	24,194,053	103,401,712	108,421,652	127,355,752	132,615,705
<b>Deferred Inflows of Resources</b>						
Property Taxes	1,574,127	1,379,197	-	-	1,574,127	1,379,197
Leases	522,862	-	-	-	522,862	-
Pension	7,142,273	3,526,002	4,346,886	2,688,732	11,489,159	6,214,734
OPEB	1,790,384	2,397,605	1,265,816	2,166,743	3,056,200	4,564,348
<i>Total Deferred Inflows of Resources</i>	11,029,646	7,302,804	5,612,702	4,855,475	16,642,348	12,158,279
<b>Net position</b>						
Net investment in capital assets	53,187,268	53,118,986	55,848,348	56,418,638	109,035,616	109,537,624
Restricted for other purposes	11,602,185	9,489,348	-	-	11,602,185	9,489,348
Restricted for debt service	401,272	397,939	-	-	401,272	397,939
Unrestricted	(665,229)	(2,698,489)	28,720,480	25,741,945	28,055,251	23,043,456
<i>Total Net Position</i>	\$ 64,525,496	\$ 60,307,784	\$ 84,568,828	\$ 82,160,583	\$ 149,094,324	\$ 142,468,367

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2022 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." In 2018, the City adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net pension asset and deferred outflows related to pension and OPEB.

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

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability (asset) 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

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

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

The amount by which the City’s assets and deferred outflows exceed its liabilities and deferred inflows is called net position. Net position may serve over time as a useful indicator of a government’s financial position. At year-end, the City’s net position was \$149.1 million compared to \$142.5 million in 2021, an increase of \$6.6 million. Net Position for governmental activities increased \$4.2 million, while business-type activities increased \$2.4 million.

Of that amount, in 2022 approximately \$109.0 million (73.1%) was invested in capital assets, net of debt related to those assets. At year-end 2021 that amount was approximately \$109.5 million (76.9%). The largest portion of the City’s net position (73.1%) reflects investments in net capital assets (e.g. land, construction in progress, buildings, improvements, machinery and equipment, vehicles, infrastructure and right to use leased assets), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

For 2022 another \$12 million (8.05%) was subject to legislative and external restrictions upon its use. For 2021 \$9.9 million (6.9%) was subject to external restrictions.

Our total net position of the City’s governmental activities increased \$4.2 million during the current year; \$68,282 increase in net investment in capital assets and \$2.0 million increase in unrestricted net position. Restricted net position increased by \$2.1 million, due to additional federal COVID-19 funding received that remains unspent at year-end.

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Total net position of the City's business-type activities increased \$2.4 million during the current year; \$570,290 decrease in net investment in capital assets and \$3.0 million increase in unrestricted net position.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for the current year.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
<b>Revenues</b>						
Program revenues:						
Charges for Services	\$ 2,539,206	\$ 1,488,584	\$ 48,514,493	\$ 46,457,079	\$ 51,053,699	\$ 47,945,663
Operating Grants/Contributions	410,862	302,635	27,574	46,992	438,436	349,627
Capital Grants/Contributions	67,727	121,094	380,166	540,786	447,893	661,880
General revenues:						
Property Taxes	1,526,422	1,314,466			1,526,422	1,314,466
Income Taxes	14,773,823	13,072,163			14,773,823	13,072,163
Other Taxes	3,582,909	3,653,358			3,582,909	3,653,358
Investment Earnings & Misc.	154,816	423,188	138,420	142,543	293,236	565,731
<b>Total Revenues</b>	<b>23,055,765</b>	<b>20,375,488</b>	<b>49,060,653</b>	<b>47,187,400</b>	<b>72,116,418</b>	<b>67,562,888</b>
<b>Program Expenses</b>						
General Government	3,121,168	2,163,147			3,121,168	2,163,147
Public Safety	10,573,889	10,207,050			10,573,889	10,207,050
Street and Maintenance	3,975,528	3,501,045			3,975,528	3,501,045
Parks and Recreation	874,325	549,329			874,325	549,329
Community Development	57,202	180,811			57,202	180,811
Public Health and Welfare	-	119,081			-	119,081
Interest on long-term debt	800	-			800	-
Electric			32,059,982	28,461,846	32,059,982	28,461,846
Wastewater			5,467,008	2,820,704	5,467,008	2,820,704
Water			5,953,190	5,438,144	5,953,190	5,438,144
Refuse			1,810,117	1,427,657	1,810,117	1,427,657
Storm Water			795,213	699,301	795,213	699,301
Golf			736,359	628,514	736,359	628,514
Pool			65,680	(21,337)	65,680	(21,337)
<b>Total Expenses</b>	<b>18,602,912</b>	<b>16,720,463</b>	<b>46,887,549</b>	<b>39,454,829</b>	<b>65,490,461</b>	<b>56,175,292</b>
Increase in Net Position before Transfers & Proceeds	4,452,853	3,655,025	2,173,104	7,732,571	6,625,957	11,387,596
Transfers	(235,141)	(57,000)	235,141	57,000	-	-
Increase(Decrease) in Net Position	4,217,712	3,598,025	2,408,245	7,789,571	6,625,957	11,387,596
<b>Net Position Beginning</b>	<b>60,307,784</b>	<b>56,709,759</b>	<b>82,160,583</b>	<b>74,371,012</b>	<b>142,468,367</b>	<b>131,080,771</b>
<b>Net Position Ending</b>	<b>\$ 64,525,496</b>	<b>\$ 60,307,784</b>	<b>\$ 84,568,828</b>	<b>\$ 82,160,583</b>	<b>\$ 149,094,324</b>	<b>\$ 142,468,367</b>

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**Governmental Activities**

Governmental activities increased the City's net position by \$4,217,712 in 2022. Total revenues increased by \$2,680,277 as a result of an increase in charges for service and income tax revenue in 2022. The breakdown of the increase is operating grants by \$108,227, income taxes by \$1,701,660 and property taxes by \$211,956 while and capital grants decreased by \$53,367. Our program expenses increased in 2022 by \$1,882,449 primarily due to an increase in Public Safety by \$366,839, General Government by \$958,021, Parks and Recreation by \$324,996, Street Maintenance projects by \$474,483, and a decrease in Community Development by \$123,609.

Several types of revenues fund our governmental activities with city income tax being the largest contributor. The income tax revenue for 2022 was up at \$14,773,823 compared to \$13,072,163 in 2021, an increase of 13.0 percent. The City's income tax rate was 2.0 percent for 2022, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City provides 100 percent credit up to 2.00 percent for those who pay income tax to another city.

Program revenues saw an increase of \$1,050,622 in charges for services. Operating and capital grants increased \$54,860 mainly due to one time grants received in 2022. General revenues from other taxes, such as Kilowatt-hour tax and Local Government Funds, decreased in 2022, we received \$70,449 less than in 2021, a 1.9% decrease mostly due to decreased intergovernmental shared revenue collections. Overall increases in program revenues totaled \$1,105,482 or 57.8% primarily due an increase in charges for service in 2022. With the combination of program revenues, property tax, income tax, intergovernmental funding, investment earnings and existing net position, all expenses in the governmental activities are funded. The City monitors its source of revenues very closely for fluctuations.

The Statement of Activities reports the expenses of each of the governmental activities programs and the related program revenue that offsets the cost of each program. The amount by which the cost of a particular program exceeds its program revenue represents the extent to which that program must be subsidized by general revenues. The following table summarizes the net cost of each program:

**Table 3**  
**Government Activities with GASB 68 and 75 costs**

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2022	2021	2022	2021	2022	2021
General Government	\$ 3,121,168	\$ 2,163,147	\$ 864,358	\$ 672,733	\$ 2,256,810	\$ 1,490,414
Public Safety	10,573,889	10,207,050	1,729,223	828,619	8,844,666	9,378,431
Street and Maintenance	3,975,528	3,501,045	235,990	34,708	3,739,538	3,466,337
Parks and Recreation	874,325	549,329	77,648	16,301	796,677	533,028
Community Development	57,202	180,811	110,576	205,060	(53,374)	(24,249)
Public Health and Welfare	-	119,081	-	154,892	-	(35,811)
Interest on long-term debt	800	-	-	-	800	-
<b>Total</b>	<b>\$ 18,602,912</b>	<b>\$ 16,720,463</b>	<b>\$ 3,017,795</b>	<b>\$ 1,912,313</b>	<b>\$ 15,585,117</b>	<b>\$ 14,808,150</b>

As explained above, the provisions of GASB Statements 68 and 75 distort the true financial position of the City. The same provisions require the City to recognize a pension/OPEB adjustment that decreased expenses by \$1.3 million in 2022 compared to a decrease in expenses of \$2.2 million in 2021. This caused an \$0.9 million swing in expense from one year to the next. As a result, it is very difficult to ascertain the true operational cost of services and the change in cost of services from year to year. The chart below shows total costs of services and net cost of services by function with the GASB Statements 68 and 75 pension and OPEB costs removed and will be used in Financial Highlights.

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**Table 4**  
**Government Activities with GASB 68 and 75 costs removed**

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2022	2021	2022	2021	2022	2021
General Government	\$ 3,527,355	\$ 3,034,897	\$ 864,358	\$ 672,733	\$ 2,662,997	\$ 2,362,164
Public Safety	10,797,544	10,289,415	1,729,223	828,619	9,068,321	9,460,796
Street and Maintenance	4,411,232	4,326,050	235,990	34,708	4,175,242	4,291,342
Parks and Recreation	1,027,490	761,427	77,648	16,301	949,842	745,126
Community Development	170,246	247,755	110,576	205,060	59,670	42,695
Public Health and Welfare	-	262,054	-	154,892	-	107,162
Interest on long-term debt	800	-	-	-	800	-
<b>Total</b>	<b>\$ 19,934,667</b>	<b>\$ 18,921,598</b>	<b>\$ 3,017,795</b>	<b>\$ 1,912,313</b>	<b>\$ 16,916,872</b>	<b>\$ 17,009,285</b>

Using Table 4, the largest program function for the City relates to Public Safety, which accounts for 54.16 percent of total program expenses in 2022. Street Maintenance accounts for 22.13 percent of total program expenses, while General Government accounts for 17.69 percent. Public Safety net cost of services decreased slightly because of an increase in charges for service and operating grant contributions. Street and Maintenance net cost of services decreased as we received more in operating grant contributions to offset a slight increase in expenses. Community Development net cost of services increased slightly due to a decrease in charges for services.

**Business-Type Activities**

The Business-Type activities of the City, which include the City's Electric, Wastewater, Water, Refuse and Stormwater operations as well as Golf and Pool activities, increased the City's net position by \$2,408,245 in 2022.

**Table 5**  
**Business-type Activities**

	Total Cost of Services		Program Revenues		Net Revenue (Expense) from Operations	
	2022	2021	2022	2021	2022	2021
Electric	\$ 32,059,982	\$ 28,461,846	\$ 30,502,526	\$ 28,447,029	\$ (1,557,456)	\$ (14,817)
Wastewater	5,467,008	2,820,704	6,873,893	7,068,102	1,406,885	4,247,398
Water	5,953,190	5,438,144	7,332,950	7,444,113	1,379,760	2,005,969
Refuse	1,810,117	1,427,657	2,300,676	2,260,814	490,559	833,157
Stormwater	795,213	699,301	1,243,219	1,225,540	448,006	526,239
Golf	736,359	628,514	619,346	599,253	(117,013)	(29,261)
Pool	65,680	(21,337)	49,623	6	(16,057)	21,343
<b>Total</b>	<b>\$ 46,887,549</b>	<b>\$ 39,454,829</b>	<b>\$ 48,922,233</b>	<b>\$ 47,044,857</b>	<b>\$ 2,034,684</b>	<b>\$ 7,590,028</b>

For 2022 the Wastewater, Water, Refuse, and Stormwater, had program revenues in excess of expenses. For the most part, increases in expenses closely parallel inflation and growth in the demand for services. Electric saw expenses in excess of revenues of \$1,557,456. Golf activity funds also had expenses in excess of program revenues of \$117,013 in 2022 as compared to \$29,261 in 2021. The Pool did not open in 2021 and was demolished in 2022 but due to GASB 68 and 75 calculations, the Pool fund recognized a negative expense creating the illusion of net revenue for 2021. Removing GASB 68 and 75 costs, the Pool had expenses exceeding revenue by \$95,259 in 2022 and by \$57,853 in 2021.

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## **The City's Funds**

Information about the City's major governmental funds starts on page 26. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues in 2022 of \$22.3 million compared to \$19.7 million in 2021. All governmental funds had expenditures in 2022 of \$19.8 million compared to \$17.1 million in 2021. The most significant fund is our general fund, which had an unassigned fund balance at year-end of \$5.9 million in 2022 compared to \$7.8 million in 2021. Increased property taxes driven by increased local real estate market values of approximately 3% are increasing tax revenues. We are now utilizing Regional Income Tax Agency (RITA) to collect our income taxes, who has additional resources for collections. The General fund accounts for such activities as Police and Fire protection, and parks and recreation along with city administration. Within the General fund, revenues exceeded expenditures by \$1,072,563 in 2022 as compared to \$1,092,359 in 2021. The funds are monitored consistently with adjustments made to the budgets to accommodate yearly revenues.

Within the Street Maintenance Fund, revenues exceeded expenditures by \$1,425,980 in 2022 as compared to \$1,139,644 in 2021 as fewer street maintenance projects were completed. Fund balance at year-end in 2022 was \$6,551,770 as compared to \$5,081,790 in 2021, a 28.9 percent increase.

Within the Street Levy Construction Fund, expenditures exceeded revenues by \$174,947 in 2022 compared to revenues exceeding expenditures by \$444,827 in 2021 as a major project began in 2022. Fund balance at year-end in 2022 was \$5,393,935 as compared to \$5,568,882 in 2021.

Information about the Enterprise Funds starts on the Balance Sheet on page 29. These funds are accounted for on an accrual basis. All business type funds had operating revenues of \$47.9 million in 2022 and \$46.2 million in 2021. Operating expenses were \$45.3 million in 2022 and \$37.7 million in 2021.

The enterprise fund balances increased \$2.3 million with the Electric fund decreasing \$1.6 million due to trending lower revenues on electric bills for 2022, Wastewater increasing \$1.4 million due to interest rates on investments, Water increasing \$1.4 million due to monitored reduction in personnel, Refuse increasing \$0.5 million, and Stormwater increased \$0.5 million in 2022. The Pool fund increased by \$42,183 its 2022 net position. The Golf fund net position was up \$60,968 compared to 2021. The City is consistent with reviews of these funds, and the necessary adjustments are made to ensure strength in our enterprise funds.

## **General Fund Budgetary Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the same basis as the entity reports. The most significant governmental budgeted fund is the General Fund. The Commission is provided with a detailed line item budget for all departments and after a discussion at a regularly held commission meeting, which is open to the public; the budget is adopted at an object level by City commission. Within each object, appropriations can be transferred between line items with the approval of the Finance Director and the respective department head. The Commission must approve any revisions in the budget that alter the object level totals or the total appropriations for any department or fund. During the course of fiscal 2022, the City amended its general fund budget at the end of the fiscal year. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the 2022 general fund, original budgeted revenues were \$14.4 million. The final budgeted revenue amount was \$13.7 million. Actual revenues were \$16.3 million. Actual revenues were higher than the original budget amounts due to increased income taxes and switching to utilize Regional Income Tax Agency (RITA) and property taxes due to property values driven by local competitive real estate markets averaging 3%, while licenses/fees and capital grants decreased. For the 2021 general fund, original budgeted revenues were \$12.7 million. The final budgeted revenue amount was \$13.0 million. Actual revenues collected were \$14.1 million.

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2022*  
*(Unaudited)*

For 2022, original general fund appropriations were budgeted at \$18.2 million. Final budgeted appropriations were \$18.1 million. Actual expenditures were \$15.3 million. This increase was primarily driven by one-time capital expenditures. For 2021, original general fund appropriations were budgeted at \$15.1 million. Final budgeted appropriations were \$15.2 million. Actual expenditures were \$13.0 million.

**Capital Asset and Debt Administration**

**Table 6**  
**Capital Assets, Net of Depreciation at December 31**

	Governmental Activities		Business-Type Activities	
	2022	2021 Restated	2022	2021
Land and Land Improvements	\$ 5,341,501	\$ 5,354,101	\$ 2,740,520	\$ 2,756,304
Infrastructure Land	2,556,177	2,556,177	-	-
Construction in Progress	2,094,534	487,378	1,226,703	51,598,267
Buildings and Improvements	15,148,056	15,242,907	63,918,894	59,043,517
Furniture, Fixtures and Equipment	3,126,216	3,617,855	69,241,608	28,148,082
Right to Use Leased Assets	125,476	17,080	119,408	-
Infrastructure	24,921,474	25,860,568	-	-
Underground Piping	-	-	12,161,585	11,398,546
Intangible Assets	-	-	676,242	751,540
<b>Total Capital Assets</b>	<b>\$53,313,434</b>	<b>\$ 53,136,066</b>	<b>\$ 150,084,960</b>	<b>\$ 153,696,256</b>

Total Capital Assets for the City of Piqua for the year ended December 31, 2022 were \$203,398,394, a decrease of \$3,433,928 over 2021. The total change in 2022 was \$145,382 less than in 2021 based on the completion of large utility project in 2022. The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. Additional information concerning the City's capital assets can be found in Note F of the financial statements.

**Debt**

At December 31, 2022, the City of Piqua had \$3.2 million less in debt of loans at \$94.1 million compared to \$97.3 million in debt outstanding at December 31, 2021.

**Table 7**  
**Outstanding Debt at December 31**

	Business-type Activities	
	2022	2021
OWDA Loans	\$ 93,109,952	\$ 96,235,060
OPWC Loans	1,005,862	1,042,558
<b>Total</b>	<b>\$ 94,115,814</b>	<b>\$ 97,277,618</b>

The Ohio Water Development Authority ("OWDA") Loans from direct borrowings are paid semi-annually from wastewater and water revenues. Loan funds were used for construction, maintenance and operation of the city's wastewater system, the City's hydropillar water tower, and engineering design and construction of a new water treatment plant.



**CITY OF PIQUA, OHIO**  
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*(Unaudited)*

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During 2009, \$3,919,940 was borrowed from the Ohio Water Development Authority ("OWDA 2009") to fund the Wastewater Sewer Equalization tank. In 2010 an additional \$409,936 was borrowed for the same project. The Wastewater Sewer project notes are paid with sewer utility revenues.

During 2014, \$44,879,845 was borrowed from the Ohio Water Development Authority ("OWDA 2014") for construction of a new Water Treatment Plant and to repay the design loan. Construction was completed in 2018. The Water Treatment Plant notes are paid with water utility revenues.

During 2015, \$3,854,485 was borrowed from the Ohio Water Development Authority ("OWDA 2015") under a cooperative agreement to install new raw and finished pipelines from the new water plant to the existing lines. Construction was completed in 2018. The Water pipeline notes are paid with Water utility revenues.

During 2016, \$3,288,841 was borrowed from the Ohio Water Development Authority ("OWDA 2016") for construction of a new 1-million-gallon water tower, water main, and demolition of an old water tower. Construction began in 2016 and was completed in 2018. The water tower notes are paid with water utility revenue.

During 2017, \$53,224,030 of borrowing was approved by the Ohio Water Development Authority ("OWDA 2017") to expand and upgrade the existing Wastewater Treatment Plant and to repay the design loan. A principal forgiveness of \$50,000 was also awarded. Construction began in 2017 and was completed in the beginning of 2022. The Wastewater upgrade notes are paid with wastewater utility revenue.

During 2017, \$98,320 was borrowed from the Ohio Public Works Commission ("OPWC 2017") for updating Stormwater drainage. Construction was completed in 2018. The Stormwater drainage notes are paid with the Stormwater Utility Revenue.

During 2019, \$1,002,560 of borrowing was issued under a cooperative agreement with Ohio Public Works Commission ("OPWC 2019") for assisting in the cost of updating five lift stations throughout the City. The Wastewater Lift Station notes are paid with the Wastewater Utility Revenue.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$41,759,552 on December 31, 2022.

Additional information concerning the City's debt can be found in Note G of the financial statements.

### **Economic Factors and the 2023 General Fund Budget**

The City's key objectives set for the 2023 budget were Economic development, job creation, enhancements to public safety, and long-term fiscal stability. With the uncertainty surrounding the economy, the City closely monitors and takes into consideration the impact on two primary revenue sources: income tax revenue and state shared revenue.

In the 2023 budget process City Commission decided that it was important to: 1) continue the City's investment in Economic development and job creation; 2) safety for the citizens of Piqua and City employees; and 3) adopt a budget designed to promote long-term fiscal stability. In order to meet the objectives of the 2022 budget, the City recognized the need to continue its pattern of cost containment while pursuing new revenue sources.

General fund expenditure appropriations for 2023 have been approved by City Commission in the amount of \$22.1 million. This appropriation level is approximately \$6.0 million more than actual 2022 general fund budgetary basis expenditures. The appropriation level was set based on similar estimated revenues in the General Fund compared to 2022 levels.

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2022*  
*(Unaudited)*

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**Current Financial Related Activities**

The City anticipates the following significant events to take place in 2023:

- Private and public development of the Great Miami River Corridor
- Lock-9 Park Improvement Construction
- Community Housing Improvement and Streetscaping programs
- Continue Parks and City-wide beautification programs

The City of Piqua has committed itself to financial excellence. The City has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence for thirty-two consecutive years.

**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. This report is also available on the City's website at [www.piquaoh.org](http://www.piquaoh.org). If you have any questions about this report or need additional financial information, contact Jennifer Kahle, Director of Finance, City of Piqua, 201 West Water Street, Piqua, Ohio 45356, (937) 778-2065.

**CITY OF PIQUA, OHIO**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

	Government Activities	Business-type Activities	Total Activities
<b>ASSETS:</b>			
Equity in pooled cash and cash equivalents	\$ 29,693,307	\$ 31,470,385	\$ 61,163,692
Equity in pooled investments	1,023,580	609,795	1,633,375
Restricted cash	14,164	7,037	21,201
Accounts receivable	8,652,822	6,985,123	15,637,945
Allowance for bad debts	-	(1,281,458)	(1,281,458)
Interfund balances	(718,598)	718,598	-
Inventories	-	1,279,914	1,279,914
Prepaid items and other assets	184,170	88,100	272,270
Loans receivable, net of allowance	7,146	-	7,146
Net OPEB asset	579,083	1,191,043	1,770,126
Recoverable purchased power	-	1,049,397	1,049,397
Capital assets not being depreciated	9,992,212	3,432,666	13,424,878
Capital assets being depreciated, net	43,321,222	146,652,294	189,973,516
Total assets	<u>92,749,108</u>	<u>192,202,894</u>	<u>284,952,002</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred by pensions	5,117,423	1,373,105	6,490,528
Deferred by OPEB	1,642,651	7,243	1,649,894
Total deferred outflow of resources	<u>6,760,074</u>	<u>1,380,348</u>	<u>8,140,422</u>
<b>LIABILITIES:</b>			
Accounts payable	498,302	2,934,254	3,432,556
Salary and benefits payable	389,863	113,338	503,201
Other accruals	362,669	593,902	956,571
Unearned revenue	2,370,192	-	2,370,192
Long-term liabilities:			
Due within one year	818,844	4,011,019	4,829,863
Due in more than one year:			
Net pension liability	15,676,681	3,474,354	19,151,035
Net OPEB liability	2,502,851	-	2,502,851
Other amounts due in more than one year	1,334,638	92,274,845	93,609,483
Total liabilities	<u>23,954,040</u>	<u>103,401,712</u>	<u>127,355,752</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property taxes	1,574,127	-	1,574,127
Leases	522,862	-	522,862
Deferred by pension	7,142,273	4,346,886	11,489,159
Deferred by OPEB	1,790,384	1,265,816	3,056,200
Total deferred inflows of resources	<u>11,029,646</u>	<u>5,612,702</u>	<u>16,642,348</u>
<b>NET POSITION:</b>			
Net investment in capital assets	53,187,268	55,848,348	109,035,616
Restricted by: legislation	11,602,185	-	11,602,185
Restricted by: debt covenants	401,272	-	401,272
Unrestricted	(665,229)	28,720,480	28,055,251
Total net position	<u>\$ 64,525,496</u>	<u>\$ 84,568,828</u>	<u>\$ 149,094,324</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

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

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES:</b>							
General government	\$ 3,121,168	\$ 858,358	\$ 6,000	\$ -	\$ (2,256,810)	\$ -	\$ (2,256,810)
Public safety	10,573,889	1,563,071	160,632	5,520	(8,844,666)	-	(8,844,666)
Streets and maintenance	3,975,528	17,851	218,139	-	(3,739,538)	-	(3,739,538)
Parks and recreation	874,325	15,441	-	62,207	(796,677)	-	(796,677)
Community development	57,202	84,485	26,091	-	53,374	-	53,374
Interest on long term debt	800	-	-	-	(800)	-	(800)
Total governmental activities	<u>18,602,912</u>	<u>2,539,206</u>	<u>410,862</u>	<u>67,727</u>	<u>(15,585,117)</u>	<u>-</u>	<u>(15,585,117)</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>							
Electric	32,059,982	30,502,526	-	-	-	(1,557,456)	(1,557,456)
Wastewater	5,467,008	6,602,952	-	270,941	-	1,406,885	1,406,885
Refuse	1,810,117	2,266,684	-	33,992	-	490,559	490,559
Water	5,953,190	7,281,220	26,497	25,233	-	1,379,760	1,379,760
Storm Water	795,213	1,193,219	-	50,000	-	448,006	448,006
Golf	736,359	618,269	1,077	-	-	(117,013)	(117,013)
Municipal Pool	65,680	49,623	-	-	-	(16,057)	(16,057)
Total business-type activities	<u>46,887,549</u>	<u>48,514,493</u>	<u>27,574</u>	<u>380,166</u>	<u>-</u>	<u>2,034,684</u>	<u>2,034,684</u>
Total	<u>\$ 65,490,461</u>	<u>\$ 51,053,699</u>	<u>\$ 438,436</u>	<u>\$ 447,893</u>	<u>\$ (15,585,117)</u>	<u>\$ 2,034,684</u>	<u>(13,550,433)</u>
<b>GENERAL REVENUES:</b>							
Property taxes					1,526,422	-	1,526,422
Shared revenues unrestricted					2,470,231	-	2,470,231
Income tax					14,773,823	-	14,773,823
Locally levied taxes					1,112,678	-	1,112,678
Investment earnings					111,778	138,420	250,198
Miscellaneous					43,038	-	43,038
Total general revenues					<u>20,037,970</u>	<u>138,420</u>	<u>20,176,390</u>
Transfers, in (out)					<u>(235,141)</u>	<u>235,141</u>	<u>-</u>
Change in net position					<u>4,217,712</u>	<u>2,408,245</u>	<u>6,625,957</u>
Total net position:							
Beginning of year					<u>60,307,784</u>	<u>82,160,583</u>	<u>142,468,367</u>
End of year					<u>\$ 64,525,496</u>	<u>\$ 84,568,828</u>	<u>\$ 149,094,324</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

	General Fund	Street Maintenance	Street Levy Construction	Debt Service	Other Governmental	Total Governmental
<b>ASSETS</b>						
Equity in pooled cash and cash equivalents	\$ 12,312,921	\$ 6,020,389	\$ 5,070,060	\$ 401,272	\$ 3,610,887	\$ 27,415,529
Restricted cash	14,164					14,164
Accounts receivable	6,537,141	1,267,320	443,023	14,143	64,648	8,326,275
Interfund receivable	63,230	-	48,839	-	-	112,069
Prepaid items and other assets	2,596	-	-	-	-	2,596
Loans receivable, net of allowance	-	-	-	-	7,146	7,146
<b>Total Assets</b>	<b>\$ 18,930,052</b>	<b>\$ 7,287,709</b>	<b>\$ 5,561,922</b>	<b>\$ 415,415</b>	<b>\$ 3,682,681</b>	<b>\$ 35,877,779</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 201,001	\$ 25,539	\$ 5,487	\$ -	\$ 16,665	\$ 248,692
Interfund payable	-	-	-	-	188,163	188,163
Salaries and benefits payable	285,782	21,776	-	-	6,106	313,664
Other accruals	362,669	-	-	-	-	362,669
Unearned income	126,722	-	-	-	2,243,470	2,370,192
Restricted deposits	33,954	-	-	-	-	33,954
<b>Total Liabilities</b>	<b>1,010,128</b>	<b>47,315</b>	<b>5,487</b>	<b>-</b>	<b>2,454,404</b>	<b>3,517,334</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property taxes	2,156,147	-	-	14,143	52,971	2,223,261
State shared taxes	295,053	506,624	-	-	3,342	805,019
Income taxes	955,500	182,000	162,500	-	-	1,300,000
Leases	522,862	-	-	-	-	522,862
Other unavailable revenue	188,665	-	-	-	3,546	192,211
<b>Total deferred inflows of resources</b>	<b>4,118,227</b>	<b>688,624</b>	<b>162,500</b>	<b>14,143</b>	<b>59,859</b>	<b>5,043,353</b>
<b>FUND BALANCES</b>						
Nonspendable fund balance	2,596	-	-	-	-	2,596
Restricted fund balance	11,132	6,551,770	5,393,935	401,272	1,292,882	13,650,991
Assigned fund balance	7,875,113	-	-	-	-	7,875,113
Unassigned fund balance	5,912,856	-	-	-	(124,464)	5,788,392
<b>Total fund balances</b>	<b>13,801,697</b>	<b>6,551,770</b>	<b>5,393,935</b>	<b>401,272</b>	<b>1,168,418</b>	<b>27,317,092</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 18,930,052</b>	<b>\$ 7,287,709</b>	<b>\$ 5,561,922</b>	<b>\$ 415,415</b>	<b>\$ 3,682,681</b>	

Amounts reported for governmental activities in the Statement of Net Position (page 24) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	53,313,434
Net OPEB Asset	579,083
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	2,946,364
The net unamortized portion of pension liability deferred inflows and outflows are	(2,024,850)
The net unamortized portion of OPEB liability/(asset) deferred inflows and outflows	(147,733)
The following long-term liabilities are not due and payable in the current period and therefore are not reported as expenditures in the funds	
Lease payable	(126,166)
Vacation and Sick leave compensated balances	(1,993,362)
Net Pension Liability	(15,676,681)
Net OPEB Liability	(2,502,851)
Internal service funds are used to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	2,841,166
Net position of governmental activities	<u>\$ 64,525,496</u>

**CITY OF PIQUA, OHIO**

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

	General Fund	Street Maintenance	Street Levy Construction	Debt Service	Other Governmental	Total Governmental
<b>REVENUES:</b>						
Municipal income tax	\$ 10,500,050	\$ 2,000,753	\$ 1,787,020	\$ -	\$ -	\$ 14,287,823
Property taxes	1,329,995	-	-	2,224	88,996	1,421,215
State shared revenues	800,475	1,577,114	-	-	5,962	2,383,551
Locally levied taxes	1,112,678	-	-	-	-	1,112,678
Licenses and permits, fees	1,488,449	8,950	-	-	1,050	1,498,449
Grants: capital	33,433	-	-	-	-	33,433
Grants: operating	140,990	-	218,139	-	26,091	385,220
Investment income	50,821	20,457	21,754	1,283	8,968	103,283
Donations: capital	34,294	-	-	-	-	34,294
Donations: operating	25,642	-	-	-	-	25,642
Other fines, rents, and reimbursements	811,403	8,901	-	-	202,197	1,022,501
Total revenues	<u>16,328,230</u>	<u>3,616,175</u>	<u>2,026,913</u>	<u>3,507</u>	<u>333,264</u>	<u>22,308,089</u>
<b>EXPENDITURES:</b>						
General government administration	2,662,215	-	-	-	-	2,662,215
Public safety	10,321,251	-	-	-	-	10,321,251
Public health	-	-	-	-	23,918	23,918
Street repairs and maintenance	-	2,132,209	965,107	-	-	3,097,316
Parks and recreation	892,961	-	-	-	-	892,961
Fort Piqua Plaza	237,785	-	-	-	-	237,785
Community planning and development	92,207	-	-	-	74,394	166,601
Other	-	-	-	174	52,406	52,580
Debt principal payment	2,918	-	-	-	-	2,918
Debt interest payment	800	-	-	-	-	800
Capital costs	1,045,530	57,986	1,236,753	-	-	2,340,269
Total expenditures	<u>15,255,667</u>	<u>2,190,195</u>	<u>2,201,860</u>	<u>174</u>	<u>150,718</u>	<u>19,798,614</u>
Excess (deficiency) of revenues over expenditures	<u>1,072,563</u>	<u>1,425,980</u>	<u>(174,947)</u>	<u>3,333</u>	<u>182,546</u>	<u>2,509,475</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Issuance of debt	104,360	-	-	-	-	104,360
Proceeds from sale of capital assets	37,140	44,000	-	-	-	81,140
Transfers, in	-	-	-	-	675,000	675,000
Transfers, out	(910,141)	-	-	-	-	(910,141)
Total other financing sources (uses)	<u>(768,641)</u>	<u>44,000</u>	<u>-</u>	<u>-</u>	<u>675,000</u>	<u>(49,641)</u>
Net change in fund balance	303,922	1,469,980	(174,947)	3,333	857,546	2,459,834
Fund balance-beginning of year	<u>13,497,775</u>	<u>5,081,790</u>	<u>5,568,882</u>	<u>397,939</u>	<u>310,872</u>	<u>24,857,258</u>
Fund balance-end of year	<u>\$ 13,801,697</u>	<u>\$ 6,551,770</u>	<u>\$ 5,393,935</u>	<u>\$ 401,272</u>	<u>\$ 1,168,418</u>	<u>\$ 27,317,092</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

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

Total net change in fund balances Governmental funds	\$ 2,459,834
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures; however in the Statement of Activities, the cost of those assets are allocated over their useful lives as depreciation expense. This is the amount by which capital outlay (\$2,340,269) exceeds depreciation expense (\$2,246,189)	94,080
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds: (Income Tax \$86,680, State shared taxes \$486,000, Ems billings \$18,256 and Delinquent Property Taxes \$105,207)	696,143
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	2,918
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Vacation and sick leave compensated balances	(15,136)
Proceeds from the issuance of bonds, lease or other debt instruments are not considered revenues on the Statement of Activities	(104,360)
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows (\$1,539,578). Except for these amounts, changes in the net pension liability are reported as pension expense in the statement of activities (\$534,784).	1,004,794
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows (\$28,831). Except for these amounts, changes in the net OPEB liability or asset are reported as positive or negative OPEB expense in the statement of activities (\$224,097).	278,079
The net book value of assets retired (the difference of original cost (\$679,018) and accumulated depreciation (\$519,256) is not recorded on the Governmental Fund Statements, but is recorded as an expense on the Statement of Activities	(159,762)
An Internal Service Fund is used by management to charge the cost of certain activities to individual funds. The net revenue (expense) of the internal service fund related to governmental activities is reported with governmental activities	(38,878)
Change in the net position of governmental activities on the Statement of Activities	<u>\$ 4,217,712</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

**BALANCE SHEET  
PROPRIETARY FUNDS  
DECEMBER 31, 2022**

ASSETS	Business-type Activities							Governmental Activities - Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise Funds	Total	
<b>CURRENT ASSETS:</b>								
Equity in pooled cash and cash equivalents	\$ 4,654,690	\$ 12,424,153	\$ 2,155,043	\$ 10,511,339	\$ 1,650,427	\$ 74,733	\$ 31,470,385	\$ 2,277,778
Equity in pooled investments	-	490,014	119,781	-	-	-	609,795	1,023,580
Restricted cash	7,037	-	-	-	-	-	7,037	-
Accounts receivable	4,511,575	981,549	336,798	1,083,919	71,282	-	6,985,123	326,547
Interfund receivable	-	2,294	-	47,928	25,872	-	76,094	-
Allowance for uncollectible accounts	(814,654)	(187,065)	(99,400)	(167,800)	(12,539)	-	(1,281,458)	-
Inventories	1,090,116	-	-	164,504	9,073	16,221	1,279,914	-
Prepaid items and other assets	-	2,500	78,000	500	7,100	-	88,100	181,574
Total Current Assets	9,448,764	13,713,445	2,590,222	11,640,390	1,751,215	90,954	39,234,990	3,809,479
<b>NONCURRENT ASSETS:</b>								
Recoverable purchased power	1,049,397	-	-	-	-	-	1,049,397	-
Capital assets not being depreciated	1,097,315	575,450	17,949	1,346,608	25,000	370,344	3,432,666	25,312
Capital assets being depreciated	\$27,994,038	\$57,226,250	\$1,082,207	\$56,426,207	\$3,361,129	\$62,463	146,652,294	283,320
Net OPEB Asset	493,888	224,747	123,464	253,703	62,428	32,813	1,191,043	66,719
Total Noncurrent Assets	30,634,638	58,026,447	1,223,620	58,026,518	3,448,557	965,620	152,325,400	375,351
Total Assets	40,083,402	71,739,892	3,813,842	69,666,908	5,199,772	1,056,574	191,560,390	4,184,830
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>								
Deferred by pensions	645,074	281,124	112,877	256,920	45,602	31,508	1,373,105	56,097
Deferred by OPEB	3,003	1,367	751	1,542	380	200	7,243	406
Total Deferred Outflows of Resources	648,077	282,491	113,628	258,462	45,982	31,708	1,380,348	56,503
Total Assets and deferred outflows of resources	\$ 40,731,479	\$ 72,022,383	\$ 3,927,470	\$ 69,925,370	\$ 5,245,754	\$ 1,088,282	\$ 192,940,738	\$ 4,241,333

See accompanying notes to the basic financial statements

Continued



**CITY OF PIQUA, OHIO**

**BALANCE SHEET  
PROPRIETARY FUNDS  
DECEMBER 31, 2022**

	Business-type Activities						Governmental Activities - Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise Funds	
<b>LIABILITIES</b>							
<b>CURRENT LIABILITIES:</b>							
Accounts payable	\$ 2,589,390	\$ 55,280	\$ 46,140	\$ 221,643	\$ 5,409	\$ 16,392	\$ 2,934,254
Salaries and benefits	38,453	25,343	13,572	29,822	5,269	879	113,338
Accrued vacation, personal, and sick leave	214,537	100,587	42,770	63,754	10,616	515	432,779
Accruals and prepaid memberships	484,599	2,718	-	100,758	-	5,827	593,902
Current portion of long term debt	11,011	2,168,711	-	1,382,429	16,089	-	3,578,240
<b>Total Current Liabilities</b>	<b>3,337,990</b>	<b>2,352,639</b>	<b>102,482</b>	<b>1,798,406</b>	<b>37,383</b>	<b>23,613</b>	<b>7,652,513</b>
<b>LONG-TERM LIABILITIES:</b>							
Accrued vacation, personal, and sick leave	265,313	97,660	83,030	102,033	18,413	627	567,076
Net Pension Liability	1,592,269	715,074	188,339	749,706	135,491	93,475	3,474,354
Long term liabilities	1,095,129	46,549,508	-	43,979,561	83,571	-	91,707,769
<b>Total Long-Term Liabilities</b>	<b>2,952,711</b>	<b>47,362,242</b>	<b>271,369</b>	<b>44,831,300</b>	<b>237,475</b>	<b>94,102</b>	<b>95,749,199</b>
<b>Total Liabilities</b>	<b>6,290,701</b>	<b>49,714,881</b>	<b>373,851</b>	<b>46,629,706</b>	<b>274,858</b>	<b>117,715</b>	<b>103,401,712</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>							
Deferred by pensions	1,760,985	828,109	405,221	982,756	248,359	121,456	4,346,886
Deferred by OPEB	524,893	238,856	131,216	269,631	66,347	34,873	1,265,816
Total deferred inflows of resources	2,285,878	1,066,965	536,437	1,252,387	314,706	156,329	5,612,702
<b>NET POSITION</b>							
Net investment in capital assets	29,034,610	9,083,481	1,100,156	12,410,825	3,286,469	932,807	55,848,348
Unrestricted	3,120,290	12,157,056	1,917,026	9,632,452	1,369,721	(118,569)	28,077,976
<b>Total Net Position</b>	<b>32,154,900</b>	<b>21,240,537</b>	<b>3,017,182</b>	<b>22,043,277</b>	<b>4,656,190</b>	<b>814,238</b>	<b>83,926,324</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 40,731,479</b>	<b>\$ 72,022,383</b>	<b>\$ 3,927,470</b>	<b>\$ 69,925,370</b>	<b>\$ 5,245,754</b>	<b>\$ 1,088,282</b>	<b>\$ 4,241,333</b>
Adjustment to consolidate the internal service fund activities							642,504
<b>Total net position per the government-wide Statement of Net Position</b>							<b>\$ 84,568,828</b>

See accompanying notes to the basic financial statements

Concluded

**CITY OF PIQUA, OHIO**

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

	Business-type Activities					Nonmajor Enterprise Funds	Total	Governmental Activities- Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water			
<b>OPERATING REVENUES:</b>								
Customer services	\$ 29,935,814	\$ 6,561,013	\$ 2,236,151	\$ 7,125,482	\$ 1,176,587	\$ 583,981	\$ 47,619,028	\$ 1,420,741
Penalty charges	168,816	55,997	21,991	61,329	5,827	-	313,960	-
Total operating revenues	30,104,630	6,617,010	2,258,142	7,186,811	1,182,414	583,981	47,932,988	1,420,741
<b>OPERATING EXPENSES:</b>								
Fossil fuels used for production	63,482	-	-	-	-	-	63,482	-
Purchased power	25,612,179	-	-	-	-	-	25,612,179	-
Salaries and employee benefits	1,299,157	782,404	504,846	911,423	175,155	100,300	3,773,285	499,293
Depreciation and Amortization	1,887,864	2,981,905	128,569	1,692,046	214,439	132,334	7,037,157	58,579
Materials and supplies	616,656	234,645	230,720	387,041	68,866	190,347	1,728,275	38,885
Utilities	38,056	336,412	6,671	319,284	11,094	88,232	799,749	25,775
Outside services	1,516,627	342,975	755,826	446,093	239,127	231,145	3,531,793	257,209
Billing costs	610,388	336,076	193,078	352,362	59,408	-	1,551,312	-
Chemicals	-	41,428	-	294,390	-	35,037	370,855	-
Other	455,514	37,044	10,437	235,862	36,194	23,569	798,620	457,947
Total operating expenses	32,099,923	5,092,889	1,830,147	4,638,501	804,283	800,964	45,266,707	1,337,688
Operating income (loss)	(1,995,293)	1,524,121	427,995	2,548,310	378,131	(216,983)	2,666,281	83,053
<b>NON-OPERATING REVENUES (EXPENSES):</b>								
Interest on debt	(979)	(402,824)	-	(1,345,893)	(551)	-	(1,750,247)	(1,632)
Interest income	35,351	32,247	14,932	31,922	12,548	5	127,005	19,910
Other, net	397,896	(14,058)	8,542	94,409	10,805	83,911	581,505	611
Operating grants	-	-	-	26,497	-	1,077	27,574	-
Net non-operating revenues (expenses)	432,268	(384,635)	23,474	(1,193,065)	22,802	84,993	(1,014,163)	18,889
Capital grants	-	270,941	33,992	25,233	50,000	-	380,166	-
Transfers, in	-	-	-	-	-	235,141	235,141	-
Change in net position	(1,563,025)	1,410,427	485,461	1,380,478	450,933	103,151	2,267,425	101,942
Total net position-beginning of year	33,717,925	19,830,110	2,531,721	20,662,799	4,205,257	711,087	3,379,229	3,379,229
Total net position-end of year	\$ 32,154,900	\$ 21,240,537	\$ 3,017,182	\$ 22,043,277	\$ 4,656,190	\$ 814,238	\$ 3,481,171	\$ 3,481,171
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds							140,820	
Change in net position of business-type activities							\$ 2,408,245	

See accompanying notes to the basic financial statements

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

	Business-type Activities						Total	Governmental Activities- Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise		
<b>OPERATING ACTIVITIES:</b>								
Receipts from customers	\$ 30,191,038	\$ 6,598,170	\$ 2,256,233	\$ 7,380,461	\$ 1,201,551	\$ 705,443	\$ 48,332,896	\$ -
Receipts from interfund charges								1,515,037
Payments to suppliers and service providers	(28,450,708)	(1,289,601)	(1,201,616)	(2,043,209)	(430,766)	(678,797)	(34,094,697)	(929,241)
Payments to employees for salaries and benefits	(12,344,450)	(1,295,600)	(756,665)	(1,453,828)	(346,771)	(221,602)	(6,418,916)	(434,203)
Net cash provided by (used in) operating activities	(604,120)	4,012,969	297,952	3,883,424	424,014	(194,956)	7,819,283	151,593
<b>NONCAPITAL FINANCING ACTIVITIES:</b>								
Transfers, in						235,141	235,141	-
Net cash (used in) noncapital financing activities						235,141	235,141	-
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>								
Proceeds from issuance of bonds and notes		106,285					106,285	
Principal paid on bonds and notes	(3,432)	(1,969,341)		(1,345,211)	(15,712)		(3,333,696)	(21,696)
Interest paid on bonds and notes	(979)	(402,824)		(1,345,893)	(551)		(1,750,247)	(1,632)
Acquisition and construction of capital	(1,447,717)	(300,696)	(858,578)	(175,918)	(5,347)	(66,866)	(2,855,122)	(38,258)
Proceeds from the sale of capital assets	542	26,516	37,355		94	31,082	95,589	
Net cash provided by capital & related financing activities	(1,451,586)	(2,540,060)	(821,223)	(2,867,022)	(21,516)	(35,784)	(7,737,191)	(61,586)
<b>INVESTING ACTIVITIES:</b>								
Purchases of investment securities		(490,014)	(119,781)				(609,795)	(1,023,580)
Proceeds from sale or maturity of investment securities		489,770	119,722				609,492	1,023,070
Interest received	35,351	30,379	14,475	11,922	12,548	5	124,680	18,873
Net cash provided by (used in) investing activities	35,351	30,135	14,416	11,922	12,548	5	124,377	18,363
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(2,020,355)</b>	<b>1,503,044</b>	<b>(508,855)</b>	<b>1,048,324</b>	<b>415,046</b>	<b>4,406</b>	<b>441,610</b>	<b>108,370</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	<b>6,682,082</b>	<b>10,921,109</b>	<b>2,663,898</b>	<b>9,463,015</b>	<b>1,235,581</b>	<b>70,327</b>	<b>31,035,812</b>	<b>2,169,408</b>
<b>CASH AND CASH EQUIVALENTS - End of year</b>	<b>\$ 4,661,727</b>	<b>\$ 12,424,153</b>	<b>\$ 2,155,043</b>	<b>\$ 10,511,339</b>	<b>\$ 1,650,427</b>	<b>\$ 74,733</b>	<b>\$ 31,477,422</b>	<b>\$ 2,277,778</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (1,995,293)</b>	<b>\$ 1,524,121</b>	<b>\$ 427,995</b>	<b>\$ 2,548,310</b>	<b>\$ 378,131</b>	<b>\$ (216,983)</b>	<b>\$ 2,666,281</b>	<b>\$ 83,053</b>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:								
Depreciation	1,887,864	2,981,905	128,569	1,692,046	214,439	132,334	7,037,157	58,579
Net (Increase)/Decrease in Other Operating Net Position	397,896	(14,058)	8,542	120,906	10,805	84,988	609,079	611
(Increase)/Decrease in Accounts Receivable	(311,488)	(4,782)	(10,451)	72,744	8,332	425	(245,220)	93,685
(Increase)/Decrease in Inventory	(258,114)			(39,780)	3,393	(8,260)	(302,761)	
(Increase)/Decrease in Prepaids	86,473						86,473	17,045
(Increase)/Decrease in Net OPEB Asset	(211,487)	(94,467)	(56,406)	(98,136)	(13,868)	(9,664)	(484,028)	(33,636)
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	(103,939)	(34,914)	(37,594)	(34,710)	(16,457)	27,880	(199,734)	(18,086)
Increase/(Decrease) in Accounts Payable and Accruals	633,835	38,979	(4,884)	31,603	(19,470)	7,024	687,087	1,147
Increase/(Decrease) in Accrued Wages and Benefits	18,736	(26,746)	9,282	23,519	(14,333)	(42,465)	(32,007)	34,280
Increase/(Decrease) in Deferred Revenues						4,967	4,967	
Increase/(Decrease) in Net Pension Liability	(1,101,778)	(501,372)	(275,428)	(565,968)	(139,266)	(181,426)	(2,765,238)	(148,839)
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	353,175	144,303	108,327	132,890	12,308	6,224	757,227	63,754
Net cash provided by (used in) operating activities	\$ 604,120	\$ 4,012,969	\$ 297,952	\$ 3,883,424	\$ 424,014	\$ (194,956)	\$ 7,819,283	\$ 151,593
<b>SUPPLEMENTAL INFORMATION - Noncash activities:</b>								
Capital assets financed through payables	\$ 15,799	\$ 8,111	\$ -	\$ 194,197	\$ -	\$ -	\$ 218,107	\$ 234,031
Capital assets financed through lease agreements	\$ 60,176	\$ 50,493	\$ -	\$ 30,492	\$ 25,246	\$ -	\$ 28,712	\$ -
Donated Capital	\$ -	\$ 270,941	\$ 33,992	\$ 25,213	\$ 50,000	\$ -	\$ 380,166	\$ -
Recoverable purchased power contract	\$ 26,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,500	\$ -

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2022**

	<u>Private Purpose Centennial Trust</u>
<b>ASSETS:</b>	
Equity in pooled cash	\$ 482
Total Assets	<u>\$ 482</u>
<b>LIABILITIES:</b>	
Accounts payable	\$ -
Total Liabilities	\$ -
<b>NET POSITION:</b>	
Restricted for:	
Individuals, organization, or other governments	\$ 482
Total Net Position	<u>\$ 482</u>

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

<b>ADDITIONS:</b>	
Interest income	\$ 2
Total additions	<u>2</u>
Change in net position	2
Total net position-beginning of year	<u>480</u>
Total net position-end of year	<u>\$ 482</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2022**

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**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**—The City of Piqua, Ohio, (the “City”) was incorporated in 1823 and operates under a Commission-Manager form of government. The following services are provided by the City: public safety (police and fire), highways and streets, electricity, water, wastewater, refuse, storm water, conference center, parks and recreation, public improvements, planning and zoning, public health and general governmental administrative services.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Based on this, no component units are included within the City’s financial statements.

***BASIS OF PRESENTATION***

**Government-Wide Statements**—The statement of net position and the statement of activities display information about the primary government. Eliminations have been made to minimize the double counting of internal activities. Inter-fund receivables and payables between governmental and business-type activities have been eliminated in the Government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets, deferred outflows of resources, liabilities, and deferred inflows of resources, within the governmental and business-type activities total column. Internal service fund balances, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities Statement of Activities. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported through taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The government-wide financial statements do not include the assets and liabilities of the City’s fiduciary funds.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or a function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed.

**Fund Financial Statements**—The fund financial statements provide information about the City’s funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as non-major funds.

The City reports the following major governmental funds:

**General Fund** is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government, which are not required to be accounted for in another fund.

**Street Maintenance Fund** accounts for the portion of gasoline tax and motor vehicle license fees restricted for maintenance of streets.

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2022**

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*Street Levy Construction Fund* accounts for a .25% levied income tax restricted for the specific purpose of street construction.

*Debt Service Fund* is used to account for the resources received and used to pay principal and interest on long-term general obligation debt of governmental funds. Revenues and financing resources are derived primarily from property taxes.

*Enterprise Funds (Business-type funds)* are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City reports the following major enterprise funds: electric, water, wastewater, refuse, and storm water.

Other enterprise funds of the City are used to account for the operations of the City's golf course and municipal pool, the latter of which was closed during 2022. These funds are non-major funds whose activity has been aggregated and presented in a single column as non-major enterprise funds.

The City, in its business-type funds, accounts for all recurring type revenues, including all revenues, which the City controls through statutory pricing or regulatory authority, as operating revenue and all recurring type expenses as operating expense. Non-recurring revenues such as gains on sales of assets and revenues over which the City has minimal or no control, primarily interest earnings, are accounted for as nonoperating revenues. Interest expense and other non-recurring expenses over which the City has minimal or no control are reported as non-operating expense.

*Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance activities and information technology functions. Because these activities predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

*Fiduciary Fund Types* are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organization, other governments, and/or other funds. The City reports a private purpose centennial trust fund.

*Basis of Accounting* - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied.

Government-wide and proprietary type fund financial statements measure and report all assets (both financial and capital), deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenses, gains and losses using the economic resources measurements focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All governmental funds are accounted for using a current financial resources measurement focus and are reported on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to use to pay liabilities of the current period which, for the City's purposes, is considered to be 60 days after year end. Revenues considered susceptible to accrual are community development block grants, delinquent property taxes, income taxes, kwh taxes, hotel/motel taxes, franchise fees, emergency service billings, and interest on investments. Property taxes levied before year end are not recognized as revenue until the next calendar year. The fiscal period for which property taxes are levied at year-end in the State of Ohio is the succeeding calendar year.

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2022**

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Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for interest on unmatured general long-term debt which are recognized when payment is due. Inventory and prepaid items are recognized when used.

**Cash and Cash Equivalents and Investments**—City funds are pooled and invested to improve cash management. Each fund type’s portion of the pool is shown on the Statement of Net Position as “pooled cash and cash equivalents” and “pooled investments”. For purposes of the statement of cash flows, the proprietary type funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The City’s investment policy authorizes the City to invest in obligations of the United States Government or other investments where the principal and interest are collateralized by the full faith and credit of the United States Government, and bonds of other states, cities and political subdivisions.

**Receivables**—Receivables primarily consist of municipal income taxes, state shared revenue taxes, property taxes, kwh taxes, hotel/motel taxes, franchise fees, emergency service billings, leases and utility charges.

**Inventory**—Inventory is valued at average cost. The business-type fund inventories are capitalized or expensed when used.

**Prepaid Items**—Payments made to vendors for services that will benefit beyond year-end are recorded as prepaid items and are recorded as an expense/expenditure when used (consumption method).

**Capital Assets**—Capital assets are recorded based on historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The City defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Property, plant, and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Buildings	34 – 50 years
Land improvements other than buildings	25 – 75 years
Intangibles	34 years
Machinery and equipment	10 – 30 years
Furniture, fixtures and equipment	5 – 60 years
Vehicles	5 – 10 years
Computer equipment	5 years
Public domain infrastructure	45 years
Sewer and water lines and underground piping	34 – 50 years

**Fund Balance Classifications**—Fund balance is reported as nonspendable when the amounts so included cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

Fund balance is reported as restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Commission enacts legislation requiring specific revenue to be used for a special purpose. The City Commission can modify or rescind that legislation at any time through additional legislation.

Fund balance is reported as assigned when a revenue source is not previously restricted or committed but the Finance Director determines, in the Director’s professional opinion, that the assigning of the revenue is the

**CITY OF PIQUA, OHIO**  
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desire of the City Commission and in the best interest of the City. This authority is given to the Finance Director through the City Charter.

The City applies restricted resources first when expenditures are incurred for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The City has not adopted a formal fund balance policy.

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

**Deferred Outflows/Inflows of Resources**— In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expenditure) until that time. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges for pension and OPEB and on the proprietary statements. The deferred outflows of resources related to pension are explained further in Note J and for OPEB in Note K.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources until that time. For the City, deferred inflows of resources include property taxes, leases, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2022, but which were levied to finance 2023 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund balance sheet. Unavailable revenue is reported on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes property, income, and state shared taxes and other unavailable revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position and the proprietary statements which are further explained in Note J for pension and Note K for OPEB.

**Grants and Other Intergovernmental Revenues**—Federal grants, assistance awards made on the basis of entitlement periods, are recorded as intergovernmental receivables and revenues when entitlement occurs and other reimbursement-type grants are recorded as intergovernmental receivables and revenues when eligible expenditures/expenses are incurred.

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

**Compensated Absences**—City employees are granted vacation, personal and sick leave. These leave benefits are accrued as a liability using the vesting method. The liability is based on the leave accumulated at December 31 by those employees who are currently eligible to receive termination payments as well as leave accumulated by those employees expected to become eligible to receive termination benefits in the future. In the event of termination, an employee may be reimbursed for accumulated vacation, personal and sick leave at various rates based on years of service. Vested vacation, personal, and sick leave is recorded as an expense in the government-wide statements for the period in which the leave was earned. For governmental fund



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type employees, an expenditure is recorded in the governmental funds' statements for only the portion of vested vacation, personal and sick leave that is expected to be paid out due to retirements or resignations.

Vested vacation, personal, and sick leave is recorded as an expense in both the government wide statements and statements for all business-type funds. Payment of vacation, personal and sick leave recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. Management believes that sufficient resources will be made available when payment is due.

**B. POOLED CASH DEPOSITS AND INVESTMENTS**

**Deposits**—Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. Any public depository in which the City places deposits must provide pledged collateral for the amount of deposits not covered by the Federal Deposit Insurance Corporation (FDIC) by (1) maintaining eligible securities pledged to the City which are deposited with a qualified trustee by the public depository as security for repayment whose market value at all times shall be 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of the State of Ohio to secure the repayment of all public monies deposited in the public depository. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured, or at a lower rate if so established by the Treasurer of State. At December 31, 2022, the carrying amount of the City's deposits was \$50,406,966 while the balance as shown by the bank statements was \$50,620,542. As of December 31, 2022, \$47,980,641 of the City's bank balance was exposed to custodial risk as discussed above, while \$2,639,901 was covered by Federal Deposit Insurance.

**Investments**—The ORC, the City's charter, and the City's investment policy authorize the City to invest in the State Treasury Asset Reserve of Ohio (STAR Ohio), certificates of deposit, repurchase agreements, United States treasury bills and notes, notes issued by United States agencies, bankers' acceptances and commercial paper of the highest rating. All investments are reported at fair value which is based on quoted market prices.

Investments with an original maturity of three months or less at the time of purchase, and investments of the cash management pool are reported as cash equivalents on the financial statements. Investments are reported at fair value. The City's investments in STAR Ohio and open-end mutual funds are determined by the share price. There are no limitations or restrictions on withdrawals from these investments due to redemption notice periods, liquidity fees, or redemption gates. STAR Ohio does require notice to be given 24 hours in advance for all deposits or withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transactions 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 STAR Ohio Investors will be combined for these purposes. STAR Ohio is not registered with the Securities and Exchange Commission but has adopted Governmental Accounting Standards Board ("GASB"), Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, and is managed by the State Treasurer's office.

**Custodial Credit Risk**—Custodial credit risk is the risk that, in the event of a failure of a depository institution or counterparty to a transaction, the City will be unable to recover the value of deposits, investments or collateral securities in the possession of an outside party. Except in regards to repurchase agreements, the City's investment policy does not address custodial credit risk. At December 31, 2022, all investments were registered in the name of the City.

**Credit Risk**—Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. The City does not have a formal investment policy regarding exposure to credit risk. The City's exposure to credit risk, based on both Moody's and Standard & Poor's Credit Ratings, is as follows:

<u>Investment Type</u>	<u>Quality Rating</u>	<u>Measurement Value</u>
STAR Ohio	AAAm	\$ 12,408,109

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**Concentration of Credit Risk** – Concentration of credit risk is the risk of inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by lack of diversification. The following table includes the percentage to total of each investment type held by the City at December 31, 2022.

<u>Investment Type</u>	<u>Measurement Value</u>	<u>% of Total</u>
STAR Ohio	\$ 12,408,109	100.00%

**Interest Rate Risk** – Interest rate risk is the risk that an interest rate change could adversely affect an investment’s fair value. According to the City’s investment policy, the maximum maturity for any single security may not exceed 5 years.

<u>Investment Type</u>	<u>Investment Maturities (in years)</u>			<u>Measurement Value</u>
	<u>Less than 1</u>	<u>1 – 5</u>	<u>Greater than 5</u>	
STAR Ohio	\$ 12,408,109	-	-	\$ 12,408,109

**C. PROPERTY TAXES**

Property tax revenues include amounts collected for all real, and public utility property located in the City. Property taxes are levied each January 1 on the assessed value listed as of the prior January 1. Assessed values are established by the County Auditor for real and public utility property at 35% of appraised market value. Property values are required to be updated every three years and revalued every six years. A revaluation was completed in 2017.

The property tax calendar is as follows:

Levy date	January 1, 2021
Lien date	January 1, 2022
Tax bill mailed	January 20, 2022
First installment payment due	February 20, 2022
Second installment payment due	July 20, 2022

The assessed value for real estate in the City at January 1, 2022 is \$ 397,710,020.

The County Treasurer collects property taxes on behalf of taxing districts, including the City of Piqua. The County Auditor periodically remits to the City its portion of taxes collected. Property taxes may be paid on either an annual or semiannual basis. Although total property tax collections for the next fiscal year are measurable, amounts to be received are not available at December 31, 2022, nor are they intended to finance 2022 operations. Therefore, the City has recorded property taxes receivable with a corresponding amount as deferred inflows of resources.

Ohio law prohibits taxation of property in excess of \$10 per \$1,000 (10.0 mills) of assessed value without a vote of the citizens. The City’s share is currently \$3.70 (3.70 mills) of assessed value. In 2017, the City also received an additional 0.60 mills to fund safety pension costs and 0.20 mills for costs of the Miami Conservancy District.

**D. INCOME TAXES**

The City levies a 2.00% income tax on all income earned within the City. Income tax in excess of 1% is voter approved. During 2014, the citizens of Piqua passed an additional .25% income tax levy effective January 1, 2015. Income tax is allocated by fund in accordance with voter and commission authorizations. In addition, City residents pay City tax on income earned outside the City; however, a credit is allowed for income taxes paid to other municipalities.

Employers within the City withhold income tax on employee compensation and remit payments at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file an annual declaration.

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
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**E. RECEIVABLES**

Governmental receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investment, accounts and notes receivable. Loans receivable represent real estate second mortgages which are partially forgivable over five to fifteen year periods netted by an estimated allowance for forgiveness or amounts uncollectible. The real estate second mortgages are \$488,322 with an estimated allowance for forgiveness of \$481,176.

Governmental lease receivables at year end consisted of a lease between the City of Piqua and the Piqua Public Library to rent space at the Fort Piqua Plaza and a lease between the City of Piqua and NKTelco to rent part of the City's Fiber Ring.

The Piqua Public Library lease began in December of 2006 and is set to expire in December of 2025. During 2022, the City of Piqua received \$117,784 and \$25,163 in lease and interest revenue, respectively. The receivable balance for this lease is \$379,988.

The NKTelco Lease began in July of 2017 with an initial lease term to June 2022. This lease renewed automatically for another five years until June of 2027 based on the terms within the lease. During 2022, the City of Piqua received \$30,881 and \$2,416 in lease and interest revenue, respectively. The receivable balance for this lease is \$127,658.

Business-type receivables at year end consisted primarily of billed and unbilled utility revenues, grants receivable, reimbursement receivables and interest receivables on investments.

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**F. CAPITAL ASSETS**

A summary of changes in general capital assets is as follows:

	Restated Beginning Balance	Increases	Decreases	Construction In Progress Placed in Service	Ending Balance
Capital assets not being depreciated:					
Land and licenses	\$ 5,354,101	\$ -	\$ (12,600)	\$ -	\$ 5,341,501
Infrastructure land	2,556,177	-	-	-	2,556,177
Construction in progress	487,378	2,265,898	-	(658,742)	2,094,534
Assets not depreciated	<u>8,397,656</u>	<u>2,265,898</u>	<u>(12,600)</u>	<u>(658,742)</u>	<u>9,992,212</u>
Capital assets being depreciated:					
Buildings and improvements	22,220,168	92,637	(258,449)	440,417	22,494,773
Furniture, fixtures and equipment	13,846,792	121,011	(407,969)	218,325	13,778,159
Right to Use Leased Assets	17,080	133,072	-	-	150,152
Infrastructure	42,537,810	-	-	-	42,537,810
Depreciated capital assets	<u>78,621,850</u>	<u>346,720</u>	<u>(666,418)</u>	<u>658,742</u>	<u>78,960,894</u>
Accumulated depreciation:					
Buildings and improvements	(6,977,261)	(490,774)	121,318	-	(7,346,717)
Furniture, fixtures and equipment	(10,228,937)	(820,944)	397,938	-	(10,651,943)
Right to Use Leased Assets	-	(24,676)	-	-	(24,676)
Infrastructure	(16,677,242)	(939,094)	-	-	(17,616,336)
Total accumulated depreciation	<u>(33,883,440)</u>	<u>(2,275,488)</u>	<u>519,256</u>	<u>-</u>	<u>(35,639,672)</u>
Net capital assets being depreciated	<u>\$ 44,738,410</u>	<u>\$ (1,928,768)</u>	<u>\$ (147,162)</u>	<u>\$ 658,742</u>	<u>\$ 43,321,222</u>
Net capital assets	<u>\$ 53,136,066</u>	<u>\$ 337,130</u>	<u>\$ (159,762)</u>	<u>\$ -</u>	<u>\$ 53,313,434</u>

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

General governmental	\$ 434,206
Public safety	376,530
Street repairs and maintenance	1,290,949
Parks	115,224
Governmental functions depreciation expense	2,216,909
Information technology (internal service fund)	58,579
Total depreciation expense	<u>\$ 2,275,488</u>

**CITY OF PIQUA, OHIO**  
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A summary of changes in enterprise fund capital assets is as follows:

	Beginning Balance	Increases	Decreases	Construction In Progress Placed in Service	Ending Balance
Capital assets not being depreciated:					
Land and licenses	\$ 2,205,963	\$ -	\$ -	\$ -	\$ 2,205,963
Construction in progress	51,598,267	1,818,330	-	(52,189,894)	1,226,703
Assets not depreciated	<u>53,804,230</u>	<u>1,818,330</u>	<u>-</u>	<u>(52,189,894)</u>	<u>3,432,666</u>
Capital assets being depreciated:					
Land improvements	1,100,954	-	-	-	1,100,954
Buildings and improvements	84,269,719	27,691	(1,055,749)	6,980,000	90,221,661
Underground piping	30,359,813	-	(23,425)	1,290,424	31,626,812
Furniture, fixtures and equipment	86,427,960	1,489,023	(1,080,847)	43,919,470	130,755,606
Right to use leased asset	-	186,405	-	-	186,405
Intangible assets	2,559,922	-	-	-	2,559,922
Depreciated capital assets	<u>204,718,368</u>	<u>1,703,119</u>	<u>(2,160,021)</u>	<u>52,189,894</u>	<u>256,451,360</u>
Accumulated depreciation:					
Land improvements	(550,613)	(15,784)	-	-	(566,397)
Buildings and improvements	(25,226,202)	(2,117,228)	1,040,663	-	(26,302,767)
Underground piping	(18,961,267)	(527,385)	23,425	-	(19,465,227)
Furniture, fixtures and equipment	(58,279,878)	(4,234,465)	1,000,345	-	(61,513,998)
Right to use leased asset	-	(66,997)	-	-	(66,997)
Intangible assets	(1,808,382)	(75,298)	-	-	(1,883,680)
Total accumulated depreciation	<u>(104,826,342)</u>	<u>(7,037,157)</u>	<u>2,064,433</u>	<u>-</u>	<u>(109,799,066)</u>
Net capital assets being depreciated	<u>\$ 99,892,026</u>	<u>\$ (5,334,038)</u>	<u>\$ (95,588)</u>	<u>\$ 52,189,894</u>	<u>\$146,652,294</u>
Net capital assets	<u>\$153,696,256</u>	<u>\$ (3,515,708)</u>	<u>\$ (95,588)</u>	<u>\$ -</u>	<u>\$150,084,960</u>

\* Depreciation expense was charged to enterprise functions as follows:

Electric	\$ 1,887,864
Water	1,692,046
Wastewater	2,981,905
Refuse	128,569
Storm Water	214,439
Golf	128,243
Municipal Pool	4,091
Total depreciation expense	<u>\$ 7,037,157</u>

**CITY OF PIQUA, OHIO**  
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**G. LONG-TERM LIABILITIES**

Long-term liability activity for the year ended December 31, 2022 was as follows:

	Maturity Dates	Restated Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>						
Compensated absences		\$ 2,013,993	\$ 117,664	\$ 138,296	\$ 1,993,361	\$ 756,699
Restricted deposits		32,406	9,064	7,516	33,954	33,954
Lease Liability	Various	17,708	133,072	24,613	126,167	28,191
<b>Net Pension Liability</b>						
OPERS		2,594,704	-	1,183,602	1,411,102	-
OP&F		15,579,414	-	1,313,835	14,265,579	-
Total Net Pension Liability		18,174,118	-	2,497,437	15,676,681	-
<b>Net OPEB Liability</b>						
OP&F		2,421,369	81,482	-	2,502,851	-
Total Net OPEB Liability		2,421,369	81,482	-	2,502,851	-
Total governmental long-term liabilities		\$ 22,659,594	\$ 341,282	\$ 2,667,862	\$ 20,333,014	\$ 818,844
<b>Business-Type Activities:</b>						
OWDA Loan-2009, 3.52%, Direct Borrowing	1/1/2030	\$ 2,099,385	\$ -	\$ 231,513	\$ 1,867,872	\$ 239,734
OWDA Loan-2014, 2.54%-3.54%, Direct Borrowing	7/1/2047	40,463,557	-	1,065,772	39,397,785	1,098,558
OWDA Loan-2015, 2.53%, Direct Borrowing	7/1/2047	3,444,442	-	97,594	3,346,848	100,079
OWDA Loan-2016, 0.76%, Direct Borrowing	7/1/2038	2,748,710	-	156,975	2,591,735	158,170
OWDA Loan-2017, 0.80%, Direct Borrowing	7/1/2045	47,478,966	106,285	1,679,539	45,905,712	1,869,936
OPWC Loan-2017, 0.0%, Direct Borrowing	7/1/2048	90,126	-	3,277	86,849	3,278
OPWC Loan-2019, 0.0%, Direct Borrowing	7/1/2049	952,432	-	33,419	919,013	33,419
AMP-Ohio stranded cost payable		1,022,897	26,500	-	1,049,397	-
Lease Liability	Various	-	186,405	65,607	120,798	75,066
Compensated Absences		1,029,159	81,540	110,844	999,855	432,779
Net Pension Liability - OPERS		6,239,592	-	2,765,238	3,474,354	-
Total Business-type long-term liabilities		\$ 105,569,266	\$ 400,730	\$ 6,209,778	\$ 99,760,218	\$ 4,011,019

The City's outstanding OPWC loans from direct borrowings contain a provision that in an event of default, the amount of such default shall bear interest thereafter at the rate of 8% per annum until the date of payment, and outstanding amounts become immediately due. Also, the Lender may direct the county treasurer to pay the outstanding amount from portion of the local government fund that would otherwise be appropriated to the City.

The OWDA loans from direct borrowings contain a provision that in an event of default, outstanding amounts become immediately due if the City is unable to make payment.

Ohio Water Development Authority ("OWDA 2009") Wastewater Sewer Project Note in the overall amount of \$4,329,876 was issued under a cooperative agreement for construction, maintenance and operation of a

**CITY OF PIQUA, OHIO**  
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state sewer project. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$2,085,944. Principal and interest paid for the current year and total customer net revenues were \$292,773 and \$4,515,539, respectively.

Ohio Water Development Authority (OWDA 2014) Water Plant Construction note in the overall amount of \$44,879,845 was issued under a cooperative agreement to construct a 7 million gallon per day raw water treatment plant. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$56,434,256. Principal and interest paid for the current year and total customer net revenues were \$2,303,439 and \$4,234,293, respectively.

Ohio Water Development Authority (OWDA 2015) Water Plant Offsite Pipelines note in the overall amount of \$3,854,485 was issued under a cooperative agreement to install new raw and finished pipelines from the new water plant to the existing lines located at the existing water plant location. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$4,511,063. Principal and interest paid for the current year and total customer net revenues were \$184,125 and \$4,234,293, respectively.

Ohio Water Development Authority (OWDA 2016) New Central Water Tower note in the overall amount of \$3,288,841 was issued under a cooperative agreement to construct a 1 million gallon elevated storage tank with approximately 5,300 linear feet of 12-inch water main and demolition of two – 250,000 gallon, legged storage tanks constructed in the 1950's. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$2,752,300. Principal and interest paid for the current year and total customer net revenues were \$177,568 and \$4,234,293, respectively.

Ohio Water Development Authority (OWDA 2017) Wastewater Plant Expansion note in the overall amount of \$53,224,030 was issued under a cooperative agreement to expand and upgrade the existing wastewater treatment plant. Payments to the OWDA will be made from the utility's pledged future revenues. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal issued to date and interest to be repaid is \$50,252,608. Principal and interest paid for the current year and total customer net revenues were \$2,020,001 and \$4,515,539, respectively.

Ohio Public Works Commission (OPWC 2017) Shawnee Stormwater Diversion note in the amount of \$98,320 was issued under a cooperative agreement to assist in the cost for updating stormwater drainage in the Shawnee neighborhood area. Payments to the OPWC will be made from the utility's pledged future revenues. The OPWC 2017 note is 0% interest bearing with an outstanding principal balance of \$86,849. Principal paid for the current year were \$3,278 and \$573,052, respectively.

Ohio Public Works Commission (OPWC 2019) Wastewater Lift Station note in the amount of \$1,002,560 was issued under a cooperative agreement to assist in the cost for updating five lift stations throughout the city. Payments to OPWC will be made from the utility's pledged future revenues. The OPWC 2019 note is 0% interest bearing with outstanding principal balance of \$919,013. Principal paid for the current year and customer net revenues were \$33,419 and \$4,515,539, respectively.

Restricted deposits are confiscated funds held under court order until released by judicial authority.

Compensated absences are repaid from the General Fund, Street Maintenance, Community Development, Electric, Water, Wastewater, Refuse, Stormwater, Golf, and Information Technology Funds.

Pension and OPEB liabilities are repaid from the General Fund, Street Maintenance, Community Development, Electric, Water, Wastewater, Refuse, Stormwater, Golf, Pool and Information Technology Funds.

**AMP Ohio Stranded Cost** – The City is a participant in both American Municipal Power (AMP) and the American Municipal Power Generating Station Project (AMPGS). This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project.

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The City's share of the project was 20,000 kW of a total capacity of 771,281 kW, giving the City a 2.59 percent share of the project. In November 2009, the participants in the project voted to terminate the AMPGS project due to projected escalating costs. These costs were therefore deemed impaired and the participants are obligated to pay contract costs already incurred.

As a result of a March 31, 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City's estimated share at March 31, 2014 of the impaired costs is \$3,466,911. The City received a credit of \$1,067,635 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$904,497 related to the AMPGS costs deemed to have future benefit for the project participants, leaving a net impaired cost estimate of \$1,494,779. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City's liability. These amounts will be recorded as they become estimable. The City made payments in 2022 totaling \$26,500. The remaining stranded cost is \$1,049,397. This incurred cost has been previously capitalized and reported as a regulated asset, as allowed by GASB Codification Re10.

The annual requirements to pay principal and interest on long-term obligations at December 31, 2022 are listed as follows:

Year Ending December 31	Notes Payable-Direct Borrowings		Lease Liabilities		Lease Liabilities	
	Business Type		Business Type		Governmental	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 3,503,174	\$ 1,726,091	\$ 75,066	\$ 3,539	\$ 28,191	\$ 5,434
2024	3,564,244	1,666,279	11,604	2,069	29,615	4,011
2025	3,626,873	1,604,951	12,230	1,443	31,113	2,513
2026	3,691,109	1,542,064	12,888	784	32,130	941
2027	3,757,000	1,477,569	9,010	141	5,118	42
2028-2032	18,883,786	6,395,574	-	-	-	-
2033-2037	19,937,490	4,669,798	-	-	-	-
2038-2042	20,977,901	2,942,096	-	-	-	-
2043-2047	16,085,774	901,797	-	-	-	-
2048-2049	88,463	-	-	-	-	-
	<u>\$ 94,115,814</u>	<u>\$ 22,926,219</u>	<u>\$ 120,798</u>	<u>\$ 7,976</u>	<u>\$ 126,167</u>	<u>\$ 12,941</u>

**H. INTERFUND TRANSACTIONS**

During the course of normal operations, the City has numerous transactions among funds which caused interfund balances from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund receivable and payable balances at December 31, 2022 are as follows:

	Due To Other Funds	Due From Other Funds
General Fund	\$ -	\$ 63,230
Street Levy Construction Fund	-	48,839
Non-major Governmental Funds	188,163	-
Water Fund	-	47,928
Wastewater Fund	-	2,294
Stormwater Fund	-	25,872
	<u>\$ 188,163</u>	<u>\$ 188,163</u>



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Transfers are used to move revenues; from the fund that statute or budget requires to collect them, to the fund that the statute or budget requires to expend them; or moving unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; or to provide additional resources for current operations or debt service. Interfund transfers for the year ended December 31, 2022 consisted of the following:

	Transfers In	Transfers Out
<b>Governmental</b>		
General Fund	\$ -	\$ 910,141
Non Major Governmental Funds	675,000	-
 <b>Proprietary</b>		
Non Major Enterprise Funds	235,141	-
	\$ 910,141	\$ 910,141

**I. CHANGE IN ACCOUNTING PRINCIPLES**

For 2022, the City implemented GASB Statement No. 87, *Leases*, Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* and portions of Statement No. 99, *Omnibus 2022*.

GASB Statement No. 87 provides a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The implementation of GASB Statement No. 87 had minimal effect on the net position or fund balances as reported at December 31, 2022.

GASB Statement No. 97 clarifies certain component unit criteria and provides accounting and financial reporting guidance for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan. The implementation of GASB Statement No. 97 did not have an effect on the financial statements of the City.

GASB Statement No. 99 addresses a variety of topics and includes clarification of provisions related to accounting and reporting of leases under GASB statement No. 87, provides extension of the period which the London Interbank Offered Rate is considered appropriate benchmark interest rate, guidance on disclosure of nonmonetary transaction, accounting for pledges of future revenues when resources are not received by the pledging government under GASB Statement No. 48, and terminology updates related to certain provisions of GASB Statement No. 63 and No. 53. These topics under GASB Statement No. 99 provisions were implemented and did not affect the financial statements of the City, except for clarifications considered in reporting the City's lease arrangements.

**J. DEFINED BENEFIT PENSION PLANS**

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

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

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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 are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually required pension contributions outstanding at year end is included within Salaries and Benefits Payable.

**Ohio Public Employees Retirement System (OPERS)**—City Employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost share, multiple-employer benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the 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 enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the Traditional Pension Plan as per the reduced benefits adopted by SB 343 (see OPERS ACFR referenced above for additional information):

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3%.

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

	State and Local
<b>2022 Statutory Maximum Contribution Rates:</b>	
Employer	14.0%
Employee	10.0%
<b>2022 Actual Contribution Rates:</b>	
Employer:	
Pension	14.0%
Post-employment Health Care Benefits	0.0%
Total Employer	14.0%
Employee	10.0%

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required pension contribution was \$1,013,836 for 2022 and \$22,782 is reported as a salaries and benefits payable.

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

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

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

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

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

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

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

	<u>Police</u>	<u>Firefighters</u>
<b>2022 Statutory Maximum Contribution Rates:</b>		
Employer	19.50%	24.00%
Employee:		
January 1, 2022 through December 31, 2022	12.25%	12.25%
<b>2022 Actual Contribution Rates:</b>		
Employer:		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	<u>0.50%</u>	<u>0.50%</u>
Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee:		
January 1, 2022 through December 31, 2022	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,246,123 for 2022 and \$20,103 is reported as a salaries and benefits payable.

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 4,885,401	\$ 14,265,634	\$ 19,151,035
Proportion of the net pension liability	0.0573978%	0.2283444%	
Change in proportionate share	(0.002802%)	0.0001910%	
Pension expense	\$ (1,326,531)	\$ 837,987	\$ (488,544)

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 255,253	\$ 411,337	\$ 666,590
Change in assumptions	629,924	2,607,145	3,237,069
Change in City's proportionate share	-	326,910	326,910
City contributions subsequent to the measurement date	<u>1,013,836</u>	<u>1,246,123</u>	<u>2,259,959</u>
Total	<u>\$ 1,899,013</u>	<u>\$ 4,591,515</u>	<u>\$ 6,490,528</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ (121,656)	\$ (741,618)	\$ (863,274)
Net difference between projected and actual earnings on pension plan investments	(5,963,232)	(3,740,229)	(9,703,461)
Change in City's proportionate share	<u>(477,821)</u>	<u>(444,603)</u>	<u>(922,424)</u>
Total	<u>\$ (6,562,709)</u>	<u>\$ (4,926,450)</u>	<u>\$ (11,489,159)</u>

City contributions subsequent to the measurement date of \$2,259,959 are reported as deferred outflows of resources related to pension and will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Fiscal Year Ending December 31:			
2023	\$ (1,133,921)	\$ (73,531)	\$ (1,207,452)
2024	(2,179,851)	(1,063,422)	(3,243,273)
2025	(1,405,679)	(424,014)	(1,829,693)
2026	(952,176)	(299,388)	(1,251,564)
2027	(2,900)	279,297	276,397
After	<u>(3,005)</u>	<u>-</u>	<u>(3,005)</u>
	<u>\$ (5,677,532)</u>	<u>\$ (1,581,058)</u>	<u>\$ (7,258,590)</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 in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

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Wage inflation	
Current measurement period	2.75%
Prior measurement period	3.25%
Future salary increases, including inflation	
Current measurement period	2.75% to 10.75%
Prior measurement period	3.25% to 10.75%
COLA or Ad Hoc COLA	
Pre - January 7, 2013 retirees	3.00%, simple
Post - January 7, 2013 retirees	0.5% simple through 2022, then 2.05% simple
Investment rate of return:	
Current measurement period	6.90%
Prior measurement period	7.20%
Actuarial cost method	Individual Entry Age

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

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

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 15.3% for 2021.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

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

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**Discount Rate:** The discount rate used to measure the total pension liability was 6.9% for the Traditional pension plan. The projections of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:** The Following table represents the City's proportionate share of the net pension liability 6.9% discount rate, as well as the sensitivity to a 1% increase and 1% decrease in the current discount rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability/(asset)	\$ 13,086,170	\$ 4,885,401	\$ (1,936,868)

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

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

	January 1, 2021 with actuarial liabilities rolled forward to December 31, 2021
Valuation date	
Actuarial cost method	Entry age normal
Investment rate of return	
Current measurement period	7.50%
Prior measurement period	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	2.75% plus productivity increase rate of 0.5%
Inflation assumption	2.75%
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 and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

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

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

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

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash & Cash Equivalents	-%	-%
Domestic Equity	21.00%	3.60%
Non-U.S. Equity	14.00%	4.40%
Private Markets	8.00%	6.80%
Core Fixed Income *	23.00%	1.10%
High Yield Fixed Income	7.00%	3.00%
Private Credit	5.00%	4.50%
U.S. Inflation Linked Bonds *	17.00%	0.80%
Midstream Energy Infrastructure	5.00%	5.00%
Real Assets	8.00%	5.90%
Gold	5.00%	2.40%
Private Real Estate	<u>12.00%</u>	4.80%
Total	<u>125.00%</u>	

Note: Assumptions are geometric. \*Levered 2.0x

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.



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**Discount Rate:** The total pension liability was calculated using the discount rate of 7.50 percent. 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 7.50 percent. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:** Net Pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$ 21,155,738	\$ 14,265,634	\$ 8,527,881

**K. DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS**

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

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

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

The proportionate share of each plan's unfunded benefits is presented as either a long-term net OPEB asset or net OPEB liability on the accrual basis of accounting. Any liability for contractually-required OPEB contributions outstanding at the end of the year is included in accrued wages and benefits payable on both the accrual and modified accrual bases of accounting.

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

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

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an other post employment benefit (OPEB) as described in GASB Statement No. 75. See OPERS' ACFR 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 statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care is not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14.0% of earnable salary. This is the maximum employer contribution rate 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. The portion of Traditional Pension employer contributions allocated to health care was zero in 2022. The portion of Combined plans' employer contribution allocated to health care was zero from January 1, 2022, thru June 30, 2022 and 2% from July 1, 2022 thru December 31, 2022. 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 4.0%.

The City's contractually required contribution to OPERS was \$873 for 2022.

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

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

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to 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 19.5% and 24.0% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB plan.

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

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

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

The City's contractually required contribution to OP&F was \$28,578 for 2022. Of this amount, \$462 is reported as an accrued salaries and benefits payable.

***OPEB Assets and Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB:*** The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2021, and was determined by rolling forward the total OPEB liability as of January 1, 2021 to December 31, 2021. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. The following is information related to the proportionate share:

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	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate share of the net OPEB liability/(asset)	\$ (1,770,126)	\$ 2,502,851	\$ 732,725
Proportion of the net OPEB liability/(asset)	0.056514700%	0.228344370%	
Change in proportion share	(0.00251603%)	(0.00019095%)	
OPEB (Negative) Expense	\$ (1,565,008)	\$ 231,509	\$ (1,333,499)

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 113,859	\$ 113,859
Change in assumptions	-	1,107,839	1,107,839
Change in City's proportionate share and difference in employer contributions	9,892	388,853	398,745
City contributions subsequent to the measurement date	873	28,578	29,451
<b>Total</b>	<b>\$ 10,765</b>	<b>\$ 1,639,129</b>	<b>\$ 1,649,894</b>

<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ (268,501)	\$ (330,787)	\$ (599,288)
Net difference between projected and actual earnings on OPEB plan investments	(843,872)	(226,091)	(1,069,963)
Change in assumptions	(716,527)	(290,691)	(1,007,218)
Change in City's proportionate share and difference in employer contributions	(52,356)	(327,375)	(379,731)
<b>Total</b>	<b>\$ (1,881,256)</b>	<b>\$ (1,174,944)</b>	<b>\$ (3,056,200)</b>

\$29,451 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase of the net OPEB asset in the year ending December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Fiscal Year Ending December 31:			
2023	\$ (1,153,214)	\$ 129,910	\$ (1,023,304)
2024	(412,575)	96,345	(316,230)
2025	(184,382)	87,604	(96,778)
2026	(121,193)	13,110	(108,083)
2027	-	53,450	53,450
After	-	55,186	55,186
	<b>\$ (1,871,364)</b>	<b>\$ 435,605</b>	<b>\$ (1,435,759)</b>

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

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

Wage inflation	
Current measurement period	2.75%
Prior measurement period	3.25%
Projected salary increases	
Current measurement period	2.75% to 10.75%, including wage inflation
Prior measurement period	3.25% to 10.75%, including wage inflation
Single discount rate:	6.00%
Investment rate of return	6.00%
Municipal bond rate	
Current measurement period	1.84%
Prior measurement period	2.00%
Health care cost trend rate	
Current measurement period	5.50% initial, 3.50% ultimate in 2034
Prior measurement period	8.50% initial, 3.50% ultimate in 2035
Actuarial cost method	Individual entry age

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

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

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

The allocation of investment assets within the Health Care portfolio is approved by the OPERS Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal

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is to achieve and maintain a fully funded status for benefits provided through the defined benefit 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 rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00%	0.91%
Domestic Equities	25.00%	3.78%
REITs	7.00%	3.71%
International Equities	25.00%	4.88%
Risk Parity	2.00%	2.92%
Other Investments	7.00%	1.33%
<b>Total</b>	<b><u>100.00%</u></b>	<b>3.45%</b>

**Discount Rate:** A single discount rate of 6.00% was used to measure the OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 1.84%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which is projected health care payments are fully funded.

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

	1% Decrease 5.00%	Current Discount Rate of 6.00%	1% Increase 7.00%
City's proportionate share of the net OPEB asset	\$ (1,041,051)	\$ (1,770,126)	\$ (2,375,428)

**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 liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% higher than the current rate.

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Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2022 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$ (1,789,342)	\$ (1,770,126)	\$ (1,747,519)

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

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

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

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

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

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

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

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

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

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

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

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

Note: Assumptions are geometric. \*Levered 2.0x



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

**Discount Rate:** Total OPEB liability was calculated using the discount rate of 2.84%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, a municipal bond rate of 2.05% at December 31, 2021 and 2.12% percent at December 31, 2020 was blended with the long-term rate of 7.5%, which resulted in a blended discount rate of 2.84%.

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

	1% Decrease 1.84%	Current Discount Rate of 2.84%	1% Increase 3.84%
City's proportionate share of the net OPEB liability	\$ 3,146,139	\$ 2,502,851	\$ 1,974,067

**L. OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code ("IRC") Section 457. The plan, which is available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

**M. OHIO PROFESSIONAL FIRE FIGHTERS DEFERRED COMPENSATION PROGRAM**

In addition to the Ohio Public Employees Deferred Compensation Program; the City offers its sworn fire officers an optional deferred compensation plan created in accordance with Internal Revenue Code ("IRC") Section 457. The plan, which is only available to sworn fire officers, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

**N. CONTINGENCIES**

The City participates in several federally assisted programs, which are subject to program compliance audits by the grantors or their representatives. The grantor agencies, at their option, may perform economy and efficiency audits, program results audits or conduct monitoring visits. Such audits and visits could lead to reimbursement to the grantor agencies. Management believes such reimbursements, if any, would not be material.

**O. 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. In 2002, the City joined the Miami Valley Risk Management Association, Inc. (MVRMA, a joint insurance pool. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability.

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The City pays an annual premium to MVRMA for this coverage. The agreement provides that MVRMA will be self-sustaining through member premiums and the purchase of excess and stop-loss insurance. The city's deductible per occurrence for all types of claims is \$2,500. During 2022, MVRMA's per occurrence retention limit for most property claims was \$250,000; exceptions include a retention of \$25,000-\$500,000 per occurrence for boiler and machinery. Liability had a per occurrence retention limit of \$500,000 with the exception of cyber and pollution liability, which had a retention limit of \$100,000. MVRMA purchases excess insurance and/or reinsurance to cover claims excess of MVRMA's self-insured retention (SIR) up to the limits stated below:

General Liability	\$12,000,000 per occurrence
Automobile Liability	\$12,000,000 per occurrence
Boiler and Machinery	\$100,000,000 per occurrence
Property	\$1,000,000,000 per occurrence
Flood	\$25,000,000 per occurrence
Earthquake Shock	\$25,000,000 per occurrence
Public Officials Liability	\$12,000,000 per occurrence
Cyber Liability	\$5,000,000 per occurrence
Pollution Liability	\$2,000,000 per occurrence

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has been no significant reduction in coverage from the prior year.

The City joined a workers' compensation group rating plan, which allows local governments to group the experience of employers for workers' compensation rating purposes. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The City employee's health plan is provided through a fully insured plan with Medical Mutual.

**P. PURCHASED POWER**

The City's electric distribution system during 2022 purchased wholesale electric power from American Municipal Power (AMP). AMP provides this power through a mixture of long-term take or pay purchase contracts with the City. Included in these contracts with AMP are; the Prairie State Energy Campus Project (20 megawatts) generation started during 2012, Fremont Natural Gas Energy Center (13 megawatts) generation started in 2012, and the Ohio River Hydroelectric Project (8 megawatts) generation that started during Spring 2016. AMP provides the remaining power requirements with market based purchases from various sources including New York Power Authority, Blue Creek Wind Farm, and other pooled market sources.

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**Q. FUND BALANCE COMPONENTS**

Under the guidelines of GASB statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions" the City's fund balance classifications are presented below:

Fund Balances	General	Street Maintenance	Street Levy Construction	Debt Service	Other Governmental	Total
Nonspendable:						
Prepaid Items	\$ 2,596	\$ -	\$ -	\$ -	\$ -	\$ 2,596
Restricted:						
Community Outreach	11,132	-	-	-	-	11,132
Transportation	-	6,551,770	5,393,935	-	-	11,945,705
Debt Service	-	-	-	401,272	-	401,272
Community Development	-	-	-	-	1,043,447	1,043,447
Held in Trust	-	-	-	-	197,768	197,768
Conservation	-	-	-	-	51,667	51,667
Assigned:						
Subsequent Appropriations	6,110,335	-	-	-	-	6,110,335
Unpaid Obligations	1,764,778	-	-	-	-	1,764,778
Unassigned	5,912,856	-	-	-	(124,464)	5,788,392
<b>Total Fund Balance</b>	<b>\$ 13,801,697</b>	<b>\$ 6,551,770</b>	<b>\$ 5,393,935</b>	<b>\$ 401,272</b>	<b>\$ 1,168,418</b>	<b>\$ 27,317,092</b>

At December 31, 2022, the City has three funds which reported deficit ending equity positions as follows: (\$124,464) in Community Development, a nonmajor special revenue fund. This deficit occurred as a result of recording certain obligations in the funds during the year. General Fund resources are utilized to eliminate deficits occurring on a cash basis, but not when liabilities are recorded.

**R. TAX ABATEMENTS**

In prior years, the City of Piqua has provided various tax incentives under Community Reinvestment Area (CRA) programs. The city authorized incentives through passage of public ordinance, based upon each businesses investment criteria and through a contractual application process with each entity, including proof that the improvement has been made and certification by the local housing officer. The tax abatement under this program is equal to 100% of the additional property tax resulting from the increase in the assessed value as a result of the improvements for fifteen years following the year of certification. The amount of the tax abatement is deducted from the annual tax bill of the entities. The establishment of the CRA provided the city the ability to maintain and expand business opportunities and create new or maintaining old jobs within each designated CRA.

As of December 31, 2022, the City of Piqua had 32 individual agreements under the CRA program, and all were within pre-1994 established CRA's. None of the agreements are individually significant and the total amount of taxes abated under all these agreements for calendar year 2022 was approximately \$49,800.

# Required Supplemental Information



**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - TRADITIONAL PLAN  
LAST NINE YEARS (1)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability Traditional Plan	0.0573978%	0.0601997%	0.060242%	0.061942%	0.064039%	0.059773%	0.059689%	0.059202%	0.059202%
City's Proportionate Share of the Net Pension Liability	\$ 4,885,401	\$ 8,834,252	\$ 11,850,524	\$ 16,932,784	\$ 10,009,518	\$ 13,573,432	\$ 10,338,908	\$ 7,130,365	\$ 6,976,403
City's Covered Payroll	\$ 7,357,307	\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683	\$ 7,117,562
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	66.40%	116.30%	160.17%	233.29%	132.27%	171.82%	135.39%	96.96%	98.02%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Traditional Plan	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 is not available - Will show ten years once information is available

Amounts presented as of the City's measurement date  
which is the prior fiscal year end.

**Notes to Schedule:**

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

In 2019, a reduction of the discount rate was made from 7.50% to 7.20%.

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

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
OHIO POLICE AND FIRE PENSION FUND  
LAST NINE YEARS (1)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability Firefighters Police	0.123254% 0.105090%	0.123213% 0.105322%	0.123537% 0.102786%	0.126505% 0.106796%	0.135633% 0.110854%	0.123811% 0.100781%	0.127186% 0.107399%	0.128314% 0.102498%	0.128314% 0.102498%
City's Proportionate Share of the Net Pension Liability	\$ 14,265,634	\$ 15,579,458	\$ 15,246,288	\$ 19,043,458	\$ 15,128,021	\$ 14,225,431	\$ 15,091,006	\$ 11,957,013	\$ 11,241,259
City's Covered Payroll	\$ 5,814,022	\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201	\$ 4,342,890
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	245.37%	278.71%	284.55%	361.65%	281.97%	295.69%	317.96%	264.29%	258.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	70.65%	69.89%	63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

(1) Information prior to 2014 is not available - Will show ten years once information is available

Amounts presented as of the City's measurement date  
which is the prior fiscal year end.

**Notes to Schedule:**

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

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

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CITY PENSION CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - TRADITIONAL PLAN  
LAST TEN YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 1,013,836	\$ 1,030,023	\$ 1,063,493	\$ 1,035,808	\$ 1,016,165	\$ 983,765	\$ 947,963	\$ 916,345	\$ 882,442	\$ 925,283
Contributions in Relation to the Contractually Required Contribution	(1,013,836)	(1,030,023)	(1,063,493)	(1,035,808)	(1,016,165)	(983,765)	(947,963)	(916,345)	(882,442)	(925,283)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered Payroll	\$ 7,241,686	\$ 7,357,307	\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683	\$ 7,117,562
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CITY PENSION CONTRIBUTIONS  
OHIO POLICE AND FIRE PENSION FUND  
LAST TEN YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 1,246,123	\$ 1,230,740	\$ 1,192,134	\$ 1,139,853	\$ 1,119,829	\$ 1,099,915	\$ 960,782	\$ 1,004,709	\$ 966,087	\$ 786,837
Contributions in Relation to the Contractually Required Contribution	(1,246,123)	(1,230,740)	(1,192,134)	(1,139,853)	(1,119,829)	(1,099,915)	(960,782)	(1,004,709)	(966,087)	(786,837)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered Payroll	\$ 5,819,186	\$ 5,814,022	\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201	\$ 4,342,890
Contributions as a Percentage of Covered Payroll	21.41%	21.17%	21.33%	21.27%	21.27%	20.50%	19.97%	21.17%	21.35%	18.12%

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST SIX YEARS (1) (2)**

	2022	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability/(Asset)	0.0565147%	0.0590307%	0.0587362%	0.0600989%	0.0621394%	0.0580901%
City's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (1,770,126)	\$ (1,051,681)	\$ 8,112,992	\$ 7,835,480	\$ 6,747,883	\$ 5,867,294
City's Covered Payroll	\$ 7,357,307	\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692
City's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	24.06%	13.84%	109.66%	107.95%	89.17%	74.27%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%	46.33%	54.14%	54.04%

**Notes to Schedule:**

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

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

In 2020, the single discount rate changed from 3.96% to 3.16% and the health care cost trend rate changed from 10.0% initial, 3.25% ultimate in 2029 to 10.5% initial, 3.50% ultimate in 2030.

In 2021, the single discount rate changed from 3.16% to 6.00% and the health care cost trend rate changed from 10.50% initial, 3.50% ultimate in 2030 to 8.50% initial, 3.50% ultimate in 2035.

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

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
OHIO POLICE AND FIRE PENSION FUND  
LAST SIX YEARS (1) (2)**

	2022	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability						
Firefighters	0.1232130%	0.1232542%	0.1235368%	0.1265045%	0.1356330%	0.1236110%
Police	0.1053224%	0.1050902%	0.1027857%	0.1067957%	0.1108540%	0.1007810%
City's Proportionate Share of the Net OPEB Liability	\$ 2,502,851	\$ 2,421,369	\$ 2,235,552	\$ 2,124,556	\$ 13,965,600	\$ 10,660,878
City's Covered Payroll	\$ 5,814,022	\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	43.05%	43.32%	41.72%	40.35%	260.31%	221.60%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.90%	45.42%	47.08%	46.57%	14.13%	15.96%

**Notes to Schedule:**

*Change in assumptions:* In 2018, the single discount rate changed from 3.79% to .24%.

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

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

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

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

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

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

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

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CITY OPEB CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 873	\$ -	\$ -	\$ -	\$ -	\$ 84,943	\$ 160,556	\$ 153,959	\$ 148,692	\$ 71,176
Contributions in Relation to the Contractually Required Contribution	(873)	-	-	-	-	(84,943)	(160,556)	(153,959)	(148,692)	(71,176)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered Payroll	\$ 7,241,686	\$ 7,357,307	\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683	\$ 7,117,562
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	1.12%	2.03%	2.02%	2.02%	1.00%

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CITY OPEB CONTRIBUTIONS  
OHIO POLICE AND FIRE PENSION FUND  
LAST TEN YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 28,578	\$ 28,340	\$ 27,473	\$ 26,232	\$ 25,789	\$ 25,300	\$ 24,068	\$ 23,731	\$ 22,711	\$ 157,168
Contributions in Relation to the Contractually Required Contribution	(28,578)	(28,340)	(27,473)	(26,232)	(25,789)	(25,300)	(24,068)	(23,731)	(22,711)	(157,168)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered Payroll	\$ 5,819,186	\$ 5,814,022	\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201	\$ 4,342,890
Contributions as a Percentage of Covered Payroll	0.49%	0.49%	0.49%	0.49%	0.49%	0.47%	0.50%	0.50%	0.50%	3.62%



**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND  
FOR YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Municipal income tax	\$ 8,526,000	\$8,526,000	\$ 10,500,050	\$ 1,974,050
Property taxes	1,261,420	1,292,310	1,329,995	37,685
State shared revenues	744,040	793,620	800,475	6,855
Locally levied taxes	1,108,791	1,108,791	1,112,678	3,887
Licenses and permits, fees	1,307,323	1,027,475	1,488,449	460,974
Grants: capital	1,074,750	300,000	33,433	(266,567)
Grants: operating	117,971	104,116	140,990	36,874
Interest income	6,040	6,040	50,821	44,781
Donations: capital	-	-	34,294	34,294
Donations: operating	-	-	25,642	25,642
Other fines, rents, and reimbursements	256,200	520,853	811,403	290,550
Total revenues	14,402,535	13,679,205	16,328,230	2,649,025
<b>EXPENDITURES:</b>				
<b>GENERAL GOVERNMENT ADMINISTRATION:</b>				
City building:				
Operating expenditures	241,428	241,428	211,412	30,016
Capital	598,920	598,920	438,812	160,108
Total city building	840,348	840,348	650,224	190,124
City commission:				
Personal services/administrative support	28,849	31,849	29,263	2,586
Operating expenditures	64,477	74,277	66,631	7,646
Capital	9,800	-	-	-
Total city commission	103,126	106,126	95,894	10,232
Office of city manager:				
Personal services/administrative support	74,691	74,691	72,719	1,972
Operating expenditures	7,513	7,513	6,604	909
Total office of city manager	82,204	82,204	79,323	2,881
Purchasing department:				
Personal services/administrative support	6,180	6,180	5,999	181
Operating expenditures	402	402	186	216
Total purchasing department	6,582	6,582	6,185	397
Law department:				
Personal services/administrative support	34,415	34,415	22,007	12,408
Operating expenditures	54,549	54,549	48,708	5,841
Total law department	88,964	88,964	70,715	18,249
Finance department:				
Personal services/administrative support	166,318	195,533	178,465	17,068
Operating expenditures	41,595	40,006	33,337	6,669
Total finance department	207,913	235,539	211,802	23,737
Human resources department:				
Personal services/administrative support	41,257	41,257	40,484	773
Operating expenditures	6,200	6,200	4,938	1,262
Total human resources department	47,457	47,457	45,422	2,035

See notes to required supplemental information.

(Continued)

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND  
FOR YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
Engineering department:				
Personal services/administrative support	83,842	81,662	78,296	3,366
Operating expenditures	10,362	12,542	11,224	1,318
Total engineering department	94,204	94,204	89,520	4,684
Public Relations:				
Personal services/administrative support	48,570	48,505	45,170	3,335
Operating expenditures	6,826	6,821	4,391	2,430
Total income tax department	55,396	55,326	49,561	5,765
Income tax department:				
Personal services/administrative support	204,886	98,886	92,843	6,043
Operating expenditures	200,671	311,569	308,458	3,111
Total income tax department	405,557	410,455	401,301	9,154
Planning and zoning:				
Personal services/administrative support	407,917	407,917	341,505	66,412
Operating expenditures	276,324	91,324	52,024	39,300
Capital	15,000	-	-	-
Total planning and zoning	699,241	499,241	393,529	105,712
General government:				
Operating expenditures	648,771	738,771	999,168	(260,397)
Capital	-	-	-	-
Total general government	648,771	738,771	999,168	(260,397)
Civil Service Commission:				
Operating expenditures	16,853	16,853	8,383	8,470
Total civil service commission	16,853	16,853	8,383	8,470
Pro Piqua:				
Operating expenditures	60,000	60,000	60,000	-
Total pro piqua	60,000	60,000	60,000	-
<b>TOTAL GENERAL GOVERNMENT</b>	<b>3,356,616</b>	<b>3,282,070</b>	<b>3,161,027</b>	<b>121,043</b>
<b>PUBLIC SAFETY:</b>				
Fire department:				
Personal services/administrative support	4,713,589	4,713,589	4,412,370	301,219
Operating expenditures	933,048	933,048	676,188	256,860
Capital	440,000	440,000	272,027	167,973
Total fire department	6,086,637	6,086,637	5,360,585	726,052
Police department:				
Personal services/administrative support	5,092,570	4,992,570	4,538,522	454,048
Operating expenditures	813,020	913,020	802,249	110,771
Capital	120,094	120,094	5,520	114,574
Total police department	6,025,684	6,025,684	5,346,291	679,393
<b>TOTAL PUBLIC SAFETY</b>	<b>12,112,321</b>	<b>12,112,321</b>	<b>10,706,876</b>	<b>1,405,445</b>

See notes to required supplemental information.

(Continued)

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND  
FOR YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>NEIGHBORHOOD IMPROVEMENT TEAM:</b>				
Personal services/administrative support	10,319	10,319	-	10,319
Operating expenditures	33,700	33,700	32,207	1,493
Total neighborhood improvement team	<u>44,019</u>	<u>44,019</u>	<u>32,207</u>	<u>11,812</u>
<b>PARKS AND RECREATION:</b>				
Personal services/administrative support	580,454	580,454	520,270	60,184
Operating expenditures	593,705	593,705	372,691	221,014
Capital	1,223,550	1,223,550	224,811	998,739
Total parks and recreation	<u>2,397,709</u>	<u>2,397,709</u>	<u>1,117,772</u>	<u>1,279,937</u>
<b>FORT PIQUA PLAZA:</b>				
Operating expenditures	268,673	268,673	237,785	30,888
Capital	19,200	19,200	-	19,200
Total fort piqua plaza	<u>287,873</u>	<u>287,873</u>	<u>237,785</u>	<u>50,088</u>
Total expenditures	<u>18,198,538</u>	<u>18,123,992</u>	<u>15,255,667</u>	<u>2,868,325</u>
Deficiency of revenues under expenditures	<u>(3,796,003)</u>	<u>(4,444,787)</u>	<u>1,072,563</u>	<u>5,517,350</u>
<b>OTHER FINANCING SOURCES:</b>				
Issuance of debt	-	-	104,360	104,360
Proceeds from sale of capital assets	-	-	37,140	37,140
Transfers out	(572,525)	(1,197,525)	(910,141)	287,384
Total other financing sources	<u>(572,525)</u>	<u>(1,197,525)</u>	<u>(768,641)</u>	<u>428,884</u>
Net change in fund balance	(4,368,528)	(5,642,312)	303,922	5,946,234
Fund balance- January 1, 2022	<u>13,497,775</u>	<u>13,497,775</u>	<u>13,497,775</u>	<u>-</u>
Fund balance December 31, 2022	<u>\$ 9,129,247</u>	<u>\$ 7,855,463</u>	<u>\$ 13,801,697</u>	<u>\$ 5,946,234</u>

See notes to required supplemental information

(Concluded)

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE  
STREET MAINTENANCE FUND  
FOR YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Municipal income tax	\$ 1,624,000	\$ 1,624,000	\$ 2,000,753	\$ 376,753
State shared revenues	1,573,500	1,573,500	1,577,114	3,614
Licenses and permits, fees	400	400	8,950	8,550
Interest income	1,050	1,050	20,457	19,407
Other fines, rents, and reimbursements	500	500	8,901	8,401
Total revenues	<u>3,199,450</u>	<u>3,199,450</u>	<u>3,616,175</u>	<u>416,725</u>
<b>EXPENDITURES:</b>				
Personal services/administrative support	1,342,536	1,342,536	1,121,665	220,871
Operating expenditures	1,693,135	1,693,135	1,010,544	682,591
Capital costs	374,284	374,284	57,986	316,298
Total expenditures	<u>3,409,955</u>	<u>3,409,955</u>	<u>2,190,195</u>	<u>1,219,760</u>
Deficiency of revenues under expenditures	(210,505)	(210,505)	1,425,980	1,636,485
<b>OTHER FINANCING SOURCES:</b>				
Proceeds from sale of capital assets	-	-	44,000	44,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>44,000</u>	<u>44,000</u>
Net change in fund balance	(210,505)	(210,505)	1,469,980	1,680,485
Fund balance- January 1, 2022	<u>5,081,790</u>	<u>5,081,790</u>	<u>5,081,790</u>	<u>-</u>
Fund balance December 31, 2022	<u>\$ 4,871,285</u>	<u>\$ 4,871,285</u>	<u>\$ 6,551,770</u>	<u>\$ 1,680,485</u>

See notes to required supplemental information

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE  
STREET LEVY CONSTRUCTION FUND  
FOR YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance-with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Municipal income tax	\$ 1,450,000	\$ 1,450,000	\$ 1,787,020	\$ 337,020
Grants-capital	1,117,760	1,117,760	-	(1,117,760)
Grants-operating	520,000	520,000	218,139	(301,861)
Interest income	1,500	1,500	21,754	20,254
Total revenues	<u>3,089,260</u>	<u>3,089,260</u>	<u>2,026,913</u>	<u>(1,062,347)</u>
<b>EXPENDITURES:</b>				
Operating expenditures	1,896,026	1,896,026	965,106	930,920
Capital costs	2,175,530	2,175,530	1,236,754	938,776
Total expenditures	<u>4,071,556</u>	<u>4,071,556</u>	<u>2,201,860</u>	<u>1,869,696</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(982,296)</u>	<u>(982,296)</u>	<u>(174,947)</u>	<u>807,349</u>
Net change in fund balance	(982,296)	(982,296)	(174,947)	807,349
Fund balance January 1, 2022	<u>5,568,882</u>	<u>5,568,882</u>	<u>5,568,882</u>	<u>-</u>
Fund balance December 31, 2022	<u>\$ 4,586,586</u>	<u>\$ 4,586,586</u>	<u>\$ 5,393,935</u>	<u>\$ 807,349</u>

See notes to required supplemental information

**CITY OF PIQUA, OHIO**  
**Notes to the Required Supplemental Information**  
**December 31, 2022**

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**BUDGETS AND BUDGETARY ACCOUNTING**

The City follows procedures prescribed by State law in establishing the budgetary data shown in the financial statements, as follows:

- The City must submit a budget of estimated revenues and expenditures for all governmental funds to the County Budget Commission by July 20 of each year for the following calendar year.
- The County Budget Commission certifies its actions by September 1, and issues a "Certificate of Resources" limiting the maximum amount the City may expend from a given fund during the year.
- On approximately January 1, this Certificate is amended to include any unencumbered balances from the preceding year. The City must prepare its appropriations so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Resources.
- Before the first Commission meeting in January, a permanent appropriation measure must be passed for the period January 1 through December 31. The permanent appropriation may not exceed estimated resources certified by the County Budget Commission.
- Unused appropriations lapse at year-end and are re-appropriated in the following year's budget.
- All funds have annual budgets, which are prepared in accordance with generally accepted accounting principles and are legally adopted by the City Commission.

The City Manager acts as budget officer for the City and submits a proposed operating budget to the City Commission on an annual basis. Public hearings are held to obtain taxpayer comments. The Commission enacts the budget through passage of an appropriations ordinance. The appropriations ordinance controls expenditures in each fund at the object levels of personal services/administrative support, operating expenditures, transfers, and capital outlay. Amendments to object totals of appropriations require Commission approval. The City Manager has the authority to allocate and amend appropriations at the account level, provided that fund totals appropriated by ordinance are not adjusted. Earnings of the Power, Water, Wastewater, Storm Water, Refuse, Golf, and Municipal Pool systems may not be appropriated for other City uses.

The budget process is controlled by both the State of Ohio Revised Code and the City Charter and is prepared based on anticipated revenues and appropriated expenditures.

The City's financial position, results of operations and changes in fund balances, as well as the budgetary basis as provided by law, are reported on the basis of GAAP.

# Supplemental Data



# CITY OF PIQUA, OHIO

## NON-MAJOR GOVERNMENTAL FUNDS

Revolving Loan/Federal  
Program Income

To account for micro-enterprise loans,  
USDA loans and home mortgages  
resulting from federal grant activities

Community Development

To account for activities for social,  
economic, and other special development  
of the community

Trust

To account for resources recovered or  
held through legislation or enforcement  
activities.

Conservancy

To account for receipts and  
disbursements for the city's share of the  
district's operation and maintenance.

Federal Grants

To account for federal funds available  
for CARES Act, FEMA, comprehensive  
housing, and block grants.

## NON-MAJOR ENTERPRISE FUNDS

Golf Course

To account for the city's municipal golf  
course operations.

Municipal Pool

To account for the city's municipal pool  
operations.



# CITY OF PIQUA, OHIO

## NON-MAJOR INTERNAL SERVICE/FIDUCIARY FUNDS

### Internal Service Funds

Workers Compensation

To account for the City's worker's compensation program under the State's retrospective rating plan by pooling resources from various funds to pay for workers compensation premiums

Liability Insurance

To account for assets to pay for liabilities that are below third party insurance deductibles or not covered under certain policies and pool resources from various funds to pay for liability insurance premiums

Health Insurance

To account for an internally financed and self-insured health benefits program

Information Technology

To account for centralized communication, networking, and data processing services for all city departments

### Fiduciary Funds

Private-Purpose Centennial Trust

To account for assets of a centennial escrow as established by legislation.

**CITY OF PIQUA, OHIO**

**COMBINING BALANCE SHEET- NON MAJOR FUNDS  
DECEMBER 31, 2022**

	Revolving Loan/Federal Program Income	Community Development	Trust
<b>ASSETS:</b>			
Equity in pooled cash and cash equivalents	\$ 377,550	\$ 681,873	\$ 197,768
Accounts receivable	117	-	-
Loans receivable, net of allowance	7,146	-	-
<b>Total Assets</b>	<b>\$ 384,813</b>	<b>\$ 681,873</b>	<b>\$ 197,768</b>
<b>LIABILITIES:</b>			
Accounts payable	\$ -	\$ 16,665	\$ -
Interfund payable	-	124,933	-
Salaries and benefits	-	6,106	-
Unearned income	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>147,704</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property taxes	-	-	-
State shared taxes	-	-	-
Other unavailable revenue	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>			
Restricted fund balance	384,813	658,633	197,768
Unassigned	-	(124,464)	-
<b>Total fund balances</b>	<b>384,813</b>	<b>534,169</b>	<b>197,768</b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b>\$ 384,813</b>	<b>\$ 681,873</b>	<b>\$ 197,768</b>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING BALANCE SHEET- NON MAJOR FUNDS  
DECEMBER 31, 2022**

	Conservancy	Federal Grants	Total Non major Funds
<b>ASSETS:</b>			
Equity in pooled cash and cash equivalents	\$ 50,821	\$ 2,302,875	\$ 3,610,887
Accounts receivable	60,705	3,826	64,648
Loans receivable, net of allowance	-	-	7,146
<b>Total Assets</b>	<b>\$ 111,526</b>	<b>\$ 2,306,701</b>	<b>\$ 3,682,681</b>
<b>LIABILITIES:</b>			
Accounts payable	\$ -	\$ -	\$ 16,665
Interfund payable	-	63,230	188,163
Salaries and benefits	-	-	6,106
Unearned income	-	2,243,470	2,243,470
<b>Total Liabilities</b>	<b>-</b>	<b>2,306,700</b>	<b>2,454,404</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property taxes	52,971	-	52,971
State shared taxes	3,342	-	3,342
Other unavailable revenue	3,546	-	3,546
<b>Total deferred inflows of resources</b>	<b>59,859</b>	<b>-</b>	<b>59,859</b>
<b>FUND BALANCES:</b>			
Restricted fund balance	51,667	1	1,292,882
Unassigned	-	-	(124,464)
<b>Total fund balances</b>	<b>51,667</b>	<b>1</b>	<b>1,168,418</b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b>\$ 111,526</b>	<b>\$ 2,306,701</b>	<b>\$ 3,682,681</b>

(Concluded)

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCE NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2022**

	<u>Revolving Loan/Federal Program Income</u>	<u>Community Development</u>	<u>Trust</u>
<b>REVENUES:</b>			
Property taxes	\$ -	\$ 40,887	\$ -
State shared revenues	-	-	-
Licenses and permits, fees	1,050	-	-
Grants: operating	-	-	-
Investment income	8,968	-	-
Other fines, rents, and reimbursements	83,435	-	118,762
Total revenues	<u>93,453</u>	<u>40,887</u>	<u>118,762</u>
<b>EXPENDITURES:</b>			
Operation and maintenance	<u>31,363</u>	<u>16,940</u>	<u>23,918</u>
Total expenditures	<u>31,363</u>	<u>16,940</u>	<u>23,918</u>
Excess (deficiency) of revenues over expenditures	<u>62,090</u>	<u>23,947</u>	<u>94,844</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	<u>-</u>	<u>675,000</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>675,000</u>	<u>-</u>
Net change in fund balance	62,090	698,947	94,844
Fund balance January 1, 2022	<u>322,723</u>	<u>(164,778)</u>	<u>102,924</u>
Fund balance December 31, 2022	<u>\$ 384,813</u>	<u>\$ 534,169</u>	<u>\$ 197,768</u>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCE NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2022**

	<u>Conservancy</u>	<u>Federal Grants</u>	<u>Total Non major Funds</u>
<b>REVENUES:</b>			
Property taxes	\$ 48,109	\$ -	\$ 88,996
State shared revenues	5,962	-	5,962
Licenses and permits, fees	-	-	1,050
Grants; operating	-	26,091	26,091
Investment income	-	-	8,968
Other fines, rents, and reimbursements	-	-	202,197
Total revenues	<u>54,071</u>	<u>26,091</u>	<u>333,264</u>
<b>EXPENDITURES:</b>			
Operation and maintenance	52,406	26,091	150,718
Total expenditures	<u>52,406</u>	<u>26,091</u>	<u>150,718</u>
Excess (deficiency) of revenues over expenditures	<u>1,665</u>	<u>-</u>	<u>182,546</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	-	-	675,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>675,000</u>
Net change in fund balance	1,665	-	857,546
Fund balance January 1, 2022	<u>50,002</u>	<u>1</u>	<u>310,872</u>
Fund balance December 31, 2022	<u>\$ 51,667</u>	<u>\$ 1</u>	<u>\$ 1,168,418</u>

(Concluded)

**CITY OF PIQUA, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2022**

	Revolving Loan / Federal Program Income			Community Development		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 40,887	\$ 40,887
State shared revenues	-	-	-	-	-	-
Licenses and permits, fees	1,200	1,050	(150)	-	-	-
Grants: operating	-	-	-	40,887	-	(40,887)
Investment Income	4,200	8,968	4,768	-	-	-
Other	27,900	83,435	55,535	-	-	-
Total revenues	<u>33,300</u>	<u>93,453</u>	<u>60,153</u>	<u>40,887</u>	<u>40,887</u>	<u>-</u>
<b>EXPENDITURES:</b>						
Personal services	500	-	500	-	-	-
Operation and maintenance	120,000	31,363	88,637	676,469	16,940	659,529
Total expenditures	<u>120,500</u>	<u>31,363</u>	<u>89,137</u>	<u>676,469</u>	<u>16,940</u>	<u>659,529</u>
Excess (deficiency) of revenues over expenditures	<u>(87,200)</u>	<u>62,090</u>	<u>149,290</u>	<u>(635,582)</u>	<u>23,947</u>	<u>659,529</u>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in	-	-	-	675,000	675,000	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>675,000</u>	<u>675,000</u>	<u>-</u>
Net change in fund balance	(87,200)	62,090	149,290	39,418	698,947	659,529
Fund balance January 1, 2022	<u>322,723</u>	<u>322,723</u>	<u>-</u>	<u>(164,778)</u>	<u>(164,778)</u>	<u>-</u>
Fund balance December 31, 2022	<u>\$ 235,523</u>	<u>\$ 384,813</u>	<u>\$ 149,290</u>	<u>\$ (125,360)</u>	<u>\$ 534,169</u>	<u>\$ 659,529</u>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2022**

	Trust			Conservancy		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ 48,905	\$ 48,109	\$ (796)
State shared revenues	-	-	-	7,485	5,962	(1,523)
Licenses and permits, fees	-	-	-	-	-	-
Grants: operating	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-
Other	60,000	118,762	58,762	-	-	-
Total revenues	<u>60,000</u>	<u>118,762</u>	<u>58,762</u>	<u>56,390</u>	<u>54,071</u>	<u>(2,319)</u>
<b>EXPENDITURES:</b>						
Personal services	-	-	-	-	-	-
Operation and maintenance	114,400	23,918	90,482	56,390	52,406	3,984
Total expenditures	<u>114,400</u>	<u>23,918</u>	<u>90,482</u>	<u>56,390</u>	<u>52,406</u>	<u>3,984</u>
Excess (deficiency) of revenues over expenditures	<u>(54,400)</u>	<u>94,844</u>	<u>149,244</u>	<u>-</u>	<u>1,665</u>	<u>1,665</u>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(54,400)	94,844	149,244	-	1,665	1,665
Fund balance January 1, 2022	<u>102,924</u>	<u>102,924</u>	<u>-</u>	<u>50,002</u>	<u>50,002</u>	<u>-</u>
Fund balance December 31, 2022	<u>\$ 48,524</u>	<u>\$ 197,768</u>	<u>\$ 149,244</u>	<u>\$ 50,002</u>	<u>\$ 51,667</u>	<u>\$ 1,665</u>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2022**

	Federal Grants			Totals		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ 48,905	\$ 88,996	\$ 40,091
State shared revenues	-	-	-	7,485	5,962	(1,523)
Licenses and permits, fees	-	-	-	1,200	1,050	(150)
Grants: operating	1,925,074	26,091	(1,898,983)	1,965,961	26,091	(1,939,870)
Investment Income	-	-	-	4,200	8,968	4,768
Other	-	-	-	87,900	202,197	114,297
Total revenues	<u>1,925,074</u>	<u>26,091</u>	<u>(1,898,983)</u>	<u>2,115,651</u>	<u>333,264</u>	<u>(1,782,387)</u>
<b>EXPENDITURES:</b>						
Personal services	20,000	-	20,000	20,500	-	20,500
Operation and maintenance	487,800	26,091	461,709	1,455,059	150,718	1,304,341
Total expenditures	<u>507,800</u>	<u>26,091</u>	<u>481,709</u>	<u>1,475,559</u>	<u>150,718</u>	<u>1,324,841</u>
Excess (deficiency) of revenues over expenditures	<u>1,417,274</u>	<u>-</u>	<u>(1,417,274)</u>	<u>640,092</u>	<u>182,546</u>	<u>(457,546)</u>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in	-	-	-	675,000	675,000	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>675,000</u>	<u>675,000</u>	<u>-</u>
Net change in fund balance	<u>1,417,274</u>	<u>-</u>	<u>(1,417,274)</u>	<u>1,315,092</u>	<u>857,546</u>	<u>(457,546)</u>
Fund balance January 1, 2022	<u>1</u>	<u>1</u>	<u>-</u>	<u>310,872</u>	<u>310,872</u>	<u>-</u>
Fund balance December 31, 2022	<u>\$ 1,417,275</u>	<u>\$ 1</u>	<u>\$ (1,417,274)</u>	<u>\$ 1,625,964</u>	<u>\$ 1,168,418</u>	<u>\$ (457,546)</u>

(Concluded)



**CITY OF PIQUA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (GAAP BUDGET)-DEBT SERVICE FUND  
FOR YEAR ENDED DECEMBER 31, 2022**

	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES:</b>			
Property taxes	\$ 2,000	\$ 2,224	\$ 224
Investment income	250	1,283	1,033
Total revenues	<u>2,250</u>	<u>3,507</u>	<u>1,257</u>
<b>EXPENDITURES:</b>			
Operating expenditures	<u>2,000</u>	<u>174</u>	<u>1,826</u>
Total expenditures	<u>2,000</u>	<u>174</u>	<u>1,826</u>
Excess (deficiency) of revenues over expenditures	<u>250</u>	<u>3,333</u>	<u>3,083</u>
Net change in fund balance	250	3,333	3,083
Fund balance January 1, 2022	<u>397,939</u>	<u>397,939</u>	<u>-</u>
Fund balance December 31, 2022	<u>\$ 398,189</u>	<u>\$ 401,272</u>	<u>\$ 3,083</u>

**CITY OF PIQUA, OHIO**

**COMBINING BALANCE SHEET- NONMAJOR ENTERPRISE FUNDS  
DECEMBER 31, 2022**

<b>ASSETS</b>	<u>Golf Course</u>	<u>Municipal Pool</u>	<u>Total</u>
<b>CURRENT ASSETS:</b>			
Equity in pooled cash and cash equivalents	\$ 74,733	\$ -	\$ 74,733
Inventories	16,221	-	16,221
Total Current Assets	<u>90,954</u>	<u>-</u>	<u>90,954</u>
<b>NONCURRENT ASSETS:</b>			
Capital assets not being depreciated	370,344	-	370,344
Capital assets being depreciated	562,463	-	562,463
Net OPEB Asset	32,813	-	32,813
Total Capital Assets	<u>965,620</u>	<u>-</u>	<u>965,620</u>
Total Assets	<u>1,056,574</u>	<u>-</u>	<u>1,056,574</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred by pensions	31,508	-	31,508
Deferred by OPEB	200	-	200
Total Deferred outflows of resources	<u>31,708</u>	<u>-</u>	<u>31,708</u>
Total Assets and Deferred outflows of resources	<u>\$ 1,088,282</u>	<u>\$ -</u>	<u>\$ 1,088,282</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$ 16,392	\$ -	\$ 16,392
Salaries and benefits	879	-	879
Accrued vacation, personal and sick leave	515	-	515
Accruals and prepaid memberships	5,827	-	5,827
Total Current Liabilities	<u>23,613</u>	<u>-</u>	<u>23,613</u>
<b>NONCURRENT LIABILITIES:</b>			
Accrued vacation, personal and sick leave	627	-	627
Net Pension Liability	93,475	-	93,475
Total Noncurrent Liabilities	<u>94,102</u>	<u>-</u>	<u>94,102</u>
Total Liabilities	<u>117,715</u>	<u>-</u>	<u>117,715</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred by pensions	121,456	-	121,456
Deferred by OPEB	34,873	-	34,873
Total deferred inflows of resources	<u>156,329</u>	<u>-</u>	<u>156,329</u>
<b>NET POSITION:</b>			
Net investment in capital assets	932,807	-	932,807
Unrestricted	(118,569)	-	(118,569)
Total Net Position	<u>814,238</u>	<u>-</u>	<u>814,238</u>
Total Liabilities, Deferred inflows of resources, and Net Position	<u>\$ 1,088,282</u>	<u>\$ -</u>	<u>\$ 1,088,282</u>

## CITY OF PIQUA, OHIO

### COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION- NONMAJOR ENTERPRISE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2022

	Golf Course	Municipal Pool	Total
<b>OPERATING REVENUES:</b>			
Customer services	\$ 583,981	\$ -	\$ 583,981
Total operating revenues	583,981	-	583,981
<b>OPERATING EXPENSES:</b>			
Salaries and Employee benefits	100,300	-	100,300
Depreciation	128,243	4,091	132,334
Materials and supplies	190,347	-	190,347
Utilities	84,226	4,006	88,232
Outside Services	174,928	56,217	231,145
Chemicals	35,037	-	35,037
Other	20,302	3,267	23,569
Total operating expenses	733,383	67,581	800,964
Operating income (loss)	(149,402)	(67,581)	(216,983)
<b>NON-OPERATING REVENUES (EXPENSES):</b>			
Interest income	5	-	5
Other, net	34,288	49,623	83,911
Operating Grant	1,077	-	1,077
Net non-operating revenues (expenses)	35,370	49,623	84,993
Transfers, in	175,000	60,141	235,141
Change in net position	60,968	42,183	103,151
Total net position-beginning of year	753,270	(42,183)	711,087
Total net position-end of year	\$ 814,238	\$ -	\$ 814,238

## CITY OF PIQUA, OHIO

### COMBINING STATEMENT OF CASH FLOWS-NONMAJOR ENTERPRISE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2022

	Golf Course	Municipal Pool	Totals
<b>OPERATING ACTIVITIES:</b>			
Receipts from Customers	\$ 624,738	\$ 80,705	\$ 705,443
Payments to suppliers and service providers	(506,076)	(172,721)	(678,797)
Payments to employees for salaries and benefits	(221,602)	-	(221,602)
Net cash (used in) operating activities	(102,940)	(92,016)	(194,956)
<b>NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers, in	175,000	60,141	235,141
Net cash provided by noncapital financing activities	175,000	60,141	235,141
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition and construction of capital	(66,866)	-	(66,866)
Proceeds from sale of capital assets	-	31,082	31,082
Net cash (used in) capital & related financing activities	(66,866)	31,082	(35,784)
<b>INVESTING ACTIVITIES:</b>			
Interest received	5	-	5
Net cash provided by investing activities	5	-	5
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	5,199	(793)	4,406
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	69,534	793	70,327
<b>CASH AND CASH EQUIVALENTS - End of year</b>	\$ 74,733	\$ -	\$ 74,733
<b>OPERATING INCOME (LOSS)</b>	\$ (149,402)	\$ (67,581)	\$ (216,983)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation	128,243	4,091	132,334
Net (Increase)/Decrease in Other Operating Net Position	35,365	49,623	84,988
(Increase)/Decrease in Accounts Receivable	425	-	425
(Increase)/Decrease in Inventory	(8,260)	-	(8,260)
(Increase)/Decrease in Net OPEB Asset	(9,771)	107	(9,664)
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	(9,140)	37,020	27,880
Increase/(Decrease) in Accounts Payable	7,024	-	7,024
Increase/(Decrease) in Accrued Wages and Benefits	(42,465)	-	(42,465)
Increase/(Decrease) in Unearned Revenues	4,967	-	4,967
Increase/(Decrease) in Net Pension Liability	(73,201)	(108,225)	(181,426)
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	13,275	(7,051)	6,224
Net cash (used in) operating activities	\$ (102,940)	\$ (92,016)	\$ (194,956)

**CITY OF PIQUA, OHIO**

**COMBINING BALANCE SHEET  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2022**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Total
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
Equity in pooled cash and cash equivalents	\$ 1,069,885	\$ 205,653	\$ 605,190	\$ 397,050	\$ 2,277,778
Equity in pooled investments	272,230	-	751,350	-	1,023,580
Accounts receivable	1,082	319,868	5,292	305	326,547
Prepaid items and other assets	177,865	-	3,709	-	181,574
Total Current Assets	1,521,062	525,521	1,365,541	397,355	3,809,479
<b>NONCURRENT ASSETS:</b>					
Capital assets not being depreciated	-	-	-	25,312	25,312
Capital assets being depreciated	-	-	-	283,320	283,320
Net OPEB Asset	-	-	-	66,719	66,719
Total Capital Assets	-	-	-	375,351	375,351
Total Assets	1,521,062	525,521	1,365,541	772,706	4,184,830
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
Deferred by pensions	-	-	-	56,097	56,097
Deferred by OPEB	-	-	-	406	406
Total Deferred outflows of resources	-	-	-	56,503	56,503
Total Assets and Deferred outflows of resources	\$ 1,521,062	\$ 525,521	\$ 1,365,541	\$ 829,209	\$ 4,241,333
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$ -	\$ -	\$ 2,093	\$ 247,517	\$ 249,610
Salaries and benefits	-	-	-	76,199	76,199
Accrued vacation, personal and sick leave	-	-	-	2,058	2,058
Current portion of long term debt	-	-	-	5,486	5,486
Total Current Liabilities	-	-	2,093	331,260	333,353
<b>NONCURRENT LIABILITIES:</b>					
Accrued vacation, personal and sick leave	-	-	-	1,357	1,357
Net Pension Liability	-	-	-	118,821	118,821
Long term liabilities	-	-	-	19,238	19,238
Total Noncurrent Liabilities	-	-	-	139,416	139,416
Total Liabilities	-	-	2,093	470,676	472,769
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Deferred by pensions	-	-	-	216,485	216,485
Deferred by OPEB	-	-	-	70,908	70,908
Total deferred inflows of resources	-	-	-	287,393	287,393
<b>NET POSITION:</b>					
Net investment in capital assets	-	-	-	283,908	283,908
Unrestricted	1,521,062	525,521	1,363,448	(212,768)	3,197,263
Total Net Position	1,521,062	525,521	1,363,448	\$71,140	3,481,171
Total Liabilities, Deferred inflows of resources, and Net Position	\$ 1,521,062	\$ 525,521	\$ 1,365,541	\$ 829,209	\$ 4,241,333

## CITY OF PIQUA, OHIO

### COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION- INTERNAL SERVICE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2022

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Total
<b>OPERATING REVENUES:</b>					
Customer services	\$ -	\$ 343,770	\$ -	\$ 1,076,971	\$ 1,420,741
Total operating revenues	-	343,770	-	1,076,971	1,420,741
<b>OPERATING EXPENSES:</b>					
Salaries and Employee benefits	167,617	-	-	331,676	499,293
Depreciation	-	-	-	58,579	58,579
Materials and supplies	-	-	-	38,885	38,885
Utilities	-	-	-	25,775	25,775
Outside Services	-	-	3,386	253,823	257,209
Other	-	449,790	-	8,157	457,947
Total operating expenses	167,617	449,790	3,386	716,895	1,337,688
Operating income (loss)	(167,617)	(106,020)	(3,386)	360,076	83,053
<b>NON-OPERATING REVENUES(EXPENSES):</b>					
Interest on debt	-	-	-	(1,632)	(1,632)
Interest income	5,487	6,130	8,024	269	19,910
Other, net	-	-	-	611	611
Net non-operating revenues(expenses)	5,487	6,130	8,024	(752)	18,889
Change in net position	(162,130)	(99,890)	4,638	359,324	101,942
Total net position-beginning of year	1,683,192	625,411	1,358,810	(288,184)	3,379,229
Total net position-end of year	<u>\$ 1,521,062</u>	<u>\$ 525,521</u>	<u>\$ 1,363,448</u>	<u>\$ 71,140</u>	<u>\$ 3,481,171</u>

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF CASH FLOWS-INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Totals
<b>OPERATING ACTIVITIES:</b>					
Receipts from interfund services	\$ -	\$ 432,410	\$ 5,265	\$ 1,077,362	\$ 1,515,037
Payments to suppliers and service providers	(164,475)	(449,790)	(1,293)	(313,683)	(929,241)
Payments to employees for salaries and benefits	-	-	-	(434,203)	(434,203)
Net cash provided by (used in) operating activities	<u>(164,475)</u>	<u>(17,380)</u>	<u>3,972</u>	<u>329,476</u>	<u>151,593</u>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Principal paid on bonds and notes	-	-	-	(21,696)	(21,696)
Interest paid on bonds and notes	-	-	-	(1,632)	(1,632)
Acquisition and construction of capital	-	-	-	(38,258)	(38,258)
Net cash provided by capital & related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(61,586)</u>	<u>(61,586)</u>
<b>INVESTING ACTIVITIES:</b>					
Purchases of investment securities	(272,230)	-	(751,350)	-	(1,023,580)
Proceeds from sale or maturity of investment securities	272,094	-	750,976	-	1,023,070
Interest received	4,450	6,130	8,024	269	18,873
Net cash provided by (used in) investing activities	<u>4,314</u>	<u>6,130</u>	<u>7,650</u>	<u>269</u>	<u>18,363</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(160,161)</b>	<b>(11,250)</b>	<b>11,622</b>	<b>268,159</b>	<b>108,370</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	<b>1,230,046</b>	<b>216,903</b>	<b>593,568</b>	<b>128,891</b>	<b>2,169,408</b>
<b>CASH AND CASH EQUIVALENTS - End of year</b>	<b>\$ 1,069,885</b>	<b>\$ 205,653</b>	<b>\$ 605,190</b>	<b>\$ 397,050</b>	<b>\$ 2,277,778</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (167,617)</b>	<b>\$ (106,020)</b>	<b>\$ (3,386)</b>	<b>\$ 360,076</b>	<b>\$ 83,053</b>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	-	-	-	58,579	58,579
Net (Increase)/Decrease in Other Operating Net Position	-	-	-	611	611
(Increase)/Decrease in Accounts Receivable	-	88,640	5,265	(220)	93,685
(Increase)/Decrease in Prepaids	17,045	-	-	-	17,045
(Increase)/Decrease in Net OPEB Asset	-	-	-	(33,636)	(33,636)
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	-	-	-	(18,086)	(18,086)
Increase/(Decrease) in Accounts Payable and Accruals	(13,903)	-	2,093	12,957	1,147
Increase/(Decrease) in Accrued Wages and Benefits	-	-	-	34,280	34,280
Increase/(Decrease) in Net Pension Liability & Net OPEB Liability	-	-	-	(148,839)	(148,839)
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	-	-	-	63,754	63,754
Net cash provided by (used in) operating activities	<u>\$ (164,475)</u>	<u>\$ (17,380)</u>	<u>\$ 3,972</u>	<u>\$ 329,476</u>	<u>\$ 151,593</u>
<b>SUPPLEMENTAL INFORMATION - Noncash activities:</b>					
Capital asset financed through payables	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 234,031</u>	<u>\$ 234,031</u>
Capital asset financed through lease agreements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,712</u>	<u>\$ 28,712</u>

# Statistical Section





# Statistical Section

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

<b><u>Contents</u></b>	<b><u>Pages</u></b>
<b>Financial Trends</b>	<b>92-96</b>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>97-99</b>
These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax, and the municipal income tax.	
<b>Debt Capacity</b>	<b>100-102</b>
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.	
<b>Economic and Demographic Information</b>	<b>103-105</b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<b>Operating Information</b>	<b>106-109</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

CITY OF PIQUA, OHIO

Table 1

NET POSITION BY COMPONENT  
LAST TEN YEARS  
(accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Government Activities</b>										
Net investment in capital assets	\$ 53,187,268	\$ 53,118,986	\$ 54,805,038	\$ 54,781,343	\$ 55,284,485	\$ 55,432,764	\$ 55,161,266	\$ 56,129,075	\$ 54,540,426	\$ 44,845,328
Restricted for other purposes	11,602,185	9,489,348	6,865,980	5,192,790	4,712,851	6,539,588	7,194,708	5,771,392	6,383,282	6,065,752
Restricted for debt service	401,272	397,939	396,496	392,522	385,547	435,308	426,756	411,558	375,519	439,460
Unrestricted	(665,229)	(2,698,489)	(5,357,755)	(6,333,621)	(14,653,657)	(12,163,651)	1,552,082	2,766,474	1,454,046	24,031,553
Total governmental activities net position	64,525,496	60,307,784	56,709,759	54,033,034	45,729,226	50,244,009	64,334,812	65,078,499	62,753,273	75,382,093
<b>Business-Type Activities</b>										
Net investment in capital assets	55,848,348	56,418,638	55,875,007	58,077,820	58,312,483	59,776,209	60,204,879	60,462,159	55,861,423	57,929,193
Restricted for other purposes										50,000
Restricted for debt service	28,720,480	25,741,945	18,496,005	13,729,177	11,789,760	12,093,795	16,262,269	14,275,160	15,458,228	18,147,111
Total business-type activities net position	84,568,828	82,160,583	74,371,012	71,806,997	70,102,243	71,870,004	76,467,148	74,737,319	71,319,651	76,126,304
<b>Primary government</b>										
Net investment in capital assets	109,035,616	109,537,624	110,680,045	112,859,163	113,596,968	115,208,973	115,366,145	116,591,234	110,401,849	102,774,521
Restricted for other purposes	11,602,185	9,489,348	6,865,980	5,192,790	4,712,851	6,539,588	7,194,708	5,771,392	6,383,282	6,065,752
Restricted for debt service	401,272	397,939	396,496	392,522	385,547	435,308	426,756	411,558	375,519	489,460
Unrestricted	28,055,251	23,043,456	13,138,250	7,395,556	(2,863,897)	(69,856)	17,814,351	17,041,634	16,912,274	42,178,664
Total primary government activities net position	\$ 149,094,324	\$ 142,468,367	\$ 131,080,771	\$ 125,840,031	\$ 115,831,469	\$ 122,114,013	\$ 140,801,960	\$ 139,815,818	\$ 134,072,924	\$ 151,508,397

Source: City of Piqua Finance Department  
2017 Unrestricted balances restated to reflect accounting changes of GASB 75  
2014 Unrestricted balances restated to reflect accounting changes of GASB 68



**CITY OF PIQUA, OHIO**

**CHANGES IN NET POSITION  
LAST TEN YEARS**  
(accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General revenues and other changes</b>										
<b>in net position</b>										
Governmental activities										
Property taxes	\$ 1,526,422	\$ 1,314,466	\$ 1,295,579	\$ 1,193,452	\$ 1,040,325	\$ 1,364,162	\$ 1,162,485	\$ 1,182,995	\$ 1,169,263	\$ 1,211,844
State Shared taxes	2,470,231	2,516,732	2,171,950	2,330,911	1,899,626	1,868,113	1,804,731	1,918,725	1,896,452	1,752,533
Income tax	14,773,823	13,072,163	11,755,500	11,214,549	10,619,123	10,759,830	11,264,355	10,661,411	8,285,580	8,955,319
Locally levied taxes	1,112,678	1,136,626	1,085,668	1,177,650	1,188,059	1,173,553	1,205,557	1,205,357	1,212,000	1,188,578
Investment earnings	111,778	106,554	277,750	273,094	96,378	68,597	41,225	15,342	71,303	82,596
Miscellaneous	43,038	316,634	9,199	7,209	73,459	48,587	7,388	9,451	23,812	1,937
Transfers	(235,141)	(57,000)	(305,685)	(160,000)	(280,000)	(330,000)	(395,656)	(450,524)	(505,544)	(483,403)
<b>Total governmental activities general revenues</b>	<b>19,802,829</b>	<b>18,406,175</b>	<b>16,289,961</b>	<b>16,036,865</b>	<b>14,636,970</b>	<b>14,952,842</b>	<b>15,090,085</b>	<b>14,542,757</b>	<b>12,112,846</b>	<b>12,689,424</b>
<b>and other changes in net position</b>										
Business-type Activities										
Investment earnings	138,420	142,543	401,570	531,217	55,811	59,986	48,022	35,933	48,158	54,021
Special item									(2,587,176)	
Transfers	235,141	57,000	305,685	160,000	280,000	330,000	395,656	450,524	505,544	483,403
<b>Total business-type activities general revenues</b>	<b>373,561</b>	<b>199,543</b>	<b>707,255</b>	<b>691,217</b>	<b>335,811</b>	<b>389,986</b>	<b>443,678</b>	<b>486,457</b>	<b>(2,033,474)</b>	<b>537,424</b>
<b>and other changes in net position</b>										
Total primary government general revenues	20,176,390	18,605,718	16,997,216	16,728,082	14,972,781	15,342,828	15,533,763	15,029,214	10,079,372	13,226,848
<b>and other changes in net position</b>										
Change in net position										
Governmental activities	4,217,712	3,598,025	2,676,725	16,036,865	(4,514,783)	(1,598,040)	(743,687)	2,325,226	(442,408)	2,884,879
Business-type activities	2,408,245	7,789,571	2,564,015	691,217	(1,767,761)	(671,978)	1,729,829	3,417,668	(623,778)	1,418,642
<b>Total primary government activities</b>	<b>\$ 6,625,957</b>	<b>\$ 11,387,596</b>	<b>\$ 5,240,740</b>	<b>\$ 16,728,082</b>	<b>\$ (6,282,544)</b>	<b>\$ (2,270,018)</b>	<b>\$ 986,142</b>	<b>\$ 5,742,894</b>	<b>\$ (1,066,186)</b>	<b>\$ 4,303,521</b>

Source: City of Piqua Finance Department  
 2017 Expenses restated to reflect accounting changes of GASB 75  
 Fort Piqua Plaza enterprise began in October 2008 and reclassified to governmental fund for 2015  
 2014 Expenses restated to reflect accounting changes of GASB 68

(Continued)

CITY OF PIQUA, OHIO

Table 3

GOVERNMENTAL FUND BALANCES  
LAST TEN YEARS  
(modified accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Fund</b>										
Nonspendable	\$ 2,596	\$ 8,991	\$ 5,667	\$ 5,824	\$ 3,160	\$ 2,757	\$ 10,201	\$ 7,520	\$ 5,107	\$ 9,800,116
Restricted	11,132	10,560	9,816	9,251	8,606	7,781	30,064	75,261	5,632	11,077
Assigned	7,875,113	5,661,202	4,166,562	4,786,378	5,232,094	4,692,377	3,896,861	3,413,891	3,348,931	4,101,987
Unassigned	5,912,856	7,817,022	8,183,367	5,384,795	5,398,246	6,355,606	8,141,721	7,788,547	7,401,836	6,952,802
<b>Total General Fund</b>	<b>13,801,697</b>	<b>13,497,775</b>	<b>12,365,412</b>	<b>10,186,248</b>	<b>10,642,106</b>	<b>11,058,521</b>	<b>12,078,847</b>	<b>11,288,219</b>	<b>10,761,506</b>	<b>20,865,982</b>
<b>Street Maintenance Fund</b>										
Restricted	6,551,770	5,081,790	3,817,743	2,752,437	2,824,751	4,256,646	4,388,455	4,236,738	4,258,402	4,321,221
<b>Total Street Maintenance Fund</b>	<b>6,551,770</b>	<b>5,081,790</b>	<b>3,817,743</b>	<b>2,752,437</b>	<b>2,824,751</b>	<b>4,256,646</b>	<b>4,388,455</b>	<b>4,236,738</b>	<b>4,258,402</b>	<b>4,321,221</b>
<b>Street Levy Fund</b>										
Restricted	5,393,935	5,568,882	5,124,055	4,274,858	3,427,159	3,195,118	2,963,183	2,216,178	2,308,637	2,004,021
<b>Total Street Levy Fund</b>	<b>5,393,935</b>	<b>5,568,882</b>	<b>5,124,055</b>	<b>4,274,858</b>	<b>3,427,159</b>	<b>3,195,118</b>	<b>2,963,183</b>	<b>2,216,178</b>	<b>2,308,637</b>	<b>2,004,021</b>
<b>Other Governmental Funds</b>										
Nonspendable	1,694,154	873,589	769,811	751,030	702,159	714,110	7,149	5,611	7,149	7,149
Restricted							257,387	214,127	185,519	158,579
Assigned									3,450	
Unassigned reported in:										
Community Development	(124,464)	(164,778)	(164,778)	-	-	-	-	-	(1,448)	1,001
Federal Grants										
<b>Total Other Governmental Funds</b>	<b>1,569,690</b>	<b>708,811</b>	<b>605,033</b>	<b>751,030</b>	<b>702,159</b>	<b>714,110</b>	<b>264,536</b>	<b>219,738</b>	<b>194,670</b>	<b>166,729</b>
<b>Governmental Funds</b>										
Nonspendable	2,596	8,991	5,667	5,824	3,160	2,757	17,350	13,131	12,256	9,807,265
Restricted	13,650,991	11,534,821	9,721,425	7,787,576	6,962,675	8,173,655	7,639,089	6,745,304	6,758,190	6,494,898
Assigned	7,875,113	5,661,202	4,166,562	4,786,378	5,232,094	4,692,377	3,896,861	3,413,891	3,352,381	4,101,987
Unassigned	5,788,392	7,652,244	8,018,589	5,384,795	5,398,246	6,355,606	8,141,721	7,788,547	7,400,388	6,953,803
<b>Total Governmental Funds</b>	<b>\$ 27,317,092</b>	<b>\$ 24,857,158</b>	<b>\$ 21,912,243</b>	<b>\$ 17,964,573</b>	<b>\$ 17,596,175</b>	<b>\$ 19,224,395</b>	<b>\$ 19,695,021</b>	<b>\$ 17,960,873</b>	<b>\$ 17,523,215</b>	<b>\$ 27,357,953</b>

Source: City of Piqua Finance Department  
(1) Fund balance categories were reclassified to be consistent with current year financial statement presentation  
In 2014 the decrease in Nonspendable fund balance is related to the acquisition of the Historic Fort Piqua Plaza in satisfaction of an Economic Development loan.



**CITY OF PIQUA, OHIO**

**Table 5**

**INCOME TAX REVENUE COLLECTIONS BY TYPE  
LAST TEN YEARS  
(cash basis)**

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes from Individuals	Percentage of Taxes from Individuals
2022	2.00%	\$ 13,090,850	\$ 9,456,081	72%	\$ 2,697,344	21%	\$ 937,425	7%
2021	2.00%	\$ 12,911,360	\$ 9,444,117	73%	\$ 2,414,147	19%	\$ 1,053,096	8%
2020	2.00%	\$ 11,405,570	\$ 8,726,601	77%	\$ 1,728,852	15%	\$ 950,117	8%
2019	2.00%	\$ 11,178,134	\$ 8,659,488	77%	\$ 1,559,603	14%	\$ 959,043	9%
2018	2.00%	\$ 10,939,008	\$ 8,635,130	79%	\$ 1,404,473	13%	\$ 899,405	8%
2017	2.00%	\$ 10,641,381	\$ 8,394,119	79%	\$ 1,332,243	12%	\$ 915,019	9%
2016	2.00%	\$ 11,369,695	\$ 8,459,869	74%	\$ 1,851,795	16%	\$ 1,058,031	9%
2015	2.00%	\$ 10,320,670	\$ 8,153,149	79%	\$ 1,447,122	14%	\$ 720,399	7%
2014	1.75%	\$ 8,520,480	\$ 6,933,846	81%	\$ 945,168	11%	\$ 641,466	8%
2013	1.75%	\$ 8,440,440	\$ 6,606,944	78%	\$ 1,200,848	14%	\$ 632,648	8%

Source: City of Piqua Income Tax Department

INCOME TAX COLLECTIONS BY INCOME RANGE  
LAST EIGHT YEARS

Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2021	0-20,000	4,426	50.12%	17,132,134	4.39%
2021	20,001-40,000	1,501	17.00%	45,594,018	11.68%
2021	40,001-60,000	1,206	13.66%	59,059,609	15.13%
2021	60,001-80,000	663	7.51%	45,945,810	11.77%
2021	80,001-100,000	369	4.18%	32,849,618	8.41%
2021	over 100,000	665	7.53%	189,824,335	48.62%
	Total	8,830		390,405,523	
2020	0-20,000	4,971	46.60%	25,950,623	5.88%
2020	20,001-40,000	2,123	19.90%	63,685,300	14.42%
2020	40,001-60,000	1,521	14.26%	74,883,478	16.96%
2020	60,001-80,000	830	7.78%	57,237,037	12.96%
2020	80,001-100,000	449	4.21%	39,960,109	9.05%
2020	over 100,000	774	7.26%	179,875,279	40.73%
	Total	10,668		441,591,825	
2019	0-20,000	3,918	36.73%	20,742,976	4.70%
2019	20,001-40,000	1,840	17.25%	55,526,862	12.57%
2019	40,001-60,000	1,239	11.61%	60,785,798	13.77%
2019	60,001-80,000	705	6.61%	48,789,251	11.05%
2019	80,001-100,000	432	4.05%	38,418,671	8.70%
2019	over 100,000	738	6.92%	180,631,409	40.90%
	Total	8,872		404,894,967	
2018	0-20,000	4,960	47.65%	26,510,188	6.33%
2018	20,001-40,000	2,151	20.66%	64,543,865	15.40%
2018	40,001-60,000	1,373	13.19%	67,386,815	16.08%
2018	60,001-80,000	752	7.22%	52,172,189	12.45%
2018	80,001-100,000	448	4.30%	39,981,717	9.54%
2018	over 100,000	726	6.97%	168,514,248	40.21%
	Total	10,410		419,109,022	
2017	0-20,000	5,253	48.27%	30,724,638	7.48%
2017	20,001-40,000	2,323	21.35%	69,746,970	16.99%
2017	40,001-60,000	1,465	13.46%	71,479,632	17.41%
2017	60,001-80,000	717	6.59%	49,754,539	12.12%
2017	80,001-100,000	455	4.18%	40,694,553	9.91%
2017	over 100,000	670	6.16%	148,098,840	36.08%
	Total	10,883		410,499,172	
2016	0-20,000	4,935	47.67%	28,221,917	6.97%
2016	20,001-40,000	2,251	21.74%	66,841,193	16.50%
2016	40,001-60,000	1,372	13.25%	66,767,207	16.48%
2016	60,001-80,000	693	6.69%	48,192,133	11.90%
2016	80,001-100,000	451	4.36%	40,272,375	9.94%
2016	over 100,000	650	6.28%	154,815,727	38.22%
	Total	10,352		405,110,552	
2015	0-20,000	5,332	48.97%	31,670,500	7.61%
2015	20,001-40,000	2,402	22.06%	71,150,640	17.09%
2015	40,001-60,000	1,380	12.67%	67,292,620	16.17%
2015	60,001-80,000	717	6.58%	49,506,161	11.89%
2015	80,001-100,000	436	4.00%	38,737,203	9.31%
2015	over 100,000	622	5.71%	157,853,167	37.93%
	Total	10,889		416,210,291	
2014	0-20,000	3,713	42.43%	27,116,761	7.20%
2014	20,001-40,000	2,204	25.19%	65,531,899	17.41%
2014	40,001-60,000	1,190	13.60%	58,494,028	15.54%
2014	60,001-80,000	657	7.51%	45,547,724	12.10%
2014	80,001-100,000	425	4.86%	37,886,355	10.06%
2014	over 100,000	561	6.41%	141,856,356	37.68%
	Total	8,750		376,433,123	

Source: City of Piqua, Ohio Income Tax Department-certain amounts may be estimates-years are tax years.



**CITY OF PIQUA, OHIO**

**Table 7**

**AD VALOREM- PROPERTY TAX LEVIES,  
COLLECTIONS, REAL AND UTILITY ASSESSED VALUES  
LAST TEN YEARS**

Levy/ Collection Year	City Millage	Total Levy	Current Year Collection	Current Year Collection as Percent of Levy	Delinquent Collections	Total Collections	Total Collection as Percent of Total Levy	Total Assessed Value	Estimated Total Property Value of City
2021/2022	4.46	1,588,635	1,542,688	97.11	41,613	1,584,301	99.73	397,710,020	1,136,314,343
2020/2021	4.47	1,551,390	1,504,834	97.00	38,280	1,543,114	99.47	331,718,740	947,767,829
2019/2020	4.47	1,528,027	1,476,091	96.60	42,877	1,518,968	99.41	324,710,950	927,745,571
2018/2019	4.48	1,374,777	1,080,289	78.58	43,694	1,123,983	81.76	320,745,110	916,414,600
2017/2018	4.50	1,372,763	1,336,908	97.39	45,345	1,382,253	100.69	293,842,590	839,550,257
2016/2017	4.56	1,383,708	1,347,620	97.39	47,731	1,395,351	100.84	292,034,170	834,383,343
2015/2016	4.56	1,317,553	1,274,395	96.72	54,421	1,328,816	100.85	290,202,680	829,150,514
2014/2015	4.49	1,317,904	1,271,879	96.51	52,815	1,324,694	100.52	289,330,550	826,658,714
2013/2014	4.47	1,307,640	1,263,375	96.61	48,720	1,312,095	100.34	285,104,680	814,584,800
2012/2013	4.42	1,367,090	1,317,913	96.40	32,172	1,350,085	98.76	286,575,960	818,788,457

Source: Miami County Auditor's Office

1) Amounts do not include delinquent collections

**RATIO OF OUTSTANDING DEBT BY TYPE AND RATIO OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN LAST TEN YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Governmental activities</b>										
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ 90,000	\$ 135,000	\$ 175,000	\$ 215,000
Special assessment bonds	-	-	-	-	-	-	-	-	-	86,105
Pension refunding bonds	-	-	-	-	-	-	-	-	-	225,000
Taxable revenue bonds	-	-	-	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	-	85,593	253,003	415,502	573,233	726,337
Total gross governmental activities indebtedness	-	-	-	-	-	130,593	343,003	550,502	748,233	1,252,442
<b>Business type activities</b>										
General obligation bonds	-	-	-	-	-	170,000	335,000	490,000	640,000	785,000
Promissory Notes	94,115,814	97,277,618	99,714,507	95,636,685	75,762,027	59,820,420	48,036,382	17,696,918	6,342,747	6,096,119
Total gross business-type activities indebtedness	94,115,814	97,277,618	99,714,507	95,636,685	75,762,027	59,990,420	48,371,282	18,186,918	6,982,747	6,881,119
Total gross primary government indebtedness	94,115,814	97,277,618	99,714,507	95,636,685	75,762,027	60,121,013	48,714,285	18,737,420	7,730,980	8,133,561
Percent of personal income	17.42%	19.73%	20.90%	20.92%	17.02%	14.14%	12.08%	4.64%	1.94%	1.97%
Per capita	\$ 4,624	\$ 4,779	\$ 4,852	\$ 4,653	\$ 3,686	\$ 2,898	\$ 2,370	\$ 912	\$ 376	\$ 396
<b>Less debt outside limitations:</b>										
Less debt service fund balance	-	-	-	-	-	28,935	54,493	54,080	54,023	53,943
Exempt self-supporting obligation debt:										
Pension refunding bonds	-	-	-	-	-	170,000	335,000	490,000	640,000	785,000
Exempt self-supporting tax revenue bonds	-	-	-	-	-	-	-	-	-	225,000
Special assessment bonds	-	-	-	-	-	-	-	-	-	86,105
Exempt self-supporting notes	94,115,814	97,277,618	99,714,507	95,636,685	75,762,027	59,906,013	48,289,285	18,112,420	6,915,980	6,822,456
Net debt within limitation for both	-	-	-	-	-	16,065	35,507	80,920	120,977	161,057
Yoted and Unvoted debt	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.03%	0.04%	0.06%
Percent of estimated actual property value	-	-	-	-	-	-	-	-	-	-
Per capita	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 2	\$ 4	\$ 6	\$ 8
Debt limitation for both voted and unvoted debt	41,759,552	34,830,468	34,094,650	33,678,237	30,853,472	30,663,588	30,471,281	30,379,708	29,935,991	30,090,476
10.5% of assessed valuation	41,759,552	34,830,468	34,094,650	33,678,237	30,853,472	30,647,523	30,435,774	30,298,788	29,815,014	29,929,419
Legal debt margin for voted and unvoted debt	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.12%	0.27%	0.40%	0.34%
Net debt within limitations for both Voted and unvoted debt as a percentage of debt limit	-	-	-	-	-	16,065	35,507	80,920	120,977	161,057
Less voted debt	-	-	-	-	-	16,065	35,507	80,920	120,977	161,057
Net debt with limitation for unvoted debt	-	-	-	-	-	16,065	35,507	80,920	120,977	161,057
Debt limitation for Unvoted debt	21,874,051	18,244,531	17,859,102	17,640,981	16,161,342	16,061,879	15,961,147	15,913,180	15,680,757	15,761,678
5.5% of assessed valuation	21,874,051	18,244,531	17,859,102	17,640,981	16,161,342	16,043,814	15,925,640	15,832,260	15,559,780	15,600,621
Legal debt margin for unvoted debt	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.22%	0.51%	0.77%	1.02%
Net debt within limitation for unvoted debt as a percentage of debt limit	-	-	-	-	-	-	-	-	-	-

Source: City of Piqua Finance Department

**CITY OF PIQUA, OHIO**

**Table 9**

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
DECEMBER 31, 2022**

	<u>Total Debt Outstanding</u>	<u>Percent Applicable to City (1)</u>	<u>Amount Applicable To City of Piqua</u>
Direct*			
City of Piqua			
Total Direct Debt	-	100.00	-
Overlapping**			
Piqua School District	20,525,281	77.32	15,677,210
Upper Valley Joint Vocational School	635,000	12.08	73,978
Miami County	16,505,412	10.60	1,975,698
Total Overlapping Debt	<u>37,665,693</u>		<u>17,726,885</u>
 Total Direct and Overlapping Debt	 <u>\$ 37,665,693</u>		 <u>\$ 17,726,885</u>

Source:

Direct\* City of Piqua Finance Department

Overlapping\*\* Piqua School District Treasurer  
Upper Valley JVS Treasurer  
Miami County Auditor

(1) Percentages were determined by dividing each overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2022 collection year.

**CITY OF PIQUA, OHIO**

**DEBT COVERAGE  
BUSINESS TYPE ACTIVITIES  
LAST TEN YEARS**

**Table 10**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Power</b>										
Gross revenues	\$ 30,139,981	\$ 28,344,938	\$ 27,466,239	\$ 28,806,878	\$ 29,180,996	\$ 28,752,216	\$ 29,802,701	\$ 28,895,667	\$ 27,517,575	\$ 23,803,393
Direct operating expenses	30,878,192	28,679,012	26,576,086	26,796,539	29,823,761	29,226,575	28,770,053	26,046,726	25,651,134	23,347,871
Net revenue available for debt service	(738,211)	(334,074)	890,153	2,010,339	(642,765)	(474,359)	1,032,648	2,848,941	1,866,441	515,522
General obligation debt service requirements	-	-	-	-	-	-	-	-	-	-
Debt service coverage	-	-	-	-	-	-	-	-	-	-
<b>Wastewater</b>										
Gross revenues	\$ 6,649,257	\$ 6,665,622	\$ 6,761,662	\$ 5,965,561	\$ 5,009,247	\$ 4,173,950	\$ 3,467,072	\$ 3,456,311	\$ 3,523,315	\$ 3,502,967
Direct operating expenses	2,611,492	2,575,125	2,668,110	3,155,915	3,156,659	3,375,483	2,550,375	2,314,015	2,368,548	2,128,150
Net revenue available for debt service	4,037,765	4,090,497	4,093,552	2,809,646	1,852,588	798,467	916,697	1,142,296	1,154,767	1,374,817
Revenue obligation debt service requirements	\$ 2,312,774	\$ 2,667,348	\$ 1,478,342	\$ 289,374	\$ 288,318	\$ 851,114	\$ 277,414	\$ 303,392	\$ 816,705	\$ 809,928
Debt service coverage	175	153	277	971	643	94	330	377	141	170
<b>Water</b>										
Gross revenues	\$ 7,218,733	\$ 7,203,570	\$ 7,344,123	\$ 6,874,489	\$ 6,313,513	\$ 5,808,941	\$ 5,370,861	\$ 5,005,088	\$ 4,816,137	\$ 4,593,671
Direct operating expenses	3,444,467	3,552,876	3,557,997	3,966,090	4,197,775	4,172,547	3,260,811	3,633,537	2,960,630	2,407,410
Net revenue available for debt service	3,774,266	3,650,694	3,786,126	2,908,399	2,115,738	1,636,394	2,110,050	1,371,551	1,855,507	2,186,261
General obligation debt service requirements	2,481,007	2,481,007	2,481,008	2,481,007	2,334,520	1,153,693	-	-	55,000	-
Revenue obligation debt service requirements	\$ 184,125	\$ 184,125	\$ 184,125	\$ 184,125	\$ 184,125	\$ 92,062	\$ 72,329	\$ 142,230	\$ 142,397	\$ 142,539
Debt service coverage	142	137	142	109	84	131	2,917	964	940	1,534
<b>Golf</b>										
Gross revenues	\$ 583,986	\$ 595,733	\$ 548,616	\$ 452,151	\$ 478,493	\$ 490,834	\$ 510,338	\$ 500,323	\$ 461,682	\$ 512,752
Direct operating expenses	650,766	644,335	557,084	644,259	611,495	581,867	589,105	525,745	461,547	535,208
Net revenue available for debt service	(66,780)	(48,602)	(8,468)	(192,108)	(133,002)	(91,033)	(78,767)	(25,422)	135	(22,456)
General obligation debt service requirements	\$ -	\$ -	\$ -	\$ 167,647	\$ 169,213	\$ 165,643	\$ 167,190	\$ 179,039	\$ 179,249	\$ 167,714
Debt service coverage	-	-	-	(115)	(79)	(55)	(47)	(14)	-	(13)
<b>Pool</b>										
Gross revenues	\$ -	\$ -	\$ -	\$ 48,879	\$ 49,934	\$ 58,103	\$ 67,441	\$ 43,144	\$ 51,661	\$ 61,565
Direct operating expenses	34,964	21,885	42,504	129,087	137,522	144,981	155,764	116,130	124,512	151,975
Net revenue available for debt service	(34,964)	(21,885)	(42,504)	(80,208)	(87,588)	(86,878)	(88,323)	(72,986)	(72,851)	(90,410)
General obligation debt service requirements	\$ -	\$ -	\$ -	\$ -	\$ 8,453	\$ 8,532	\$ 8,352	\$ 8,430	\$ 9,028	\$ 9,037
Debt service coverage	-	-	-	-	(1,036)	(1,018)	(1,058)	(866)	(807)	(1,000)

Gross revenues include operating revenue, interest income, and non operating income  
 Direct operating expenses exclude depreciation  
 Annual debt service requirement includes principal and interest  
 2020 revenue for debt service requirement restated to reflect actual payment made

Source: City of Piqua Finance Department

**CITY OF PIQUA, OHIO**

**Table 11**

**PRINCIPAL EMPLOYERS  
DECEMBER 31, 2022**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Piqua City Schools	Public school district	549	4.8%
Evenflo Company Inc.	Manufacturer of juvenile furniture	480	4.2%
Hartzell Propeller Inc	Manufacturer of aircraft propellers	442	3.9%
Walmart Stores Inc.	Retail store	424	3.7%
Edison Community College	State community college	374	3.3%
United Parcel Services	Parcel delivery servicer	298	2.6%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	276	2.4%
Upper Valley Career Center	Regional joint vocational school	272	2.4%
Hartzell Fan Inc	Manufacturer of industrial fan and blowers	241	2.0%
City of Piqua	Municipal government	227	2.1%
	Total available employment	11,326	

**PRINCIPAL EMPLOYERS  
DECEMBER 31, 2013**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Industry Products	Manufacturer of die cutting equipment	351	3.4%
Walmart Stores Inc.	Retail store	345	3.4%
Piqua City Schools	Public school district	320	3.1%
Spalding & Evenflo Company Inc.	Manufacturer of juvenile furniture	285	2.8%
Tailwind Technologies Inc.	Manufacturer of aircraft propellers	268	2.6%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	260	2.5%
City of Piqua	Municipal government	223	2.2%
Upper Valley JVS	Regional joint vocational school	213	2.1%
Edison Community College	State community college	160	1.6%
Jackson Tube Service Inc.	Manufacturer of steel tubing	160	1.6%
	Total available employment	10,207	

**CITY OF PIQUA, OHIO**

**PRINCIPAL PROPERTY TAXPAYERS**

**DECEMBER 31, 2022**

**LAST EIGHT YEARS**

**Table 12**

Name of Taxpayer	Nature of Business	2022 Assessed Valuation	Percent of Total Assessed Valuation	2021 Assessed Valuation	2020 Assessed Valuation	2019 Assessed Valuation	2018 Assessed Valuation	2017 Assessed Valuation	2016 Assessed Valuation	2015 Assessed Valuation
Vectren Energy Delivery	Utility of natural gas	\$ 5,517,210	1.39%	\$ 5,080,710	\$ 4,550,590	\$ 4,086,000	\$ 3,564,020	\$ 2,857,850	\$ 2,511,360	\$ 2,125,150
HCF Inc.	Nursing home	\$ 4,841,290	1.22%	\$ 4,308,760	\$ 3,769,590	\$ 2,814,890	\$ 2,767,230	\$ 2,747,130	\$ 2,644,620	\$ 2,662,740
Evenflo Co., Inc.	Manufacturer of juvenile furniture	\$ 3,572,850	0.90%	\$ 3,572,850	\$ 3,572,850	\$ 3,572,850	\$ 3,396,650	\$ 3,396,650	\$ 3,396,650	\$ 3,396,650
Polysource LLC	Plastic Fabrication Company	\$ 3,271,430	0.82%	\$ 1,795,800	\$ 1,795,800	\$ 1,795,800	\$ 1,795,800	\$ 1,795,800	\$ 1,795,800	\$ 1,795,800
Harvey Co LLC	Shopping mall	\$ 2,960,450	0.74%	\$ 2,960,450	\$ 2,960,450	\$ 2,960,450	\$ 3,516,520	\$ 3,516,520	\$ 3,516,520	\$ 3,516,520
Kettering Medical Center	Physician and outpatient care	\$ 2,940,210	0.74%	\$ 2,940,210	N/A	N/A	N/A	N/A	N/A	N/A
Walmart Stores Inc.	Retailer of consumer goods	\$ 2,537,500	0.64%	\$ 2,537,500	\$ 2,537,500	\$ 2,537,500	\$ 3,021,200	\$ 3,021,200	\$ 3,021,200	\$ 3,021,200
Miami Valley Realty LLC	Manufacturer of split rolled steel	\$ 2,227,800	0.56%	\$ 2,227,800	\$ 2,227,800	\$ 2,227,800	\$ 2,258,410	\$ 2,258,410	\$ 2,259,160	\$ 1,644,870
Upper Valley Medical Center	Medical Clinics and Offices	\$ 1,969,010	0.50%	\$ 1,969,010	\$ 1,878,190	\$ 1,878,190	\$ 1,878,190	\$ 1,878,190	\$ 1,878,190	\$ 1,878,190
Hartzell Propeller Inc	Manufacturer of aircraft propellers	\$ 1,961,250	0.49%	\$ 2,026,210	\$ 2,026,210	\$ 2,026,210	\$ 2,026,210	\$ 2,026,210	\$ 2,026,210	\$ 2,026,210
<b>TOTAL</b>		<b>\$ 31,799,000</b>	<b>9.58%</b>	<b>\$ 29,419,300</b>	<b>\$ 25,318,980</b>	<b>\$ 23,899,690</b>	<b>\$ 24,224,230</b>	<b>\$ 23,497,960</b>	<b>\$ 23,049,710</b>	<b>\$ 22,067,330</b>
<b>TOTAL ASSESSED VALUATION</b>		<b>\$ 397,710,020</b>		<b>\$ 331,718,740</b>	<b>\$ 324,710,950</b>	<b>\$ 320,745,110</b>	<b>\$ 293,842,590</b>	<b>\$ 292,034,170</b>	<b>\$ 290,202,680</b>	<b>\$ 289,330,550</b>

Source: Miami County Auditor's Office

**CITY OF PIQUA, OHIO**

**Table 13**

**DEMOGRAPHIC AND  
ECONOMIC STATISTICS  
LAST TEN YEARS**

Year	Population <sup>1</sup>	Estimated Total Personal Income of City <sup>2</sup>	Per capita Personal Income <sup>2</sup>	Miami County Unemployment rate <sup>3</sup>	Household Median Income <sup>2</sup>	Avg Sale Price for a Single Family Home <sup>4</sup>
2022	20,354	\$ 540,195,160	\$ 26,540	3.4%	\$ 49,967	\$ 115,508
2021	20,354	\$ 493,157,066	\$ 24,229	4.3%	\$ 45,926	\$ 133,283
2020	20,552	\$ 477,114,680	\$ 23,215	4.3%	\$ 43,061	\$ 117,475
2019	20,552	\$ 457,220,344	\$ 22,247	3.4%	\$ 43,468	\$ 88,700
2018	20,552	\$ 441,025,368	\$ 21,459	4.2%	\$ 43,849	\$ 84,935
2017	20,552	\$ 425,272,986	\$ 20,502	4.2%	\$ 40,101	\$ 88,829
2016	20,552	\$ 403,415,208	\$ 19,629	5.0%	\$ 36,873	\$ 101,083
2015	20,552	\$ 403,805,696	\$ 19,648	4.2%	\$ 37,699	\$ 102,260
2014	20,552	\$ 399,099,288	\$ 19,419	4.2%	\$ 36,260	\$ 101,841
2013	20,552	\$ 413,506,240	\$ 20,120	6.7%	\$ 36,150	\$ 96,622

Source:

- (1) 2011-2021 United State Census Bureau
- (2) American Community Survey
- (3) Ohio Department of Jobs and Family Services LMI
- (4) Miami County Ohio, Auditors office

**FULL TIME EMPLOYEES BY PROGRAM/DEPARTMENT  
LAST TEN YEARS**

PROGRAM	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>GOVERNMENTAL ACTIVITIES</b>										
General Government:										
City Building	-	-	-	-	-	-	-	-	-	-
City Manager	1.50	1.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Law Department	-	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Planning and Zoning	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00
Public Relations	1.00	1.00	1.00	1.00	-	-	-	-	-	-
Human Resources	1.50	1.50	2.00	2.50	2.50	2.00	2.00	2.00	2.00	2.00
Finance	15.00	16.50	18.00	18.50	18.50	20.50	20.50	20.00	20.00	20.00
Purchasing	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering	2.50	5.00	5.00	4.50	4.00	4.50	4.00	4.00	4.00	4.00
Health	-	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.60
Public Safety:										
Police	36.00	39.00	39.00	39.00	38.00	38.00	39.00	39.00	33.00	34.00
Fire	31.00	33.00	33.00	32.00	34.00	33.00	33.00	34.00	33.00	32.00
Streets:	14.00	14.00	14.00	17.00	16.00	16.00	16.00	16.00	15.00	15.00
Parks:	8.00	4.00	4.00	7.00	7.00	7.00	7.00	7.00	6.50	6.00
Community Development:	2.00	2.00	2.00	2.00	2.00	3.00	2.00	2.00	2.00	2.00
Total governmental activities	117.50	126.00	128.50	134.00	133.50	135.50	135.00	134.50	126.00	125.60
<b>BUSINESS-TYPE ACTIVITIES</b>										
Power:	20.50	20.50	20.50	20.50	22.50	25.00	25.00	25.00	26.50	26.50
Wastewater:	12.60	13.90	13.90	15.90	16.90	17.90	17.20	17.20	15.20	14.20
Water:	16.60	18.40	18.40	20.40	19.40	20.40	20.20	20.20	16.70	16.60
Stormwater	3.80	3.70	3.70	4.50	4.20	4.20	4.60	4.60	4.10	3.60
Refuse:	8.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.40	7.50
Golf:	9.00	6.00	6.00	6.00	8.50	9.50	9.50	9.50	10.00	10.00
Pool:	-	-	-	12.50	15.50	18.00	18.00	18.00	18.00	16.00
Total business-type activities	70.50	69.50	69.50	86.80	94.00	102.00	101.50	101.50	97.90	94.40
Internal Service:										
Information Technology	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Totals	192.00	198.50	201.00	223.80	230.50	240.50	239.50	239.00	226.90	223.00

Source: City of Piqua 2022-2013 annual budgets

Method: Using 1.0 for each full-time employee and increments of 0.5 for each part-time employee.  
Count taken at December 31.



**CITY OF PIQUA, OHIO**  
**OPERATING INDICATORS**  
**BY FUNCTION/PROGRAM**  
**LAST TEN YEARS**

**Table 15**

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Health Department</b>										
Restaurant inspections	-	184	234	355	411	422	432	465	439	335
Swimming pool inspections	-	12	15	31	30	33	32	38	37	44
<b>Public Works</b>										
Right of way opening permits	99	69	51	75	58	21	38	43	51	37
Subdivision construction plan approvals	1	0	0	0	1	0	0	0	0	0
Area of City (in square miles)	12.80	11.72	11.87	11.87	11.87	11.87	11.8	11.8	11.8	11.8
<b>Street Maintenance</b>										
Miles of streets	111.160	108.040	108.44	104.216	104.216	104.216	104	104	103	103
Miles of streets repaved	0	6.3	9.14	4.3	10.07	6.2	4.7	2.1	5.5	3.2
Cubic yards of leaves disposed of	942	750	515	502	1,319	1,265	1,042	876	822	1,198
Tons of salt used	900	1,100	300	900	1,530	800	1,200	1,500	2,000	2,600
<b>Parks District</b>										
Number of parks	19	19	19	19	19	19	19	19	19	19
Acreage in parks	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8
Building rentals Mott Park	28	38	4	100	110	84	178	184	149	122
Building rentals all other parks	35	14	0	107	118	120	115	142	137	149
<b>Fort Piqua Plaza</b>										
Large room rentals	67	32	14	56	65	72	71	72	73	72
Small room rentals	135	121	23	51	60	63	78	110	74	67
<b>Fire Department</b>										
Fire calls	630	564	527	633	569	647	583	569	547	449
Emt Response calls	3,733	3,834	3,979	4,080	3,838	4,134	3,883	3,945	3,775	3,595
Number of Sworn officers	32	33	33	33	31	32	32	31	32	32
Number of Fire houses	1	1	1	1	1	1	1	1	1	1
Number of ambulances and fire response vehicles	17	18	18	18	17	16	16	16	16	16
<b>Police Department</b>										
Calls for service	19,854	19,721	20,201	21,210	18,156	16,866	16,334	16,386	15,210	14,858
Traffic citations	954	858	1,120	986	876	804	781	980	1,309	797
Number of sworn officers	31	33	35	32	32	35	35	35	31	28
Number of police response vehicles	30	34	34	34	37	35	33	33	31	25
<b>Planning &amp; Zoning Department</b>										
Zoning Permit applications	216	202	336	141	137	170	169	142	152	159
Commercial construction permits	158	14	138	70	76	89	109	78	84	93
Commercial construction value in (,000)	\$ 48,801	\$ 7,567	\$ 27,839	\$ 28,093	\$ 900	\$ 6,845	\$ 8,281	\$ 6,440	\$ 37,040	\$ 37,342
Residential construction permits	58	78	90	71	61	81	60	64	68	66
Residential construction value in (,000)	\$ 2,384	\$ 3,899	\$ 3,282	\$ 2,206	\$ 1,184	\$ 4,117	\$ 6,646	\$ 3,224	\$ 3,135	\$ 1,046
Nuisance consultations	117	927	602	531	452	468	388	390	815	737
Housing/Property maintenance enforcements	224	144	100	159	59	321	439	148	203	143

**CITY OF PIQUA, OHIO**

**OPERATING INDICATORS  
BY FUNCTION/PROGRAM  
LAST TEN YEARS**

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Power utility</b>										
Residential KWH billed (,000)	88,346	89,816	87,654	88,151	91,249	83,713	87,345	86,239	89,289	88,325
Residential billed revenue (,000)	\$ 10,864	\$ 10,354	\$ 10,057	\$ 10,135	\$ 10,435	\$ 9,717	\$ 10,061	\$ 9,702	\$ 9,182	\$ 8,256
Commercial KWH billed (,000)	87,167	87,068	81,596	89,447	96,303	95,540	94,343	96,455	94,594	95,667
Commercial billed revenue (,000)	\$ 8,897	\$ 8,298	\$ 7,928	\$ 8,544	\$ 9,134	\$ 9,097	\$ 8,998	\$ 8,990	\$ 8,323	\$ 7,402
Industrial KWH billed (,000)	115,096	116,325	115,392	122,778	119,397	118,524	128,139	129,607	128,828	121,672
Industrial billed revenue (,000)	\$ 10,100	\$ 9,289	\$ 9,240	\$ 9,814	\$ 9,448	\$ 9,554	\$ 10,339	\$ 10,060	\$ 9,461	\$ 7,724
Customer base	10,860	10,915	10,818	10,744	10,756	10,732	10,752	10,752	10,729	10,680
Construction line vehicles	24	29	28	28	27	26	28	28	28	26
<b>Water utility</b>										
Residential gallons billed (,000)	304,330	308,758	325,157	322,120	329,342	334,650	348,651	344,105	357,623	369,493
Residential billed revenue (,000)	\$ 5,017	\$ 5,091	\$ 5,249	\$ 4,731	\$ 4,362	\$ 3,985	\$ 3,141	\$ 3,490	\$ 3,376	\$ 3,248
Commercial gallons billed (,000)	115,935	108,760	110,266	121,166	120,485	115,273	118,740	117,098	114,766	116,398
Commercial billed revenue (,000)	\$ 1,526	\$ 1,480	\$ 1,476	\$ 1,406	\$ 1,306	\$ 1,153	\$ 901	\$ 1,007	\$ 948	\$ 895
Industrial gallons billed (,000)	47,089	47,455	47,420	51,942	55,825	62,633	66,655	66,735	63,584	59,290
Industrial gallons revenue (,000)	\$ 444	\$ 436	\$ 439	\$ 427	\$ 411	\$ 405	\$ 329	\$ 370	\$ 336	\$ 298
Customer base	8,824	8,864	8,819	8,747	8,764	8,738	8,785	8,777	8,751	8,751
Vehicles in repair fleet	11	14	14	14	17	17	16	15	15	14
<b>Wastewater utility</b>										
Residential gallons billed (,000)	321,330	328,472	340,141	348,437	319,743	325,523	338,150	334,474	348,629	356,151
Residential billed revenue (,000)	\$ 5,062	\$ 5,134	\$ 5,218	\$ 4,411	\$ 3,660	\$ 3,018	\$ 2,188	\$ 2,588	\$ 2,636	\$ 2,623
Commercial gallons billed (,000)	103,266	99,565	98,146	106,848	140,616	145,261	142,197	144,337	142,512	130,161
Commercial billed revenue (,000)	\$ 1,030	\$ 1,014	\$ 1,003	\$ 896	\$ 797	\$ 659	\$ 468	\$ 560	\$ 567	\$ 546
Industrial gallons billed (,000)	44,681	43,047	47,642	58,320	59,884	53,354	56,570	58,723	57,344	62,841
Industrial billed revenue (,000)	\$ 464	\$ 452	\$ 487	\$ 462	\$ 393	\$ 302	\$ 225	\$ 271	\$ 267	\$ 275
Customer base	8,591	8,647	8,603	8,538	8,554	8,527	8,566	8,553	8,552	8,530
Vehicles in repair fleet	11	11	11	11	11	11	11	11	11	13
<b>Refuse utility</b>										
Residential customers billed	8,251	8,129	8,084	8,026	8,026	7,988	7,946	7,913	7,898	7,882
Commercial customers billed	153	170	163	162	143	126	130	120	111	110
Residential and commercial revenue billed (,000)	\$ 2,230	\$ 2,229	\$ 2,107	\$ 1,991	\$ 1,870	\$ 1,784	\$ 1,774	\$ 1,766	\$ 1,757	\$ 1,754
Tons of refuse collected	7,491	8,112	7,969	7,294	7,757	7,709	7,623	7,735	7,684	7,576
Tons of recycled refuse collected	1,181	1,272	1,347	1,271	1,327	1,464	1,462	1,403	1,328	1,342
Vehicles in service	10	8	8	8	8	8	8	7	7	7
<b>Stormwater utility</b>										
Residential ERUS billed	7,512	7,465	7,461	7,462	7,458	7,454	7,437	7,462	7,424	7,424.00
Commercial ERUS billed	5,726	5,741	5,641	5,494	5,488	5,488	5,477	4,599	5,528	5,537.00
Industrial ERUS billed	1,410	1,384	1,381	1,382	1,381	1,382	1,380	1,419	1,423	1,422.00
Revenue billed (,000)	\$ 1,177	\$ 1,173	\$ 1,164	\$ 1,155	\$ 1,152	\$ 1,151	\$ 1,146	\$ 1,068	\$ 983	\$ 881.00
Vehicles in service	2	4	4	4	4	4	4	4.00	4.00	4.00

**CITY OF PIQUA , OHIO**

**OPERATING INDICATORS  
BY FUNCTION/PROGRAM  
LAST TEN YEARS**

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Golf Course</b>										
Annual memberships	92	227	206	220	235	225	236	245	242	235
Rounds of golf played	18,652	18,615	18,618	14,612	17,216	16,529	17,931	18,057	15,866	18,121
Revenue collected (,000)	\$ 565	\$ 599	\$ 564	\$ 452	\$ 478	\$ 497	\$ 511	\$ 500	\$ 461	\$ 513
<b>Municipal swimming pool</b>										
Annual memberships	-	-	-	253	267	258	285	213	406	365
Annual attendance	-	-	-	6,717	9,567	7,337	9,195	7,644	7,541	7,377
Revenue collected (,000)	\$ -	\$ -	\$ -	\$ 49	\$ 50	\$ 58	\$ 67	\$ 43	\$ 52	\$ 62
<b>General government information</b>										
Number of street lights	2,891	2,891	2,957	2,957	2,945	2,998	2,993	2,947	2,926	2,911
Number of public libraries	1	1	1	1	1	1	1	1	1	1
Volumes of books in public libraries	108,816	154,636	157,778	160,439	161,016	158,344	156,679	132,787	151,457	151,986
High school enrollment	3,274	3,367	3,404	3,385	3,436	3,492	3,507	3,526	3,572	3,705

Source: City of Piqua

\*Health Department Managed by Miami County Beginning 2022.



**CLARK SCHAEFER HACKETT**  
BUSINESS ADVISORS

**CITY OF PIQUA**  
**MIAMI COUNTY, OHIO**

REGULAR AUDIT

FOR YEAR ENDED DECEMBER 31, 2022

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

City Commission  
City of Piqua, Ohio

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 Piqua, Ohio (the "City") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 10, 2023.

**Report on Internal Control Over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

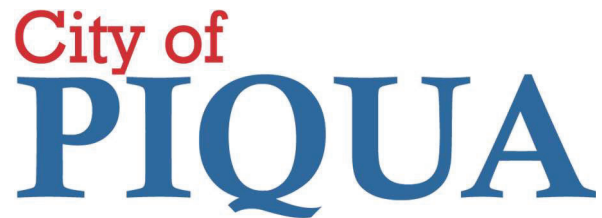
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance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

*Clark, Schaefer, Hackett & Co.*

Springfield, Ohio  
July 10, 2023

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**Finding 2021-001: Financial Reporting**

Audit adjustments were necessary to reclassify American Rescue Plan Act (ARPA) funding received during the year as unearned revenue instead of grant revenue due to program eligibility requirements. Other adjustments, which were not significant to any opinion unit, were also noted during the audit and corrected by the City in the final financial statements.

*Status: Certain adjustments and corrections were noted during the current audit but communicated to management in a separate letter as none were significant to any opinion unit.*



# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF PIQUA**

**MIAMI 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 11/14/2023**

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

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